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REMARKS OF
THE HON JANET RENO, U S ATTORNEY GENERAL
TO THE
INDEPENDENT BANKERS ASSOCIATION OF AMERICA
NATIONAL CONVENTION

Saturday, February 19, 1994

Orlando, Florida

(Transcribed from a videotape.)

P R O C E E D I N G S

(Applause.)

ATTORNEY GENERAL RENO: Thank you very much for your invitation and for this opportunity to be here with you today.

The community banks of the Independent Bankers Association of America have been on the front lines, fighting for economic growth and for opportunities for Americans throughout America. Although I come from Miami, I come from a part of Miami that was a small town as I was growing up. I knew the bankers. I know how important community bankers are, and the difference that they can make, and the success of a community, of an area, of a person who can prove themselves.

I remember Omar Stang and how he encouraged us as children, and how he led an area after World War II to become a vital, wonderful part of a greater Miami.

In small towns and mid-sized cities, in farm country and urban neighborhoods, you have worked to strengthen your communities. You have reinvested the deposits of your customers in the homes and businesses of your communities. You have helped build the backbone of some of our Nation's best and sturdiest neighborhoods and towns. I have seen you make the difference.

Many of you have also led the fight for fair and

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1 equal access to credit and banking services. I am
2 impressed with your efforts. The fact that you would
3 invite me here to discuss this issue, the fact that you
4 are educating yourselves through videos being distributed
5 to your membership are examples that I think are so
6 important for us all.

7 People wanting to reach out to see what they can
8 do themselves to identify what may be benign
9 discrimination and do everything to root it out. I want
10 to work with you to convince all concerned that lending
11 discrimination is not only unjust, but detrimental to the
12 economic growth and well-being of our society.

13 I begin my work armed with this fundamental
14 fact too many Americans are denied home loans simply
15 because of the color of their skin or where they live or
16 where they came from, too many are honest, hardworking
17 Americans. They are good credit risks. They deserve an
18 equal chance to apply for bank loans. I am determined to
19 see that they get it. That is why this Department is
20 committed to working with America's bankers to ensuring
21 fair lending practices.

22 In my first meeting on this issue of lending
23 discrimination, I made sure that as I met with community
24 advocates, I also met with bankers, to hear their
25 questions, to understand their concerns, and to pledge to

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1 them that I would work with them in every way possible, to
2 educate ourselves as to where discrimination exists and to
3 root it out.

4 Lending discrimination is just plain bad for
5 America. It does not make sense. The community bankers
6 of this country know better than most that credit is the
7 lifeblood of economic opportunity. If you have got a good
8 credit risk, you should not avoid lending just because of
9 some arbitrary and unjust factor. With credit, homes can
10 be bought and restored, businesses can be started,
11 neighborhoods can be rebuilt, and communities revitalized.

12 When credit is denied because of race, economic
13 opportunity is denied because of race. When banks stay
14 out of certain sections of our towns and cities, bank are
15 dooming these areas to permanent poverty.

16 We hear a great deal about lending issues in
17 urban areas, yet fair lending is just as important in
18 small towns and rural areas. Rural America has less than
19 a quarter of the Nation's population, yet 27 percent of
20 our poor live in rural towns. The poverty rate of rural
21 areas was more than 16 percent in 1990, almost double that
22 of suburban areas, and just below the 19 percent of
23 central cities.

24 What is more, the rural poor are more likely to
25 be impoverished over long periods of time, and they are

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1 less likely to be served by antipoverty programs. In
2 short, fair lending practices are of great importance to
3 our entire Nation, rich and poor, urban and rural, banker
4 and home buyer.

5 Yet, I believe we can all agree that new
6 information available to us now shows that controlling for
7 other factors -- race or location or where you come from
8 -- plays an unacceptably significant role in many lending
9 decisions. Let me give you a few examples.

10 The most comprehensive Federal statistics for
11 many banks and thrifts demonstrates significantly higher
12 rejection rates for African American and Latino mortgage
13 applicants than for white applicants. The data also shows
14 that many financial institutions, including many nonbank
15 mortgage companies, make significantly fewer mortgage
16 loans and have much smaller market shares in predominantly
17 minority neighborhoods than in white neighborhoods.

