people get back to the strong, vibrant economy we have known in recent years, and also continue to grow that dream of homeownership for more and more American families.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. TESTER). The Senator from Connecticut is recognized.

HOUSING CRISIS

Mr. DODD. Mr. President, I say amen to my colleague from Florida. I didn't hear everything he said; I missed the opening few sentences, but I think I heard about 99 percent of his comments. We have had good conversations privately over the last number of days. What the Senator from Florida probably didn't tell you is that in a previous life he was the Secretary of Housing and Urban Development, the person responsible for a lot of the housing issues in the country. Prior to that, he was involved in the State of Florida in housing issues. He has had a wonderful record of caring deeply about homeownership for those who would not have had the opportunity to acquire homes. So there is a history in his private life, as well as public life, as well as understanding and caring about these issues.

The last point the Senator made is the one I will address as well. This is not a time for partisan politics. We need to get the job done and start working on this immediately. We should have been at this weeks ago, in my view. There is nothing I can do about that, but there is something we can do about this today. I hope that in the coming hours we will do just that. No other issue is as important as this one.

The Senator from Florida outlined in a broad way some of the very issues that need to be addressed. I agree with him and I thank him for his commitment to this and his willingness to see if we can pull together a package, and it may not solve every problem.

I was talking earlier to some folks, saying that the word missing is ''confidence''—the confidence of that family in Florida, the confidence of the investment banker, the confidence of the person involved in the equity markets globally—the word ''confidence.'' How do we restore that and give people a sense of confidence about where we are going.

While I want to be careful about drawing too tight comparisons there is a key period that history has written volumes about, from March of 1933 to June of 1933—the first 100 days of the Roosevelt administration—and there was nothing orderly about it. It was rather chaotic. During the Roosevelt administration, in the midst of a major economic crisis, on the very day of his inaugural, banks were closing their doors all across the country. We think of that line: ''There is nothing to fear but fear itself.'' That administration was trying everything they could to restore confidence. While a lot of their ideas didn't work, or were ill-conceived in some cases, there was a sense in the country that their Government was working on their problems, that the people in charge were trying to make a difference in their lives.

We are not in a great depression, we are in a recession. We could end up in a very similar set of circumstances if we don't begin to act. The American people want to know we are acting, that we understand what they are going through, and that their Government, the legislative and executive branch, is worried about them and doing their best to make a difference in their lives. That is what this is all about.

This morning I want to lay out, if I can, as chairman of the Banking Committee, what we are doing and trying to get done. I hope in this pivotal week we can make a difference in stepping forward. I thank Senator KIT BOND of Missouri. He and I have worked together on so many issues over the last number of years. We worked together on The Family and Medical Leave Act many years ago, and recently we coauthored the $180 million of counseling dollars to assist families who got themselves into a bad deal—whether it was their fault or the fault of a broker. We are trying to work that out so they can stay in their homes. That has made a huge difference. I thank Senator BOND for his understanding of this very early on, and for the importance of that significant step. He has pointed out—and I agree—this issue is no longer just a housing issue, a foreclosure issue. You only need to pick up this morning's business section to read this headline: ''Worst Quarter for Stocks Since '02.'' The first paragraph says:

> U.S. stocks ended the first quarter with the steepest loss in nearly six years as turmoil in the financial markets showed increasing signs of spilling over into the wider economy and debate turned from whether a recession was coming to how deep it would be.

That is a very accurate statement. This is spilling over. The contagion is no longer limited to housing and foreclosures. It is spilling over into every aspect of our economy, spilling over the shores of our country and having global implications. The time is now to come together and make a difference on this issue.

