Message

From: Madeleine Smith [redacted]
Sent: 8/5/2022 9:05:52 PM
To: Comments [comments@fdic.gov]
Subject: [EXTERNAL MESSAGE] CRA
Attachments: Screen Shot 2022-08-05 at 1.51.41 PM.png; Screen Shot 2022-08-05 at 2.02.40 PM.png; Screen Shot 2022-08-05 at 2.03.07 PM.png

Hello,

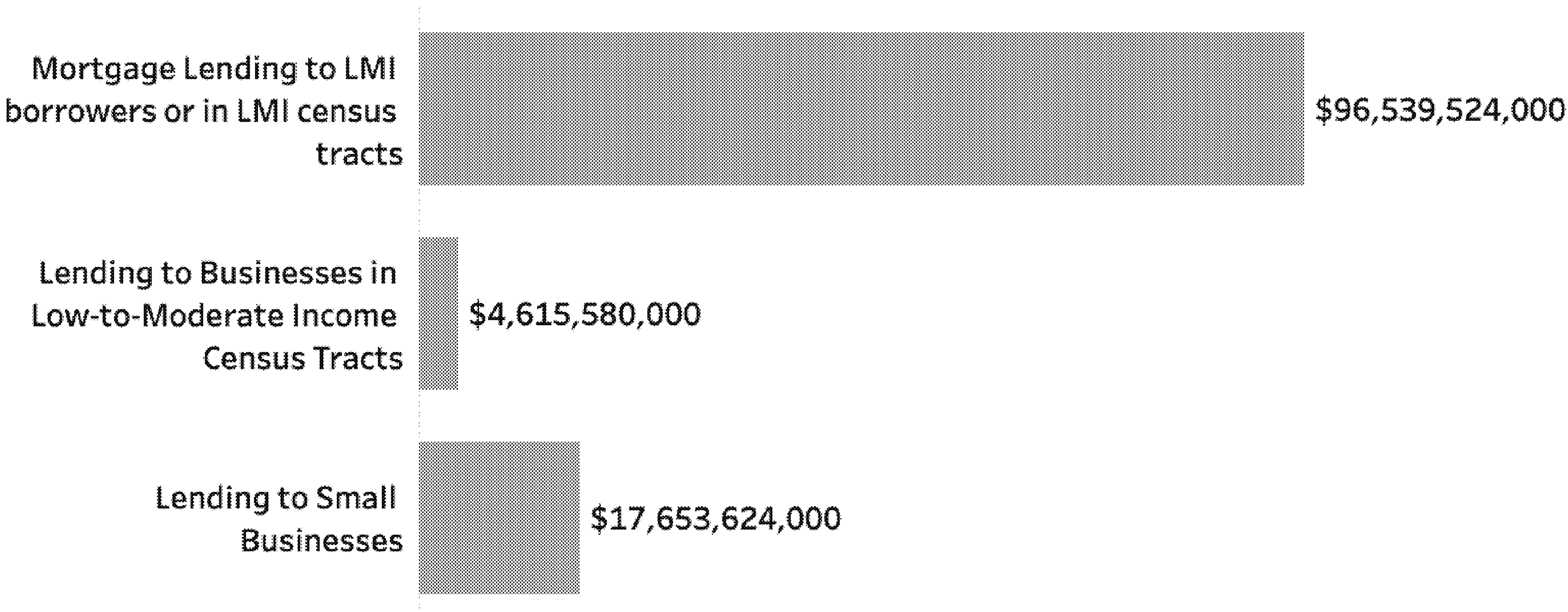
I am commenting from San Francisco, CA in support of the Community Reinvestment Act. This legislation is imperative to retroactively alleviate the impacts of the barriers that previous generations created for BIPOC and low-income communities to accumulate generational wealth and wellbeing. In my community alone, this legislation has already allowed billions of dollars over the last 10+ years to be invested in low-income communities, which are primarily made up of Black and Brown residents. Studies show that investing in low-income communities pays off for everyone - a recent study by the Local Initiatives Support Coalition showed that "jobs and incomes each grew 9 percent more than in similar communities with little or no investment." That's an increase in the labor force AND income that can be recirculated back into the economy. Not to mention to psycho-social impacts of investing in low-income communities. According to a research paper in World Psychiatry, financial woes and stressors negatively impact a person's mental health, decreasing their ability to contribute to their community. Any way you look at it, protecting these communities and supporting their ability to overcome redlining practices from previous generations is a net positive win for everyone involved.

We MUST keep protecting low-income/Black and Brown communities from predatory lenders and redlining. This legislation must be reinforced if we want healthy communities with low crime and capable, happy residents.

Warmly,
Madeleine Smith, MPA
Student Researcher & Evaluator,
Sarah Jaffe Research & Consulting

San Francisco-Oakland-Hayward, CA

CRA Qualified Lending 2009-2020



LISC study: investments in low-income communities show results

by Christopher Walker, LISC Research and Assessment

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Do investments in low-income neighborhoods really make a difference? In a new study by LISC, the answer is yes. The report shows that in neighborhoods where LISC invested heavily, jobs and incomes each grew 9 percent more than in similar communities with little or no investment. Michael Rubinger, president & CEO of LISC, says this shows that LISC's approach to comprehensive community development improves the quality of life for low-income families in a significant way. "This is a real indicator that we are moving in the right direction."

The excerpt below is from:
"Building Sustainable Communities: Initial Research Results"
by Christopher Walker, LISC

ABSTRACT

Go to:

Most countries have witnessed a dramatic increase of income inequality in the past three decades. This paper addresses the question of whether income inequality is associated with the population prevalence of depression and, if so, the potential mechanisms and pathways which may explain this association. Our systematic review included 26 studies, mostly from high-income countries. Nearly two-thirds of all studies and five out of six longitudinal studies reported a statistically significant positive relationship between income inequality and risk of depression; only one study reported a statistically significant negative relationship. Twelve studies were included in a meta-analysis with dichotomized inequality groupings. The pooled risk ratio was 1.19 (95% CI: 1.07-1.31), demonstrating greater risk of depression in populations with higher income inequality relative to populations with lower inequality. Multiple studies reported subgroup effects, including greater impacts of income inequality among women and low-income populations. We propose an ecological framework, with mechanisms operating at the national level (the neo-material hypothesis), neighbourhood level (the social capital and the social comparison hypotheses) and individual level (psychological stress and social defeat hypotheses) to explain this association. We conclude that policy makers should actively promote actions to reduce income inequality, such as progressive taxation policies and a basic universal income. Mental health professionals should champion such policies, as well as promote the delivery of interventions which target the pathways and proximal determinants, such as building life skills in adolescents and provision of psychological therapies and packages of care with demonstrated effectiveness for settings of poverty and high income inequality.

Keywords: Income inequality, depression, neo-material hypothesis, social capital, social comparison, psychological stress, social defeat, low-income populations