

Additional Views on H.R. 788, to provide a safe harbor for mortgage servicers who engage in specified mortgage loan modifications, and for other purposes.

This legislation is a sensible tool for helping more families stay in their homes without any taxpayer exposure or cost. Mortgage servicers who make loan modifications in a manner that maximizes net present value should have a safe harbor from lawsuits brought by investors.

However, we believe this legislation can do more. H.R. 788 is missing an important provision that was included in Chairman Frank's House-passed bill, H.R. 384. The amendment proposed by Rep. Neugebauer, and considered during Committee consideration of H.R. 788, would have restored the provision from Chairman Frank's original language so that if an unsuccessful action is brought against a servicer, the person who filed the lawsuit must cover any legal costs incurred by the servicer.

In a climate of mounting foreclosures, we need to do all we can to encourage servicers to voluntarily modify mortgages for credit-worthy borrowers. While the sponsors withdrew the amendment to H.R. 788 during the markup because of jurisdictional concerns, we believe the full House of Representatives deserves an opportunity to vote on this issue during House Floor debate. We appreciate Chairman Frank's commitment to support making this amendment in order.

Spencer Bachus.

Randy Neugebauer.

Kenny Marchant.

Leonard Lance.

Christopher Lee.