and has grown to more than 10,000 employees.

''He is generally considered to be the primary catalyst in shaping the wireless technology industry and has long been recognized as a philanthropist and community leader,'' said William T. Archey, AEA president and CEO.

Jacobs will be presented with the award on Sept. 17 at AEA's annual dinner. The organization is the largest high-tech trade group in the United States, representing more than 3,000 U.S.-based technology companies.

SUCCESS OF THE CHRISTIAN REFORMED WORLD RELIEF COMMITTEE

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1998

Mr. EHLERS. Mr. Speaker, as Congress moves forward on consideration of spending for foreign affairs, I would like to draw attention to the successes of the Christian Reformed World Relief Committee (CRWRC) headquartered in Grand Rapids, Michigan.

In 1997, CRWRC received a USAID grant of $75,000 for a Development Education project. In collaboration with Bread for the World Institute (BFW), CRWRC used the money to fund a national event which linked international development organizations with U.S. leaders who were interested in public policy, sustainable development, and hunger. The event was a huge success.

The Gathering, which took place in Washington, D.C. in June of 1997, was preceded by a number of training materials and publicity brochures and newsletters. Participants were divided into one of three groups: Track I, which involved over 300 people who were interested in poverty and hunger and wanted to learn more; Track II, the ''leadership corps'' or those who expressed a higher level of interest and would apply the ''miltiplier effect'' in their own regions after leaving the Gathering; and finally, Track III, the six foreign nationals who were development practitioners working in partnership with CRWRC overseas.

Attendance at the Gathering exceeded expectations, drawing over 500 people. The conference was a time to share stories and learn from others. According to the increase in learning based on the results of a baseline survey given at registration and a follow-up survey that followed the conference, each of the three groups was impacted significantly by new information. The follow-up survey showed that Track II participants tripled in their learning and Track I showed a positive increase as well. In addition, the visiting international developers were able to learn about the democratic process in the U.S. and the possibility of creating their own action in their own countries.

Other evidence of learning appeared in the comments from participants after the Gathering:

From Jean Claude Cerin, a development practitioner from Haiti, and one of the international presenters:

There was a woman in my small group the first day of our meetings who felt forced to adopt international issues. [. . .] She said that's not what she's concerned about, she's more interested in what's happening in her own backyard. After going through the workshops and interchanges, she became so interested. She's interested in the mailing lists, to publish talks of folks at the Track II workshops in her local newsletter, and to be in communication with international folks through email. She said, ''I'm able to connect these international issues to my own backyard, now.'' *She caught the connection, the link. We are interconnected.* [emphasis added]

From a Track II participant: ''Thanks again for your faith-filled leadership and courage in conceiving creating funding and hosting the [TrackII] sectional. It's a milestone in raising awareness for me!''

Mr. Speaker, I would like to emphasize the positive aspects of this program and believe it shows how far public dollars can go to serve the world's poor when coupled with private effort.

THE DEPOSITORY INSTITUTION MERGER PLEDGE ENFORCEMENT ACT (H.R. 4420)

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1998

Mr. LAFALCE. Mr. Speaker, we find ourselves in an era of mega-mergers among financial institutions, and the trend is likely to continue. There is some public concern about these mergers, and with a good reason. Diversified financial services companies offer real opportunities for consumers, including easier access to a larger array of financial services at lower cost. But they also carry risks: higher or hidden fees; intrusions upon consumer privacy; and indifference to community needs and concerns on the part of institutions with only a tenuous link to the local community.

Today I am introducing legislation intended to help ensure that these larger conglomerates remain responsive to community needs, fulfill their community reinvestment obligations and honor their own community reinvestment pledges.

As part of the regulatory approval process for merger applications, the banking and thrift regulators are required to consider the financial institution's community reinvestment record. It is becoming increasingly typical for financial institutions to announce sizeable financial commitments to provide loans within low and moderate income communities in the context of these pending applications. These pledges are typically intended to enhance the institution's perceived performance; gain support or approval for the application; and assuage public concern or—in some cases—reduce community opposition.

Let me provide some examples. In the NationsBank/BankAmerica merger, a CRA commitment of $350 billion over 10 years was made: $180 billion for small business; $115 billion for affordable housing; $30 billion in consumer loans; and $25 billion in community development investments. Citibank-Travelers announced a commitment of $115 billion over 10 years in small business and consumer loans; mortgages and community investments. Washington Mutual/Great Western/H.F. Ahmanson committed to $120 billion in affordable housing, multifamily housing, small business and consumer loans.

These financial institutions and others are to be congratulated on the pledges they have made. The commitments have been substantial and wide-ranging. I believe they are seriously intended and I have confidence they will be pursued. But the public must have confidence as well, and the current regulatory oversight system does not provide any.

These commitments have typically been for ten years and generally involve sizeable, but unspecified pledges of credit for affordable housing, business loans, consumer loans and investments in community projects. Yet current supervisory oversight under CRA focuses on an institution's lending and investment activities during one-year periods only, and seeks to determine whether the institution is meeting minimum required levels of community reinvestment, not the higher levels promised in these commitments. Several recent studies have found that even these routine CRA examinations have been inadequate and that CRA ratings are generally ''inflated.''

The capacity to monitor the higher levels of lending and investment committed to in conjunction with proposed mergers does not now exist either among the regulators or the community groups. As a result, the community investment pledges we are now routinely seeing cannot and will not be measured or monitored over time. But they must be, if they are to be more than empty promises. It is difficult for the public and community groups to have confidence that the generalized pledges of these institutions will take concrete and positive shape within their communities if there is no way to monitor pledge implementation.

Some of the regulators have suggested that community organizations should enforce community investment pledges by banks. I fear that may be unrealistic as few such groups would have adequate enforcement capacity. Moreover, it is difficult to enforce commitments as highly generalized as some we have seen.

Community groups are pressing for commitments that involve highly specific goals for improvement in specific types of lending in more narrowly targeted communities. That approach may have merit. Some institutions have taken it with substantial success, while others are strongly resistant.

My legislation attempts to strike a middle ground. The bill would direct the Federal banking regulators to develop and maintain procedures to monitor compliance with community reinvestment pledges made by financial institutions. In addition, it would:

Require the regulatory agencies to notify institutions when commitments are not being met and make such non-compliance public; and

Authorize the regulators to take an institution's record of compliance with these pledges into account in any future decision-making regarding the institution.

The community investment pledges being made by financial institutions are becoming an integral element of the mega-merger trend. They must be taken seriously by the regulators as well as the institution which makes them. Community groups and the public at large must have confidence in the integrity and meaningfulness of these pledges. The development of a mechanism for monitoring compliance can afford that confidence without undue regulatory intrusion.

These pledges must be more than public relations devices. If public concern about the