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Contact: Jacob Hay at (202) 942-2285, (202) 445-4788, jhay@liuna.org

**Statement of Terence M. O'Sullivan,
General President of the Laborers' International Union of North America,
On Passage of the Housing Bill**

Washington, D.C. (July 26, 2008) -- Today Congress passed a housing bill that will benefit struggling homeowners and is a needed step in the effort to return stability to the nation's housing and mortgage markets.

For Americans who have waited for action on the housing crisis – only to see handouts and bailouts for corporations – it is particularly encouraging that despite heavy lobbying from corporate homebuilders, Congress rejected a \$25 billion taxpayer handout in the form of a net operating loss carry-back provision. Not only would the carry-back provision provide no benefit for struggling homeowners or our economy, it would have rewarded corporations that helped cause the current crisis.

We applaud the work of the House and Senate leadership, and in particular Senator Christopher Dodd and Representative Barney Frank.

Now Congress must take the next step in confronting the housing and mortgage crisis. Lawsuits and whistleblowers have revealed numerous cases of bad lending practices on the part of America's largest homebuilders. For example, former Countrywide-KB Home Loans Regional Vice President Mark Zachary has said in court that KB Home pressured its lending joint venture to engage in systematic mortgage fraud to drive sales, including encouraging inflated appraisals, assisting buyers in supplying false income information on mortgage applications, and approving loans without review or documentation.

LIUNA members and millions of workers like them have been hit hard by the housing and mortgage crisis. In addition to being among the 3 million Americans facing foreclosure, nearly a half-million construction workers have lost their jobs since 2007 and workers' retirement security is threatened by tainted mortgage investments.

Congress should take further steps by insisting that agencies which buy or securitize our nation's mortgages, including Fannie Mae, Freddie Mac and HUD, exercise greater scrutiny of mortgages originated by corporate homebuilders or by lenders which homebuilders control. In addition, Congress should investigate those corporate homebuilders who control mortgage originators to determine how to prevent a recurrence of the abuses that have hurt working men and women and crippled our economy.

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The half million members of LIUNA – the Laborers' International Union of North America – are on the forefront of the construction industry, a powerhouse of 10 million workers who build America.