

August 4, 2022

Board of Governors of the Federal Reserve System (“Board”)  
Federal Deposit Insurance Corporation (“FDIC”)  
Office of the Controller Currency (“OCC”)

To Whom it May Concern:

The Multicultural Media & Correspondent Association (“MMCA”) and the 144 undersigned organizations appreciate the opportunity to comment on the Notice of Proposed Rulemaking (NPR) to amend the Community Reinvestment Act (“CRA”) Regulations jointly issued by the Board of Governors of the Federal Reserve System (“Board”), the Federal Deposit Insurance Corporation (“FDIC”), and the Office of the Controller Currency (“OCC”) (collectively referred to hereinafter as the “Agencies”).

Our group is comprised exclusively of Black, LatinX, Asian, Indigenous, and other media owners of color and of organizations that invest in our success. We represent—and exist for the benefit of—the very businesses, communities and individuals who have suffered disproportionately due to discriminatory practices like redlining and for whom CRA was designed to help. Our publications and professionals number in the thousands, and our audiences in the tens of millions. And we have come together, under MMCA’s leadership, to urge you to ensure our collective survival.

MMCA is currently spearheading the [Equitable Media and Economies Initiative](#), a national effort to create a stronger and more equitable economy by investing in Black, Indigenous, and People Of Color (“BIPOC”) and other media outlets that prioritize traditionally underserved communities (collectively referred to as “Equitable Media.”) As such, we applaud and wholeheartedly endorse the Agencies’ effort to update and modernize the CRA Regulations to make them more effective in bolstering bank reinvestment activity in underserved communities and in assessing how well banks are “. . . meeting the credit needs of their entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations.”

As representatives of BIPOC-owned media companies we are pleased that the Agencies will use the Section 1071 small business data that includes the race and gender of the small business owner when this data becomes available. We also believe that the proposal to measure lending to the smallest businesses with revenues under \$250,000 will assist our effort to get banks to provide financing to BIPOC-owned media companies as they start and expand their businesses. We hope that the CRA regulations explicitly reference Special Purpose Credit Programs (SPCP) that target redlined communities and BIPOC- and women-owned businesses that have experienced discrimination.

### **The NPR has a blind-spot that will limit the CRA’s Community Impact if Unaddressed**

MMCA and the undersigned organizations are concerned that the NPR does not specifically allow and encourage banks to invest in and partner with Equitable Media. This will only exacerbate the blind spot that has caused banks to overlook investing in and leveraging Equitable Media as part of their community development and support strategies. Allowing this blind spot

to continue is problematic because a strong and equitable media ecosystem, with a diverse and healthy press reflecting the communities it reports on and for, is an essential means of creating thriving communities, resilient economies and a healthy democracy. Yet the very media enterprises that continuously and courageously take up this challenge are in danger of disappearing. According to a recent [report](#) on the state of local news from the Medill School of Journalism at Northwestern University, about 7 percent of the nation's counties, most of whom are low and moderate income, are news deserts with no local newspaper.

*"This is a crisis for our democracy and our society. Invariably, the economically struggling, traditionally underserved communities that need local journalism the most are the very places where it is most difficult to sustain print or digital news organizations."—Penelope Muse Abernathy, Visiting Professor, Northwestern University Medill School of Journalism, Media, Integrated Marketing Communications*

Just as redlining in lending has had [devastating consequences](#) for BIPOC communities, the ongoing and purposeful lack of investment in the media organizations that prioritize their information needs is perpetuating information disparities and harming traditionally underserved communities. This media redlining, combined with the crushing loss of advertising revenues exacerbated by the COVID-19 crisis, pose an existential threat that must be addressed.

*"While there was redlining in terms of housing, there was also redlining in terms of news and information. You had publishers of daily and regional news outlets intentionally deciding to produce news information for very affluent, upwardly mobile people. That meant excluding whole parts of their community. And so when we talk about how we fund in the future going forward, we have to keep in mind community ownership, community participation, and, dare I say, community partnership." —Tracie Powell, CEO, The Pivot Fund*

The Agencies should seize this opportunity to help eliminate this blind spot by specifically allowing and encouraging banks to invest in Equitable Media as an economic and community development strategy that dismantles institutional racism, closes the information gap and creates shared prosperity. Not doing so risks depriving low-income communities of the opportunities to inform, understand, access and fully benefit from the investments and other requirements of CRA. It similarly risks limiting the ability of the CRA regulations to achieve their core community development objectives.

