

First Extraordinary Session, 2005

HOUSE CONCURRENT RESOLUTION NO. 12

BY REPRESENTATIVES BRUNEAU, BRUCE, CROWE, DOERGE, FRITH, KLECKLEY, LAFONTA, PINAC, T. POWELL, RITCHIE, STRAIN, TRAHAN, WADDELL, WHITE, ALARIO, ALEXANDER, ANSARDI, BADON, BALDONE, BAUDOIN, BEARD, BOWLER, BURRELL, K. CARTER, R. CARTER, CRANE, CURTIS, DAMICO, DANIEL, DARTEZ, DEWITT, DURAND, ERDEY, FANNIN, FAUCHEUX, GLOVER, GREENE, E. GUILLORY, M. GUILLORY, HAMMETT, HARRIS, HEATON, HEBERT, HONEY, HOPKINS, HUNTER, HUTTER, JOHNS, KATZ, KENNEY, LABRUZZO, LAMBERT, LANCASTER, MARCHAND, MARTINY, MCDONALD, MCVEA, MONTGOMERY, MORRISH, ODINET, PIERRE, PITRE, M. POWELL, QUEZAIRE, RICHMOND, ROMERO, SALTER, SCALISE, SCHNEIDER, SMILEY, GARY SMITH, JACK SMITH, JANE SMITH, JOHN SMITH, ST. GERMAIN, THOMPSON, TOWNSEND, TRICHE, TUCKER, WALKER, WALSWORTH, WINSTON, AND WOOTON

A CONCURRENT RESOLUTION

To urge and request the Office of Financial Institutions, the Federal Deposit Insurance Corporation, and the federal Office of the Comptroller of the Currency to provide flexibility for the modification of loan terms for entities and persons affected by Hurricanes Rita and Katrina.

WHEREAS, Hurricanes Katrina and Rita struck the state of Louisiana causing severe flooding and damage to the southern part of the state that has threatened the safety and security of the citizens of the affected areas of the state of Louisiana, along with private property and public facilities; and

WHEREAS, since Hurricanes Katrina and Rita, many banks and other lenders have offered relief to borrowers by allowing forbearances of up to three months to lessen the financial strain on such borrowers who may have lost homes, motor vehicles, and other valuable possessions because of the storms; and

WHEREAS, the citizens of the state of Louisiana will undoubtedly have to face further financial hardship as they work to restore Louisiana's economy; and

WHEREAS, as the three month forbearance period expires, many banks and other lenders in Louisiana want the opportunity to provide as many options for repayment of the principal and interest owed as a result of the forbearance, in order to help minimize the hardships endured; and

WHEREAS, in many places in Louisiana, large areas are without power, government, infrastructure, and many of the businesses that existed prior to the storms, including legal and notarial services; and

WHEREAS, it will be difficult to effect the changes to the vast number of loans whose terms will be modified when the time comes to repay the money owed as a result of the emergency forbearance.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Office of Financial Institutions, the Federal Deposit Insurance Corporation, and the federal Office of the Comptroller of the Currency to provide flexibility to banks and other lenders to obtain proper documentation of changes in loan terms to give borrowers in the areas affected by Hurricanes Katrina and Rita more options for repayment.

BE IT FURTHER RESOLVED that copies of this Resolution be delivered to the commissioner of the Office of Financial Institutions, the Federal Deposit Insurance Corporation, and the federal Office of the Comptroller of the Currency.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE