

## MESSAGE FROM THE HOUSE

At 5:38 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 831. An act to provide for the conveyance of certain Forest Service land to the city of Coffman Cove, Alaska.

H.R. 3513. An act to amend the Oregon Wilderness Act of 1984 to designate the Copper Salmon Wilderness and to amend the Wild and Scenic Rivers Act to designate segments of the North and South Forks of the Elk River in the State of Oregon as wild or scenic rivers, and for other purposes.

H.R. 3734. An act to rename the Snake River Birds of Prey National Conservation Area in the State of Idaho as the Morley Nelson Snake River Birds of Prey National Conservation Area in honor of the late Morley Nelson, an international authority on birds of prey, who was instrumental in the establishment of this National Conservation Area, and for other purposes.

H.R. 5151. An act to designate as wilderness additional National Forest System lands in the Monongahela National Forest in the State of West Virginia, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 323. Concurrent resolution expressing Congressional support for the goals and ideals of National Health Care Decisions Day.

## MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 5151. An act to designate as wilderness additional National Forest System lands in the Monongahela National Forest in the State of West Virginia, and for other purposes; to the Committee on Energy and Natural Resources.

## MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 831. An act to provide for the conveyance of certain Forest Service land to the city of Coffman Cove, Alaska.

H.R. 3513. An act to amend the Oregon Wilderness Act of 1984 to designate the Copper Salmon Wilderness and to amend the Wild and Scenic Rivers Act to designate segments of the North and South Forks of the Elk River in the State of Oregon as wild or scenic rivers, and for other purposes.

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The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 323. Concurrent resolution expressing Congressional support for the goals and ideals of National Health Care Decisions Day.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment and with an amended preamble:

S. Res. 494. A resolution expressing the sense of the Senate on the need for Iraq's neighbors and other international partners to fulfill their pledges to provide reconstruction assistance to Iraq.

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 523. A resolution expressing the strong support of the Senate for the declaration of the North Atlantic Treaty Organization at the Bucharest Summit that Ukraine and Georgia will become members of the alliance.

S. Con. Res. 74. A concurrent resolution honoring the Prime Minister of Ireland, Bertie Ahern, for his service to the people of Ireland and to the world and welcoming the Prime Minister to the United States.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SPECTER:

S. 2901. A bill to encourage residential mortgage loan modifications and workout plans, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Ms. SNOWE (for herself and Mr. PRYOR):

S. 2902. A bill to ensure the independent operation of the Office of Advocacy of the Small Business Administration, ensure complete analysis of potential impacts on small entities of rules, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SPECTER (for himself and Mr. CASEY):

S. Res. 529. A resolution commemorating the 110th anniversary of the founding of the Greater Philadelphia Association of Realtors; to the Committee on the Judiciary.

## ADDITIONAL COSPONSORS

S. 351

At the request of Mr. VITTER, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 351, a bill to amend title X of the Public Health Service Act to prohibit family planning grants from being awarded to any entity that performs abortions.

S. 400

At the request of Mr. SUNUNU, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 400, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that dependent

students who take a medically necessary leave of absence do not lose health insurance coverage, and for other purposes.

S. 522

At the request of Mr. BAYH, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 522, a bill to safeguard the economic health of the United States and the health and safety of the United States citizens by improving the management, coordination, and effectiveness of domestic and international intellectual property rights enforcement, and for other purposes.

S. 582

At the request of Mr. SMITH, the names of the Senator from Alaska (Mr. STEVENS) and the Senator from New Hampshire (Mr. SUNUNU) were added as cosponsors of S. 582, a bill to amend the Internal Revenue Code of 1986 to classify automatic fire sprinkler systems as 5-year property for purposes of depreciation.

S. 605

At the request of Ms. CANTWELL, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 605, a bill to amend the Public Health Service Act to promote and improve the allied health professions.

S. 661

At the request of Mrs. CLINTON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 661, a bill to establish kinship navigator programs, to establish guardianship assistance payments for children, and for other purposes.

