

ment of the consumer, the various fraudulent or sharp practices in said report should be brought to court, the petitioner would then have a right to petition the district court to intervene?

Mr. HANNA. Well, we would be opposed, I am afraid, with a hearing within this Department of Consumer Protection.

Senator TYDINGS. Why?

Mr. HANNA. Again, you have to have proof, there would have to be a prerequisite or there would have to be valid proof that the hearing had actually held. Again you would have the requirement of having to attend the hearing, of delays occasioned by the hearing. We do not know what the staffing requirements of this Department of Consumer Protection would be, and you might get yourself involved into a greater delay synonymous with a court foreclosure.

Senator TYDINGS. This could be worked into the bill. The notice would go out within 60 days to the Commissioner and the hearing held within 30 days of that notice. And that if the hearing were not held, the foreclosure proceeding could go forward. Would that remove your objection?

Mr. HANNA. Well, we would like to see the bill before—I mean, the actual ramifications worked out. I do think that at this time we would be opposed to any legislative or administrative type of hearing processed. I know of no other jurisdiction in which this type of administrative process goes on prior to a foreclosure sale.

What we are trying to get at here, Senator, is we feel that if you can somehow get notice to the Commissioner, or to his agent, which could be in the Department of Consumer Protection, that you immediately cast a protective umbrella over the consumer. This person, this official in the Department of Consumer Protection can get out and contact this borrower and say, "Look, they are about to foreclose on you," and if he says, "I didn't even know I had a deed of trust against my home," you can suspect immediately that there is going to be some sort of an abuse that has existed in connection with the transaction.

Senator TYDINGS. What you are saying is that the Bureau of Consumer Protection be allowed sufficient time to make a check, and if it found any evidence of sharp dealing, then it should be the one to intervene, and request the district court to have a hearing?

Mr. HANNA. I have not asked that—who would advise this borrower to contact the various legal aid agencies for borrowers who are——

Senator TYDINGS. You don't like the idea?

Mr. HANNA. He can get legal aid through——

Senator TYDINGS. I take it you would not like the idea of the Office of Consumer Protection actually protecting the consumer by advocating a formal hearing?

Mr. HANNA. That is correct, sir.

Senator TYDINGS. What do you think the Office of Consumer Protection ought to do, if it does not protect the consumer?

Mr. HANNA. Well, we definitely feel that the Department of Consumer Protection should protect the consumer.

Senator TYDINGS. Well, if you find this out, if you say, you suggest the Office send a notice that it has found fraud, but you say it should not actually intervene itself but you should just tell the consumer