

Minsky Summer Conference 2014

Ronnie J. Phillips, Ph.D.

H.R.3474 - Riegle Community Development and Regulatory Improvement Act of 1994

103rd Congress (1993-1994)

LAW

Sponsor: [Rep. Gonzalez, Henry B. \[D-TX-20\]](#) (Introduced 11/09/1993)

Cosponsors: [2](#)

Latest Action: 09/23/1994 Became [Public Law No: 103-325](#).

Committee Reports: H.Rept 103-652 Part 1

Major Recorded Votes: 08/04/1994 : [Resolving Differences](#)

Tracker:

Introduced

Passed House

Passed Senate

Resolving Differences

To President

Became Law

FACULTY

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Media Appearances



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[SSRN \(academic papers\)](#)

Research & Teaching Areas

Regulated Industries; Banking Regulation; Government-sponsored Enterprises; Regulation of Financial Institutions

Bio

- Assistant Secretary for Financial Institutions, United States Department of the Treasury, 1993-1999;
- Senior Counsel (1989-93) and Counsel (1987-88), United States Senate Committee on Banking, Housing, and Urban Affairs;
- Attorney, 1984-87, Board of Governors of the Federal Reserve System;
- Attorney (1982-84), Broad, Schulz, Larson & Wineberg (San Francisco).
- Principal subjects: Banking Law, Financial Institutions, Corporations.

COMMUNITY DEVELOPMENT PLAN

Creating Jobs, Helping Entrepreneurs and Building Communities The Clinton/Gore Community Development Plan

Governor Bill Clinton today announced a national community development plan that aims to create jobs, provide new capital for small businesses and empower communities.

The plan will aid communities and small businesses across the country, particularly those inner cities and rural areas hardest hit by the Reagan-Bush economic failures. The plan -- already paid for in Governor Clinton's economic strategy, Putting People First -- will:

- * Create a national network of 100 community development banks and 1,000 micro-enterprise programs to provide capital and technical assistance to individuals who want to start or expand small businesses and help revitalize communities.
- * Establish Individual Development Accounts to help low-income Americans save, and create new private sector opportunities.
- * Create 75-125 comprehensive enterprise zones which combine capital incentives and new Community Development Block Grants to help revive economically disadvantaged areas.
- * Rewrite the Community Reinvestment Act to emphasize performance over paperwork and stop the practice of "redlining" in economically disadvantaged communities.

"Our plan will give everybody -- business people, home owners and community groups -- the capital and tools they need to create new private sector opportunities," Governor Clinton said. "Neither handouts nor empty promises will work. Our communities need new solutions that bypass the old orthodoxies, liberal and conservative."

Shorebank Failure

I. Introduction

On Friday, August 20, 2010, ShoreBank, Chicago, IL was closed by the The Illinois Department of Financial & Professional Regulation, and the Federal Deposit Insurance Corporation (FDIC) was named Receiver. No advance notice is given to the public when a financial institution is closed.

The FDIC has assembled useful information regarding your relationship with this institution. Besides a checking account, you may have Certificates of Deposit, a car loan, a business checking account, a commercial loan, a Social Security direct deposit, and other relationships with the institution. The FDIC has compiled the following information, which should answer many of your questions.

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II. Press Release

Supervisory History

- ShoreBank was initially notified that it was critically undercapitalized on February 23, 2010. Due to a private capital raise of more than \$146 million on May 18th, the PCA period was extended by 90 days from May 24th until August 22nd.
- The bank has been subject to an Order to Cease and Desist since July 14, 2009, requiring a number of corrective measures. The Order was amended on March 22, 2010, to require the bank to achieve higher levels of capital.

Loss to the Deposit Insurance Fund

- The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$367.7 million. If the FDIC is unable to find a buyer, in most cases it is forced to liquidate the institution. The purchase and assumption transaction saved the FDIC's insurance fund between \$250 million to \$334 million over liquidation of the institution.