About a month ago, Majority Leader REID brought a bill to the floor, the Foreclosure Prevention Act. Unfortunately, progress on the bill was blocked and we were unable to even debate the bill, let alone vote on it. Since then, the challenges facing American homeowners have only grown worse. In the month of February alone, 223,651 more Americans entered foreclosure, according to RealtyTrac, a company that collects real estate-related data in the country. That amounts to 7,712 foreclosures on a daily basis—over 7,700 today, yesterday, and tomorrow. That is roughly 8,000 people who will be in the process of losing their homes in America—8,000 people every single day—unless we act to do something about it. We gathered to listen to people, who managed to get together over the weekend, on the Bear Stearns-JPMorgan deal, where $29 billion of taxpayer money will go to that deal with that issue. I would like to know there is as much concern about these ordinary people as there is about the shareholders in Bear Stearns. I feel badly that they lost a lot of money, but they are not losing their homes. These people—almost 8,000 every day—are.

So I am going to come to the floor every single day and recite the number on a daily basis of people losing their homes, until we do what I think we ought to do to step up to the plate and make a difference for them. If that foreclosure rate continues—and all indications are that it is actually increasing—almost 240,000 more Americans will have been foreclosed on during the month of March. UBS reports that foreclosures of this magnitude are on par with the severity of foreclosures during the Great Depression.

These foreclosure rates are not simply high in relative terms; they are at record levels, according to the Mortgage Bankers Association. The Mortgage Bankers data shows that more than 1 in every 50 homes with a mortgage in this country is in foreclosure. Foreclosure rates have been growing at record levels for some time, unfortunately.

Foreclosures are increasing because people are continuing to struggle to make their payments. The data tells us that 1 in every 13 homes with a mortgage has fallen behind on their mortgage. Every day that goes by without action means more families are losing their homes.

Compounding the problem, nationally, home prices continue to fall. Home prices are down over 10 percent nationwide over the past 12 months, and they continue to fall. This is the first time we have experienced such a deep and widespread decline—a national decline—in home prices since the Great Depression.

Merrill Lynch is predicting that home prices will fall by 15 percent this year and another 10 percent next year. It is quite possible that over the past month, since the Senate last debated this issue, an American who owns a $200,000 home has seen the value of that home fall by $5,000 in 1 month. I will repeat that. If you have a home worth $200,000, in the last month that home has lost $5,000 in value and may do that every month for the coming months. That is $5,000 of wealth that American families have lost while we in this body have been waiting to even discuss potential legislation to address these problems.

While we have waited, our country lost more jobs as well. We learned in the month of February that the American economy lost over 100,000 private sector jobs. We have lost private sector jobs in each of the last 3 months. With job losses mounting at the same time mortgage payments are rising, families are falling further and further behind in their ability to pay the mortgage, to make car payments, and to buy groceries and educate their children. At the same time, the cost of these essentials is rising.

Inflation has risen by 4 percent over the past year, far outstripping growth and wages. American families have to do a lot more with a lot less. They have to find a way to pay the bills that keep rising, while the value of their home keeps falling. Their job prospects continue to decline. It is no wonder that consumer confidence continues to fall, reaching record lows that have not been seen, by some measures, since the early 1970s.

We are clearly in the midst of a recession. It hasn't been called that yet by the professionals, but that is what it is. The only question we have is how deep it is and how long it will run. The answer to that question lies, in part, in what we do in this body to confront the challenges we face.

The legislation before us, which our colleagues and the majority leader brought to the floor, will help address the problems we are facing in the housing and mortgage markets in a number of ways. Senator MARTINEZ outlined the parameters briefly. I will go over them once again. These are not revolutionary or new ideas. Many of them already enjoy very broad bipartisan support, at least based on articles written by the American Enterprise Institute, comments by the Chairman of the Federal Reserve, comments by the Secretary of the Treasury, and comments by colleagues here and in the other body as well. So we are not talking about some radical new proposals here, untested, without much thought going into them.

The question is whether we can sit down over the next few hours and package something together and speak with one voice to the American people, saying we hear you. For those 8,000 people, you deserve at least as much of our attention as Bear Stearns and JPMorgan get. If we cannot do that, then every day, those numbers go up—8,000 a day, every day, people losing homes and falling into foreclosure. That is what I hope we will be able to do. These ideas involve counseling services and I thank Senator BOND for his efforts. We joined together to provide resources that are working.

