

SOUTHWEST
NATIVE
ASSETS
COALITION

August 5, 2022

Office of the Comptroller of the Currency
Chief Counsel's Office
Attention: Comment Processing
400 7th Street, SW, Suite 3E-218
Washington, DC 20219

Re: Public Comment on OCC Docket ID OCC-2022-0002

Re: Public Comment on FDIC RIN 3064-AF81

Re: Public Comment on Federal Reserve Board Docket No. R-1769 and RIN 7100-AG29

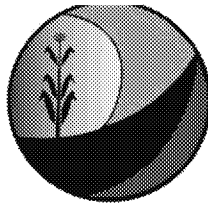
To Whom it May Concern:

The Southwest Native Assets Coalition (SNAC) appreciates the opportunity to comment on the Notice of Proposed Rulemaking (NPR) regarding updating the Community Reinvestment Act (CRA). This NPR represents the most significant changes to the CRA regulation and exams in 27 years and the first time in 45 years since the legislation was enacted that Native Americans have been considered in any meaningful way.

CRA will be more effective in bolstering bank reinvestment activity in underserved communities, the more rigorous CRA exams and ratings are. The NPR proposed some significant improvements in test rigor but the improvements are not across the board on all aspects of exams. The NPR also improved data collection and the breadth of geographical areas on exams but did not include race on exams.

Persistent racial disparities in lending should compel the agencies to incorporate race and ethnicity in CRA exams. We the Executive Director and Chairman of the Board for SNAC, are from small rural communities on the Navajo Nation. Our tribal lands are the size of West Virginia and yet we have only two financial institutions serving our communities.

Even in border towns such as Gallup, New Mexico with majority Native American populations there exist 10 times as many payday, title, pawn shops and similar predatory lenders than there are banks. Recently the state of New Mexico placed a cap on the interest rates predatory lenders can charge. The result is ever more aggressive marketing and unfair practices by these lenders such as failing to provide pay-off amounts or allow borrowers to close their accounts. Without the CRA forcing conventional banks to serve Native American citizens, unscrupulous and extractive lenders of last resort such as payday lenders will continue to wreak havoc on Native American household.

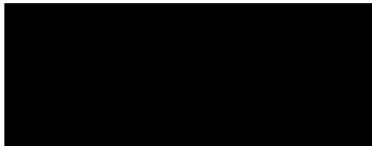


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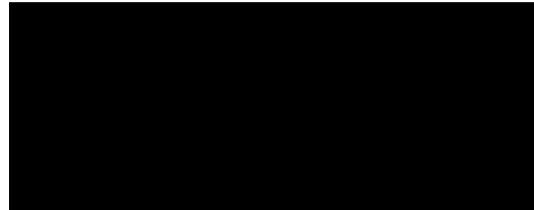
For more details on how the abandonment of Native America by banks affects the long-term prospects of Native families we urge you to review the August 3, 2022 article by the Federal Reserve Bank of Minneapolis titled Data from a Native CDFI yield new insights on wealth gap in Indian Country. Although the data reviewed in the article pertains to Native Americans in South Dakota, the research demonstrate the exact dynamic that exists for Native Americans in the Southwest United States which SNAC serves exclusively.

The NPR is a good start and promises to make parts of CRA exams more rigorous but we urge the agencies to extend the rigor of the large bank lending test to the other tests. 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 proposed by organizations such as the National Community Reinvestment Coalition, the Native CDFI Network as well as NCN members that include certified Native CDFIs (Community Development Financial Institutions) across the Native America . 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.

Sincerely,



Christopher Billey
Chairman of the Board of Directors



Mytegia Lee
Executive Director