S. 678

At the request of Mrs. BOXER, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. 678, a bill to amend title 49, United States Code, to ensure air passengers have access to necessary services while on a grounded air carrier and are not unnecessarily held on a grounded air carrier before or after a flight, and for other purposes.

S. 771

At the request of Mr. HARKIN, the names of the Senator from Hawaii (Mr. INOUE) and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 771, a bill to amend the Child Nutrition Act of 1966 to improve the nutrition and health of schoolchildren by updating the definition of "food of minimal nutritional value" to conform to current nutrition science and to protect the Federal investment in the national school lunch and breakfast programs.

S. 911

At the request of Mr. REED, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to advance medical research and treatments into pediatric cancers, ensure patients and families have access to the current treatments

and information regarding pediatric cancers, establish a population-based national childhood cancer database, and promote public awareness of pediatric cancers.

S. 989

At the request of Mrs. LINCOLN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 989, a bill to amend title XVI of the Social Security Act to clarify that the value of certain funeral and burial arrangements are not to be considered available resources under the supplemental security income program.

S. 1605

At the request of Mr. CONRAD, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1605, a bill to amend title XVIII of the Social Security Act to protect and preserve access of Medicare beneficiaries in rural areas to health care providers under the Medicare program, and for other purposes.

S. 1675

At the request of Ms. CANTWELL, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1675, a bill to implement the recommendations of the Federal Communications Commission report to the Congress regarding low-power FM service.

S. 1694

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 1694, a bill to authorize resources for sustained research and analysis to address colony collapse disorder and the decline of North American pollinators.

S. 1760

At the request of Mr. BROWN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1760, a bill to amend the Public Health Service Act with respect to the Healthy Start Initiative.

S. 1924

At the request of Mr. CARPER, the name of the Senator from Pennsylvania (Mr. CASEY) was added as a cosponsor of S. 1924, a bill to amend chapter 81 of title 5, United States Code, to create a presumption that a disability or death of a Federal employee in fire protection activities caused by any of certain diseases is the result of the performance of such employee's duty.

S. 2069

At the request of Mr. DURBIN, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2069, a bill to increase the United States financial and programmatic contributions to promote economic opportunities for women in developing countries.

S. 2314

At the request of Mr. SALAZAR, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2314, a bill to amend the Internal Revenue Code of 1986 to make geothermal heat pump systems eligible for the energy credit and the residential

energy efficient property credit, and for other purposes.

S. 2320

At the request of Mr. DURBIN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 2320, a bill to amend title XVIII of the Social Security Act to provide continued entitlement to coverage for immunosuppressive drugs furnished to beneficiaries under the Medicare Program that have received a kidney transplant and whose entitlement to coverage would otherwise expire, and for other purposes.

S. 2444

At the request of Mrs. MURRAY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2444, a bill to direct the Secretary of Education to provide grants to establish and evaluate sustainability programs, charged with developing and implementing integrated environmental, economic, and social sustainability initiatives, and to direct the Secretary of Education to convene a summit of higher education experts in the area of sustainability.

S. 2523

At the request of Mr. KERRY, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 2523, a bill to establish the National Affordable Housing Trust Fund in the Treasury of the United States to provide for the construction, rehabilitation, and preservation of decent, safe, and affordable housing for low-income families.

S. 2533

At the request of Mr. KENNEDY, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2533, a bill to enact a safe, fair, and responsible state secrets privilege Act.

S. 2585

At the request of Mr. HARKIN, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 2585, a bill to provide for the enhancement of the suicide prevention programs of the Department of Defense, and for other purposes.

S. 2702

At the request of Mr. SALAZAR, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 2702, a bill to amend title XVIII of the Social Security Act to improve access to, and increase utilization of, bone mass measurement benefits under the Medicare part B Program.

S. 2715

At the request of Mr. INHOFE, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 2715, a bill to amend title 4, United States Code, to declare English as the national language of the Government of the United States, and for other purposes.