### **Equitable Media is Uniquely Positioned to be a Community Development Intermediary**

Despite their economic challenges, Equitable Media continue to hold incredible trust, power and relevance across low-income and traditionally underserved communities. They are connectors, convenors and sources of relevant, actionable and often life-saving information, as we saw during the pandemic. They are as essential to a community's well-being as affordable and reliable housing, education, transportation and health care and, in many cases, the most trusted information provider and a conduit for community engagement. In fact, many community

development financing stakeholders have already acknowledged this blind-spot and have noted that investing in and partnering with Equitable Media will help facilitate the community resident awareness, input and monitoring needed to ensure and accelerate impactful and equitable community development.

*“Trusted local information and the people and systems that gather and distribute it are critical infrastructure for communities, just like the people and systems necessary to provide housing, roads, electricity, clean air and water, healthy food, reliable broadband data networks, schools, healthcare and cultural institutions. Any institutions that control and invest capital for economic and community development need to recognize that strong and diverse local information systems need to be part of their formula for impact. That includes banks that lend and invest in local communities to satisfy Community Reinvestment Act requirements, community foundations and the web of local, state and federal economic development agencies and programs. It’s time for new relationships and new investments in local journalism — especially journalism by, for and with BIPOC communities — not because it’s nice to have but because it’s necessary for vibrant communities.”—Andrew Nachison, Chief Communications and Marketing Officer, National Community Reinvestment Coalition.*

### **Equitable Media is imperiled but more important than ever**

News and information from a reliable and readily accessible source is more than just a public good. It has been widely recognized by state and local governments during this COVID-19 crisis as an essential service. Local communities need to have access to trusted news outlets for critical and often life-saving information. This is especially true for marginalized communities who (i) rely on Equitable Media to get trusted information about vital health and safety precautions and available public benefits, and (ii) would otherwise be without a watchdog for local government and business accountability and without awareness of the social, economic and political events controlling their lives.

Equitable Media has served in many cases as the only trusted source for information on Paycheck Protection Program loans and other small business assistance, testing, hospital capacity, business closures, and operating hours for essential services. And yet the institutions we often turn to for funding critical community infrastructure — banks, community development finance institutions (CDFIs), socially responsible businesses, and government agencies — largely ignore Equitable Media as an essential building block. This is especially alarming because many of these Equitable Media outlets are facing economic headwinds that are posing an existential threat to their survival and forcing many communities to confront the potential of a world without this vital resource.

Similarly, investing in and leveraging Equitable Media as an economic development strategy is a force multiplier. Equitable Media gives communities power and resources to control their own

narrative, and part of that narrative is the transformational impact that community development and revitalization can have on closing the racial wealth gap — and boosting the economy overall. As that story is told more broadly, the community development financing intermediaries attract more funding. Equitable Media is already facilitating this outreach and engagement in many of the communities that they serve.

By connecting the dots between CRA investing and Equitable Media, banks and the entire community development financing sector can better ensure widespread community awareness and input in the revitalization process. It will also have the added benefit of creating an entirely new funding source to sustain Equitable Media, positioning them to advance a more inclusive narrative of the economy and serve as a catalyst, facilitator and monitor of equitable community development. This is critical to ensuring their sustainability and to increasing their editorial, events, community outreach, and research capacity to better serve both the community development sector and local residents.

MMCA and the undersigned organizations would like to request that the NPR be amended to include the sensible provisions included below that we believe would help eliminate this blind spot and encourage the community development financing sector to invest in and partner with Equitable Media as part of its community investment and support efforts.

## **1. Include Equitable Media on Illustrative List of Qualifying Activities**

MMCA recommends that loans, investments and support services provided to Equitable Media be specifically included on the publicly available illustrative list of non-exhaustive examples of community development activities that qualify for CRA consideration in both the Regulations and the Inter Agency Questions and Answers. Because of the blind spot and the exponential benefits Equitable Media provides to the community, the NPR should encourage this activity and provide banks with needed confidence that their loans, investments and support services provided to Equitable Media will qualify for CRA consideration.

Equitable Media for purposes of the CRA Regulations can be defined as “any digital, print or broadcast media organization, enterprise, or project that prioritizes the information needs of people and communities based on native language, race, color, gender, national origin, ethnicity, religion, sexual orientation, disability or immigrant status; targets a discrete low- or moderate-income neighborhood, or a geographic region, or a population that has been historically overlooked by mainstream publications; and whose ownership and leadership is representative of and contributes to an equitable media ecosystem.”

