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And then, this became part of our reinventing Government initiative of the Democratic Leadership Council and then an idea that the Vice President championed in his efforts to examine what we're doing here. A lot of you have helped me in my understanding of this. Floyd Flake showed me the businesses around his church. Hugh McColl stayed up half the night one night talking with me about the Community Reinvestment Act and how we could make it work. My friend, Charles Stith there, from Boston, has spent years on this.

To all of you who have played any role on this, I thank you very much. And I ask you now to work with this wonderful representation from Congress to make sure we get the job done and do it in a hurry. Thank you. We're adjourned.

NOTE: The President spoke at 12:12 p.m. on the South Lawn at the White House. In his remarks, he referred to Timothy Bazemore, founder and president, Workers Owned Sewing Co.; Beverly Ross, owner, Lakeview Stables; Joseph Holland, owner, Ben and Jerry's Ice Cream Franchise of Harlem, New York, NY; Lawrence B. Lindsey, Federal Reserve Board Governor; and Rev. Charles R. Stith, national president, Organization for a New Equality (ONE).

Message to the Congress Transmitting Community Development Banking and Finance Legislation

July 15, 1993

To the Congress of the United States:

I am pleased to submit to the Congress the "Community Development Banking and Financial Institutions Act of 1993". This legislative initiative will promote the creation of community development financial institutions that will empower individuals and communities and provide for greater economic opportunity. Also transmitted are a statement of the Administration's principles embodied in this proposal and a section-by-section analysis.

In too many urban and rural communities, there is a lack of capital and credit. Lending in distressed communities, particularly to small businesses, can be complicated. It may require special expertise and knowledge of the borrower and the community, credit products, subsidies, and secondary markets. Community development financial institutions—including community development banks like South Shore Bank in Chicago, community credit unions such as Self-Help in North Carolina, community development corporations, micro-enterprise loan funds, and revolving loan funds—have demonstrated that they can provide capital, credit, and development services in distressed areas and to targeted populations.

The bill proposes establishment of a Community Development Banking and Financial Institutions Fund that would support a program of investment in community development financial institutions. The Fund would provide financial and technical assistance to, and serve as a national information clearinghouse for, community development financial institutions.

This initiative reaffirms my commitment to helping communities help themselves. By ensuring greater access to capital and credit, we will tap the entrepreneurial energy of America's poorest communities and enable individuals and communities to become self-sufficient.

My Administration is also committed to enhancing the role of traditional financial institutions with respect to community reinvestment. As a complement to the community development financial institutions initiative, we will adopt regulatory changes to more effectively implement the Community Reinvestment Act of 1977. These changes will replace paperwork with performance-oriented standards and will include tougher enforcement measures for noncompliance.

In order to secure early enactment of legislation in this crucial area, I urge the Congress to consider the Community Development Banking and Financial Institutions Act of 1993 as a discrete bill, separate from general issues of

financial services reform and any other nongermane amendments.

WILLIAM J. CLINTON

The White House,

July 15, 1993

Remarks and an Exchange With Reporters Following a Meeting With Congressional Leaders

July 15, 1993

The President. I wanted to just make a brief opening statement and then take a couple of questions. I had the opportunity today to brief the bipartisan leadership group in Congress about the trip to Japan and Korea in terms of what was achieved at the G–7 meeting and what was achieved in the new breakthrough on our trade relations with Japan and the national security issues, reaffirming America's role as a Pacific power and our commitment to the security of Japan, Korea, and our other allies in the region.

I have just come from a bipartisan meeting of House Members and Senators from the States affected by the floods. And I was grateful to see the committee leaders there, even though many were from States not affected by the flood. I think it's fair to say that based on the leadership luncheon, or meeting, and the meeting I just came from, that there is a bipartisan commitment in the Congress to aggressively push the flood relief package. And for that I am grateful to Senator Mitchell and to Senator Dole and to the Speaker and Mr. Gephardt and Mr. Michel and the others. I think there's a real feeling that this is something we ought to do together as a nation. And I appreciate that.

I want to reiterate that we will be aggressively working in the next few days with the Governors and the others in the respective States to work through the practical problems, as well as to get the most up-to-date damage estimates in the event that the bill moving through the Congress needs to be modified in its appropriations amounts.

If there are any questions, I'd be glad to take them.

Disaster Assistance

Q. Mr. President, you've asked Congress for $2.5 billion in disaster relief. And yesterday the Director of FEMA and others have put that figure—[*inaudible*].

The President. First of all, let me emphasize a couple of things. The Federal Government does not reimburse 100 percent of the losses of these programs. Some of that has to be done from private sources; some of it has to be done from local match. Secondly, the ongoing budgets of many of these Departments, the Agriculture Department, for example, and FEMA, for another, contain funds which will be in the ordinary course of business directed to the area where it's most needed. So some of the ongoing budget will take care of this.

Now, in answer to your specific question, I have consulted with the leadership about that. The 1990 budget bill plainly concede of genuine emergencies being funded outside the budgetary process. And I think it's almost universally acknowledged now that even though we don't have the specific figure, this year's deficit will be quite a bit lower than it was estimated to be in January because we're working so hard at reducing the deficit that interest rates are down and therefore the cost of servicing our debt is down. So I think we can handle this.

I have heard the general principle advanced, it would be nice if we paid for it all with offsets, but I haven't seen any specific suggestions. And in the absence of those, I think we should just take the '90 law and proceed as is. If Senator Mitchell or the Speaker or Mr. Gephardt or anyone else has a different idea, of course, I'd be glad to hear it. The most important thing is that we get the aid out to those folks as quickly as possible.

Economic Program

Q. [*Inaudible*]—and what advice are you giving to the leaders about how to resolve the——

The President. What was that last question?

Q. What advice are you giving to the leader-