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Sent: Friday, June 19, 2009 3:46 PM

To: Comments

Subject: R-1357 - SAFE Act

Unless all mortgage lenders are registered/licensed and regulated, mortgage lenders for regulated institutions should not have to submit to invasive personal background checks. Most have already experienced those checks by their employer, which is a completely different matter than having the information in government data bases and available to consumers.

What will be "accomplished" by this piece of legislation is the retreat from the mortgage business of qualified, experienced personnel along with the black sheep who caused the problem. The root of the problem was regulators' and employers' lack of oversight. Regulations have long been in place which, if enforced in a timely manner, would have precluded sub-prime mortgages from being made. The loan to value regulations are quite clear that loans of 90% or more are reportable and subject to capital limits. Sound basic underwriting principles have not ever changed, and those of us who suffered the real estate market of the '80's and early '90's in places like Texas know only too well that, even when loans are made which comply with the regulations, losses can occur. Anybody who didn't see this coming at least five years in advance was ignorant or not paying attention.

The only surprise to me is that credit cards were not the first to fall.

When employers pay employees a "bonus" for production, for which they are already paid a salary, it creates an environment in which employee is pitted against employee and morals are thrown out the door.

Please do not continue to punish the innocent with the guilty.