

MEMO# 5506

January 21, 1994

RECENT PRESS ARTICLES ON APPLYING CRA TO MUTUAL FUNDS

January 21, 1994 TO: BOARD OF GOVERNORS NO. 9-94 RE: RECENT PRESS ARTICLES ON
APPLYING CRA TO MUTUAL FUNDS

_____ As we previously informed you, certain bank trade associations and others have publicly advocated imposing community reinvestment obligations on mutual funds. (See, e.g., Memoranda to Board of Governors No. 53-93, dated June 9, 1993 and No. 65-93, dated July 27, 1993.) Attached are two recent press articles that report on this debate. Both articles quote representatives of bank trade associations and consumer groups in favor of the idea of extending the Community Reinvestment Act to mutual funds (although neither article contains much that is new). The articles also quote the Institute, as well as others, who object to the idea. We will continue to monitor developments in this area and keep you advised. Matthew P. Fink President
Attachment

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