
Statement for Ranking Member Bachus Regarding H.R. 4043, the "Preserving and Expanding Minority Depository Institutions Act of 2007"

November 7, 2007

Mr. Chairman, let me also lend my support to H. R. 4043, the "Preserving and Expanding Minority Depository Institutions Act of 2007," a common-sense bill introduced by the Chairman and Ranking Member of the Oversight & Investigations Subcommittee, Congressman Watt and Congressman Miller.

Last week's subcommittee hearing on minority banks showed that the regulators are already doing quite a bit to support minority banks, which serve an important role in the financial services sector. Unfortunately, it also seems that many of the regulators' programs are underutilized by the banks they are designed to help. These banks should be encouraged to use any and all tools provided to them by the federal regulators.

Currently, only the FDIC and OTS are required under Section 308 of the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989 (FIRREA) to preserve, protect, and promote minority owned banks. The other two federal banking regulators-the OCC and Federal Reserve-also maintain programs and services to assist minority banks, even though they are not covered by Section 308 of FIRREA. H.R. 4043 would include the OCC and Federal Reserve under Section 308's purview. This bill would also require the four regulators to report annually to Congress on their efforts to meet its Section 308 goals. At last week's hearing, the OCC and Federal Reserve did not object to being covered by Section 308 of FIRREA and all four regulators stated they would not object to an annual reporting requirement, since most of them already include minority bank information in reports they currently submit to Congress.

Mr. Chairman, I urge my colleagues to join me in supporting this bipartisan legislation.