

From: [Ludy Biddle](#)
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] CRA Comments Regarding: RIN 3064-AF22
Date: Wednesday, April 08, 2020 2:55:59 PM
Attachments: [image001.png](#)

The Honorable Jelena Mc Williams
Chair Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429-0002

RE: Notice of Proposed Rulemaking, Community Reinvestment Act Regulations;
Docket ID OCC-2018-0008

Dear Comptroller, Otting and Chair Mc Williams: April 7, 2020

Since 1977, the Community Reinvestment Act (CRA) has effectively encouraged banks to invest in affordable housing and community development. I am writing today to express my concern that the Notice of Proposed Rulemaking (NPR) released by the OCC and FDIC on December 12, 2019 would fundamentally undermine the CRA, leaving the rural communities of Vermont and, in fact, all the communities it is supposed to protect open to ‘redlining’ and massive dis-investment in general. NeighborWorks of Western Vermont has since our founding in 1986, worked to encourage and leverage investment in Vermont’s rural communities which is most of Vermont. We provide affordable home improvement lending products, homeownership through homebuyer education, first mortgage lending, down payment and closing cost assistance, and rehabilitation of vacant homes to provide affordable homeownership opportunities thus encouraging and stabilizing rural communities. Much of this work would not be possible without our banking partners who are rewarded for their participation through the CRA provisions.

While there are many flaws in the Proposed Rulemaking, I shall address one, in particular.

The proposal’s dollar metric which enables additional large projects such as sports stadiums appropriate only in large metropolitan areas will not benefit, nor will it encourage benefit to the rural areas already so seriously underserved. It would instead reduce investments for low income people in vast territories of our country currently receiving meaningful CRA investments.

Recommendation: Strengthen existing regulatory provisions that ensure investments are made in the communities that need them most. CRA investment requirements should be increased so that existing investments are maintained while the definition of CRA assessment areas are expanded to include small town and rural communities. In this time of massive wealth inequality in our country, increased requirements can ensure that these communities receive additional investment without reducing existing investment activity.

Many other organizations have written to voice many additional concerns about the NPR. We hope you will listen and withdraw the current proposal to replace it with revised rules that better provide for the intended underserved communities and areas in our country.

Thank you for your consideration,

Sincerely,

Ludy Biddle

Executive Director,

NeighborWorks of Western Vermont

110 Marble St

West Rutland, VT 05777

802-438-2303

Ludy Biddle

Executive Director | (802) 797-8602 | Cell (802) 236-2586



110 Marble Street, West Rutland, VT 05777
802-438-2303 | info@nwwwvt.org | www.nwwwvt.org
Mon-Thurs: 9:00 am – 5:00 pm
Friday: 9:00 am – 4:00 pm

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