

WASHINGTON – House Financial Services Committee Ranking Member Spencer Bachus applauded the inclusion of a national licensing system for mortgage originators in GSE reform legislation approved by the Senate Banking Committee today.

Bachus proposed a national registry to enhance accountability and professionalism in the mortgage origination industry in legislation (H.R. 3012) he first introduced last July. The provisions were included in subprime lending legislation passed by the House last November and in the Republican housing stimulus bill. The language served as a model for the Secure and Fair Enforcement in Mortgage Licensing Act introduced in the Senate by Senators Mel Martinez (FL) and Dianne Feinstein (CA) in February. A press release issued by Senator Feinstein's office noted that "the legislation is similar to H.R. 3012, introduced in the House of Representatives by Representative Spencer Bachus."

Bachus said, "Elimination of unscrupulous brokers and lenders from the mortgage market has been a goal since I first started working on subprime lending issues three years ago. The licensing and registration of mortgage originators will provide a major protection for families seeking fair and equitable financing of their most valuable asset. The inclusion of this title in the Senate GSE bill is a much needed step towards enactment of this important provision."

Creation of the registration system has been endorsed by organizations including the National Association of Mortgage Brokers and the Conference of State Bank Supervisors. In a November 13, 2007 letter addressed to Congressman Bachus, CSBS expressed its "strong support" for provisions establishing national registration and licensing standards for mortgage lenders and brokers.