



July 20, 2022

To Whom It May Concern:

Greater Ohio Policy Center appreciates the opportunity to comment on the Notice of Proposed Rulemaking (NPR) regarding updating the Community Reinvestment Act (CRA).


The NPR proposed some significant improvements in test rigor but we urge the agencies to extend the rigor of the large bank lending test to the other tests. CRA will be more effective in bolstering bank reinvestment activity in underserved communities, the more rigorous CRA exams and ratings are.

We believe the Agencies should take the following steps for future CRA exams and ratings:

- **CRA must explicitly consider bank activity by race and ethnicity.** By including race and ethnicity, CRA can identify and address persistent racial disparities that have direct impacts on quality of life and health outcomes.
- **Codify proposed public input mechanisms**, for example: publish comments on CRA performance on agency websites, create a public registry for community comments, and be transparent about which community groups the agencies consult
- **Continue to reduce CRA ratings inflation.** The rating system still needs to more accurately review distinctions in performance and further develop guidelines for how to use the performance measures on the community development and services subtests of the large bank exam.
- **Incorporate proposed refinements** to the definitions of affordable housing, economic development, climate resiliency and remediation, community facilities and infrastructure. But also, future develop an impact review in the community development finance test and limit eligible financial literacy work to communities that need it the most, e.g. LMI and other underserved populations.
- **Make all new data publicly available**, including making available deposit and automobile lending, and expand data collection to all large banks.
- **Expand reviews to include the quality of lending**, such as including an analysis of delinquency and default rates in all major product lines. Reviews of lending should also include an affordability analysis. We believe the Americans with Disability Act is a law the fair lending review should consider.
- **More carefully consider performance in smaller areas.** One possible way to do so is to require banks to achieve at least a Low Satisfactory rating of 60% in each of its large metropolitan, small metropolitan and rural assessment areas.
- **Do not reclassify banks as small and intermediate small banks.** This proposed reclassification would have the effect of reducing reinvestment activity

If CRA is improved while maintaining public input and accountability, we believe the proposed rule could help reduce inequalities, disinvestment and other disadvantages in America's overlooked communities.

Thank you for your attention to this critically important issue.

  
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