Last week, I spent the week back home in my State. This issue was the dominant issue. We have in one city alone in my State, Bridgeport, Connecticut, where according to the mayor, there are between 5,000 and 6,000 foreclosures—in one of the largest cities in my State. I had to read the most bizarre headlines on the same day in my State, saying that Connecticut ranks No. 1 in per capita earnings in the country, and No. 2 with 6,000 foreclosures in the city of Bridgeport. There is great affluence, on one hand, because some have done very well, and on the other hand, some people are struggling to keep their noses above water. I listened to people at an event in Bridgeport, with the mayor, talking about how counseling services have been helpful, where they can work out a financial arrangement with the lender so they can stay in their homes, pay a mortgage they can afford, and the lender is getting its money—not as much as they would have liked, but more than getting a foreclosed property. So counseling works. It can make a difference for people. That is one of the provisions we are talking about here. I thank Senator MARTINEZ for highlighting that important issue. I thank Senator BOND for his earlier efforts. We need to do more. That is part of the leader's package.

We are also dealing with bankruptcy reform, improving disclosures, increasing the availability of mortgage revenue bonds, and appropriating emergency funds for local communities struggling with foreclosed and abandoned properties.

I commend the majority leader for his leadership in putting this kind of a package together. But I know there are other ideas out there. In fact, some of these ideas need to be moderated or fixed in some way. But that only happens when we work together, when we sit down and try to iron out these differences and then step up with our proposals and allow others who want to offer some ideas to this to be heard as well. It takes time, it is laborious, but that is the job of this body, not to sit there and walk away and do nothing. That is not an option, and failure ought not be an option either. So we need to roll up our sleeves and go to work.

These provisions can make a real difference for homeowners and the communities in which they live and our national economy as well. They are meaningful proposals, but they are also, I might add, modest, particularly in relation to some of the administration's actions.

The administration just took the historic action to support the takeover of Bear Stearns by JPMorgan Chase. This action was a major commitment of taxpayers' money—almost $30 billion. The Senate Banking Committee will conduct a hearing later this week on this particular arrangement and other recent actions by the Treasury, the Federal Reserve, and other Federal agencies to address the recent turmoil in the financial markets.

Without prejudging the outcome of our oversight and investigation of this unprecedented commitment of taxpayers' money, one thing is clear: It is now time to turn our attention to Main Street. As bold as the action was to help Wall Street, we must be bold to help millions of Americans who live on Main Street. Inaction, as I said a moment ago, is not an option, and failure is not either. Every day that passes creates new risks for the financial future of our Nation. We cannot hope this problem is going to go away and solve itself. Our competitors in the global economy are the only ones who will benefit if we do nothing to stem the rising tide of foreclosures that is hurting communities, families, the credit markets, and the overall economy.

The question is not whether we should act, but how. The majority leader has laid out what I believe is a series of responsible policies that will help American families to keep their homes and help communities throughout our Nation deal with the foreclosure crisis. Let me briefly describe several of these critical elements of the package.

The legislation increases funding for foreclosure prevention counseling. I have already addressed this issue. Again, we appropriated $180 million before. There is $200 million in the proposal before us that can make a huge difference to these nonprofit organizations out there working with lenders and borrowers, bringing them together for these workouts.

In addition to effectively fighting foreclosures, we must limit the damaging impact that foreclosures inflict on our communities. That is why we need to help our local communities cope with the serious economic and social problems that vacant properties create. Every one of my colleagues understands this point. I don't need to go through a long description of what happens when we have vacant properties in our towns, communities, and neighborhoods. It is axiomatic what happens. Everyone understands. First, we understand the value of the neighbors' houses goes down immediately. As I mentioned earlier, we are watching a $5,000 decline on a house worth $200,000 in a month alone, merely because of what is happening to declining prices. Throw a foreclosed property into that mix, and obviously you get a further deterioration. Property values for each home located within one-eighth of a square mile of one foreclosed house fall significantly. An average city block, in most of our cities, is one-eighth of a square mile. That is a rough calculation. If you have one foreclosure in that one city block, even though every other home on the block is current on their mortgage obligations, the value of every home on that block declines immediately by 1 percent and crime rates go up in that neighborhood by 2 percent. That happens immediately. Property values decline on an average of $5,000 with one foreclosure in that neighborhood.