## **2. Incorporate Equitable Media into Community Development Purpose Definition**

The NPR enumerates 11 categories for which loans, investments, or services to promote them would satisfy the definition of community development purpose. It is arguable but not clear that Equitable Media fits in any of the enumerated categories. MMCA recommends that a 12th

category be added for efforts to strengthen Equitable Media and to ensure that residents have access to relevant news and information from a reliable and readily accessible local source. This includes information about available health and other social services referenced in the Community Support Services Provision. Equitable Media also often acts as a social service provider by hosting events such as small business expos, financial counseling seminars and health fairs. The type of bank funding activities we are referencing include (i) establishing or contributing to a fund dedicated to developing an Equitable Media Finance Network or Business Transformation Incubator, (ii) grant contributed directly or indirectly to fund Equitable Media, (iii) financing provided to Equitable Media, and (iv) ad buys, sponsored ads, event sponsorship or any partnerships with Equitable Media.

If the Agencies decline to add a separate category for Equitable Media, we alternatively suggest the following:

- Equitable Media should be included in the Economic Development Activities provision. This will help clarify to banks that CRA acknowledges that supporting the sustainability of Equitable Media is vital to the economic and social development of low- and moderate-income and other traditionally underserved communities. Equitable Media employs residents of disadvantaged communities, promotes economic and community development by informing communities of opportunities and challenges to revitalization, and increases the cultural vibrancy in communities. We further ask that Equitable Media be exempted from the income limitations enumerated therein so that investments in larger Equitable Media entities can also qualify for consideration.
- Equitable Media should be included in the Essential Community Infrastructure and/or Facilities Provisions. Equitable Media is a critical part of the civic infrastructure of local communities and provides an essential service to low- and moderate-income residents. They have a multiplier impact on the welfare of the community.

### **3. Encourage the Use of Equitable Media as a Community Engagement Intermediary**

MMCA and the undersigned make the following additional recommendations that will strengthen CRA by incentivizing banks and others in the community development financing sector to partner with Equitable Media to boost community engagement and input:

- Give special weight to community development funding or support that leverages Equitable Media as intermediaries and facilitators of financial literacy education, communication, engagement and information sharing that benefits low- and moderate-income residents, including funds provided to MDIs, WDIs, LICUs, and CDFIs. Special weighting would provide a needed incentive for banks and community financing intermediaries to develop the capacity and expertise to address the unique financing challenges faced by Equitable Media. It would also incentivize them to address the blind spot that has kept them from taking advantage of the vital role Equitable Media could

play in helping them to raise awareness of available services, secure community input, and authentically engage and convene residents.

- Incorporate Equitable Media in Strategic Plans Test. The NPR should specifically require a community awareness, communication and engagement component of a bank's strategic plan to ensure that low- and moderate-income residents are aware and are able to provide input and monitor implementation of the strategic plan. Banks whose strategic plan leverages a partnership with Equitable Media should be automatically deemed as satisfying this requirement. Equitable Media is uniquely positioned to serve as a trusted bridge between banks and the community for information sharing, engagement, and securing community feedback. They can also help implement strategic plan improvements including (i) encouraging public participation, (ii) establishing goals, (iii) securing feedback to fuel strategic plan amendments, (iv) determining if a bank met its strategic plan goals, (v) assessing performance under a strategic plan, (vi) and shining a light on discriminatory or other illegal practices.

MMCA and the undersigned make the following additional recommendations that will enable Equitable Media to shine a light on racial and other disparities in bank CRA activities in their community.

#### **4. Collect CRA Race Data to Enable Equitable Media Reporting**

Persistent racial disparities in lending should compel the Agencies to incorporate race and ethnicity in CRA exams. A recent [national level analysis](#) showed continuing disparities in loan denials by race and when people of color received home loans, their equity accumulation was less. That National Community Reinvestment Coalition (“NCRC”) had asserted [in a paper](#) that it is possible for changes to CRA to comply with legal standards if CRA examined lending by race and ethnicity in geographical areas experiencing ongoing discrimination. In addition, CRA exams should assess lending in [underserved tracts](#) with low levels of lending. These tracts are disproportionately communities of color. Breaking out this data by race and making it publicly available will enable Equitable Media to monitor bank performance and report on any concerning trends revealed in the data.

#### **5. Increase Disclosure of Bank CRA Data**

Since CRA requires banks to meet the needs of communities, the Agencies must elevate the importance of public comments regarding the extent to which banks meet needs. The Agencies proposed to continue the current practice of sending any comments on CRA performance to banks and are also considering publishing comments received on agency websites. We urge the Agencies to post comments on their websites and also to establish a public registry for community organizations to sign up if they wish to comment on CRA performance. In addition, we ask that the Agencies publish a list of organizations that comment and that the Agencies identify those led by people of color and women in an effort to seek input from a diverse range of organizations. Similarly, the agencies correctly proposed to include new data collecting requirements for deposits, community development activities and automobile lending. Some of

this data such as deposit and automobile lending would not be publicly available, which limits the extent to which the public can hold banks accountable. We ask the agencies to reconsider this decision and also to expand this data collection to all large banks.

