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Senate Throws Out Single Most Needed Step to Help Millions of American Families Keep Their Homes

Joint Statement from Civil Rights, Consumer, & Housing Groups

Washington, DC – More than 15 national organizations (listed below) issued the following joint statement in response to the Foreclosure Prevention Act and its failure to include bankruptcy measures:

“The Senate Housing package misses the single most significant step needed to help the 20,000 American families with subprime loans that are losing their homes each week through foreclosure: the bankruptcy amendment.

We are left with a bill loaded with special considerations for mortgage companies and builders that does very little for homeowners who were sold predatory loans by mortgage lenders.

Any final bill hammered out between the U.S. House and Senate that is a serious effort to stem the foreclosure crisis must include meaningful relief to families to modify their mortgage in bankruptcy. Bankruptcy relief will stabilize communities, keep more than half a million families in their homes and provide lenders at least as much income as they would receive through foreclosure.

As the Senate bill stands, we will continue to see foreclosures tear down communities and wipe out the most important source of financial security that most Americans have.

We are encouraged that there is recognition that the bill under consideration by the U.S. Senate today is only part of the solution. Without bankruptcy relief, Congress will be condemning hundreds of thousands of American families this year to losing their homes.”

Center for Responsible Lending
Leadership Conference on Civil Rights
ACORN
American Federation of Labor and Congress of Industrial Organizations
Consumer Action
Consumer Federation of America
Consumers Union
Lawyers' Committee for Civil Rights Under Law
NAACP Legal Defense & Educational Fund, Inc.
National Association of Consumer Advocates (NACA)
National Association of Consumer Bankruptcy Attorneys
National Consumer Law Center
National Association of Neighborhoods
National Community Reinvestment Coalition

National Council of La Raza
National Fair Housing Alliance
Opportunity Finance Network
Service Employees International Union (SEIU)