IN HONOR OF MARY BUSTILLO DONOHUE

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 5, 1999

Mr. ROTHMAN. Mr. Speaker, I rise today to join the Hispanic Bar Association of New Jersey in honoring Mary Bustillo Donohue of River Edge, New Jersey for her contributions to the Garden State. The Hispanic Bar Association will be presenting its Outstanding Service Award to Mary on November 6, 1999.

Throughout her life and career, Mary Bustillo Donohue has embodied the values of tolerance, patience, fairness, vigilance, and excellence. From working as a teacher for 26 years at Paramus Regional Catholic High School and as professor of Spanish Literature at Seton Hall for seven years, to serving on the Board of Chosen Freeholders in Bergen County, to being a dedicated member of her church, Mary has helped build a New Jersey grounded in family and community.

The residents of Bergen County and throughout New Jersey, including myself, have all benefitted from Mary's efforts on our behalf. Whether it was as a Councilwoman in her hometown of River Edge, or as a member of the Governor's Hispanic Task Force For Excellence in Education, or as the Honorary Chairman of the New Jersey State Democratic Hispanic Caucus Center for the Advancement of Women in Politics, Mary has exemplified what it means to be an active member of her community. She is a role model to us all.

On a personal level, I have been privileged to know Mary as a friend for more than 10 years, and now to be working with her as an invaluable member of my staff. Working with Mary has provided me with an even greater insight into her personal commitment to her neighbors and community. She has played an integral role in my efforts to serve all residents of the Ninth Congressional District in New Jersey and I am grateful for her outstanding work.

Mr. Speaker, there are few people more deserving of an award recognizing excellence in community service. Mary Bustillo Donohue is one of these people and I am pleased to join the Hispanic Bar Association of New Jersey in honoring her.

PERSONAL EXPLANATION

HON. ADAM SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, November 5, 1999

Mr. SMITH of Washington. Mr. Speaker, on the afternoon of November 1, I was attending to family business in my district and was unable to vote on H.R. 1714, legislation to provide for digital signatures.

Had I been present, I would have voted ''yes.'' I strongly support this legislation to ensure that our high-technology economy continues to grow and provides consumers more opportunities to conduct business on-line.

CONGRATULATIONS TO ARASH RASSAOULPOUR AND LEILA AFSHAR

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 5, 1999

Mr. FARR of California. Mr. Speaker, I offer my sincerest congratulations to Mr. Arash Rassaoulpour and Miss Leila Afshar on the occasion of their marriage the Sixth of March, Nineteen Hundred and Ninety Nine at the Ritz-Carlton Hotel in McLean, Virginia.

Both were born in Tehran and immigrated to the United States in the 1970's, and they have excelled here in the United States. Arash grew up in Bethesda, Maryland, and Leila in nearby Kensington, Maryland. Their interests led them to the University of Maryland at College Park, where they both received Bachelor of Science degrees in Biology. They have remained at the University of Maryland, College Park, where Arash is currently pursuing his Ph.D. in Pharmacology, and Leila is completing her residency in Pediatrics, after having recently earning her Medical Degree.

Arash and Leila are talented and accomplished people who are valuable members of their community. I have no doubt that they will continue their lives of achievement in their chosen fields of medicine. I am also certain that marriage will make their lives richer and more joyful. All of those who have come to know the bride's family are proud of her obtaining a medical degree and of her happy marriage. We all wish Arash and Leila happiness and success for many years to come.

CONFERENCE REPORT ON S. 900, GRAMM-LEACH-BLILEY ACT

SPEECH OF

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 4, 1999

Mr. STARK. Madam Speaker, I rise in opposition to the conference report on S. 900, the Financial Services Modernization Act. It is badly flawed on several counts.

Rather than strengthening the Community Reinvestment Act, the conference report actually weakens this landmark regulation. For example, the bill limits CRA's oversight of 80% of the nation's banks by decreasing the frequency of exams from once every two years to once every five years for banks with at least a ''satisfactory'' rating. This ill-advised provision will undoubtedly induce small banks to game the CRA process.

In fact, the National Community Reinvestment Coalition predicts that small banks ''will relax their CRA lending in underserved communities for four years, and then hustle to make loans in the last year before a 'twice in a decade' CRA exam.''

The overall impact of the CRA provisions, then, is to weaken protections against discrimination and redlining by constraining the Community Reinvestment Act in an era when financial conglomerates will become ever more powerful.

The Gramm-Leach-Bliley bill also raises troubling questions about the basic relationship between federal and state law in key areas. Supporters claim that the bill leaves state insurance law undisturbed. But in an October 13 letter, the National Association of Insurance Commissioners warned that the bill's broad, loose language will effectively permit banks to ''engage in high-risk reinsurance, claims settlement, credit insurance, third-party management services and other insurance business activities without being subject to supervision by either the States or the Federal government.''

NAIC's concerns focus on Section 104 of the conference report, which says that no state can ''prevent or restrict'' a bank's business activities. This language ''attacks the heart of State insurance regulation,'' NAIC writes, ''because every action taken by a State to protect consumers restricts the business activities of insurance providers—including banks—to some degree. The letter concludes with a grim prediction that ''virtually all State insurance regulatory actions affecting banks would thus be subject to legal challenge and possible preemption.''

Among the categories of state laws that may be preempted by S. 900, according to NAIC, are fair claims settlement laws covering consumers who purchase health, auto, homeowners, life, annuities, and other types of insurance.''

Concerns have also been raised about whether more protective state medical confidentiality laws are saved. Supporters say they are, but state insurance commissioners say that's not clear. Litigation is sure to follow, which will cost consumers plenty.

In addition, the bill's privacy rules governing sharing of information within affiliated entities are astonishingly weak. The bill allows affiliates—banks, securities firms and insurers—to freely share financial information without the consumer's consent. Affiliates have only to disclose their basic rules once a year.

The problems that this could create are severe. Financial institutions, looking at the bottom line, will use all of the information available to them before making lending decisions. Why, for example, would a bank that has a health insurance subsidiary not want to weigh medical information gleaned from financial data in considering mortgage applications? Will young families now have to worry that, having supplied medical information to apply for life or casualty insurance, that this data will affect their application for a home loan?

It is wrong and inappropriate for Congress to, on the one hand, enact legislation that explicitly allows mergers between banks, insurers and securities firms—but which on the other hand denies consumers any say in how their personal financial information can be used and disclosed.

I thought we learned this lesson 21 years ago, when Congress enacted the Right to Financial Privacy Act. That 1978 law, which I authored, put in place standards governing access and sharing of financial information for federal agencies. It stemmed from a Supreme Court decision that ruled the Fourth Amendment does not apply to banking records. As a former California banker, I had been a party in that 1974 suit, *Calfornia Bankers Association* v. *Schultz.*

And here we are today, throwing open the door for financial institutions to create huge new holding companies—without giving consumers any ability to say how their sensitive