We have 44.5 million homes adjacent to subprime foreclosed properties—44 to 50 million adjacent properties next to foreclosed properties. Let me repeat the statistic again. Every day, almost 8,000 people in this country are going into foreclosure—more than 220,000 in the month of February and at least, if not more, that number in the month of

March. When that happens, other property owners suffer. So it is not just the family in the foreclosed property who is affected, it is that hard-working family who lives down the block who is also paying a price for this situation because we are not acting to try to come up with a way to get people to work out something that allows them to stay in their homes.

Localities are losing close to $4.5 billion in property taxes. Again, this is axiomatic. You end up with foreclosed properties, and you end up losing your tax base. Fire protection, police, social services, and schools all pay a price as well. There is a domino effect in this situation, and that is what Senator BOND was talking about earlier. This is no longer just a foreclosure problem. It is far deeper, far wider, and growing by the day. This is exactly what happens when we end up with foreclosures in a neighborhood, what can happen to other properties in that area.

That is why the issue of providing some additional assistance makes sense. I recommended $4 billion to go out to the community development block grants targeted specifically for restoring abandoned properties, making them more marketable, providing assistance to the communities. That is a lot of money, $4 billion. It is not $30 billion. That is what we are on the line for in the Bear Stearns-JPMorgan Chase deal. That deal was cut over the weekend. We never voted on it in this body; that is just a deal they cut. The Federal Reserve has the authority, apparently, to do that. I am not asking for $29 billion or $30 billion; I am asking for $4 billion to go back to our cities and communities to help mayors and towns in urban areas and rural areas where this is happening to provide help for them so they can put these properties in better shape so they can be sold.

The leader's bill also includes a Finance Committee provision that would allow State housing finance agencies to use proceeds from mortgage revenue bonds to help extend mortgage credit to people now trapped in predatory loans, as well as to new homeowners. It would also help expand affordable rental housing, helping people who need a place to go if they cannot hang on to their homes.

This provision, by the way, is one I heard over and over again, and you hear it in every State you go. They reached the max and they need relief, if that housing finance authority is going to be able to provide the kind of relief they need. This is an idea which has broad bipartisan support. I am told the Finance Committee—Senator BAUCUS and Senator GRASSLEY care about it. They believe it is the right step to take. Senator JOHN KERRY of Massachusetts has talked about this issue.

Mr. President, I ask for 5 additional minutes.

Mrs. BOXER. Mr. President, reserving the right to object, and, of course, I will not object, I just want to make sure that when Senator DODD finishes, I be recognized for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, others have made this recommendation as well. It has some value.

Senator DURBIN's banking provision is a controversial provision. Simply let me state what it is. Under an agreement reached in the 1970s, in order to get lending institutions to provide more credit to risky borrowers, there was an agreement struck that would not allow a workout to occur in bankruptcy when the primary residence is involved. You can have a workout where your secondary residence or farm is involved.

Senator DURBIN, I believe, rightly says: Why should that be the case? In bankruptcy, shouldn't the courts be able to work out something that allows people to stay in their homes or to afford a new mortgage? There is a lot of resistance to this issue, and there is an argument on the other side. I am not going to suggest there is not. My hope is we can work something out in this area. This cramdown, as it is called, this one provision has provoked a lot of objection to this bill, but I am committed to do everything I can to work it out, to allow a vote to occur and allow us to do something in this area.

Senator JACK REED of Rhode Island has a provision in the legislation that will improve disclosures to borrowers and make those disclosures available sooner in the mortgage shopping process. This provision will help borrowers avoid the kinds of abusive loans that are leading to so many foreclosures. I commend Senator REED for this proposal. Again, I think it is a pretty noncontroversial provision.

