

February 4<sup>th</sup>, 2020

Dear reviewers for the Community Reinvestment Act Proposed Rule  
RE: OCC, Docket ID OCC-2018-0008

Hello, I am writing in regards to the Proposed Rule document on the Community Reinvestment Act (CRA) that was issued by the Comptroller of the Currency (RIN:1557-AE34 & RIN: 3064-AF22). Community Frameworks is a nonprofit organization based in Washington State, whose mission is to create affordable housing as a catalyst to help communities thrive. The CRA has been invaluable in supporting communities nationwide, and we are concerned about the impact of this Proposed Rule.

Both the OCC and FDIC have identified the main goals as directing more CRA activity to where it's needed most, increasing transparency, and increasing overall CRA activity. However, the impact this proposal will have on those goals is unclear, and in many cases, the proposal would have the opposite effect. We need to modernize and strengthen CRA, not weaken it. This is particularly true for communities of color, where discrepancies in lending remain a problem in communities nationwide. Regulators should be working to set and enforce rules that solve these discrepancies.

The Community Reinvestment Act was a landmark civil rights law passed in 1977 to end discrimination in America's banking and housing markets. The law made a huge difference, injecting over a trillion dollars to low- and moderate-income neighborhoods. For example, through the support of the CRA, Community Frameworks

- Developed over 1,500 units of affordable rental and emergency housing;
- Funded over 3,200 sweat equity homes, enabling a path to homeownership for low-to-moderate-income families, many of whom were first-time homebuyers;
- Educated nearly 600 first-time homebuyers in how to own and maintain a home responsibly;
- Leveraged over \$360MM in private/public funds;
- and created over 2,400 jobs.

None of this work would have been possible had the CRA been focused on simplifying the process for banks rather than catalyzing investment in the neighborhoods that need it most. Unfortunately, this proposed rule undermines the intent of the CRA. Instead, I encourage you to strengthen the CRA by preserving and enhancing its assessment areas, including considering activities outside of areas with branches without diminishing the importance of branches. Furthermore, please raise the standards on what it takes to pass the CRA, given that 90% of banks are judged to have satisfactory performance and close to 10 % are judged to have outstanding performance, with only 2% failing their exams.

The Community Reinvestment Act is needed now more than ever. Please do not weaken it.

Sincerely,



Deborah Elzinga  
President & CEO  
Community Frameworks