

March 2001. Cadet Jackson has risen to the rank of Chief Petty Officer faster than any other cadet in the 26 years of the Nautilus Division. This accomplishment is only bestowed upon one half of one percent of approximately ten thousand Naval Sea Cadets in the program and reflects exceptional leadership skills and a masterful grasp of seamanship training.

I hope our colleagues will join me in congratulating Clifford Jackson for his achievement, and I wish him great success in his future endeavors.

IN MEMORY OF U.S. ARMY SPECIALIST REL ALLEN RAVAGO IV

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SCHIFF. Mr. Speaker, I rise today to honor the memory of my constituent, United States Army Specialist Rel Allen Ravago IV of the 1st Battalion, 502nd Infantry Regiment, 2nd Brigade of the 101st Airborne Division, who was killed in action on November 23, 2003 in Mosul, Iraq when hostile forces attacked his Army vehicle.

After graduating from Hoover High School in Glendale, Specialist Ravago soon joined the United States Army and was deployed to Iraq in May 2003. He was due to return home next March at the end of his four-year tenure in the Army. From all accounts, he was a dedicated and enthusiastic soldier who served our country with courage and distinction.

A talented artist and honorable soldier, Specialist Ravago's family, friends and fellow servicemen have spoken with admiration and veneration of his commitment to duty, his dedication to his unit and his love of country and family.

Students at Hoover High recently erected a patriotic memorial of red, white and blue carnations mixed with American flags, containing a short, but poignant message attached: "You'll be missed."

Friends, family and loved ones remember Ravago as a popular student who played in Hoover High's drum corps and studied martial arts. His former teachers describe him as "radiating joy and a love of life" with a "smile that you could see from miles away."

I recently had the opportunity to meet with Specialist Ravago's parents and grandfather following his death. They told me how proud they were of their son and grandson, how proud he was to serve his country and how much they would always miss him. Our nation owes his family a debt we can never repay and Specialist Ravago will never be far from our thoughts. His sacrifice and those of other soldiers who have fallen on the field of battle have kept our nation free.

On behalf of the United States Congress, I wish to once again, bestow our most heartfelt appreciation for Army Specialist Rel Allen Ravago's service and sacrifice for the United States of America. To his family and loved ones: your son, your brother, your grandson, your nephew, your cousin and your friend, served our country with honor and nobility and he will be missed.

INTRODUCTION OF NATIONAL SECURITY LANGUAGE ACT

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOLT. Mr. Speaker, we can no longer keep our nation safe if we do not commit ourselves to learning the languages and cultures of critical areas around the world. The security of our troops overseas and the American people here at home demand that we act quickly to eliminate the severe shortage of critical need language professionals in this country. Inaction on this issue is not only irresponsible; it's dangerous.

That's why I rise today to introduce legislation, the National Security Language Act, which would significantly expand our investment in foreign language education on the primary, secondary, and post-secondary level.

Al Qaeda operates in over 75 countries, where hundreds of languages and dialects are spoken. However, 99 percent of American high school, college and university programs concentrate on a dozen (mostly European) languages. In fact, more college students currently study Ancient Greek (20,858) than Arabic (10,596), Korean (5,211), Persian (1,117), and Pashto (14) put together. We need to do more to make sure that America has the language professionals necessary to defend our national security. This cannot be done overnight. We are already years overdue.

As reported by the 911 Joint Inquiry in July, our intelligence community is at 30 percent readiness in languages critical to national security. Despite this alarming statistic, we do not appear to be taking aggressive action to address this problem. When I asked a panel of intelligence experts at a recent Intelligence hearing what the federal government is doing to increase the pool of critical need language professionals, they answered with silence. Two years after the events of September 11, we are still failing to address one of the most fundamental security problems facing this nation.

Changing our recruiting methods alone will not solve the problem. To meet new security needs, we need to create a new domestic pool of foreign language experts and we can only do that by investing in the classroom.

The National Security Language Act would expand federal investment in education in foreign languages of critical need, such as Arabic, Persian, Korean, Pashto, and Chinese. Specifically, my bill would provide loan forgiveness of up to \$10,000 for university students who major in a critical need foreign language and then take a job either in the federal workforce or as a language teacher. It would provide new grants to American universities to establish intensive in-country language study programs and to develop programs that encourage students to pursue advanced science and technology studies in a foreign language.

My bill would also establish grants for foreign language partnerships between local school districts and foreign language departments at institutions of higher education. And it would authorize a national study to identify heritage communities here in the United States with native speakers of critical foreign languages and make them targets of a federal marketing campaign encouraging students to pursue degrees in those languages.

