

# HOW'S THAT BANKRUPTCY BILL WORKING OUT FOR YOU, CHASE?

A lot of people are (justifiably) beating up on the auto industry for lobbying to have CAFE standards eased so they could continue to produce gas-guzzling behemoths that used to be but are no longer profitable.

But while we're beating up short-sighted corporations, we ought not forget the credit industry—who demanded changes to bankruptcy laws that are now having adverse effects on the industry.

Federal bank regulators have rejected a request by banks and consumer advocates for a program to let lenders forgive huge portions of credit card debt.

The Office of the Comptroller of the Currency rejected the request for a special program that would allow as much as 40 percent of credit card debt to be forgiven for consumers who don't qualify for existing repayment plans.

[snip]

The Financial Services Roundtable, which represents more than 100 large banks, brokerage firms and insurance companies, will "continue to look for ways to help consumers in these extraordinary times," said the group's senior vice president, Scott Talbott.

Travis Plunkett, legislative director of Consumer Federation, said that with the number of deeply indebted consumers growing dramatically, "we still hope to work with bank regulators or Congress to create an alternative" to bankruptcy for them.

Gosh. If you hadn't gotten greedy and just kept the old bankruptcy process in place, it would have been a lot easier to get partial payment on credit cards in lieu of nothing.