

Washington, DC- Today, Congressman Charles Gonzalez (TX-20) voted to curb abusive and predatory lending through the Mortgage Reform and Anti-Predatory Lending Act of 2009. The bill outlaws many of the fraudulent industry practices that marked the subprime lending boom, and focuses on protecting consumers, reforming our financial system, and demanding accountability.

“It is time to start holding the people that started this crisis accountable,” said Rep. Gonzalez. “The nation has experienced the highest home foreclosure rate in 25 years, and it’s time to turn this problem around and stop the predatory and irresponsible mortgage lending practices that led to the credit and economic meltdown.”

The Mortgage Reform and Anti-Predatory Lending Act of 2009 requires lenders to ensure a borrower's ability to repay; prohibits unfair lending practices; brings accountability to the secondary market for home loans; holds creditors responsible for the loans they originate; and imposes penalties for irresponsible lending.

“We are putting the power back in the borrower’s hands by ensuring that mortgage lenders make loans that truly benefit the consumer,” added Rep. Gonzalez. “San Antonio families deserve a fair shot at defending themselves from predatory lenders and today we have given them the protection they need to stay in their homes. We are working hard to restore accountability in the housing and financial markets, first by passing the Credit Card Holders’ Bill of Rights and now with the Mortgage Reform and Anti-Predatory Lending Act of 2009.”

The legislation also calls for stronger consumer protections for high-cost mortgages, requires additional disclosures for consumers regarding mortgage loans, protects tenants who rent, and creates the Office of Housing Counseling.