Just as the National Defense Education Act of 1958 created a generation of scientists, engineers, and Russian linguists to confront the enemy of that time, the National Security Language Act will give us a generation of Americans able to confront the new threats we face today.

CONFERENCE REPORT ON H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 21, 2003

Mr. MOORE. Mr. Speaker, I rise today in support of the conference report on H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003 (the FACT Act). As a member of the House Financial Services Committee and as a member of the conference committee that drafted the final version of this legislation, I was deeply involved in the drafting and consideration of this measure.

I was pleased to join with my colleagues, Representatives BACHUS, HOOLEY and BIGGERT, in introducing this bipartisan measure. This bill was approved in subcommittee on a vote of 41-0, in full committee by a vote of 63-3 and by the full House by a vote of 392-30 with one voting present. Earlier this week, the Senate approved a similar version of this bill by 95-2.

Mr. Speaker, this is the way Congress should work. This is the way our constituents want us to conduct their business. Consideration of this bill consistently has been bipartisan and thoughtful. All members of the committee with opinions and proposals on the issues raised by H.R. 2622 were able to offer amendments and participate in debate. The way in which this measure was handled made this a stronger piece of legislation than the version we introduced. I commend our committee's leadership, Chairman OXLEY and Ranking Democrat FRANK, for making this possible.

Mr. Speaker, the problems of inaccurate and incomplete information that plague the current credit reporting system are of great personal concern to those of our constituents who have suffered them. I'm sure each of us could relate instances involving constituents who have faced tremendous difficulty and aggravation in correcting inaccurate credit histories.

This legislation directly addresses these very real problems faced by people every day of the year. Our credit system is the envy of every other country in the world. Our country, overall, does an excellent job of making credit available quickly and fairly to consumers and businesses. Enactment of H.R. 2622 will preserve and strengthen this system. This conference agreement permanently extends those provisions of the 1996 version of the Fair Credit Reporting Act (FCRA) that prevent states from enacting stronger credit laws, thereby extending the federal standards in those areas—including those rules dealing with how affiliates can share consumer information.

The measure also provides new consumer protections against identity theft, including the

following new provisions of law. The FACT Act will:

Provide consumers with a free credit report every year from each of the three national credit bureaus, from a single centralized source;

Give consumers the right to see their credit scores;

Provide consumers with broad new medical privacy rights;

Give consumers the ability to opt-out of information sharing between affiliated companies for marketing purposes;

Establish a financial literacy commission and a national financial literacy campaign;

Ensure that consumers are notified if merchants are going to report negative information to the credit bureaus about them; and

Extend the seven expiring provisions of the Fair Credit Reporting Act.

The FACT Act also includes several significant new provisions addressing the problems surrounding identity theft. It will:

Allow consumers to place "fraud alerts" in their credit reports to prevent identity thieves from opening accounts in their names, including special provisions to protect active duty military personnel;

Require creditors to take certain precautions before extending credit to consumers who have placed "fraud alerts" in their files;

Allow consumers to block information from being given to a credit bureau and from being reported by a credit bureau if such information results from identity theft;

Provide identity theft victims with a summary of their rights;

Provide consumers with one-call-for-all protection by requiring credit bureaus to share consumer calls on identity theft, including requested fraud alert blocking.

Prohibit merchants from printing more than the last 5 digits of a payment card on an electronic receipt;

Require banks to develop policies and procedures to identify potential instances of identity theft;

Require financial institutions to reconcile potentially fraudulent consumer address information; and

Require lenders to disclose their contact information on consumer reports.

While this legislation was the product of a bipartisan consensus and a conference procedure that produced what, overall, is an outstanding measure, I would like to raise concerns with one provision of the bill that I believe may need to be re-addressed in the near future, or we may run the risk of thwarting the continued evolution of risk-based pricing in the home mortgage market. First, I would like to talk about the benefits of risk-based pricing in the mortgage market. Not too long ago, only borrowers that fit the industry's cookie cutter mold of creditworthiness were deemed qualified to purchase a home or to tap their home equity. The market was two-tiered—all those who fit the mold got credit at the same price, and those who didn't fit the mold got no credit at all.

But that has changed dramatically in recent years. More sophisticated risk measurement models were developed in the 1990s—helped in large part by the uniform credit reporting standards we are today preserving in this bill—that allow lenders to accurately measure credit risk and price it accordingly. The result has been that families previously shut out of

the home purchase and home equity markets now have access to credit from mainstream lenders at rates that reflect the underlying risk of the borrower and the property. Mortgage credit markets are now fluid and access to credit is no longer bifurcated between the haves and have-nots. As research by the Federal Reserve Board has shown, the development of risk based pricing and the non-prime lending market has contributed significantly to the recent increases in homeownership rates, especially among low- and moderate-income households.

