

103^D CONGRESS
1ST SESSION

S. RES. 163

To express the sense of the Senate regarding positive consideration of crime fighting activities by financial institutions under the Community Reinvestment Act of 1977.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 10 (legislative day, NOVEMBER 2), 1993

Mr. PRYOR (for himself, Mr. BUMPERS, Mr. LIEBERMAN, Mr. BOREN, and Mr. HOLLINGS) submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs

RESOLUTION

To express the sense of the Senate regarding positive consideration of crime fighting activities by financial institutions under the Community Reinvestment Act of 1977.

Whereas the United States is experiencing an explosion of violent crime that is destroying families, devastating communities, and causing senseless loss of life;

Whereas banks, savings associations, and other financial institutions are important community institutions that can assist in fighting the causes of violence and in preventing crime by providing credit and investments in high crime neighborhoods;

Whereas activities undertaken by financial institutions that help to fight the causes of violence and to prevent crime

are important community investments and should be recognized as such in the implementation of the Community Reinvestment Act of 1977; and

Whereas it is the purpose of this resolution to encourage financial institutions to provide credit and to make investments that may assist in fighting the causes of violence and that help prevent crime in their immediate and extended communities: Now, therefore, be it

1 *Resolved*, That it is the sense of the Senate that—

2 (1) in any effort by the Federal financial institution regulatory agencies to reform regulations implementing the Community Reinvestment Act of
3
4 1977, such agencies should consider giving financial
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6 institutions credit in evaluations conducted under
7 that Act for providing credit and investments which
8 may assist in fighting the causes of violence and of
9 preventing crime in their communities, including—

10 (A) loans to police officers and firefighters
11 who establish their residences in high crime
12 neighborhoods;

13 (B) loans for community recreation facilities in high crime neighborhoods;

14 (C) loans for job creating activities that
15 will train or employ youths or adults who might
16 otherwise become involved in crime; and
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18 (D) other similar credit and investment
19 activities;

1 (2) regulations promulgated or amended under
2 the Community Reinvestment Act of 1977 should
3 give positive consideration under that Act to invest-
4 ments made by financial institutions in other finan-
5 cial intermediaries which have the effect of stabiliz-
6 ing neighborhoods and fighting the causes of vio-
7 lence and preventing crime in those neighborhoods,
8 including—

9 (A) community development corporations;

10 (B) community development credit unions;

11 (C) community development loan funds;

12 (D) specialized small business investment
13 companies;

14 (E) community development financial insti-
15 tutions; and

16 (F) other similar institutions;

17 (3) loans and investments extended by a finan-
18 cial institution for the purpose of fighting the causes
19 of violence and preventing crime outside of its nor-
20 mal lending area or geographic community should be
21 considered legitimate community reinvestment activi-
22 ties; and

23 (4) reformed regulations under the Community
24 Reinvestment Act of 1977 should not define a finan-
25 cial institution’s “local community” so narrowly that

1 loans and investments provided to fight the causes
2 of violence and help prevent crime will not be posi-
3 tively considered under that Act simply because they
4 are extended outside of the area normally delineated
5 by the financial institution as its “local community”.

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