I understand there are other ideas as well. This is not comprehensive.

Again, Senator MARTINEZ mentioned one idea that JOHNNY ISAKSON has argued for, and I think it has value, to incentivize people to move into foreclosed properties by giving some kind of tax credit to lure people in. This is where the property has been foreclosed, the owner who occupied it is out, and we need to get the property owned and occupied. I think that idea has some value, and we should be able to debate and include that in a package as well.

I wish to mention a few other steps we might consider as well, in addition to the Isakson proposal.

We need to finish the job and enact legislation to modernize FHA. Senator SHELBY and I are working on this issue. BARNEY FRANK, a Congressman from Massachusetts, the chairman of the House Financial Services Committee, has been doing a great job, along with his committee members. I hope we can resolve the few remaining issues on modernization of FHA. We have 19 States that are high-cost States. We want to make sure FHA can do business in those States as well. I hope we can work out something to the satisfaction of all. That bill passed this body 93 to 1 late last year, and we have been working with the House to resolve our differences in that area.

I believe we need to enact comprehensive reform of the GSEs. Senator MARTINEZ mentioned this point, and I agree with it. A strong regulator is necessary, and we are going to get that job done to make sure Fannie Mae and Freddie Mac and Federal Home Loan Banks will be well regulated and can expand.

In addition, I believe we need to establish a new way to deal with the unprecedented wave of foreclosures. This is the legislation I have offered called the Hope for Homeowners Act of 2008. The legislation closely mirrors the approach recommended by the Chairman of the Federal Reserve, Ben Bernanke, and it has been approached by people across the ideological spectrum, including the American Enterprise Institute and the Center for American Progress. This legislation is not a bailout at all. It would provide no windfall to anyone. It says the lender takes a haircut, but you are going to keep people in their homes. The Presiding Officer liked the ''haircut'' analysis, I see. The borrower would end up paying a price by paying insurance on the property. They have to stay in the home to qualify for this provision. It is not going to be easy on them, but nonetheless we believe it allows for a bottom to be achieved, a floor. We think this will help some people facing foreclosures, but, as importantly, it provides a floor. And until we get to a floor of the foreclosure crisis, we are not going to find capital beginning to flow again. This idea of a voluntary program, only going to owner-occupied residences—not speculators and, frankly, not people who never should have gotten into a mortgage in the first place—it is targeted, designed to keep people in their homes and provide that floor we are looking for.

I hope something such as that can be included in this bill as well because we need to deal with the problem of credit. If we do not address the credit issue, we are not addressing the core of this problem. To only address the effects of the problem is not to address the underlying issue, and that is on seizing, if you will, the capital that needs to flow again. This idea, we believe, could do just that. So my hope is, in the coming days, we can enact something very much like that. It is an idea about which Congressman FRANK and I have talked.

I raised this idea several months ago, and I am delighted so many people across the spectrum have said this is a good idea. It was tried, actually, 40, 50 years ago in a different form than we are suggesting but, nonetheless, could make a difference.

There are a number of other ideas we could consider, but more importantly, as Senator MARTINEZ said, we need to get together on this issue. We cannot wait another day. There are almost 8,000 foreclosures a day—8,000 yesterday, 8,000 tomorrow, and every single day may be worse if we do not act. That is what this chart points to. It requires our attention and our serious energy to make a difference.

I hope in the coming hours we can reach an agreement to go forward to allow us to debate these issues and offer some sound ideas that will offer the American people and others involved in this issue the word ''confidence,'' that their Congress, their Senate, their Government is not sitting idly by and hoping the problem miraculously will go away. We are working on their problem. We understand what they are going through. We care about it, and we want to make a difference for them. That is the challenge for us. I believe we can do this. This is not that heavy a job to get done—a simple amount of will in deciding it is deserving of our time and attention. If we do that, I am confident we can resolve these issues and set a very high standard for the action of this body in helping to step forward and make a difference in people's lives.

I yield the floor, and I thank my colleague from California.

The PRESIDING OFFICER. The Senator from the California.

