

# National Organization for Women

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Dear Senator:

The National Organization for Women (NOW), the oldest and largest feminist activist organization with more than 500,000 members and contributing supporters, urges you to oppose S. 256, the misleadingly-named Bankruptcy Abuse Prevention and Consumer Protection Act of 2005. NOW has long opposed this legislation as it would adversely affect women and their children – especially those who are owed past due child support and women whose financial lives have been turned upside down by divorce or serious medical problems.

It is clear to us that provisions in S. 256 which empower the credit card and banking industry also take away critical protections that for decades have allowed individuals and families in a financial crisis to reorganize their debts and adopt a path to financial stability. By making it much more difficult for women to utilize our bankruptcy system, by subjecting their homes, cars, and important household belongings to loss and by allowing more debts to survive after bankruptcy, this legislation will surely lead to impoverishment of millions of vulnerable women and their families.

Promoters of S. 256 have claimed that the legislation protects women owed past due child support – but the opposite is true. Should this bill be adopted, parents who must pay child or spousal support and who have declared bankruptcy will have fewer funds available to meet their child support obligations. This is so because commercial creditors would be competing directly with child and spousal support responsibilities of the parent attempting to meet bankruptcy debt payments. Commercial creditors with their powerful collection agencies would be further empowered under Chapter 13 changes in this bill because larger payments would have to be made, detracting from available resources. It seems fairly clear to us that those who would be hurt most are the children.

Finally, we urge that the Senate not allow perpetrators of clinic violence to utilize the bankruptcy system to escape responsibilities for their violent actions against patients and clinic personnel. To do so, would be to undermine the force of federal law in punishing those who would cause personal injury and loss of property.

In conclusion, we find this legislation to be against the general welfare of many good and conscientious individuals who have every intention of paying their debts, but simply need the second chance that fair bankruptcy laws allow. To use the excuse of the few who have abused the system in order to further enrich banking and credit card companies, while impoverishing women and their children, is a morally reprehensible policy.

Sincerely,  
Kim Gandy, President