

April 7, 2020

Comptroller Joseph M. Otting
Comptroller of the Currency
Comp 400 7th Street, SW
Washington, D.C. 20219

Chair Jelena McWilliams
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Docket No. OCC-2018-0008

Dear Comptroller Otting & Chair McWilliams:

The Chicago Urban League submits these comments in response to the OCC/FDIC's Notice of Proposed Rulemaking (the "Proposal") regarding the Community Reinvestment Act (CRA). Chicago Urban League is opposed to the Proposal's drastic overhaul that changes the CRA's focus from *local community needs* to a set of mathematical formulas that prioritizes quantity over quality. The net impact of the Proposal would be to reduce bank investments in and services to the communities we serve: low-income communities color.

The Chicago Urban League was founded in 1916 and was one of the first affiliates of the National Urban League. Our organization works to promote economic, educational and safe housing for Chicago's African American community. To that end, we provide housing assistance, leadership development, entrepreneurial programs, workforce and educational development for our community members.

As Dr. King stated, "When White folks catch a cold, Black folks get pneumonia." Therefore, it is not a surprise that financial disparities hit low-income communities of color the hardest. Crises, such as the COVID-19 pandemic, hurt our community members – in Chicago the majority of those dying (72%) are Black. Banking regulators should prioritize services to and investments in those communities, not regulatory simplicity and making compliance easier for banks. Our communities' problems are complex and so, sometimes, must be the solutions. A project that results in a *real* improvement in low-income people's lives ought to count as much as or more than a road or bridge that low- and moderate-income people happen to use.

Chicago is still living with the impacts of redlining in our communities and this lack of investments is clearly apparent with the naked eye. Traveling through the West and South sides of Chicago, where redlining occurred, anyone can see the disinvestment.

The CRA is one of the only tools we have to address the impacts of a financial system that, through redlining, was explicitly racist. The proposal makes the CRA simpler, not better. We join our coalition partners in urging you to suspend the rulemaking process, invite the Federal Reserve back to the table, and release a proposal only when all three regulators are on the same page. This approach is in the best interests of the population we serve and all LMI communities.

Very truly yours,

Kathie Kane-Willis
Director of Policy, Chicago Urban League