

Housing rescue plan proposed

by UPI

WASHINGTON -- U.S. lawmakers said they agreed to reach across the aisle to push a measure meant to stimulate the sale of new homes and help deter loan foreclosures. Senate leaders Tuesday called on Sen. Chris Dodd, D-Conn., chairman of the Senate housing committee, and the ranking Republican, Sen. Richard Shelby, R-Ala., to deliver a bipartisan measure Wednesday. The bipartisan proposal strengthens truth-in-lending mortgage laws meant to inform borrowers of the fluidity of adjustable loans, provides counseling to those facing foreclosure and offers help to refinance existing mortgages, The Washington Post said. The Senate planned to vote on an existing Democratic bill that Republicans reportedly intended to block but the government buyout plan of the investment bank, Bear Stearns and an economy that may be in a recession inspired lawmakers to reach across the aisle. Though the details of the compromise bill are sketchy, the bill proposes bankruptcy judges could cut interest rates on subprime loans and plans a variety of tax incentives and compensation for those reinvesting in the troubled housing market.

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