18 The Federal Reserve study of 131 Boston banks
19 demonstrated that the higher rejection rates of African
20 American and Hispanic applicants for home mortgage loans
21 could not be explained by differences in their
22 creditworthiness. After controlling for those
23 differences, African American and Hispanic home mortgage
24 applicants were still 56 percent more likely to be denied
25 a loan than similarly situated white applicants.

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1 The Department of Justice's lawsuit against
2 Decatur Federal, one of Atlanta's largest lenders, is a
3 virtual primer on discrimination in the home mortgage
4 industry. Our lawsuit proved that discriminatory lending
5 occurs despite management's anti-bias policies. We found
6 that, over time, lending institutions make seemingly
7 unrelated decisions regarding branch locationing,
8 marketing, advertising, hiring, appraising, underwriting,
9 and compensation for loan originators. Eventually, these
10 individual decisions ultimately accumulate, one upon the
11 other, to form a wall that effectively bars many minority
12 applicants from receiving home loans.

13 In short, we know now much more about lending
14 practices than we did just a few years ago. We know that
15 lending discrimination is often pervasive, and that it
16 continues today. But we also know that most
17 discrimination is not the product of racial animus or
18 bigotry. It is, instead, the result of years of seemingly
19 benign decisions that now have the practical effect of
20 barring many minorities from receiving credit.

21 I, therefore, hope that we can work
22 cooperatively with you, with your association, to identify
23 and root out these discriminatory practices, and create a
24 fair and free lending system.

25 We are eager, willing and able to work with

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1 American bankers.

2 For most of my life I lived in a community, was
3 a local prosecutor, and always resented the Feds coming to
4 town and telling me what to do. They came to town with
5 conditions. They came to town with regulations. And they
6 did not understand the problems that I faced or that my
7 community faced. I am trying to make the Department of
8 Justice a partner with the communities of America. I am
9 trying to work together with bankers, with citizens, with
10 police officers, with others whom the Justice Department
11 relates with, not to tell you what to do, but to work
12 together with you to understand the laws and to ensure
13 full compliance.

14 Our major thrust is not to go around suing
15 people, which we will if we have to, what we want to do is
16 sit down with people, talk out problems, talk out the
17 situations, try to answer questions. And I am making my
18 staff available to join with you to help end these many
19 benign practices that often combine to produce
20 discrimination.

21 I also want to be clear about this. No one from
22 the Justice Department, not me, not any one of our
23 lawyers, will ever ask you to make a bad loan. All we are
24 asking is that your lending practices be free from the
25 policies and procedures that tend to irrationally deny

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1 loans because of where the person comes from or their race
2 or where they live.

3 I think -- I know our cooperative approach can
4 work. In fact, I am going to do everything possible to
5 see that cooperation -- that we have the resources to make
6 sure that this cooperation succeeds. We want to talk with
7 you. I will meet with your executive committee after this
8 session. We want to talk through your concerns. And I
9 would be available to answer questions after I am through
10 speaking.

11 I do not profess to be an expert, but if I get
12 your questions and concerns, then I can follow up with you
13 and get back to your membership as we try to work through
14 these issues and understand them.

15 Now, I remember the Feds coming to town, and
16 they would say, we want to help you. And then they would
17 threaten to sue us. So, understand that I do not take
18 lightly the next statement. We want to cooperate, but
19 where clear patterns of discrimination continue to exist,
20 we are going to take fair, firm, effective enforcement
21 action. I think if we work together we can avoid much of
22 that.

23 But we can and have made our cases. The Decatur
24 prosecution shows that records, testimony and statistical
25 evidence can prove illegal discrimination by lending

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1 institutions. We have now assembled the investigative and
2 prosecutorial resources to bring our cases. The
3 Departments of Justice and Housing and Urban Development
4 have agreed to conduct joint investigations of financial
5 institutions that may engage in discriminatory lending
6 practices.

7 We are working closely with the Federal Reserve
8 Board, the Controller of the Currency, and other Federal
9 agencies. I am reallocating resources within the
10 Department to increase significantly the number of lawyers
11 fighting lending discrimination. I have also instructed
12 U.S. attorneys to make their lawyers available to assist.

13 Some lending institutions will surely continue
14 to argue that higher rejection rates for minorities are
15 explained by differences in creditworthiness. Lending
16 executives will say that lower loan origination rates in
17 minority neighborhoods are caused by lower demand for
18 mortgage loans. Our lawsuit against Decatur, along with
19 the studies in Boston and elsewhere that control for these
20 factors, call into serious question this standard argument
21 made by lenders.

