

THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE RESOLUTION

No. 364 Session of  
2003

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INTRODUCED BY DALLY, LEWIS, SCAVELLO, BROWNE, REICHLEY, HARHART,  
BIRMELIN AND TIGUE, JULY 17, 2003

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REFERRED TO COMMITTEE ON RULES, JULY 17, 2003

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## A RESOLUTION

1 Urging the Secretary of Banking to study residential lending  
2 practices in Pennsylvania and to submit a report to the  
3 General Assembly.

4 WHEREAS, The General Assembly has a compelling State interest  
5 in protecting its citizens from losing their homes through  
6 unscrupulous lending practices; and

7 WHEREAS, In 2001 the General Assembly amended the Mortgage  
8 Bankers and Brokers and Consumer Equity Protection Act in order  
9 to establish principles of lending and define unlawful  
10 practices; and

11 WHEREAS, The General Assembly has established a Homeowner's  
12 Emergency Mortgage Assistance Program to provide temporary  
13 financial assistance to those citizens in danger of losing their  
14 homes through foreclosure; and

15 WHEREAS, This program can be overwhelmed by demand for  
16 financial assistance, necessitating infusion by the General  
17 Assembly of additional appropriations; and

18 WHEREAS, The National Delinquency Survey performed by the

1 Mortgage Bankers Association of America found that while in the  
2 fourth quarter of 2002 only 0.79% of prime conventional loans in  
3 Pennsylvania were in foreclosure, more than 12% of subprime  
4 conventional loans were in foreclosure; and

5 WHEREAS, This survey may give the first indication of an  
6 alarming trend which could affect more homeowners and jeopardize  
7 the financial solvency of the Homeowner's Emergency Mortgage  
8 Assistance Program; and

9 WHEREAS, It is the responsibility of our State government to  
10 ensure that adequate information exists for public policymakers  
11 to evaluate the effectiveness of regulatory and financial  
12 assistance programs; therefore be it

13 RESOLVED, That the House of Representatives urge the  
14 Secretary of Banking to conduct a study of residential lending  
15 practices in Pennsylvania, to identify trends in foreclosures  
16 and to document lending practices which are disadvantageous to  
17 Pennsylvania consumers; and be it further

18 RESOLVED, That the Secretary of Banking be encouraged to  
19 provide recommendations, either legislative or administrative,  
20 in a written report to the Chief Clerk of the House of  
21 Representatives and the chair and minority chair of the Commerce  
22 Committee; and be it further

23 RESOLVED, That the Secretary of Banking submit this report  
24 within one year.