

**HOUSE APPROVES FINANCIAL MODERNIZATION BILL & SCHAKOWSKY PRO-SMALL BUSINESS AMENDMENT**

**SCHAKOWSKY EXPRESSES DISAPPOINTMENT THAT FINAL BILL FAILS TO PROTECT CONSUMER & COMMUNITY INTERESTS**

**WASHINGTON, D.C.** The House tonight approved U.S. Representative Jan Schakowsky's (D-IL) pro-small business amendment to HR 10, the Financial Services Act. HR 10 will allow financial institutions, such as banks, insurance companies, and securities firms to merge.

**"My amendment is a small victory for hardworking entrepreneurs and farmers in a bill that benefits big banks, Wall Street, and insurance company executives. Safeguarding the interests of small business owners is essential to the continued growth of our economy and my amendment is a common sense approach that will help us preserve that interest,"** Schakowsky said.

Schakowsky's amendment requires the Department of Treasury, in conjunction with Federal bank regulators, to conduct a study to determine the impact this bill will have on the ability of small business and farms to gain access to credit and capital. The results of the study must be presented to Congress within five years, along with suggested legislative and regulatory changes to aid small business and farm lending.

**Small businesses employ 53 percent of the workforce and currently receive 67 percent of their credit from banks.**

**"In light of financial modernization and mega-financial institutions, we must determine the impact this legislation will have on the ability of small businesses and farms to have continued access to start-up capital, loans, and credit,"** added Schakowsky.

Schakowsky, however, was disappointed that the House voted to approve HR 10, a bill that does not include adequate pro-consumer, pro-community measures. Schakowsky said that the bill failed to protect consumer privacy, lower ATM fees, prevent insurance company redlining, expand the Community Reinvestment Act and provide affordable banking services.

**"This is a great bill for big banks, big insurance companies, and big securities firms who now will be allowed to merge. Thanks to HR 10, these powerful new conglomerates can make even more money and boost their profits even further by sharing consumers' most private financial transactions and medical records,"** Schakowsky added.