Mrs. BOXER. Mr. President, I thank Senator DODD so much for his great leadership on this issue. The reason I very much wanted to speak this morning is because California is on the front lines of this crisis. We have about 25 percent of all the foreclosures in our State. I want to show Senator DODD where we rank in terms of the cities.

We make up 7 of the top 10 highest foreclosure filing rates nationwide. First is Stockton, Modesto, Merced—Merced is No. 4, actually. These are very much in the farmland countryside. Riverside-San Bernardino, which is east of Los Angeles and one of the fastest growing areas—and by the way, the place where all of the freight goes through to get to the rest of the country as it comes in from Los Angeles. Bakersfield is No. 7, Vallejo-Fairfield, 8, and Sacramento, right near our capital, 9.

We have 7 of the top 10 highest foreclosure filing rates nationwide. And the reason I stress it is because the things I am about to say are not theoretical. I have seen them happening. I held five roundtable discussions in various parts of my State, in many of these communities, and everything Senator DODD is saying about what occurs in a community is right on target because when you start with one foreclosure, and a house gets boarded up, and then someone else puts their house up for sale and it sits, suddenly you have a circumstance where crime is going up and properties are going down. It is a vicious cycle. Suddenly people owe more on their home than the home is worth, and it is a very dangerous circumstance.

The way I would describe it, Senator DODD, in thanking you so much, is this: This crisis keeps getting away from us because while this administration definitely cares about Wall Street—and, by the way, I used to work on Wall Street, and I think what they did makes sense—the question is, where are they when it comes to my communities, to your communities, to the communities all over the country that are struggling? Why don't they bring that same sense of purpose?

Today, we are going to see if our Republican friends have a change of heart because, of course, they stopped us the last time we tried to do this. But the commonsense things that are in your bill, and now I guess it is the leadership bill as well—and I thank you, Senator, I know you need to rush off—are just so sensible.

It provides $200 million in additional funding for housing counselors. And let me tell you anecdotally what I know from having spoken to counselors. When the counselors sit down with the mortgage lender and they sit down with the homeowner, miracles happen, and anecdotally I can tell you about 50 percent of the cases are resolved.

Now, times have changed. In the old days—and I would say that is when I bought my house, the old days—you had the banker down the street. If you wanted to refinance, you visited the banker down the street, and you told him the purpose of the refinance. Maybe you wanted to borrow on the equity of the home because you wanted to send a child to school. Maybe you wanted to add a new bedroom, expand the house, do some landscaping. It was very much a face-to-face situation. But because of the way the markets have changed, a lot of people don't even know who holds on to their mortgage. That mortgage may have been securitized, may have been put inside a big package of other things and may be sitting somewhere in a hedge fund. They do not know who actually holds their mortgage.

So you get a counselor who understands how to go about following this trail, and it makes a huge difference.

One would think, and I certainly would, that it is to everybody's benefit to save a home, not only for the lender and the homeowner but the community. So counselors are important.

We provide $4 billion in community development block grants for localities so they can get involved as part of the solution. We are in Washington, but the city council people, the mayors, the county supervisors, the Governors and the rest, they are on the ground where all this is happening. Give them some tools and give them some standards and let them have a chance to resolve some of this.

Allow bankruptcy judges to modify loans on principal residences. Right now—and I was struck to find this out, as most of my constituents are—if you declare bankruptcy and go to court, the judge can do a lot of refinancing to straighten you out, but he can't touch the principal home. If you have a second home, a third home, a yacht, a car, all that can be refinanced. But the judges have been blocked.

Now, I know there are some on the other side of the aisle who don't like this provision. Well, if you don't like it, please explain why because it doesn't make sense. They say it will raise interest rates. It is just not true the way this provision has been modified. But if you want to change it, then vote to proceed to this bill and then fix that provision. Don't stop us from going to this bill.

We provide an additional $10 billion in tax refunds for housing refinance agencies to refinance subprime loans. This is just another very good way to set up an agency that can help you out of your mess. If you want to stay in your home and you prove that you can stay in it, that you have the financial wherewithal, you can go to this to get these funds.

