

BILL AIMS TO KILL MORTGAGE PROGRAM FOR 'ILLEGALS'

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Body

MADISON, Wis. -- Republicans are proposing legislation aimed at shutting down a state program that makes it easier for illegal immigrants to get home loans.

The bill would forbid the Wisconsin Housing and Economic Development Authority from helping people without Social Security numbers get mortgage loans.

The agency, created by legislators more than 30 years ago, started the mortgage loan pilot program last year for people with Individual Taxpayer Identification Numbers instead of Social Security numbers.

The agency has since helped provide 61 loans to people with ITINs through partnering banks, which write the loans that WHEDA finances through tax-exempt bonding. Many ITIN holders live and work illegally in this country, even though they pay taxes.

"It makes a mockery of our laws to have a special program designed to benefit illegals," said state Sen. Glenn Grothman, R-West Bend, who wrote the Senate version of the bill. "And it makes anybody who is patiently waiting to enter this country legally look like a fool."

The measure needs approval from both houses of the Legislature and Gov. Jim Doyle's signature to become law.

ITINs were created in 1997 for the Internal Revenue Service for foreign citizens who needed to pay taxes in the United States but could not obtain Social Security numbers. The government issued about 7 million ITINs as of last year.

Some banks already issue mortgage loans to immigrants with ITINs, but WHEDA is believed to be the first and only quasi-government organization to buy such loans from the banks.

WHEDA's executive director, Antonio Riley, said the agency is expected to help people being underserved by the private sector. He noted Wisconsin's Latino population increased by 107 percent between 1990 and 2000, and the state's Hmong and Somali populations also are growing.

"By meeting these markets, we grow homeownership and the property tax grows. It is a win-win," Riley said. "It's not as if they are building in suburbia; they are building in inner cities and Hispanic neighborhoods. We do not use taxpayer dollars to do this."

He said the immigrants must meet the same lending criteria as other low-income people who benefit from WHEDA-financed loans.

The Wisconsin Bankers Association opposes the proposed legislation.

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"The bankers we talked to, our members, felt vested in their communities and wanted all types of community development tools at their disposal," said Mike Semmann, the association's government relations director.

ON THE NET

Wisconsin Legislature: www.legis.state.wi.us

Wisconsin Housing and Economic Development Authority: www.wheda.cm

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