

Senators Hunter, Clark-Coleman, Barcia, Richardville, Anderson, Gilbert, Clarke, Schauer, Prusi, Olshove, Scott and Brater offered the following resolution:

Senate Resolution No. 127.

A resolution to memorialize the Congress of the United States to enact H.R. 3725, the Mortgage Disclosure Simplification Act of 2007.

Whereas, Homeownership is the key to the American Dream. Moreover, strong communities are forged with high levels of owner-occupied housing. Clearly, efforts to support homeownership pay dividends to us all. Michigan, however, leads the nation in mortgage foreclosure. This problem is particularly acute in our state's urban areas where redlining and predatory lending practices have greatly contributed to the foreclosure epidemic; and

Whereas, A proposal currently before Congress would go a long way toward alleviating this problem. The Mortgage Disclosure Simplification Act of 2007, H.R. 3725, would require that each borrower seeking a federally-related mortgage loan would receive a one-page description of the essential terms of the loan. This description would, in part, include the interest rate, term of the loan, the timing and amount of any balloon payments, whether or not there were any prepayment fees, and the best possible estimates of the total costs of the loan. This one-page form would help bring much-needed clarity and openness to a process that is often very complex and overly shrouded in legalese; and

Whereas, Indeed, the Mortgage Disclosure Simplification Act would create a simple tool that would have a significant impact on preserving the dream of homeownership. It would provide a real measure of consumer protection to homebuyers at the time when they need it the most. The enactment of a self-explanatory and uniform disclosure requirement will bring some long-awaited transparency to the mortgage loan process and will truly provide lasting benefits for us all; now, therefore, be it

Resolved by the Senate, That we hereby memorialize the Congress of the United States to enact H.R. 3725, the Mortgage Disclosure Simplification Act of 2007; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.