22 In short, we now have the hard evidence to
23 breach these traditional defenses once and for all.

24 Now is the time for the community of lending
25 institutions to join together with us to work out this

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1 problem. The Decatur case and the Boston study have
2 hopefully gained the industry's attention. These cases
3 should spur the industry to reform itself and cooperate
4 with fair lending practices. We encourage the industry to
5 conduct its own self-assessment. Our litigation policies
6 will grant favor to institutions that have acted
7 voluntarily to eliminate discriminatory practices before
8 we get into it.

9 Let me give you an example. In December, we
10 sued the Shawmut Mortgage Company for discrimination
11 against minorities in its mortgage lending program. By
12 consent decree, we obtained fair compensatory damages for
13 the victims of discrimination. We sought no punitive
14 damages or civil penalties in the Shawmut case because the
15 institution had reexamined its own conduct and eliminated
16 discriminatory actions before our investigation began.

17 Now the president of Shawmut has joined us and
18 become an eloquent spokesman for what we are trying to do.
19 But, make no mistake about this, had Shawmut not acted on
20 its own to end discriminatory practices, the Justice
21 Department would have insisted on far stiffer penalties.

22 In January, we reached an agreement with the
23 First National Bank of Vicksburg. The Department's Civil
24 Rights Division and the Office of the Controller of the
25 Currency worked together on this important case. We

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1 discovered that the bank was wrongfully charged African
2 Americans higher interest rates, as much as 10 percent
3 higher for home improvement loans.

4 Because of our investigation, Vicksburg agreed
5 to pay \$50,000 in civil penalties and \$750,000 in damages.
6 This money will compensate 170 African American loan
7 borrowers. Vicksburg will also change its discriminatory
8 policies, adjust the interest rates on outstanding, and
9 target its services to low- and moderate-income borrowers.

10 We also reached agreement in January with Black
11 Pipe State Bank in South Dakota. We sued Black Pipe last
12 November for discriminating against Native Americans by
13 refusing to make secured loans where the collateral for
14 the loan was located on a reservation. We also argued
15 that Black Pipe was placing discriminatory credit
16 practices on Native Americans.

17 Finally, based on information provided by the
18 FDIC, we alleged that Black Pipe imposed upon Native
19 Americans higher interest rates and finance charges. Our
20 settlement with Black Pipe will help ensure that Native
21 Americans have a fair chance at home ownership. The bank
22 purchasing the Black Pipe institution told us it would
23 have no difficulty making secure loans in reservation
24 areas.

25 Under the settlement, Black Pipe will create a

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1 \$125,000 fund to compensate Native Americans who were
2 unfairly denied loans. Additionally, the bank agreed to
3 grant loans that it previously turned down, expanded
4 services to the reservations located near the bank, and
5 actively market its products to Native Americans.

6 These settlements demonstrate beyond any doubt
7 that the Justice Department will tackle lending
8 discrimination wherever and in whatever form it appears.
9 We want to cooperate, but we also want results. Most of
10 all, we are determined to be fair. That is why no loan is
11 exempt.

12 I recognize that Vicksburg and Black Pipe are
13 both small institutions. And you might be concerned that
14 we target such institutions. That is not the case. But
15 in these situations, the discrimination was clear and
16 significant, and no corrective action had been taken prior
17 to commencement of our investigation.

18 Again, we want to reach out and work with you to
19 avoid situations like this whenever possible, and to make
20 sure that we assist you in your own self-assessment, for
21 it is the soundness of the loan, not the color of the
22 skin, that must dictate a bank's lending policies.

23 Again, I reiterate, we do not want lenders to
24 make bad loans. We do insist that banks abandon
25 discriminatory policies. As long as those policies exist,

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1 so, too, will our efforts to combat them.

2 But I also come to you today to talk about
3 another issue, an issue that I have just been learning
4 about in these last several weeks. I come today to pledge
5 my help in maintaining a level playing field for the
6 community banks in America. As I have told you, I have
7 seen firsthand in my growing up in that little suburb what
8 an independent banker can do. I am aware of how important
9 the Nation's community banks are to the economy.

