

Steve Ferguson can be very proud of his many accomplishments. He is a credit to his family, his school, and his community. By accepting his appointment, Steve is accepting a unique challenge.

The Academy is the pinnacle of leadership development for the United States Army. As a member of the U.S. Corps of Cadets, he will face a most demanding academic curriculum and physical regimen. He will live, study and prepare in an environment where strong leadership thrives, individual achievement is expected, and personal integrity is demanded.

Mr. Speaker, General John W. Vessey, Jr. once wrote, "The Nation's ability to remain free and at peace depends in no small measure on whether we will continue to inspire our youth to serve."

I am confident that Steve Ferguson has the character and ability to excel at the U.S. Military Academy at West Point. I ask my colleagues to join me in wishing him well as he begins his very important service to our nation.

FINANCIAL INSTITUTIONS REGULATIONS

HON. STEVE C. LATOURETTE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 2002

Mr. LATOURETTE. Mr. Speaker, I was glad to see that a subcommittee of the House Financial Services Committee marked up legislation this week to help ease regulatory burdens placed on our nation's financial institutions—including credit unions. As a member of the Financial Services Committee and one of the authors of the Credit Union Membership Access Act, which was signed into law on August 7, 1998, I would like to bring an article recently published in the American Banker to the attention of my colleagues and submit it for the record.

It is important to remember that credit unions were created to exist solely for the purpose of offering financial services to folks within their defined field of membership. Unlike other financial institutions that can provide services to the general public, credit unions cannot. Also, as nonprofit entities that are member-owned, credit unions have consistently delivered to their members quality personal services at the lowest possible cost.

On April 25, 2002, the Financial Services Committee Subcommittee on Financial Institutions and Consumer Credit held its second hearing on regulatory relief. At that time I heard testimony from witnesses representing the credit union community and the issues they face, such as the trend of credit union conversions from federal to state charters. Just as the Credit Union Membership Access Act was much needed at the time of its enactment, I believe that true regulatory relief for insured depository institutions and for our nation's credit unions is now both necessary and appropriate.

With that in mind, Mr. Speaker I would like to submit for the record the text of an article from the American Banker website which comes from an interview with Fred Becker, President of the National Association of Federal Credit Unions.

D.C. SPEAKS: TO CREDIT UNION ADVOCATE,
SERVICE RECORD SAYS IT ALL

(By Nicole Duran)

WASHINGTON.—Credit unions do a better job of serving their communities than other types of financial institutions and could do even more if they were not hamstrung by regulatory impediments, said Fred Becker, the president and chief executive officer of the National Association of Federal Credit Unions.

"Credit Unions are better at serving everyone than banks," Mr. Becker said, referring to an American Banker survey last July that revealed credit unions are on a 10-year run for drawing the loudest applause from customers.

Critics accused credit unions and their regulator, the National Credit Union Administration, of not caring enough about low- and moderate-income people when the agency—with support from Mr. Becker's organization and others—pulled the plug on a community reinvestment rule in December before it took effect.

The rule, known as the Community Action Plan, would have required credit unions with community charters, to file plans on how they intended to serve all segments of their membership.

Mr. Becker said that the statistics show that credit unions already reach out to minorities and underserved individuals.

Credit unions approved mortgages for 84% of applicants with household incomes of \$40,000 or less, while banks approved 62% and thrifts 72%, said Mr. Becker, citing 2000 Home Mortgage Disclosure Act data. Also, credit unions lent to 70% of the minorities in that income bracket who applied for mortgages, while banks granted 56% of similar applications and thrifts 63%, he said.

There is a fundamental misunderstanding among critics—namely the National Community Reinvestment Coalition and the Woodstock Institute, Mr. Becker said.

"Credit unions don't serve the general public," he said. "You can't just walk in and join a credit union. Only recently have they been able to expand their membership fields."

The critics "may want to take a different approach in dealing with us and work with us," he said. "Anyone can always do better."

The sole purpose of the tax-exempt, nonprofit institutions is to serve members, and most offer higher-quality loans at a lower cost than consumers can get at any other type of institution, he said.

But Mr. Becker said he envisions credit unions doing even more to reach those who are not well served by mainstream and fringe financial institutions, if Congress will allow it. For example, credit unions could aid small-business owners who find it difficult to have their lending needs met, he said.

Credit unions' business-loan portfolios cannot exceed roughly 13% of an institution's total assets. If that limit were raised or lifted, credit unions could fill the void in small-business lending, he said.

Mr. Becker also wants lawmakers to allow more credit union participation in the Small Business Administration's 7(a) loan program. Right now only community-chartered credit unions may participate, and each must get individual permission. Credit unions, as an entire class, should be allowed to make SBA-backed loans, he says.

Rep. Stephanie Tubbs-Jones, D-Ohio, has written a proposal to broaden SBA participation for credit unions, but her attempts to attach it as an amendment to other legislation have so far failed.

Credit unions are in a Catch-22, Mr. Becker said—they cannot participate in the program because they do not serve the general

public, but they are barred from serving the general public by law. That logic is "ludicrous," he said.

Mr. Becker also called for the removal of other restrictions, such as the rule that credit unions cannot cash checks for nonmembers. If that rule were changed, consumers without checking accounts could have a cheaper alternative check-cashing outlets, he said.

A House Financial Services subcommittee is scheduled to vote Wednesday on a regulatory relief bill that would eliminate the prohibition and grant other items on Mr. Becker's wish list.

PERSONAL EXPLANATION

HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 2002

Mr. SWEENEY. Mr. Speaker, on May 14, 2002, I missed the rollcall vote No. 159. If I had been present I would have voted "yea."

IN APPRECIATION OF MARTY RUSO'S CONTRIBUTIONS TO OUR COUNTRY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 2002

Mr. GEORGE MILLER of California. Mr. Speaker, earlier this spring, the newspaper "Roll Call" ran a story on our former colleague Marty Russo. Marty was our colleague for 18 years. During that time, he was an outstanding Member of Congress, with his service on the Commerce and the Ways & Means Committees. He played a crucial role for the Democrats in Congress as a Deputy Whip where he was our most effective vote counter. Marty was a complete Member of Congress in meeting his responsibilities to his constituents, to his fellow members of the House and to his party. The House of Representatives is richer for his service to our country.

The newspaper "Roll Call" also makes it clear that the personal and professional skills that Marty demonstrated as a Member of the House are serving him well in the private sector as he helps lead Cassidy & Associates in a top position among governmental representation firms in Washington, DC. The article also makes it clear that Marty is finding the time out of Congress to enjoy his beautiful family.

Mr. Speaker, I want to share the "Roll Call" article with our colleagues and express my appreciation for my former colleague's important contributions to our country.

SECOND-GREATEST JOB IN THE WORLD

(By Courtney Thompson)

Upon entering former Illinois Rep. Marty Russo's (D) D.C. office, one immediately notices the myriad of photos covering the walls.

There are shots of Russo in a golf foursome with former Presidents Bill Clinton, George Bush and Gerald Ford; Russo smiling with Michael Jordan; Russo with his arm around Speaker Tip O'Neill; Russo and Arnold Palmer posing on the golf course; Russo stealing home plate at the Congressional baseball