

December 10, 2009

The Honorable Barney Frank
Chairman
Financial Services Committee
United States House of Representatives
2252 Rayburn House Office Building
Washington, DC 20515

The Honorable Luis Gutierrez
United States House of Representatives
2266 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Frank and Congressman Gutierrez:

We, the undersigned civil rights, consumer, and housing counseling organizations, thank you for your work and support of Congressman Gutierrez's (D-IL) "Financial Counseling Language" amendment to H.R. 4173. Each month, our organizations work with thousands of families who are struggling to get back on their feet. In tough economic times, hardworking families are being confronted with a new financial reality. Millions are watching their plans for the future dissolve due to unemployment, loss of income, depressed property values, foreclosure, or bankruptcy. To get back on the path to financial security, they need relevant, real-time advice from a professional who can offer objective guidance on a range of fiscal questions.

The "Financial Counseling Language" amendment will help to support community-based organizations offering financial counseling, allowing them to hire staff and provide a much-needed service to areas that have been hit hard by the recession. This is especially helpful in communities of color that have been disproportionately affected by foreclosures and unemployment. Counselors will help families open bank accounts, build credit, identify an affordable car loan or credit card, and recover from a foreclosure or bankruptcy. Specifically, the amendment would:

- **Provide a funding stream for one-on-one financial counseling.** Individual advice tailored to the family's circumstances is the best way to change the way they make financial decisions.
- **Make financial counseling available to families at financial risk.** The recession has not only weakened household balance sheets, it has left families reliant on high-cost credit and vulnerable to financial scams and deceptive lenders. Rather than allowing history to repeat itself, families need access to sound financial guidance that sets people back on the path to a fiscally secure future.

- **Provide support to approved 501(c)(3) organizations with experience dealing with persons at financial risk.** Community-based organizations are well known in the community and a trusted source of advice, with the ability to offer culturally competent and bilingual services where needed.

Our national economy will not recover until the balance sheets of families are stabilized. Rather than leave them in a position to get taken advantage of again, Congress must give them the tools to make sound financial decisions and avoid debt traps. Should you have any questions, please contact Graciela Aponte, Legislative Analyst, National Council of La Raza, at (202) 776-1578 or gaponte@nclr.org. We look forward to working with you further on this crucial issue.

Sincerely,

National Groups:

Accountable America
ACORN Housing
Americans for Democratic Action, Inc.
Americans for Financial Reform
Center for Responsible Lending
Consumer Action
Consumers Union
Hispanic Federation
HomeFree-USA
International Brotherhood of Teamsters
Lawyers' Committee for Civil Rights Under Law
Leadership Conference on Civil Rights
League of United Latin American Citizens
Mission of Peace National Corporation
NAACP
National Association of Hispanic Federal Executives
National Coalition for Asian Pacific American Community Development
National Community Reinvestment Coalition
National Conference of Puerto Rican Women
National Consumer Law Center (on behalf of its low-income clients)
National Council of La Raza (NCLR)
National Fair Housing Alliance
National Federation of Community Development Credit Unions
National Foundation for Credit Counseling
National Hispanic Media Coalition
National NeighborWorks Association
National Puerto Rican Coalition
NID-Housing Counseling Agency
Rural Community Assistance Corporation

Sargent Shriver National Center on Poverty Law
Union Plus
U.S. Hispanic Chamber of Commerce

Local Groups:

Centro Campesino Farmworker Center, Inc., Florida City, FL
Community Services of Nevada, Las Vegas, NV
Conexión Américas, Nashville, TN
Dalton-Whitfield Community Development Corporation, Dalton, GA
East LA Community Corporation, Los Angeles, CA
Economic Opportunity Agency of Washington County, Springdale, AR
El Concilio, Modesto, CA
HBC Services, Inc., West Allis, WI
Homes on the Hill CDC, Columbus, OH
Homestead Solutions, Inc., Oshkosh, WI
Housing and Education Alliance, Tampa, FL
Housing Association Information Program, Philadelphia, PA
Housing Our Communities, Mesa, AZ
Housing For Nevada, Las Vegas, NV
La Fuerza Unida, Glen Cove, NY
Lawrence Community Works, Lawrence, MA
National Faith Homebuyers Program, Detroit, MI
New Economics for Women, Los Angeles, CA
New Jersey Citizen Action, Newark, NJ
New York City Department of Consumer Affairs, Office of Financial Empowerment, New York, NY
Portland Housing Center, Portland, OR
Southwest Housing Solutions, Detroit, MI
Southwest Key Programs, Inc., Austin, TX
St. Petersburg Neighborhood Housing Services, Inc., St. Petersburg, FL
The Resurrection Project, Chicago, IL
The West Angeles Community Development Corporation, Los Angeles, CA
United Community Center, Inc., Milwaukee, WI
Visionary Home Builders of California, Stockton, CA
Watts Century Latino Organization, Los Angeles, CA
YWCA El Paso del Norte Region, El Paso, TX

cc: U.S. House of Representatives Rules Committee