10 That is why it is crucial that the field of
11 competition for community banks remain as level as
12 possible. The Justice Department's Antitrust Division is
13 helping ensure fairness in an area that is of great
14 importance to you, access to regional and national
15 automatic teller machine networks. ATM's are fast
16 becoming a preferred way for consumers to do business with
17 their bank. Yet, it is not economical or even feasible
18 for most banks to have their own ATM machines located in
19 every place where their customers may want to withdraw
20 cash or make deposits.

21 That is why banks of all sizes, but especially
22 smaller- and mid-sized banks, have joined regional or
23 nationwide ATM networks to process the transactions that
24 are made through ATM's. In short, access to an ATM
25 network has become almost as important for a bank as

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1 access to telephone or utility service. Yet, it is true
2 that many ATM networks are regional monopolies.

3 We have laws that require monopolists, or those
4 with large amounts of market power, to behave very
5 carefully, so as not to abuse their market position to
6 limit competition. For example, suppose your local
7 utility refused to hook you up, or suppose the utility
8 insisted that you buy other services or products as a
9 condition to obtaining telephone service or electricity.
10 In these cases, you can be sure that the Justice
11 Department would seriously investigate these matters.

12 Fortunately, typical utilities do not behave
13 like this. Likewise, most operators of ATM networks obey
14 the law and do not use their market power to harm
15 competition. From what we can tell, most ATM networks are
16 open to all banks meeting certain minimum eligibility
17 criteria. But most is not all.

18 Our Antitrust Division is now investigating
19 instances where one or more networks have engaged in
20 exclusionary conduct that may violate antitrust laws.
21 Where the evidence is clear, we will not hesitate to
22 challenge such activities in court.

23 And so I issue an invitation to the institutions
24 represented here, and, more broadly, to all the members of
25 the Independent Bankers Association of America. If you

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1 believe you are the victim of abusive practices by ATM
2 networks, I want to hear about it. If you believe other
3 dominant suppliers of goods and services are abusing their
4 market power, I want to know. And so does our very able
5 Assistant Attorney General in charge of the Antitrust
6 Division, Anne Bingaman.

7 I pledge to you that we will vigorously and
8 promptly pursue all complaints. Where appropriate, the
9 Justice Department will take all necessary action to root
10 out anti-competitive conduct that harms you or your
11 customers.

12 As I have said, I have a great regard for the
13 banker who makes the difference in a person's life. I
14 watched bankers take risk on those coming from Cuba in the
15 early sixties, when sometimes they had nothing but the
16 shirt on their back to get started. They made a
17 difference. They have helped build a great international
18 community in the area that I come from, a community that I
19 love.

20 I have now had the chance in this past year to
21 travel throughout America, to rural areas, to small towns,
22 to major cities. I see a new spirit afoot in America, and
23 you are central and core to it.

24 What is happening in America that is great, that
25 is bold, that is innovative is happening in the

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1 communities of America. I think if we look back in
2 history we can see trends. With the Depression, people
3 started to focus on Washington as the place with power to
4 resolve problems. With World War II, people became even
5 more convinced that the Federal Government was where we
6 went to get our problems solved. Civil rights enforcement
7 in the fifties and sixties made us think that we could go
8 to Washington to seek justice.

9 And then, in the seventies and into the early
10 eighties, we put money into the problem from Washington.
11 And then the time came when the money began to run out.
12 And so, we shifted programs to the States, without the
13 money. And States shifted the programs to the
14 communities, without the money. And communities
15 throughout America, with their back up against the wall,
16 small and large, have demonstrated the creativity, the
17 boldness that is central to this Nation's tradition and
18 history.

19 And I suspect that the core of every major
20 community revitalization effort, every community that is
21 beginning to address the problems of unemployment, of
22 dysfunctional families, of retraining efforts, every one
23 of those efforts I suspect has a community banker, a
24 person who cares about their community, at the heart and
25 soul of this bold and innovative effort.

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1 I have travelled through this country to see
2 people recognizing that no longer can we say, that is not
3 my problem, but that we have to join together to build
4 networks that invest in the families and the children of
5 America. The banker understands that unless we make this
6 investment, we will not have a work force in 15 years with
7 the skills necessary to fill the jobs to maintain America
8 as a first-rate nation.

9 The prosecutor understands that we will never be
10 able to build enough prisons unless we make an investment
11 in children and families, an investment in retraining
12 efforts, to understand the new nature of employment in
13 America unless we make an investment in our educational
14 system, so that our children can be prepared to meet the
15 technological challenges of America today.

