RICHARD SHELBY'S SELECTIVE INVESTIGATION

Let me make a rare statement: I agree with just about everything Richard Shelby said in his call for an investigation of mortgage servicers.

> The Federal Banking Regulators should immediately review the mortgage servicing and foreclosure activities of Ally Financial, JP Morgan Chase and Bank of America. The regulators should determine exactly what occurred at these institutions and make those findings available to the Banking Committee without delay.
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> Furthermore, because it appears that the regulators have failed yet again to properly supervise the entities under their jurisdiction, the Committee should immediately commence a separate, independent investigation into these allegations. It is the Committee's fundamental responsibility to conduct oversight of the banking regulatory agencies and the firms under their jurisdiction.
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> With the recent passage of the Dodd-Frank Act wherein the financial regulators were granted even broader powers, I am highly troubled that once again our federal regulators appear to be asleep at the switch.

But I am rather curious about one thing. Just days after Goldman Sachs announced that its servicing arm, Litton Loan Servicing, was suspending foreclosures in some states, why aren't they—or the other big servicers, Citi and Wells Fargo, on Shelby's list?

Mind you, given HUD Secretary Shaun Donovan's

announcement that the government has been investigating FHA servicers **since May** and had already identified problems from some servicers (but had apparently done nothing about those problems), maybe Shelby has reason to pick on just three of the servicers.

But Shelby’s choice of targets sure does bear watching.