

“If this is an issue of Wall Street bankers versus our men and women in uniform, I’m siding with our troops every time.”

Rochester, NY – Congresswoman Louise Slaughter (NY-28) this week called upon House Financial Services Chairman Spencer Bachus to fully investigate financial institutions dealing with the mortgages of active-duty military families. It was discovered last week that JPMorgan Chase illegally foreclosed upon 14 military families and overcharged more than 4,000 active-duty military members on their mortgages in violation of existing law.

“If this is an issue of Wall Street bankers versus our men and women in uniform, I’m siding with our troops, every time,” said Slaughter, **“which is why I’m joining several of my colleagues in the House asking for a full investigation of the banks in violation of the law.”**

The Servicemembers Civil Relief Act, signed into law by President Bush in 2003, is intended to protect active military personnel from creditors. It forbids foreclosing upon active-duty military families and caps the interest rates financial institutions can charge them.

The letter, which was signed by 21 other members of Congress, urges Chairman Bachus to investigate potential transgressions by other institutions related to the foreclosure crisis and in the wake of “robo-signing” scandals.

In the letter, Slaughter joined others in writing, “Improper actions on the part of banks and financial lenders like JPMorgan Chase, Ally Financial, and Bank of America are something that we have witnessed with increasing frequency with practices such as ‘robo-signing,’ signing foreclosure forms without even reading them, and even forging

documents outright. Unfortunately, it seems that these financial institutions are trying to maintain their bottom line at the expense of American families. We therefore strongly urge you to use your oversight responsibilities to hold JPMorgan Chase and other institutions accountable for their practices.”

A copy of the letter is included below.

The Honorable Spencer Bachus

Chairman

House Committee on Financial Services

2129 Rayburn House Office Building

Washington, D.C. 20515

Dear Chairman Bachus:

Like us, we are sure you were deeply disturbed to learn that JPMorgan Chase violated the Servicemembers Civil Relief Act by wrongly foreclosing on 14 military families and overcharging more than 4,000 active-duty military members on their mortgages. As Chairman of the committee with jurisdiction over all issues pertaining to banking and housing, we urge you to use all the tools at your disposal to fully investigate the actions of financial institutions in dealing with mortgages and foreclosures of members of the military.

In November of last year, the Subcommittee on Housing and Community Opportunity held a hearing on “Robo-Signing, Chain of Title, Loss Mitigation, and Other Issues in Mortgage

Servicing” to examine foreclosure practices of JPMorgan Chase and other banks. We support these efforts and believe that hearings on bank foreclosure practices should continue in the 112th Congress to ensure that we are protecting American families.

In that spirit, we believe a hearing on the mishandling of mortgages of active-duty military families, including an examination of whether the improper actions of JPMorgan Chase extends to other financial institutions as well, is critical. Improper actions on the part of banks and financial lenders like JPMorgan Chase, Ally Financial, and Bank of America are something that we have witnessed with increasing frequency with practices such as “robo-signing,” signing foreclosure forms without even reading them, and even forging documents outright. Unfortunately, it seems that these financial institutions are trying to maintain their bottom line at the expense of American families. We therefore strongly urge you to use your oversight responsibilities to hold JPMorgan Chase and other institutions accountable for their practices.

Thank you for your prompt attention to this critical matter. We look forward to working with you.

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