

AUGUST 25, 2000

**SCHAKOWSKY EXPRESSES DISAPPOINTMENT FOLLOWING SENATE BANKING COMMITTEE CHAIRMAN UNWILLINGNESS TO PROTECT SENIORS AND FAMILIES FROM PREDATORY LENDERS**

**SCHAKOWSKY IS THE AUTHOR OF H.R. 3901, THE ANTI-PREDATORY LENDING ACT OF 2000**

WASHINGTON, D.C. - House Banking Committee member Jan Schakowsky (D-IL) today expressed disappointment and disbelief over opposition by Senator Phil Gramm (R-TX), Chairman of the Senate Banking Committee, to efforts to stop predatory lending practices. Chairman Gramm announced yesterday that Congress should not act because *"there is no definition and no one is quite sure what constitutes predatory lending."*

Schakowsky is the author of H.R. 3901, the Anti-Predatory Lending Act of 2000. Her legislation would amend current statute to protect consumers from newly developed predatory lending practices.□

Below is Schakowsky's statement.

*"Maybe Senator Gramm should ask the thousands of senior citizens who are losing the house that they have owned for decades. Predatory lending exists; it is increasing; and it is our job as legislators to stop this practice.□ This is just the latest example of Chairman Gramm's determination to ignore the legitimate concerns of homeowners and families who want to become homeowners.*

*"I am disappointed in the Senator's belief that Congress shouldn't act against predatory lenders.□ Predatory lenders won't stop victimizing homeowners while we catch up.□ From 1993 - 1998, in the midst of this country's most sustained economic boom, the National Training and Information Center found that home loan foreclosures doubled in the Chicago metropolitan area.□ The typical victims are seniors who own their homes and they are asking for help, now.*

*"It's disingenuous to say, as Sen. Gramm has, that Congress can't act against predatory lenders until regulators can define the term under federal law.□ After all, it's Congress' job to define these kinds of abuses.□ In fact, federal bank regulators, federal cabinet departments, several states and cities, a Congressional Committee, four members of Congress who have introduced legislation with thirty cosponsors, have studied the issue and identified the problems.□ Some states and cities have even passed legislation.□ It's time for action.*

*"Sen. Gramm's suggestion would just protect unscrupulous businesses at the expense of elderly homeowners.□ It's typical Texas style compassionate conservatism."*