16 I see bankers in my own hometown and throughout
17 this Nation at the heart of the effort to bring
18 communities back together, to reweave the fabric of
19 society around neighborhoods, to give children and
20 families a future, and to build America as a strong and
21 great Nation.

22 I want to join with you in this effort, both in
23 the issues that I have discussed today and in trying to
24 make the Federal Government, through at least the
25 Department of Justice, a true partner with you -- a true

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1 partner with local law enforcement, a partner in terms of
2 juvenile justice and delinquency prevention, a partner in
3 addressing antitrust issues or discrimination issues.

4 I want people to feel that the Federal
5 Government is not some bureaucracy far distant in
6 Washington, but a government that has been elected by you
7 and by all the people of America to serve its people.

8 This is an extraordinary time. It is a time of
9 great challenge. But in this wonderful opportunity that I
10 have had in this past year to see America, to meet its
11 people, to understand the magnificence of this great land,
12 I have never, ever been so sure that America is on the
13 right track.

14 As I said at the outset, I would be happy to
15 try to answer questions that you might have, or at least
16 take notes of your concerns so that I might get back to
17 you. And your executive director said that you might want
18 to do that.

19 So, why don't you fire away with questions.

20 (Applause.)

21 ATTORNEY GENERAL RENO: If I could also ask
22 Mr Hancock to come out, too Paul.

23 QUESTION: My question is. Do you have any
24 bankers involved in the interpretation of the HMD data
25 before you come up with this hard-hitting evidence that

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1 you have been talking to us about?

2 ATTORNEY GENERAL RENO: Paul.

3 This is Mr. Paul Hancock, who has been working
4 with me in this area.

5 MR. HANCOCK: Yes, bankers have been involved in
6 reviewing HMD data. HMD data, for us, I should say, is
7 only a starting point. It tells us very basic statistics
8 as to how many loans it made and how many people, by race,
9 have been rejected. But we have never brought a lawsuit
10 based on HMD data.

11 We do investigations to see whether people --
12 HMD data, as you know, do not tell us whether people are
13 being denied for valid reasons or invalid reasons. What
14 we do in all of our investigations is do a detailed
15 investigation to make a determination as to whether
16 someone is denied because of valid credit factors or
17 because of race. And all of the lawsuits we have brought
18 to date have corrected decisions that were based on race,
19 not on credit factors.

20 ATTORNEY GENERAL RENO: Yes.

21 QUESTION: Howard Terk from Wisconsin.

22 Credit unions are not included in the Community
23 Reinvestment Act, yet many are large community financial
24 institutions. Do your anti-discrimination efforts include
25 credit unions?

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1 (Applause.)

2 MR. HANCOCK: Yes, my task is to do this on a
3 day-to-day basis. And I am aware of the role that credit
4 unions play in the lending industry. And we are
5 consulting very closely with the National Credit Union
6 Association, as well as the Federal regulatory agencies in
7 addressing the issue.

8 ATTORNEY GENERAL RENO: And, again, I would
9 stress what we need to do so that we can have the dialogue
10 is to make sure that your executive committee stresses
11 with me concerns that they have so that we can understand
12 the cause of your concerns and move forward on this issue.

13 (Applause.)

14 VOICE: Are there any other questions?

15 QUESTION: Yes. Gary Warner, Traders Bank, West
16 Virginia.

17 Ma'am, what could your office do to help us
18 convince Congress that bankruptcy reform would do more for
19 credit availability than anything else?

20 (Applause.)

21 VOICE: Gary, repeat your question. Stand back
22 a little farther from the microphone. We are getting a
23 terrible echo up here.

24 QUESTION: Okay. What could your office to help
25 us convince Congress that bankruptcy reform will do more

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1 to help credit availability than anything else?

2 ATTORNEY GENERAL RENO: Again, I am not in the
3 banking regulatory business, but if you have messages
4 today that you would like me to carry to Secretary Bentsen
5 and the administration, I would be happy to try to do so.

6 QUESTION: We would appreciate your taking that
7 message, yes.

8 (Applause.)

9 QUESTION: My name is Howard Garner. I am from
10 West Bend, Iowa.

11 ATTORNEY GENERAL RENO: If you can move back
12 just a little bit, because when you are too close to the
13 microphone there is a terrible echo up here that makes it
14 difficult to hear.

