

June 24 / Administration of George Bush, 1992

- Elimination of the requirement that banking agencies develop detailed “micromanagement” regulations for every aspect of an institution’s managerial and operational conduct, from the compensation of employees to the ratio of market value to book value of an institution’s stock;
- Enactment of a statutory requirement that the regulations of the various Federal banking agencies be as uniform as possible, to avoid the complexity, inconsistencies, and comparative distortions that result from widely varying regulatory practices;
- Reduction of audit costs, by returning auditors to their traditional function of investigating the accuracy of depository institution financial statements and eliminating the costly and misguided expansion of their role over legal and managerial matters;
- Alleviation of the significant paperwork burden imposed by the Community Reinvestment Act on small, rural depository institutions *without* exempting such institutions from the substantive requirements to satisfy the credit needs of their entire communities—coupled with creation of incentives for institutions to reach higher levels of compliance by streamlining expansion procedures for institutions with outstanding Community Reinvestment Act ratings; and
- Elimination of the requirement that the Federal Reserve write detailed “bright line” regulations on the amounts of credit that one depository

can extend to another, thus retaining the Federal Reserve’s existing flexibility to supervise the payments system without unduly inhibiting correspondent banking relationships.

These changes, and the others made by the bill, will result in significant reductions to the administrative costs of depository institutions—costs that are currently passed on to borrowers in the form of restricted credit and higher priced loans.

I would like to emphasize that none of the bill’s provisions will compromise in any way the safety and soundness of the financial system. The legislation makes no changes to those elements of the Administration’s proposed supervisory reforms that the Congress did adopt last year. All existing capital standards will remain in force and will be neither weakened nor modified by the proposed legislation; the “prompt corrective action” framework mandating swift regulatory responses to developing institutional problems will remain unchanged; and bank regulators will continue to have exceptionally tough enforcement powers.

The legislation I am transmitting to you today is a broad and responsible solution to one of the major problems facing our financial system. The financial industry, the economy, and the public generally will benefit from enactment of this regulatory relief. I therefore urge the Congress to give high priority to the passage of the Administration’s reforms.

GEORGE BUSH

The White House,
June 24, 1992.

Statement on the Balanced Budget Amendment

June 24, 1992

This morning, I met with Members of the House of Representatives, Republicans and Democrats, who earlier this month voted in favor of a balanced budget constitutional amendment. I thanked them for the courage, vision, and responsibility they displayed supporting the balanced budget constitutional

amendment. Their votes demonstrated their willingness to stand up to the special interests who perpetuate the status quo of deficit spending. Their votes show they take seriously the intolerable legacy of debt that future generations will inherit if we do not take prompt action to control

Federal spending.

The American people overwhelmingly support a balanced budget constitutional amendment. On June 10, we came within just nine votes of achieving the two-thirds majority needed to pass the amendment in the House of Representatives. We came very close to accomplishing our goal. At a minimum, we created an atmosphere in which the Federal Government is watching more carefully how it spends taxpayers' money.

Now we must act to lay the groundwork for the future. I can and will take the compelling case for a balanced budget constitutional amendment to the American people. I seek a permanent partnership for fiscal responsibility that bears no party label. I plan to work closely with Members of Congress from both parties who support the amendment to find the nine missing votes and then raise the issue again. In every way possible, we will press our fight to restrain Federal spending once and for all.

Statement on the Supreme Court Decision on the *Lee v. Weisman* Case

June 24, 1992

I am very disappointed by the Supreme Court's decision in *Lee v. Weisman*. The Court said that a simple nondenominational prayer thanking God for the liberty of America at a public school graduation ceremony violates the first amendment. America is a land of religious pluralism, and this is one of our Nation's greatest strengths. While we must remain neutral toward par-

ticular religions and protect freedom of conscience, we should not remain neutral toward religion itself. In this case, I believe that the Court has unnecessarily cast away the venerable and proper American tradition of nonsectarian prayer at public celebrations. I continue to believe that this type of prayer should be allowed in public schools.

Nomination of David Heywood Swartz To Be United States Ambassador to Byelarus

June 24, 1992

The President today announced his intention to nominate David Heywood Swartz, of Virginia, to be Ambassador of the United States of America to the Republic of Byelarus. This is a new position.

Currently Mr. Swartz serves as Chargé d'Affaires in Minsk, Byelarus. Prior to this, he served at the Department of State as senior inspector in the Office of Inspector General, 1991–92; dean of the School of Language Studies at the Foreign Service Institute, 1989–91; and staff director at the Nuclear Risk Reduction Center, 1988–89. Mr. Swartz has also served as Deputy Chief of Mission at the American Embassy in

Warsaw, Poland, 1984–88, and consul general at the U.S. consulate general in Calgary, Alberta, Canada, 1983–84. He attended the Canadian Defense College in Kingston, Ontario, Canada, 1982–83, and served as consul general at the U.S. consulate general in Zurich, Switzerland, 1980–82.

Mr. Swartz graduated from Southwestern College (B.A., 1964) and Florida State University (M.A., 1966). He was born March 3, 1942, in Chicago, IL. Mr. Swartz is married, has two children, and resides in Vienna, VA.