This increases transparency and accountability by simplifying disclosure on mortgage documents. We all know that is key. And we allow struggling companies to apply current losses to tax returns from prior profitable years.

This has hit home builders very hard, this downturn, and they need this help with Uncle Sam and the Tax Code.

So I want to say to my colleagues who may be listening—maybe there is one or two—that to stop us from going to this bill is very hurtful to the American people. It is very harmful to the American people. Experts are predicting that over 2 million Americans with subprime loans, including more than 460,000 Californians, will lose their homes. Let's grab this crisis finally by the tail and pull it toward us and resolve it. Don't let it get away further.

I can tell you, since we are in many ways at ground zero of this crisis, it is a very sad thing to watch what is happening. We have the ability to do a lot, and this is a modest bill. It is a good bill. It certainly doesn't spend as much as the bailout of Wall Street, which, again, I think was a good idea, but we certainly need to know more facts about it, and we certainly need to give the same attention and concern to the middle class of this great country.

From all the meetings I held around my State, I can tell you that people are looking to us, and they are not going to understand it when a colleague votes no to proceed to a bill because they didn't like one out of the six things in it. It just doesn't make any sense.

Let me give you from this chart one more look at the crisis in my State. This shows you nationwide that there have been 223,000-plus filings for foreclosure. That is 1 in every 557 homes nationwide. That is a 60-percent jump from 2007. In my State, which is a huge State, about 37 million, 38 million people now, we saw 53,000-plus filings, or 1 in every 242 homes, for an increase of 131 percent from 2007 to 2008. And then we break it down by counties here and we see the desperate situation that some of our counties and cities are going through.

We have already made some progress, and I want to thank my colleagues for the stimulus package where we did a few things that helped our State. One of them, in particular, was raising the conforming loans by Fannie and Freddie. That was very helpful. We also have moved to work to get more counselors out there. But there is not enough counselors out there.

So there is no question it is time but for us to act. We have faced, I don't know what it is now, 60, 70 filibusters by my Republican friends, and they have every single right to do it, but they also know—I know they know this—they will take the blame for this if nothing gets done. So I say to my friends, I understand you don't like everything on our list. I totally get it. By the way, there are things that are missing from this list that I would like to add. But I am not going to vote no to go to solving this crisis because there is something on here that I feel is missing.

In conclusion—the words everybody waits for when a Senator speaks—it is our turn to step forward, and if we fail to do so, we are irrelevant to this country. If we cannot have the courage to cast a vote to go to solving the housing crisis, we are irrelevant to this country when every leading economist tells us that it is the housing crisis that is at the heart of this recession.

I thank the Chair for this chance to speak. We need this bill to help our families stay in their homes.

Mr. LEVIN. Mr. President, I am hopeful that we can proceed to a debate on this important Foreclosure Prevention Act without further delay. Homeowners across the country are suffering, and there are a number of things Congress could do to improve the worsening situation. We need to put aside partisan bickering and work together to keep families in their homes and keep this crisis from further weighing down our economy.

Since we last voted on whether to take up this measure in February, it has become even more obvious that the mortgage crisis is triggering a domino effect that threatens to weaken and undermine substantial portions of our financial system.

The situation is dire. In Michigan alone, nearly 80,000 homes are expected to be lost to foreclosure by 2009. My State has seen an increase in the number of foreclosure filings of 282 percent since 2005.

Michigan is not alone in this crisis, nor are homeowners facing foreclosure and declining housing values the only ones being affected. Over the past few weeks we have seen the near collapse of investment bank giant Bear Stearns and an unusually active Federal Reserve working overtime to ease widespread concerns over our financial markets. At the root of these concerns is the fact that there is a long chain of investors and lenders relying on American homebuyers to pay what, in many instances are, shaky home loans.

