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LIUNA Steps-Up Efforts to Expose Multi-Billion Dollar Corporate Homebuilder Bailout in Senate Foreclosure “Prevention” Bill

Union Starts Drive-Time Radio Ads: “Ask the Senate: What do Handouts for Corporations Have to Do with Preventing Foreclosure?”

Washington, D.C. (April 4, 2008) – LIUNA – the Laborers’ International Union of North America - is escalating efforts to expose the multi-billion dollar handout for corporate homebuilders and those on Wall Street who helped cause the mortgage and housing crisis.

LIUNA represents the working men and women of the construction industry. More than a 350,000 construction workers have lost jobs due to the crisis, including 51,000 in March alone. In addition, members and workers like them are among the 3 million Americans facing foreclosure and seeing their retirement security threatened by tainted mortgage investments.

“Senators patted themselves on the back earlier this week claiming to have found a bipartisan solution to help struggling homeowners facing foreclosure,” LIUNA General President Terence M. O’Sullivan said. “But as the details are revealed, we are seeing that by any measure at least a third to more than half of the bill is a taxpayer-funded handout for those at fault. This bill needs to live up to its name.”

Under the Act’s “carry-back” provision builders would get billions in tax breaks. The carry-back would allow homebuilders to apply losses from 2008 and 2009 as far back as four years against taxes paid on profits – a two-year extension of the current carry-back allowance – even though much of the builders’ profit came from their own subprime lending and speculative over-heating of the market.

If the carry back provision remains in the bill the largest corporate homebuilders, who pushed subprime loans through their mortgage subsidiaries, will gain the most. For example, Lennar could get back \$573 million, D.R. Horton could get \$607 million and Pulte could get \$598 million. Other corporate homebuilders, such as Centex, NVR, KB Home, Toll Brothers, Ryland, MDC, Beazer and Standard Pacific, stand to gain over \$100 million as well.

Among LIUNA’s initiatives are drive-time radio ads, initially airing in metro Washington, D.C. To listen to the ad [click here](http://www.liuna.org/Portals/0/media/LiUNA_Crisis_Radio.mp3) (http://www.liuna.org/Portals/0/media/LiUNA_Crisis_Radio.mp3)

(more)

In addition:

- The union has placed print and online ads, initially in Washington, D.C.
- Has and will continue to engage tens of thousands of members across the U.S. about the proposed corporate handout.
- Has launched the “Pigs in the Trough” tour to highlight the behavior of corporate homebuilders. The tour began in Los Angeles Thursday and continues Tuesday in Miami.
- Is working with allied groups to voice concern.

“The parts of this bill that are actually intended to help struggling homeowners look small compared to the corporate giveaway,” O’Sullivan said. “Corporate homebuilders profited from the creation of this crisis and they should not be further rewarded with a multi-billion dollar bailout.”

Earlier this week a report titled, ***A Multi-Billion Dollar Bailout for Those at Fault: Corporate Homebuilders, the Housing Crash and the Mortgage Crisis***, was released by LIUNA. LIUNA has updated the report to reflect changes in the new version of the bill.

“This bill will force American taxpayers, including the men and women who build America, and who are already struggling with foreclosure, job loss and shrinking retirement savings to pay again for homebuilders’ reckless and unethical behavior,” O’Sullivan said. “Corporate homebuilders have to be tone deaf to even ask for this and Congress should not acquiesce to it.”

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The half-million members of LIUNA – the Laborers’ International Union of North America – are on the forefront of the construction industry, a powerhouse of 10 million workers who produce 5 percent of the U.S. economic output.

*For copies of **A Multi-Billion Bailout for Those at Fault: Corporate Homebuilders, the Housing Crash and the Mortgage Crisis**, a state-by-state look at the mortgage and housing crisis impact on jobs and foreclosures, go to www.liuna.org and click on media. For a detailed look at the impact of individual homebuilders on selected markets, email communications@liuna.org or call 202-942-2285.*