

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 Iraq 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

send packages from home every week. The boxes that just arrived for Todd and his unit include books, magazines, videos, DVD's, snacks and personal items. Best of all, 200 of Todd's fellow soldiers will receive a card of their own for 60 minutes of long distance calling time. Three weeks ago three boxes were shipped that included a Christmas tree, decorations, cards, pens and stationery for their personal use.

I applaud the partners of Bell, Boyd and Lloyd for their efforts, not only during this season, but for their caring and compassion throughout the year. Their support of the brave citizen soldiers serving in Iraq deserves recognition. The support of our troops almost always goes unnoticed. I noticed. Many of my colleagues also noticed and we offer our sincerest thanks to Captain Pentecost, his wife, and their supporters at Bell, Boyd and Lloyd.

CONGRATULATIONS TO LEONARD  
S. FIORE, INC.

**HON. BILL SHUSTER**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 2003*

Mr. SHUSTER. Mr. Speaker, I rise today to congratulate Leonard S. Fiore, Inc. on its 50th Anniversary and to thank the general contracting corporation for its numerous contributions to the community.

For more than four decades, Leonard S. Fiore, Inc. has maintained a strong commitment to people, hard work, and education. The company was founded by Leonard Fiore Sr. in 1954 upon the principle of providing efficient, top quality work at a reasonable cost, and the progress that it has made in the past fifty years confirms the company's dedication to this principle. In 1957 the company completed its first commercial construction project with the erection of the Altoona Skating Center and the St. Rose of Lima Church in Altoona. Since that date, the company has expanded its capabilities and heightened its goals tremendously, having provided jobs to over 250 people and completed over 300 commercial buildings.

As one of central Pennsylvania's leading general contractors, Leonard S. Fiore, Inc. offers demolition, excavation, concrete and steel erection, masonry, carpentry, metal stud and drywall work as well as plastering, painting, and a certified surveyor. Devoted to the belief that "no job is too large, no need too small," every job that the company undertakes receives the same enthusiasm and quality of workmanship. Regardless of the task at hand, the experience and expertise of each and every employee guarantees every project to be completed with the best possible results.

In addition to the organization's excellence in its industry, it has remained extremely loyal to the surrounding community. Leonard S. Fiore, Inc. regularly supports Saint Francis College in Loretto, PA, and Bishop Guilfoyle High School in Hollidaysburg, PA, providing them with financial assistance and volunteer services. Additionally, the company sponsors local little league baseball teams, the Tour de Toona bicycle race, and the annual Fiore Family Golf Classic, which is a popular event that raises money for various community services. Leonard S. Fiore, Inc. has demonstrated

an unyielding enthusiasm and care for the public which it serves.

For its incomparable generosity, service to the community, and unabated commitment to excellence, Leonard S. Fiore, Inc. deserves the highest recognition. The company continues to grow and maintain a high level of quality, providing an example that all businesses should follow. I congratulate Leonard S. Fiore, Inc. on its 50th Anniversary and eagerly await its future progress.

MARITIME SECURITY PROGRAM

**HON. W.J. (Billy) TAUZIN**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 2003*

Mr. TAUZIN. Mr. Speaker, I rise today to express my appreciation to Chairman DUNCAN HUNTER of the House Armed Services Committee for his successful efforts to reauthorize the Maritime Security Program (MSP) in the recently-passed National Defense Authorization Act for Fiscal Year 2004. The vitally important MSP program will ensure that militarily-useful, United States flag commercial vessels crewed by American citizens are available for this Nation's military and national security needs.

In the MSP program reauthorization, the Congress has ensured that no unreasonable impediments stand in the way of obtaining U.S.-flag roll-on/roll-off, container and other militarily-useful MSP vessels for the transport of military vehicles, supplies and other materiel in support of U.S. military operations around the world. Chairman HUNTER's support was vital to our efforts to clarify the original intent of certain vessel equipment provisions in the Maritime Security Act of 1996 that first created the MSP program. Specifically, it is now clear that existing vessels built to international standards may be documented under the United States flag for inclusion in the MSP program when the telecommunications and other electronic equipment on such vessels meets internationally accepted standards.

As Chairman of the Energy and Commerce Committee, and with my dear colleague from Louisiana, Congressman VITTER, we worked closely with Chairman HUNTER to ensure that appropriate telecommunications and other electronic equipment standards are applied to MSP vessels. When the MSP program was originally enacted, the law provided that a vessel that meets internationally accepted construction and equipment standards may be reflagged under the United States flag for operation in the MSP. That provision was intended to apply to all vessel equipment, including telecommunication and other electronic equipment. The National Defense Authorization Act for Fiscal Year 2004 now clarifies that matter.

Accordingly, it is now clear that a vessel may be added to the U.S.-flag commercial fleet for operation in the MSP program if it is built to international standards, and the telecommunications and other radio equipment aboard the vessels comply with applicable international Safety of Life at Sea (SOLAS) Convention requirements. This is in keeping with the elimination of financial and other burdens that the Congress specifically sought to remove through the establishment of the Maritime Security Program. I would like to again

thank Chairman HUNTER and his staff for working closely with us on this matter of critical importance to the military and national security of the United States.

IN RECOGNITION OF THE ACCOMPLISHMENTS OF GORDON PARKS

**HON. CHARLES B. RANGEL**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 2003*

Mr. RANGEL. Mr. Speaker, I rise today to recognize one of this nation's most distinguished talents in commemoration of his birthday. As a renowned photographer, poet, author, filmmaker and composer, Gordon Parks has secured his place in American society as a true Renaissance man of the arts. Born on November 30, 1912 in Kansas, Mr. Parks grew up the youngest of fifteen children in an environment stricken by poverty and racism. With the guidance of his loving, inspiring parents, he persevered despite his circumstances.

Gordon Parks began his photographic journey at the age of 25, when he bought his first camera, affectionately referred to as his "weapon against poverty and racism." This simple instrument did just that, allowing him to break the constraints of discrimination and rise to greatness as an artist. In 1941, Mr. Parks became the first photographer to receive a fellowship from the Julius Rosenwald Foundation and the following year, he was commissioned by the Farm Security Administration to create a visual record of the lives of America's poor in urban and rural communities. During this project, he captured one of his most popular, compelling photographs, American Gothic, the image of Ella Watson standing in front of the American flag, holding a broom.

He moved on to become the first Black photographer to work at both Life and Vogue Magazines where he coined his unique style of focusing a series on one person to convey a story of humanity. Aside from chronicling the intense emotions of America's poorest, the civil rights movement and the surge of Black Nationalism, Mr. Parks' photographic repertoire also featured images of leading societal figures such as Langston Hughes, Duke Ellington, Ingrid Bergman, Barbara Streisand, Mohammed Ali, and Marcel Duchamp.

Gordon Parks tried his hand in cinema, making eleven films, including "The Learning Tree", based on his autobiographical novel, and the 1971 film, "Shaft". Mr. Parks has also published twelve books, three about his life, and several are collections of poetry and photography. Musically inclined, Gordon Parks also composed a number of sonatas, concertos, a symphony and a ballet, all of which have been performed internationally.

Mr. Parks has also received a number of awards for his outstanding contributions, including: Photographer of the Year from the American Society of Magazine Photographers (1960 and 1985), induction into The Black Film Makers Hall of Fame (1973), induction into the NAACP Hall of Fame (1984), Governor's Medal of Honor from the State of Kansas (1985), and honorary degrees from thirteen separate academic institutions.

Gordon Parks now resides in New York City and continues to enjoy the recognition earned