With the growth of risk-based pricing comes the responsibility to educate consumers about the impact of less-than-timely repayment behavior and inaccurate credit report data on the cost of credit. One provision of this bill—which I strongly supported as did all of the major mortgage lenders—will require that lenders provide every home mortgage borrower with a copy of their credit score, the range of possible scores so borrowers can see where they fall in the spectrum, and the top four factors that lowered their score. The notice further advises borrowers about how credit scores are used and the need to ensure that their credit report information is accurate. The home mortgage transaction is the only one in which such information is provided to borrowers and the mortgage industry should be commended for supporting it.

I am concerned, however, that a second provision of this bill—the Section 311 Risk Based Pricing Notice—may present problems for the mortgage industry because of the complex interaction of underwriting variables that go beyond credit history and extend to property characteristics and borrower financial assets like down payment and reserves. Specifically, I have concerns with the content and timing of the notice, as well as with the difficulty of determining the circumstances under which the notice would be triggered.

There are many variables relating to the pricing and terms of mortgage loans that are unrelated to credit scores. These include whether the loan has a fixed or variable rate, the property type and the condition, the down payment and loan-to-value ratio, the debt-to-income ratio, and the presence or absence of features like prepayment penalties, mortgage insurance or balloon payments. In addition, the pricing of mortgage credit also changes frequently, sometimes several times a day, based upon market conditions or a lender's need for product to meet its production goals. Finally, the interest rate that borrowers pay—even for the exact same loan closing on the same day—will vary widely based on when the borrower locked-in the interest rate. In other words, borrowers who close on the same day may have interest rates that were set weeks apart from one another.

In addition, the final combination of rates and terms will reflect not only credit information, but the nature of the collateral, the financial assets of the borrower and choices made by borrowers based on their own personal circumstances. What is favorable to one borrower—for example, a higher rate in exchange for no closing costs—may not be for another. What is a material term? Just rates and fees? Or is a fixed rate loan better than an adjustable? If a borrower gets a lower interest rate because he or she chooses a prepayment penalty, who gets the notice—the borrower with the lower rate or the one with the prepayment penalty?

The risk based pricing notice in Section 311 asks mortgage lenders to make subjective decisions in order to determine which borrowers received "material terms" that are "materially less favorable" than the "most favorable terms" made available to a "substantial proportion of consumers." In the context of a complicated mortgage transaction, this is a truly daunting regulatory burden fraught with significant compliance and legal risk. I fear that the impact of this risk will force lenders to use fewer risk categories and eliminate product features to ensure that such comparisons are easy to make and pose little risk of compliance error. This will not be good for consumer access to credit or consumer choice.

As to timing of delivery of a notice, I note that information concerning a consumer's credit history and its relationship to the pricing of mortgage products may best be given to the consumer early in the credit granting so that this information can facilitate informed decision-making by the prospective borrower as well as timely consumer review of credit reports to ensure accuracy. Better that every mortgage borrower get an early disclosure about importance of good credit and an accurate report—before they pay application fees and get invested in a home purchase decision—than to get one at the closing table.

Recognizing the challenges associated with implementing a risk based pricing notice in the mortgage context, I urge the regulatory agencies charged with rule making under this Section to report back to the Congress with recommendations for how to make the triggering, timing and content of the risk based pricing notices work in mortgage transactions without exposing lenders to undue compliance and litigation risks. These are issues that—if not addressed through the rulemaking—will need to be reexamined by Congress.

Mr. Speaker, I congratulate my fellow conferees for the significant and important legislation we have produced—the Fair and Accurate Credit Transactions Act of 2003—and urge the House to join with me in approving this measure today.

COMMENDING BELL, BOYD AND LLOYD

HON. MARK STEVEN KIRK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. KIRK. Mr. Speaker, if we relied solely on what is reported on the air and in print, we might believe that soldiers—particularly reservists—enjoy little or no support for their Iraqi mission here at home. I am honored to report that this is not the case by recognizing the Chicago law firm of Bell, Boyd and Lloyd for their outstanding commitment to their junior partner, Captain Todd Pentecost, commanding officer of the 933rd Military Police company of the Illinois Army National Guard serving in Iraq.

Jack McCarthy, the firm's chairman, rallied Todd's fellow workers in support of this young soldier who has a wife and year-old daughter at home in Bartlett, Illinois. In addition to continuing his salary and benefits, Bell, Boyd and Lloyd sent 29 boxes of gifts to Todd and his unit for the holidays. When Todd left for duty in Iraq last February, the firm committed to