

**Washington, DC** - This afternoon the House passed H.R. 3221, the American Housing Rescue & Foreclosure Prevention Act, with strong bipartisan support. The legislation is the most comprehensive response yet to the national housing crisis that has been at the center of the country's current economic struggles.

"The mortgage crisis has taken its toll on our entire country," said Congressman Charlie Gonzalez (TX-20). "Families have lost their homes, millions more are on the brink of foreclosure and property value is plummeting, and the resulting impact on our economy has been devastating. This legislation will not only help homeowners keep their homes, but it will ultimately help get our economy back on track," he added.

Specifically, the bill will help families who are in danger of losing their home to refinance into lower-cost government-insured mortgages with affordable payments, all at no cost to the American taxpayer. The bill also:

- strengthens neighborhoods hardest hit by the foreclosure crisis by providing resources to allow cities and states to buy up and rehabilitate foreclosed properties that are currently driving down home prices, reducing state and local revenues, and destabilizing neighborhoods;
- expands homeownership opportunities for veterans and helps returning soldiers avoid foreclosure and stay in their home;
- provides tax breaks to spur home buying; and
- creates a new Fund to boost the nation's stock of affordable rental housing in both rural and urban areas for low and very low-income individuals and families.

The legislation also includes provisions that will help restore confidence in financial markets and shore up Fannie Mae and Freddie Mac. It provides the Department of the Treasury with emergency and temporary financing authority for Fannie Mae and Freddie Mac, two important institutions that hold or guarantee nearly half of all mortgages in the United States. Yesterday, the Congressional Budget Office Director Peter Orszag said there was "a significant chance, probably better than 50 percent, that the proposed new Treasury authority would not be used before it expired at the end of December 2009."

The legislation has earned the support of Democrats and Republicans in both the House and Senate and President Bush has indicated that he will sign the bill into law.

"I'm proud Democrats and Republicans worked together on this important legislation. Together, we've crafted the right bill to address our national housing crisis," said Gonzalez. "I am hopeful that we can continue to work in a similar bipartisan fashion in the future to pass additional legislation that serves the best interests of our economy," he added.

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