S. 2775

At the request of Mr. KERRY, the name of the Senator from North Da-

kota (Mr. CONRAD) was added as a cosponsor of S. 2775, a bill to amend the Internal Revenue Code of 1986 and the Social Security Act to treat certain domestically controlled foreign persons performing services under contract with the United States Government as American employers for purposes of certain employment taxes and benefits.

S. 2786

At the request of Mr. GRASSLEY, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 2786, a bill to amend title XVIII of the Social Security Act to improve access to health care under the Medicare program for beneficiaries residing in rural areas.

S. 2819

At the request of Mr. ROCKEFELLER, the names of the Senator from Michigan (Mr. LEVIN), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Illinois (Mr. OBAMA) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 2819, a bill to preserve access to Medicaid and the State Children's Health Insurance Program during an economic downturn, and for other purposes.

S. 2829

At the request of Mr. KENNEDY, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 2829, a bill to make technical corrections to section 1244 of the National Defense Authorization Act for Fiscal Year 2008, which provides special immigrant status for certain Iraqis, and for other purposes.

S. 2840

At the request of Mr. SCHUMER, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 2840, a bill to establish a liaison with the Federal Bureau of Investigation in United States Citizenship and Immigration Services to expedite naturalization applications filed by members of the Armed Forces and to establish a deadline for processing such applications.

S. 2844

At the request of Mr. LAUTENBERG, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2844, a bill to amend the Federal Water Pollution Control Act to modify provisions relating to beach monitoring, and for other purposes.

S. 2860

At the request of Mr. CASEY, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 2860, a bill to diminish predatory lending by enhancing appraisal quality and standards, to improve appraisal oversight, to ensure mortgage appraiser independence, to provide for enhanced remedies and enforcement, and for other purposes.

S. 2871

At the request of Mrs. LINCOLN, the name of the Senator from Maryland

(Mr. CARDIN) was added as a cosponsor of S. 2871, a bill to amend title 38, United States Code, to recodify as part of that title chapter 1607 of title 10, United States Code, to enhance the program of educational assistance under that chapter, and for other purposes.

S. 2874

At the request of Mrs. FEINSTEIN, the names of the Senator from Idaho (Mr. CRAIG), the Senator from Vermont (Mr. SANDERS) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 2874, a bill to amend titles 5, 10, 37, and 38, United States Code, to ensure the fair treatment of a member of the Armed Forces who is discharged from the Armed Forces, at the request of the member, pursuant to the Department of Defense policy permitting the early discharge of a member who is the only surviving child in a family in which the father or mother, or one or more siblings, served in the Armed Forces and, because of hazards incident to such service, was killed, died as a result of wounds, accident, or disease, is in a captured or missing in action status, or is permanently disabled, and for other purposes.

S. 2890

At the request of Mr. MCCAIN, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 2890, a bill to amend the Internal Revenue Code of 1986 to provide for a highway fuel tax holiday.

S. 2892

At the request of Mr. LEAHY, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 2892, a bill to promote the prosecution and enforcement of frauds against the United States by suspending the statute of limitations during times when Congress has authorized the use of military force.

S. 2895

At the request of Mr. DODD, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 2895, a bill to amend the Higher Education Act of 1965 to maintain eligibility, for Federal PLUS loans, of borrowers who are 90 or more days delinquent on mortgage loan payments, or for whom foreclosure proceedings have been initiated, with respect to their primary residence.

S. 2899

At the request of Mr. HARKIN, the names of the Senator from Illinois (Mr. OBAMA), the Senator from Maryland (Ms. MIKULSKI) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 2899, a bill to direct the Secretary of Veterans Affairs to conduct a study on suicides among veterans.

S. RES. 482

At the request of Mr. ENZI, the names of the Senator from Montana (Mr. TESTER) and the Senator from Alaska (Ms. MURKOWSKI) were added as cosponsors of S. Res. 482, a resolution designating July 26, 2008, as "National Day of the American Cowboy".

