United States Senate

WASHINGTON, DC 20510

October 5, 2010

The Honorable Gene L. Dodaro
Acting Comptroller General
U.S. Government Accountability Office
441 G Street NW
Washington, D.C. 20548

Dear Mr. Dodaro,

We are writing to request that the GAO conduct an investigation into the reports of misconduct by Ally Financial (formerly GMAC Mortgage), JPMorgan Chase, Bank of America and all other mortgage servicing companies and affiliated banks. We are concerned that shortcomings in policies and procedures at these companies may have resulted in routine filing of false affidavits in foreclosure proceedings. Such actions may have resulted in numerous illegal foreclosures nationwide. As you know, our country is in the midst of a historic foreclosure crisis and the impact of foreclosures on American families is devastating. In light of this crisis, the alleged misconduct by these banks is even more troubling.

Specifically, we request that the GAO investigate the role of all government entities, including federal regulators, involved in overseeing mortgage servicing companies and affiliated banks, identify any regulatory problems that may have permitted this misconduct to occur without detection until now, and give recommendations on whether the agencies should be given additional authority to remedy these problems. In addition to the broader industry's foreclosure problems, we are especially interested in the actions of GMAC, specifically because of the equity stake taxpayers currently own in the company.

Also, as federal agencies pursue their own inquiries into this matter, we ask that the GAO carefully monitor their efforts and report on any potential gaps in the regulators' current and future investigations of this problem. It is imperative that these investigations are comprehensive. All Americans who have been adversely affected by this wrongdoing should receive proper compensation.

If you have any questions regarding this request, please don't hesitate to contact Lauren Gilchrist on Senator Franken's staff at (202) 224-5641 or Michael Passante on Senator Menendez's staff at (202) 224-3551. Thank you in advance for your prompt response.

Sincerely,

Al Franken
United States Senator

Robert Menendez
United States Senator