

NR 97-56
June 5, 1997

OCC Hosts "Banking on Minority Business" Forums

WASHINGTON, D.C. -- Comptroller of the Currency, Eugene A. Ludwig, today hosted the first in a cross-country series of "Banking on Minority Business" forums to bring together bankers, representatives of the minority small business community, and leaders of minority business and community organizations to discuss how to overcome barriers to small business lending and build mutually profitable relationships.

"It's critical that we together explore the primary issues of small business' access to credit, capital and basic banking services," said Comptroller Ludwig. "Data from the Small Business Administration show that small businesses generate more than half of all jobs, and are vital to the health and growth of our nation's economy."

Along with other Washington-area bankers and business owners, participants in today's forum included Hugh Price, President & CEO of the National Urban League; Dr. Margaret Simms of the Joint Center for Policy and Economic Studies; Reverend Charles Stith of the Organization for a New Equality; John Oxendine of Blackstar Communications; Harry Alford, President & CEO, National Black Chamber of Commerce; Susan Au Allen, President, U.S. Pan Asian American Chamber of Commerce; Tom Espinoza, National Council of LaRaza; Eduardo Pena, League of United Latin American Citizens; and, Robert Pincus, President and CEO of Franklin National Bank.

"Outreach, partnering and study have been the fundamental bases of the OCC's efforts to promote full and fair access to credit," Comptroller Ludwig told participants in today's forum. "And, in the next 12 months, the OCC will hold meetings like the one in Washington, D.C. today, in Cleveland, San Francisco, St. Louis, Boston, New Orleans and other cities. And, we intend to follow-up on these initial meetings with subsequent meetings to bring affected parties together and monitor results." The OCC will also sponsor a Small Business Forum in December 1997 in Washington, D.C.

Over the past several years, the OCC's has made access to credit for all Americans one of its four central goals. The OCC spearheaded reform of the CRA, revamped its fair lending enforcement activities, and conducted an extensive outreach and information sharing effort to facilitate bank involvement in community development activities. The OCC also in 1996, hired community reinvestment specialists in each of the agency's six districts to work on a daily basis with community leaders, communities and lenders to explore ways to provide credit and access to banking services in underserved communities. As a result, between 1993 and 1995 (the last year for which Home Mortgage Disclosure Act data is available), home mortgage lending to minorities across the nation rose about 33 percent -- three times the rate of increase in home lending to Americans as a whole. The increase in home mortgage lending in low and moderate

income census tracts, regardless of race, was about 22 percent, or more than twice the increase in home mortgage lending to Americans as a whole.

Late this summer, federal bank and thrift regulators will release small business data collected under the revised CRA rules. These data will provide geographic information on large bank and thrift small business lending. "We now have an important opportunity to make strides in lending to small business comparable to those we've made in home mortgage lending," Ludwig told forum participants, ending with, "today I challenge each of you to sit together until change, innovation and opportunity happen."

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The OCC charters, regulates and supervises approximately 2,800 national banks and 66 federal branches and agencies of foreign banks in the U.S., accounting for more than half the nation's banking assets. Its mission is to ensure a safe, sound and competitive national banking system that supports the citizens, communities and economy of the United States.