From: Darcy Bluhm [redacted]
Sent: Thursday, April 02, 2020 8:07 PM
To: Comments
Subject: [EXTERNAL MESSAGE] RIN 3064-AF22

04/02/2020

To Whom It May Concern:

I am educator who spends a great deal of time with low- to moderate-income students and am committed to supporting any legislation which would reduce or eliminate the inability of parents or local business owners to have access to fair and just lending due to discriminatory or lax lending practices.

I oppose the changes to the Community Reinvestment Act (CRA) regulations proposed by the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC), for the following reasons:

The proposal would make it so banks no longer have an obligation to make mortgage loans in neighborhoods with low and moderate incomes.,

The new scoring system would allow banks to completely ignore almost half of the markets where they have branches and still pass their exams,

The proposed changes will encourage banks to seek out large dollar community development deals to quickly get to a single total dollar volume metric and discourage loans to people with low- and moderate-incomes LMI and small businesses because the loans are much smaller,

The system that gives credit to banks for having branches in LMI communities is weakened and will likely lead to massive branch loss in communities that are already underserved,

The proposal redefines community development to include large infrastructure projects like stadium improvements in LMI Opportunity Zones which further encourages banks to seek out larger deals over smaller loans to meet the ratio for the total dollar volume metric,

The definition of affordable housing would be relaxed to include middle-income housing in high cost areas,

The proposal would redefine small businesses and family farms with higher revenues again encouraging banks to focus on larger loans to bigger businesses instead of smaller community-style loans.,

The proposal would lessen the public accountability of banks by not accurately measuring its responsiveness to local needs.

Not ensuring access to affordable housing by relaxing the definition would cause widespread hardship which is already happening on a large scale in the Traverse City, MI area as most low-to middle-income people cannot afford to rent or buy and businesses are suffering also because of this. Weakening public accountability of banks by not accurately measuring its responsiveness to local needs simply invites discrimination and corrupt lending behaviors. Not ensuring strong regulation regarding the availability of bank branches in already under-served areas limits access and again, causes unnecessary hardship, shutting out citizens who should be able to complete their financial affairs in an easy and efficient manner. This applies to reduced access to loans and mortgages, as well, which is even more vital - lax regulation cannot be permitted but instead, needs to be strengthened even more.

It is clear that the proposed rules would weaken CRA. The focus on LMI communities would be lost - the exact intent of CRA when it was signed in 1977. This backtracking would violate the agencies' obligation under the statute to ensure that banks are continually serving community needs. The FDIC and OCC need to discard the proposal, and instead work with the Federal Reserve Board to create an interagency rule that will augment the progress achieved under CRA instead of reversing it.

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