15 QUESTION: How is this? Is this better? Can
16 you hear now?

17 ATTORNEY GENERAL RENO: Yes.

18 QUESTION: Okay. While the rights of citizens
19 in this country are important to all of us, a right that I
20 think that we are all concerned about is the right to
21 safety in the street and freedom from drugs that are
22 increasing. And the question we are concerned about is we
23 seem to moving in an area of civil rights when we have got
24 rising crime both on the streets and increased drug use.
25 And we seem to see Justice moving away from those kinds of

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1 problems.

2 (Applause.)

3 ATTORNEY GENERAL RENO: Quite to the contrary.
4 When I came to Washington, I was disturbed because, as a
5 local prosecutor, I had seen the Federal drug enforcement
6 effort fragmented, confused. I had seen Federal agencies
7 involved in turf battles, so that they did not exchange
8 intelligence information.

9 I resolved, as I came to Washington, to do
10 everything I could to improve the Federal drug enforcement
11 effort. And we have now had an historic opportunity to
12 develop a program between the Drug Enforcement
13 Administration and the FBI and the Customs Service,
14 whereby we are going to start sharing information, where
15 there is unparalleled cooperation, where we are working
16 with U.S. attorneys to focus on the drug kingpins and to
17 form partnerships with local law enforcement to take not
18 only the kingpin, but the entire organization out.

19 I think that this enforcement effort can
20 represent a significant improvement over the one marked by
21 turf battles and refusal to share and to coordinate their
22 efforts.

23 At the same time, we are trying to make sure
24 that we have enough prisons to house the truly dangerous
25 offenders, so that we have truth in sentencing. One of

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1 the most frustrating experiences for me as a prosecutor
2 was to prosecute somebody, avoid a plea bargain, get them
3 convicted in a trial by jury, see the judge impose a stiff
4 sentence, and see that person out in 20 to 30 percent of
5 the sentence because there were not enough prison cells.

6 I want to make sure that for the major
7 traffickers, the distributors, the violent offender, the
8 career criminal, that there is truth in sentencing, and
9 that the sentence of the judge means what it says.

10 I think it is also imperative, though, that we
11 focus on youth violence, which I think is one of the
12 greatest single problems that we face in America today. I
13 think that youngsters have got to understand that there is
14 punishment, and if a 15-year-old puts a gun up beside
15 somebody's head, he is going to face punishment. That is
16 the reason it is so important that we get the boot camp
17 provision in the crime bill passed, so that youngsters
18 will know that there is a punishment for their crime, and
19 that there will be a consequence for their act.

20 It is this administration, rather than moving
21 away from the issue of drug enforcement and efforts
22 against violence, that is promoting, pushing and calling
23 for the immediate passage of the crime bill, which
24 includes 100,000 police officers to the streets of this
25 Nation. And I would ask this association to join with us

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1 in urging Congress to get this passed as soon as possible,
2 without a lot of political rhetoric, but with a common
3 sense thrust to get monies to the streets in true
4 partnership with American law enforcement that can make a
5 difference.

6 As I say, these are a number of issues. I did
7 not address this issue since you invited me to discuss
8 lending discrimination. But if you would like me to come
9 back and talk about crime and criminal justice, I will be
10 delighted to do so.

11 (Applause.)

12 VOICE: The gentleman back at the microphone
13 back in the middle. And this will be the last question.

14 QUESTION: I am Charles Norton with the Welsh
15 State Bank and I have a question. I would like a
16 clarification of the Black Pipe case, where it had to do
17 with the Indian reservation. Could you comment on that,
18 please?

19 MR. HANCOCK: Yes, my office was under Attorney
20 General Reno's direction, litigated the Black Pipe case.
21 The policies that we challenged in Black Pipe were, first
22 of all, the bank had an explicit policy of refusing to
23 make secured loans when the collateral securing the loan
24 was located on reservation land. We found that to be very
25 discriminatory. It certainly had a very detrimental

1 impact on the daily lives of Native Americans.

2 I know there has been some concern about the
3 Black Pipe case from members of your organization who have
4 talked with me this week while I have been here. What I
5 should emphasize to you, however, is that we first did an
6 investigation to look at the ability of the bank to secure
7 its collateral if necessary, and found --

8 (End of video and audio.)

9 (End of transcript.)

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