

# Black Business News

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Editorial:

## *CONGRESSWOMAN MAXINE WATERS: ADVOCATING AS ALWAYS FOR THE UNDERREPRESENTED*



In response to the announcement of the U.S. House of Representatives Ethics Committee lodging formal charges against Congresswoman Maxine Waters for ethical wrongdoing, the Black Business Association (BBA) stands behind and supports Congresswoman Waters' defense of these unwarranted charges. The BBA is confident that once the Subcommittee report is released, and Congresswoman Waters has the opportunity to present the facts, it will be concluded that there were no violations of ethics rules or practices.

The panel has stated that it found evidence of ethics violations committed by Congresswoman Waters, who denies breaking any rules in setting up a September 2008 meeting between Treasury Department officials and the National Bankers Association (NBA), a trade association for minority-owned banks. The allegations against Ms. Waters, centered on the involvement of her husband with OneUnited Bank and the bank's subsequent receipt of \$12 million in bailout funds three months after the meeting, question whether inappropriate assistance was provided in the facilitation of the meeting.

Congresswoman Waters' husband, Sidney Williams, who had served on the One United board from 2004 to 2008, was no longer on the board at the time of the meeting. Additionally, the meeting was not scheduled to discuss a financial bailout plan for OneUnited Bank, but was held to discuss the impact that the government takeover of Fannie Mae and Freddie Mac might have on minority banks across the nation. Further, Congresswoman Waters, who also serves on the House Financial Services Committee, had arranged this meeting as part of her ongoing efforts to advocate on behalf of minority-owned business. Congresswoman Waters was not in attendance at this meeting, nor did she and/or her husband derive direct financial benefit from the meeting.

Contrary to what the recent charges against the Congresswoman imply, the BBA believes that Maxine Waters was doing her job - advocating for the un- and underrepresented. In fact, Congresswoman Waters has carried the causes and needs of the down-trodden and often voiceless masses long before she was elected to public office in 1976.

We believe that she is in fact do-

ing what each and every elected official should be doing on a daily basis: looking out for the needs of her constituents. In this case, the Congresswoman's direct constituent, OneUnited Bank, as well as her broader constituents - minority owned banks - were being left out of the Troubled Asset Relief Program (TARP) funding that was being distributed to struggling financial institutions. The Congresswoman merely stepped in, to make sure some equity and parity was brought to the table. After all, the small and community banks like those represented by the National Bankers Association, which are often the key places that make home and small business loans to African Americans and other minorities, were not benefiting from the TARP funding like big institutions such as AIG.

Another side note to consider: OneUnited was not the only NBA member to receive TARP funds subsequent to the meeting with the Treasury Department. Fourteen NBA institutions in total obtained such funding, after the legislation passed in October of 2008.

The BBA finds it interesting that these allegations are resurfacing now,

given that they had been addressed more than a year ago. In fact, they have resurfaced with the only document released last week, which was a year old. Previously confidential reports prepared by the quasi-independent Office of Congressional Ethics have also been released to the press.

Additionally we find it curious that the lobbying efforts of AIG, an \$850 billion insurance corporation, resulted in its receipt of more than \$48 billion in TARP bailout money, with an additional \$70 billion committed. The Federal Reserve Bank established another \$85 billion in "credit facility" to meet AIG's credit obligations – more than 20% of its assets. By comparison, OneUnited, a relatively small minority bank of approximately half a billion dollars (\$532 million as of March 2010) in total assets, received a \$12 commitment or 2% of its asset base. Big whoop.

If it is necessary that these charges against Congresswoman Waters be carried forward, the BBA would also request that the Federal Reserve be required to provide a comprehensive report of the questionable actions that have led to the largest financial institutions receiving their federal bailouts. It's only fair. In the meantime, the BBA stands firmly behind the Honorable Congresswoman Waters, who fights for justice and battles unflinchingly against inequity in the financial industry. 🇺🇸

## About Maxine

**C**ongresswoman Maxine Waters is considered by many to be one of the most powerful women in American politics today. She has gained a reputation as a fearless and outspoken advocate for women, children, people of color and the poor.

Elected in November 2008 to her tenth term in the House of Representatives with an overwhelming 80 percent of the votes in the 35th District of California, Congress-

woman Maxine Waters represents a large part of South Central Los Angeles, the communities of Westchester and Playa Del Rey as well as the diverse cities of Gardena, Hawthorne, Inglewood and Lawndale.

She continues to be a member of the House Committee on Financial Services and the Chairwoman of its Subcommittee on Housing and Community Opportunity. She also serves on the Subcommittee on Financial Institutions and Consumer Credit, and the Subcommittee on International Monetary Policy, Trade and Technology.

She also continues to serve on the Committee on the Judiciary and its Subcommittee on Crime, Terrorism, and Homeland Security and its Subcommittee on Immigration.

### Legislative Leadership

Throughout her 30 years of public service, Maxine Waters has been on the cutting edge, tackling difficult and often controversial issues. She has combined her strong legislative and public policy acumen and high visibility in Democratic Party activities with an unusual ability to do grassroots organizing.

Prior to her election to the House of Representatives in 1990, Congresswoman Waters served 14 years in the California State Assembly where she rose to the powerful position of Democratic Caucus Chair.

As a national Democratic Party leader, Congresswoman Waters has long been highly visible in Democratic Party politics and has served on the Democratic National Committee (DNC) since 1980. She was a key leader in five presidential campaigns: Sen. Edward Kennedy (1980), Rev. Jesse Jackson

(1984 & 1988), and President Bill Clinton (1992 & 1996).

Before her election to Congress, she was a leader in the movement to end Apartheid and establish democracy in South Africa. She opposed the 2004 Haitian coup d'etat, which overthrew the democratically-elected government of Jean-Bertrand Aristide in Haiti, and defends the rights of political prisoners in Haiti's prisons.

As she confronts the issues such as poverty, economic development, equal justice under the law, international peace, human rights and other issues of concern to people of color, women, children, and poor people, Rep. Waters enjoys a broad cross section of support from diverse communities across the nation. 🇺🇸

<http://waters.house.gov>



*Earl "Skip" Cooper, II*

President/Chief Executive Officer



### Black Business Association

P.O. Box 43159

Los Angeles, CA 90043 USA

Tel: (323) 291-9334

Fax: (323) 291-9234

URL: [www.bbala.org](http://www.bbala.org)

E-mail: [mail@bbala.org](mailto:mail@bbala.org)