It is urgent that we move forward on this bill to provide immediate help. Since we last tried to take up this bill, I have continued my series of roundtable meetings in Michigan communities. I have met with leaders from local and State government as well as organizations who are in the trenches working with families facing foreclosure to discuss practical ways to help homeowners and protect our economy from further damage. When I have asked for their feedback on this bill, they think it would help address a number of the problems they highlighted.

Across Michigan, everyone recognizes that declining home values affect not just those who are being forced into foreclosure or to sell at a loss but everyone who owns a home and the neighborhoods in which those homes are located. Many communities would like to rehabilitate abandoned and foreclosed properties so that surrounding property values do not continue to fall. But currently there are not funds to meet the growing demand. This bill provides $4 billion in Federal block grants to areas with the highest foreclosure rates and filings to help rehabilitate abandoned or foreclosed properties and prevent further damage to local housing values and neighborhoods.

I am encouraged by the work of many counseling organizations, such as those I met with during my roundtable meetings in Michigan, that are trying to help families avert foreclosure. But across Michigan, foreclosure prevention counselors are overwhelmed, and a lack of funds is tying the hands of local groups trying to help keep families on track. This bill would provide $200 million for this much needed pre-foreclosure counseling.

Because each new foreclosure affects the value of properties around it, in Michigan and across the Nation, there are also many homeowners who are facing the financial pressures of owing more on their mortgages than the current dollar value of their houses, a situation known as being ''underwater.'' There is a critical need for more affordable loans to be made available to help these families refinance and stay in their current homes. Most homeowners do not want to uproot their children and leave their community behind, even if the balance of their mortgage is greater than the current market value of their home.

This bill would help address this problem by authorizing States to issue $10 billion in new tax-exempt bonds to help homeowners refinance adjustable rate mortgages. Providing refinancing options for homeowners in potentially solvent situations is an important component in the effort to reverse the current tide of foreclosures.

Ending the foreclosure crisis will require a team effort among Federal, State, and local governments, community and neighborhood organizations and lenders, brokers, and borrowers. This bill recognizes that fact. It provides an opportunity to help keep struggling families in their homes. It provides an opportunity to help restore our housing markets by keeping declining property values stable. It will protect neighborhoods from a glut of vacant homes. We need to take up this bill now, debate it, consider amendments, and then pass it. To not do so would be to sit idly by while too many needlessly suffer.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I understand I have 30 minutes, and I now ask unanimous consent that it be formalized.

The PRESIDING OFFICER. Without objection, it is so ordered.

JUDICIAL CONFIRMATIONS

Mr. SPECTER. Mr. President, I have sought recognition today to speak about three subjects: One, judicial confirmations; secondly, the budget resolution; and thirdly, the housing situation.

First, as to the confirmation of judges, through staff, I have notified the distinguished chairman of the Judiciary Committee that I intended to address this subject, and the theme of my comments is that we ought to be moving ahead on judicial confirmations.

We have a situation where there has not been one confirmation of a Federal judge this year. Since September 25th of last year, there has only been one hearing for a circuit judge, and that was on February 21, in the midst of a recess. There have only been two hearings that included district court judges, the one on February 12 and one other. Six nominees have been heard; four are on the agenda for this week's executive business meeting.

The comparison between what has happened with President Bush and President Clinton shows a decisive imbalance which requires prompt action by the Senate on the confirmation of President Bush's judges. During the last 2 years of President Clinton's administration, 15 circuit judges were confirmed compared to six for the last 2 years, so far, of the Bush Administration. During the last 2 years of President Clinton's administration, 57 district judges were confirmed compared to only 34 during the Bush Administration.

On the 8-year cycle for President Clinton, 65 circuit judges were confirmed and 305 district judges. And so far, during President Bush's two terms, 57 circuit judges have been confirmed and 237 district judges have been confirmed.

Now, the statistics can be argued in many ways, but I think it is hard to overcome the basic conclusion that it is unacceptable to have no confirmations of a Federal judge in the entire year, so far, in 2008. Three months have expired. It is unsatisfactory to have only one hearing for a circuit judge in the past 6 months, and last year only four circuit judges were given hearings.