THE SAINT GEORGE SOCIETY: A POSITIVE INFLUENCE ON BAY COUNTY

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. BARCIA. Mr. Speaker, I rise to pay tribute to the Saint George Society who has served the citizens of Bay City, Michigan, since 1887. One does not often find, in our relatively young country, an organization with a continuous history of serving their fellow citizens for 112 years. The Saint George Society, however, has consistently carried out their mission to serve their community without hesitation and with much devotion.

Members of the Saint George Society have always vigorously upheld their pledge to aid the sick and needy among them. Although jobs were scarce and times were difficult in the early years of the society, they successfully raised money in order to help those in need. As their membership grew, the society was able to both rent space for their meetings at Pulaski Hall and continue to help the community in many significant ways.

In the early 1920's, the Society gave 25 dollars to returning war veterans who had been members of the organization before leaving for the War. Also, as a result of the Society's exclusively Polish membership, they made substantial efforts to buy Polish War Bonds in order to aid Poland. By 1959, the Society had weathered the great depression, two wars and a changing world. In spite of this, by the end of the year they were able to expand their services to care for mentally disabled children. On August 23, 1981, they opened the doors of a new facility which allowed them even greater opportunity to serve and be a part of the community.

On July 11, 1999, the Saint George Society celebrated many years of accomplishment by burning the mortgage on their property. As you can imagine, this was a very meaningful event for this organization which has given so much to Bay City. For them, burning this mortgage was more than just destroying a piece of paper, but was an event that represents many years of accomplishment, dedication, sacrifice and commitment.

Mr. Speaker, the Saint George Society has been a source of strength and pride for many years in the Bay City area. I know that they will continue to be a vital part of Michigan's Fifth District. For that reason, I urge you and my colleagues to join me in wishing the Saint George Society many blessings for the future.

TRIBUTE TO THOMAS A. BUTTS, ASSOCIATE VICE PRESIDENT FOR GOVERNMENT RELATIONS AND EXECUTIVE DIRECTOR OF THE UNIVERSITY OF MICHIGAN'S WASHINGTON, D.C. OFFICE

HON. LYNN N. RIVERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Ms. RIVERS. Mr. Speaker, I rise today to pay tribute to Thomas A. Butts, Associate Vice President for Government Relations and Executive Director of the University of Michigan's Washington, D.C. Office, who is retiring from the University after 35 years of distinguished public service.

Mr. Butts has served as the University's liaison to Congress and federal agencies for almost two decades. In addition to opening the University's Washington Office in 1990, he has logged thousands of miles commuting between Ann Arbor and Washington as together we've labored to strengthen higher education in the United States.

Mr. Butts' success as an advocate for higher education emanates from his great personal warmth, his many contacts in government and academe, and his professional expertise, particularly in the area of student financial aid. Over the years, Mr. Butts has contributed enormously to the deliberations resulting in reauthorization of the Higher Education Act. He also championed the William D. Ford Federal Direct Loan Program.

Prior to becoming a government relations officer, Mr. Butts served the University as an admissions counselor and assistant director of admissions in 1964–67, assistant director of the Educational Resources Information Center I Counseling and Personnel Services in 1969–71, director of Student Orientation in 1967–77, and director of Student Financial Aid in 1971–77.

He also worked as Deputy Assistant Secretary for Student Assistance with the U.S. Department of Education in the late 1970s. More recently, he has served as a member of both the National Commission on Responsibilities for Financing Postsecondary Education and of the Advisory Committee on Student Financial Assistance.

Mr. Butts earned a Bachelor of Science degree in English, economics, and secondary education from Eastern Michigan University in 1959, and a Master of Science degree in education in 1964 and Ph.D. doctoral candidate certification in 1974, both from the University of Michigan. He was a first lieutenant in the U.S. Army in 1960–63.

I applaud Mr. Butts' accomplishments and express my deep gratitude for his commitment to the well-being of students and to colleges and universities in Michigan and nationally. I congratulate Mr. Butts, a trusted adviser and friend, on this special occasion, and wish him a healthy and rewarding retirement.

THE COMMUNITY BANK TILT TO FINANCIAL MODERNIZATION LEGISLATION

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. LEACH. Mr. Speaker, during every stage in its development, financial modernization legislation has had controversial elements for all of the parties concerned. Differences will always remain between and within the banking, insurance, and securities industries. But it should be clear that in the final analysis the Gramm-Leach-Bliley Act which will be considered this week, relatively speaking, tilts in favor of the nation's community banks and the customers they serve.

Seven areas deserve particular mention:

1. Unitary Thrifts. While the financial modernization legislation provides for increased competition in the delivery of financial products, it repudiates the Japanese industrial model and forestalls trends toward mixing commerce and banking. The unitary thrift loophole which allows commercial firms to control smaller S&L charters has been closed. Not only will no new unitaries be chartered, but those in existence cannot be sold to commercial firms. This means that the signal breach of banking and commerce that exists in current law is plugged, which has the effect of both stopping the potential ''keiretzuing'' of the American economy and protecting the viability, and therefore the value, of community bank charters. As close observers of the process understand, at many stages in consideration of bank modernization legislative, powerful interest groups attempted to introduce legislative language which would have allowed large banks to merge with large industrial concerns—i.e., to provide that Chase could merge with General Motors or Bank of America with Amoco. Instead, this bill precludes this prospect and, indeed, blocks America's largest retail company from owning a federally insured institution, for which an application is pending. Federal Home Loan Bank System reforms.

2. The FHLB charter is broadened to allow community banks to borrow for small business and family farm lending. The implications of this FHLB mission expansion are extraordinary. In rural areas it allows, for the first time, community banks to have access to long-term capital comparable to the Farm Credit System, which like the Federal Home Loan Bank System is empowered as a Government Sponsored Enterprise to tap national credit markets at near Treasury rates. The bill thus creates greater competitive equity between community banks and the Farm Credit System and greater credit cost savings for farmers. With regard to the small business provision, the same principle applies. If larger financial institutions choose to emphasize relationships with larger corporate and individual customers, the ability of community banks to pledge small business loans as collateral for FHLB System advances will allow them to serve comprehensively a small business and middle class family market niche. Most importantly, if the present trend continues of American savers putting less money in banks and more in non-insured deposit accounts, such as money-market mutual funds, this FHLB reform assures community banks the liquidity—at competitive costs—they will need for generations to come.

3. Additional Powers. In recent years, sophisticated money-center banks have developed powers, under Federal Reserve and OCC rulings, that have allowed them to offer products which community banks in many states are frequently precluded from offering. This bill allows community banks all the powers as a matter of right that larger institutions have accumulated on an ad hoc basis. In addition, community banks for the first time are authorized the right to underwrite municipal revenue bonds.

4. Regulatory relief. The legislation provides modest regulatory relief for banks with assets