S. RES. 515

At the request of Mr. WHITEHOUSE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. Res. 515, a resolution commemorating the life and work of Dith Pran.

S. RES. 524

At the request of Mr. KERRY, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. Res. 524, a resolution honoring the entrepreneurial spirit of the owners of small business concerns in the United States during National Small Business Week, beginning April 21, 2008.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 2901. A bill to encourage residential mortgage loan modifications and workout plans, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. SPECTER. Mr. President, I have sought recognition to introduce a bill to give mortgage servicers an incentive to work out new loan terms with struggling homeowners who are falling behind in their mortgage payments. It is possible to avoid foreclosure in some cases by reworking the payment terms on mortgages. Investors, however, would have to accept a smaller return on their investment than they otherwise may have expected. As a result, businesses that service mortgage loans may fear litigation from investors who are the direct or indirect holders of those mortgages. This concern may be slowing the pace of or stopping loan modifications. In testimony on December 6, 2007, before the House Committee on Financial Services, Mark Pearce, speaking on behalf of the Conference of State Bank Supervisors, testified that at a meeting with the top 20 subprime servicers "many of them brought up fear of investor lawsuits" as a hurdle to voluntary loan modification efforts.

The loan servicers have a legal duty to the investors to maximize the return on their investments. But in light of the current and changing economic environment, and the new and complex financial vehicles that hold mortgages, this "duty" is not simple or clear. This bill clarifies matters by stating that, absent contract provisions to the contrary, the duty is owed to the investor group as a whole, and not to individual investors or classes of investors. In addition, the bill clarifies that the servicer satisfies that duty by ensuring that the return from a mortgage, as modified, exceeds the return that would be expected from foreclosure. This may include agreeing to mortgage modifications or workout plans when a homeowner is in payment default, or when default or foreclosure appears imminent. Although some investors may get a smaller return than they may have expected, in the long run, taking these actions will be in the best interest of all investors.

This bill is not a bailout. The bill honors contract provisions that may be contrary to provisions in the bill. This bill would not solve all of the problems we face today, but it is an important step in removing barriers that may slow progress as we work to solve the home mortgage crisis.

This bill is necessary because regulation has not kept pace with innovation. Years ago, a homeowner would obtain a mortgage from a local bank. If he couldn't make the mortgage payment, the bank often would be willing and able to offer a workout, modifying the loan's terms to make it affordable. The bank would do this because whatever amount the borrower could pay would be worth more to the bank than foreclosure. Foreclosure has its costs, sometimes as much as half the value of the mortgage, and banks did not want to have to resell the home, so the calculation was often simple. Today, however, many mortgages are often bundled together with others mortgages and are sold to investment banks, who in turn slice and dice the bundles to produce securities that are rated by rating agencies and sold to investors all over the world.

Investment banks that issue securities backed by mortgages typically divide the securities into tranches, with some tranches having claims that are senior to other more junior tranches. None of this, of course, is transparent to the homeowner, and servicers face a complex situation. Servicers should not have to first determine precisely how a loan modification will affect the various tranches of investors and then make choices among the groups. If the servicer reasonably believes that a modification increases the net present value of the investment as a whole, it should be able to agree to the modification.

This month, Federal Reserve Chairman Ben Bernanke encouraged the nation's bankers to write down the principle on millions of mortgages. He said banks have not made nearly enough modifications to stop foreclosures. But there has been some progress. Treasury Secretary Paulson reported this month that "since July more than one million struggling homeowners received a workout—either a loan modification or a repayment plan that helped them avoid foreclosure." In January alone, there were 167,000 such modifications, with the number of borrowers receiving help rising faster than the number of foreclosures. Congress needs to ensure that these modifications continue, and that they continue at a rapid pace.

We are faced with a crisis caused by mortgage brokers who pushed risky loans on homeowners, homeowners who assumed the value of their home would always increase, conflicts of interest at credit rating agencies, bond underwriters who loosened standards, lax regulators, and financial institutions that ignored the risks in the instruments they were buying and selling. There is plenty of blame to go around