

## Legislation Will Help New Jersey's Small Businesses and Consumers

U.S. Rep. Rush Holt (NJ-12) joined small business owners and consumer advocates in South River Monday to discuss how the Wall Street Reform and Consumer Protection Act, which was passed by the House on June 30 and could be passed in the Senate as early as this week. The bill would create a new consumer financial protection agency to protect Americans from the types of abusive lending practices that led to the economic collapse; prevent taxpayer-funded bailouts of financial giants; and restore responsibility and accountability to Wall Street.

“For a decade, no one was looking over the shoulders of the Big Bank CEOs and unscrupulous hedge fund managers who created and peddled untested, worthless, or fraudulent money-making schemes,” said Holt. “The result was the biggest economic meltdown in three-quarters of a century. Once enacted into law, this bill would help prevent those kinds of abuses. New Jersey’s consumers and small businesses have been waiting for years for these kinds of reforms. It’s time for the Senate to act.”

Holt was a strong advocate for the creation of a Consumer Finance Protection Bureau, which is included in the final bill. This bureau will act as an independent watchdog with the ability to identify abusive practices in the marketplace and to act quickly on behalf of American consumers. The bureau will help ensure Americans are not victimized by deceptive practices and hidden fees and that consumers will have accurate information when they shop for credit cards and mortgages. This Consumer Finance Protection Bureau will operate a hotline for Americans to call to report unfair practices.

Additionally, reform will protect homebuyers from some of the worst predatory lending practices that contributed to the financial meltdown of 2008, a fact highlighted by Stefanie Rubin of NJ Citizen Action.

“Overall, these are just common sense rules for the financial industry to abide by,” Rubin said. “Rules like ‘no gambling for your account with our money’ and ‘you have to tell the truth about the mortgage you are giving someone.’ These reforms will help to put consumers back in control and hold Wall Street accountable for the reckless casino style gambling that led to 8 million Americans losing their jobs. It also provides protections so that never again should a few large, risky companies be able to hold the American taxpayer hostage for bailouts when its bets

go bad.”

Small business owners were on hand to support the new law, including Anita Thomas, Director of the Carolyn Dorfman Dance Company in Union, NJ, the owner of AM Thomas & Assoc. consulting, and a member of the NJ Main Street Alliance.

“I’m very pleased to be here today with Representative Holt and would like to thank him for his leadership in supporting financial reform,” Thomas said. “With the passage of the financial reform bill Main Street is sending a long overdue message to the financial industry: it’s not okay for you to take advantage of us and then leave us to clean up your mess! Knowing that we have a new ‘cop on the beat’ looking out for us in the Consumer Financial Protection Bureau should give consumers the confidence they need to start spending again so that small business can go back to what we do best – supporting our communities and creating jobs.