

JULY 19, 2000

**STATEMENT OF U.S. REPRESENTATIVE JAN SCHAKOWSKY IN SUPPORT OF THE
CRA MODERNIZATION ACT**

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL) today joined Representatives Tom Barrett (D-WI) and Luis Gutierrez (D-IL), sponsors of the CRA Modernization Act, at a news conference to announce the introduction of the legislation. Other members, representatives from the National Community Reinvestment Coalition, U.S. Conference of Mayors, and Housing Assistance Council, and a first-time homebuyer, who benefited from the Community Reinvestment Act (CRA), also participated in the today's event.

Below is Representative Schakowsky's statement.

"I am very pleased to be here today with Representatives Barrett and Gutierrez, true leaders in the fight to expand the Community Reinvestment Act. I am proud to be an original cosponsor of their bill, the CRA Modernization Act.

"Over the years, CRA has weathered many attacks and has stood against attempts to weaken it. The Community Reinvestment Act has been a resounding success. And now we have more proof than ever that the CRA is a blessing for millions of families and small businesses. The Federal Reserve Board has just released a report, which found that CRA is working well in our communities, helping families buy their first home, assisting small business owners, and expanding community development. It also found that CRA is profitable to banks and lending institutions.

"Some of us attempted to expand and modernize CRA during the debate on the financial modernization bill. However, that transaction was denied. That is why I believe the next logical step is to pass the CRA Modernization Act to ensure that communities continue to flourish, neighborhoods continue to prosper, and small businesses continue to succeed. In this brave new world of financial conglomerates, consumers who rely on CRA need and must be protected. The CRA Modernization Act would ensure that these new conglomerates can't hide from their CRA responsibilities. This bill will also extend CRA-like requirements to insurance companies, non-depository lending institutions, and securities firms.

"This Congress went the extra mile to give banks, insurance companies, and securities firms a financial modernization bill. The time has come to do the same for millions of families, small business owners, and communities and modernize and expand the Community Reinvestment Act."