

Community Reinvestment Act Joint Public Hearings, August 12, 2010
Individual Presentations: Charlotte Dotts

[Applause]

Charlotte Dotts:

Hello. My name is Reverend Charlotte Dotts; I'm from Bloomington, Illinois. I serve a community. I serve a people that are not necessarily considered worthy of receiving bank loans. I know that's true because, though the banks in our area thought we were not worthy to get home loans, they did decide that we were worthy to receive payday loans. Because they capitalized, they financed payday shops to loan money and as high as 400 percent to individuals that were single parents, the elderly. These people were preyed upon and not p-r-a-y.

They were preyed upon by some of the legal loan sharks that provided money to pay bills, to pay for medical bills, to pay for children who had needs and these same banks were not written off for CRA credit because of it. Why should they get good grades for bad loans? Why should they receive pluses, A's, when they're giving loans at a rate that cannot be paid for? These individuals, the elderly, the single parents, they in good faith thought they were receiving help because that's what was said. They were smiled at, the commercials they smiled at them. They said let us help you, let us fix your problems; and in actuality their problems mount because they pay weekly but they don't pay off the loan. They pay weekly, all they're paying is interest, they pay weekly, they offer them more money to help them, but they owe more and they get so in debt that they are then just like they said--unworthy credit risks. And, the banks have gotten good CRA ratings for bad loans.

I believe that it's time for us to help all people. Give people training, give people education, give people what they need so that they can make themselves creditworthy. Start with the young people in college who are getting credit cards at exorbitant interest and teach them how not to go to payday loans but how to get loans from banks, how to be solid investments in America. I believe that we were deceived, that we were slicked by the banks to make themselves prosperous.