

Statement of Congressman Gary G. Miller
H. Res. 1271, Recognizing National Homeownership Month and the Importance of
Homeownership in the United States
June 24, 2008

Madam Speaker, I rise today to recognize the importance of homeownership in America. On May 29, 2008, President Bush designated June as National Homeownership Month, as he has done for the past 7 years. To complement this designation, H. Res. 1271 provides congressional recognition of National Homeownership Month and the importance of homeownership in the United States.

Owning a home is a fundamental part of the American dream and is the largest personal investment most families will ever make. For millions of families across this country, a home is more than just the symbol of the American Dream; it is the backbone of the American way of life.

Despite all that is occurring in the housing market, we need to remember that homeownership has historically been the single largest creator of wealth for most Americans. Not only does homeownership provide economic security by building wealth over time, it also strengthens and builds communities.

In the past year, we have experienced significant upheaval in the U.S. housing markets. My home state of California, in particular, has been heavily impacted by the mortgage crisis, with thousands of families losing their homes.

The number of foreclosures across California and this nation is truly astounding. The entire economy is currently being affected by increasing delinquency and default rates among homeowners. As someone who has been involved in the housing industry as a builder and developer for more than 35 years, I have seen my fair share of housing market downturns. Yet, this current housing situation is truly the worst I have seen.

From those experiences I have learned that in times of stress (or market correction), it is important to ensure liquidity continues to flow to the housing market, in order to keep the markets functioning. The loan limit increases for FHA and the GSEs implemented by the Economic Stimulus Act of 2008, are starting to achieve this goal and are helping to stabilize the housing market. The higher loan limits have made safe and affordable loans accessible to homebuyers in high cost areas of the country that have been absent for so many years.

With the lack of affordable housing options, many hard working families have been faced with a situation where they are either unable to buy a home, or as we've seen in the current housing market, they were forced to resort to risky loans that impaired their ability to keep their home. Many of these people are firefighters, police officers, teachers, and nurses who dedicate their lives to serve our communities, but cannot afford to live in the communities they serve.

The loan limit increase has benefitted communities in 24 states across the country and may continue to do so if the limits are made permanent, as contained in House passed H.R. 3221. Today, the Senate is debating legislation to assist the housing market. Their proposal to lower the current loan limits would effectively eliminate access to affordable mortgages to people in the District of Columbia and portions of California, Colorado, Connecticut, Florida, Idaho, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Utah, Virginia, and West Virginia.

In the first quarter 2008 the homeownership rate was 67.8%. Congress has the opportunity to maintain this level by permanently raising the loan limits. Affordable housing is vital to resolving the current crisis in the United States housing market and preserving homeownership.

National Homeownership Month is a reminder of the importance of housing issues in America. This bipartisan resolution, H. Res. 1271, recognizes the need for National Homeownership Month and the overall importance of homeownership in America. I urge my colleagues to join me in supporting H. Res. 1271 to reinforce our commitment to housing opportunities and to help guarantee the dream of homeownership for more American families.