## **Conclusion**

The NPR is a good start and promises to make parts of CRA exams more rigorous. However, we urge the Agencies to position Equitable Media as a community development intermediary and include them on the 'Illustrative List of Qualifying Activities.' Equitable Media is a trusted information broker that can be leveraged to improve the efficacy and return on community outreach, engagement, communications, marketing and research efforts to underrepresented communities. We also ask the Agencies to incorporate race in CRA exams, to expand the public reporting of their data collection proposals, and to incorporate the other improvements discussed above. If CRA is improved while increasing public input and accountability, we believe the proposed NPR could help reduce inequalities, disinvestment and other disadvantages in America's overlooked communities.

Respectfully,

Multicultural Media & Correspondents Association and the following organizations:

#WeAllGrow Latina

4 Feet Off The Ground Productions

A Code

AfroLA

Arab America

AricoLabs LLC

Avista Products

Association of Alternative Newsmedia - Represents nearly 100 alternative news media organizations throughout North America

B Code

Bien Bonita

Black Iowa News

Black Westchester Magazine

BlueLena

BM MARKETING

Burlington Latino

City Bureau

CDC of Freedmen's Town Newsletter

Center for Community Media at Governor's State University

Center for Cooperative Media at Montclair State University

Charlotte Journalism Collaborative

Comedera

Community Info Coop

Community Media Services

Compton Herald

Cronache Nuoresi

D. Morgan & Partners

Da Radio Show

Dallas Free Press

damemagazine.com

Diversifieds, LLC

Donald W. Reynolds Journalism Institute

Dynasty Consulting

Dynasty Media

El Diario NY

Elevate Dayton

Epicenter-NYC

Estar Mejor

EURweb.com

Get Current Studio

GlennOaks Media, LLC

Goodworld

Group Black - Comprised of over 150 Black-owned media brands spanning a wide cross-section of multi-channel offerings



H Code

Harlem World Magazine

Hearken

Hmong Broadcasting Company LLC

Houston Defender Network

IMPOWER Publishers Group

Impremedia

Info Media Distribution

Inquiring News-CT

Inspired Legacy Publishing

KDM & Associates, LLC MBDA Federal Procurement Center

KRSM Radio

La Noticia

La Opinion

La Raza

La Vibra

Local Independent Online News (LION) Publishers - represents more than 400 independent news publishers

LionHeart Media, LLC

Listening Post Collective

Local Media Consortium (LMA) - represents 100 local media companies and 5,000 newspaper, radio, TV and online only news outlets

Local News Network

Love Now Media

LunarX Agency LLC

Luz Media

MARC GLOBAL COMMUNICATIONS

MBD Media LLC

Marxan Solutions

Media 2070

Media, Inequality & Change Center

Metropolis Newspapers

Milton Times

Minnesota Spokesman-Recorder

Minority Business News USA

Misty Blue Media

MLK50: Justice Through Journalism

MNJ Media Consulting

My Code Media

My Qme LLC DBA Qme Spotlight Ecosystem

Native American Journalists Association (NAJA)

National Newspaper Publishers Association (NNPA) - Represents more than 150 publications serving the Black community

Native News Online

NewPublica

No Muy Caro

Noir Lifestyles of Collin County

North News

Nuestro Estado

Outlier Media

Perdue Inc.

Pillsbury United Communities

Polaris Solutions Inc

PRIDE Code

Premo Network + Studios

ProImage Communications, LLC.

Racial Equity in Journalism Fund, Borealis Philanthropy

Ramsey & Associates Design, Inc.

Resolve Philly  
REVOLT  
Sahan Journal  
Sandifer Networks  
Scalawag Magazine  
She Ready Radio  
Siempre Auto  
Solo Dinero  
Solutions Journalism Network  
Somali American Community  
South Florida Times LLC  
Spoken Entertainment LLC.  
St. Louis American  
Studiotobe  
Talking Eyes Media  
TBG Media  
TCB Marketing  
TCB Marketing  
The AFRO American Newspaper Co.  
The Atlanta Voice  
The CityPark League Resource Group Inc.  
The Dallas Weekly  
The Greensboro Times  
The Haitian Times  
The HBCU Nation  
The Hmong Times  
The Narrative Matters  
The Network Journal  
The New Citizen Press

The Oklahoma Eagle

thepostman24.com

The Sacramento Observer

The Source (a division of The NorthStar Group)

The Times Weekly

The Uptake Institute

The Washington Informer

The Washington Informer Bridge

ТОВ "Редакція газети ПОРАДИ ЮРИСТА"

Tribal Business News

URL Media

Urban Information Network (UIN)

W Code

WatchMyBlack.com

Willoughby Avenue

WNAZ

WURD Radio

YoSy Media

Zenger News