

*Bill Includes Schakowsky's Amendment to Ensure that Reverse Mortgages Don't Exploit Seniors*

*WASHINGTON, DC (June 30, 2010) – Rep. Jan Schakowsky (D-IL) voted along with a majority of House members to rein in Wall Street, end taxpayer bailouts of big banks, and create a consumer financial protection bureau that puts consumers first. The Dodd-Frank Wall Street Reform and Consumer Protection Act will end an era of abuses by “too big to fail” banks that have cost the American people 8 million jobs and \$17 trillion in retirement savings and net worth. The bill includes Schakowsky’s amendment requiring the study of reverse mortgages and to enact any needed regulations to make sure seniors are not taken advantage of.*

“Tonight we voted to protect American families and consumers and to finally put an end to the reckless behavior of the “too big to fail” banks that, unchecked, managed to catapult our country down a path toward financial disaster,” Schakowsky said. “Wall Street Reform will put overdue regulatory brakes on the big banks that have consistently exploited loopholes, relied on gimmicks and predatory lending, and gambled with Americans’ financial futures. I am especially proud that this legislation includes my amendment to protect seniors from unscrupulous lenders that pedal reverse mortgages with financially abusive terms. With passage of Wall Street Reform in the Senate, this Congress will again show Americans that we are with the people, not the “too big to fail” banks.”

The Wall Street Reform and Consumer Protection Act will help prevent the risky financial practices that led to the financial meltdown and ensure taxpayers will no longer pay the price for Wall Street's irresponsibility. The bill creates a process to shut down large, failing firms whose collapse would put the entire economy at risk. After exhausting all of the company's assets, additional costs would be covered by a "dissolution fund," to which all large financial firms would contribute.

The bill will also create the Consumer Financial Protection Bureau (CFPB), a new consumer watchdog devoted to protecting Americans from unfair and abusive financial practices. This independent bureau will provide clear and accurate information to families and small businesses to ensure that bank loans, mortgages, and credit cards are fair and affordable. Just like the FDA does for medical safety, the CFPB will set safety standards to prevent practices such as hidden credit card fees, deceptive "fine print," and other financial abuses that have escaped oversight so far.

The bill has been called the "strongest set of Wall Street reforms in three generations" by Elizabeth Warren, Chair of the nonpartisan Congressional Oversight Panel, and has been endorsed by the AARP, Consumer Federation of America, Consumers Union, Council of Institutional Investors, National Fair Housing Alliance, National Restaurant Association, Public Citizen, SEIU, and US PIRG, among other organizations. The bill was publicly debated for more than 50 hours, and includes over 70 Republican and bipartisan amendments.