between schools and organizations in the community. Governor Riley's Education Improvement Act mandated more involvement between schools and community, without specifying how these relationships were to be created. Harriet Bucy built the model that worked, not only in Rock Hill but in other districts who came to see what Rock Hill had accomplished under her guidance.

I have attached a eulogy in tribute to Harriet Bucy published in the Herald, shortly after her death, and ask that it be printed after my statement, as a memorial to this woman "with an overarching ability of bringing people together."

[From the Herald, Sept. 9, 2009]

BUCY SERVED COMMUNITY

Harriet Bucy always contended that a community partnership was more than just a financial contribution. A real partnership involved families, business and industry, clubs, the faith community and organizations.

Bucy, who died Thursday at the age of 69, proved how important such a partnership could be during her 23 years as the Rock Hill school district's first community leadership director. That partnership has endured.

The Rock Hill school district was among the first in the state to fully embrace mandates in the 1984 Education Improvement Act to involve parents, businesses and the community more in schools. But the EIA did not provide a blueprint for how to do that and, when Bucy signed on, she practically had to invent her own job.

Fortunately, she was not at all reluctant to do that. One goal was to bring in donations, and she was particularly adept at the business end of the job, soliciting millions of dollars worth of donations and volunteer hours each year.

But she also had taught private art classes while her three sons were growing up and had taught art and history at Rawlinson Road Middle School from 1982 to 1985 when the school was a junior high school. So, she brought both a love of art and a passion for educating children to the job.

She worked with Rock Hill Clean & Green to create an environmental education and recycling program. She worked with what then was the Rock Hill Chamber of Commerce to sponsor an education initiative. She enlisted teachers and parents to create the Rock Hill Reads program.

Much of this came under the umbrella of CLASP, the district's Community Leadership and Support Program. Bucy also worked closely with the district's Dropout Prevention Network, New Teacher Institute and America's Promise project, and was active in civic work such as supporting the York County Museum.

Bucy soon was being consulted by other school districts in the state. Rock Hill's program became a model not only for school districts in the state but also nationwide.

Her overarching talent was an ability to bring together people from all parts of the community, from different backgrounds and different lifestyles, all for the purpose of furthering the quality of education. That good work has provided the foundation for programs that will continue to serve the needs of children for generations to come.

A grateful community joins her family and many friends in mourning her loss.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 9, 2009

Ms. WOOLSEY. Madam Speaker, on July 31, 2009, I was unavoidably detained and was unable to record my vote for rollcall No. 685. Had I been present I would have voted:

Rollcall No. 685: No—On Motion to Recommit with Instructions, Corporate and Financial Institution Compensation Fairness Act.

CORPORATE AND FINANCIAL INSTITUTION COMPENSATION FAIRNESS ACT OF 2009

SPEECH OF

HON. SPENCER BACHUS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 31, 2009

Mr. BACHUS. Mr. Speaker, the following trade association letters are offered for the record in opposition to H.R. 3269 in order to supplement my remarks during debate:

JULY 30, 2009.

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES

Re Opposition to H.R. 3269, Corporate and Financial Institutional Compensation Fairness Act of 2009.

The undersigned organizations strongly oppose H.R. 3269, the "Corporate and Financial Institution Compensation Fairness Act of 2009." We believe that the bill would result in substantial unintended consequences, especially the mandatory annual vote on pay requirement in section 2 and the precedent-setting authority granted to the federal government over executive and employee compensation in section 4. In sum, we believe the bill would result in a "one-size-fits-all" approach to compensation that would have substantial negative implications for proper functioning of the corporate governance process, responsible growth, and effective risk mitigation that, when coupled with other proposed legislation, would extend well beyond the financial services industry.

Each of our organizations fully supports effective measures to increase awareness and mitigation of excessive risk in compensation. We believe that the board of directors, acting through an independent compensation committee, should be responsible for setting compensation because it is so closely linked to business strategy and succession planning. While many have developed and circulated principles to improve compensation and corporate governance, companies across all industries are taking steps to reinforce their understanding of these issues and are taking action to revise practices that may encourage excessive risk taking. Many of these changes, such as majority voting for directors, independent compensation committees, advisory Say on Pay votes, eliminating staggered boards, have been occurring on a company by company basis for a long period of time, without government mandates.

GOVERNMENT CONTROL OVER COMPENSATION

We oppose Section 4 of the bill because it would give the bank regulatory agencies authority to set the structure and thus the amount of executive and employee compensation provided in the form of incentives. While recognizing the federal government's role in ensuring the safety and soundness of our financial institutions, these provisions would effectively transfer authority for determining how a substantial part of compensation at these firms should be structured from the Board (for executives) and the company (for other employees) to a consortium of regulatory agencies. Our concerns include:

The adoption of a one-size-fit all approach, which does not accommodate a company-specific approach to pay. The financial industry is expansive, and an incentive structure that may be deemed risky at one organization may be perfectly acceptable at another, depending on the company's business strategy, the risk profile of the organization, and mitigating elements of the total pay program. The legislation instructs the agencies to take a one-size fits all approach by prohibiting pay structures that "could threaten the safety and soundness of covered financial institutions."

Even if a company-specific approach were taken, the federal government has neither the experience nor expertise to set executive compensation arrangements for a wide variety of financial institutions. The legislation will replace the informed judgment of the board of directors and compensation committee with the cursory knowledge of a federal regulator, eroding the authority of the board and its ability to closely tailor compensation to the company.

The Obama Administration did not ask for such expansive authority, no doubt a result of the interpretive and enforcement problems created by the poorly crafted executive compensation restrictions in the American Recovery and Reinvestment Act, which caused several companies to shift more pay to guaranteed salary, rather than reasonable performance-based incentives, in order to comply.

In addition, because our associations represent companies across a variety of industries, we are also extremely concerned that this model of pay regulation would expand to other industries or situations, further putting the federal government in control of pay decisions for private companies. This legislation would establish a form of compensation regulation for employees who interact with consumers. Rather than creating a new bureaucracy, we believe a more effective approach to regulating risk in incentives would be to establish a clear set of principles for mitigating risk against which the regulatory agencies could review pay arrangements.

A MANDATORY ANNUAL VOTE ON PAY

Beyond section 4 of the bill, we also oppose an annual mandatory shareholder vote on executive compensation because it does not achieve the ends sought by proponents, is not sought by a majority of shareholders, and would not improve clear communication between shareholders and the board. While we oppose the requirement embodied in H.R. 3269, there may be viable alternatives that were unable to be explored with the limited time frame taken by the House Financial Services Committee in considering this legislation.

The Board of Directors has a fiduciary duty for managing the company on behalf of all shareholders. The board's compensation committee is responsible for linking compensation incentives to confidential business strategy, aligning pay with the assessment of individual executive performance, and using long-term incentives to support the company's succession planning process. Annual say on pay votes would push compensation structures away from a company-specific approach to "cookie-cutter" arrangements designed to ensure a high vote total.