



August 5, 2022

Office of the Comptroller of the Currency
12 CFR Part 25
Docket ID OCC-2022-0002
RIN 1557-AF15

Federal Reserve System
12 CFR Part 228
Regulation BB
Docket No. R-[•]
RIN 7100-AF[•]

Federal Deposit Insurance Corporation
12 CFR Part 345
RIN 3064-AF81

Re: Agency Information Collection Activities: Proposed Collection; Comment Request; Generic Clearance for Civil Rights and Equity

To Whom It May Concern:

The National Network for Arab American Communities (NNAAC) and Culturingua, which is a NNAAC member, writes in response to the May 5th, 2022, joint Notice of Proposed Rulemaking (NPR) released by the Federal Reserve, the Office of Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) to "strengthen and modernize regulations implementing the Community Reinvestment Act to better achieve the purposes of the law".

NNAAC is a consortium of 29 Arab American nonprofits located throughout the United States that serve local Arab American and other low-income populations. Culturingua is a nonprofit located in the San Antonio metropolitan area and provides a variety of services including, access to capital to business owners that are typically excluded from mainstream capital sources such as low-income and Middle Eastern and North African business owners. Ensuring proper interpretation and regulation implementing the CRA will be vital to ensuring Middle Eastern and North African (MENA) communities across the United States are not left out of the protections and programs provided by the CRA.

Specifically, we urge you to ensure that updated regulations to require race and ethnicity data to be used to calculate bank performance and that the MENA racial category be included as one of the required disaggregated racial categories under "§ __.42 Data collection, reporting, and disclosure." Doing so will be vital to ensuring that banks and regulators can track vital financial metrics of the millions of people of MENA origin throughout the United States.



Vitality, requiring MENA as a required racial category “§ __.42 Data collection, reporting, and disclosure” would also ensure that the rulemaking is in line with a memo issued by the Office of Management and Budget (OMB) on July 27, 2022, for Federal agencies’ use while the OMB considers revisions to SPD No. 15: “Flexibilities and Best Practices for Implementing the Office of Management and Budget’s Statistical Policy Directive Number 15.” In these “flexibilities and best practices,” the OMB promoted Federal agencies to begin collecting data on Middle Eastern and North African (MENA) individuals, stating “Agencies have flexibility to explore those questions by defining multiple (exhaustive) detailed groups under a minimum category in SPD 15, or by adding questions in addition to, but separate from, questions about a person's race and ethnicity.” Then stating in the footnote 16 “For instance, to collect data about those of Middle Eastern or North African (MENA) heritage, an agency may offer MENA as one of multiple detailed groups under the SPD 15 minimum category of “White” or by adding a question in addition to, but separate from, questions about a person's race and ethnicity.”

The Department of Treasury has already taken steps to expand their collected racial categories issuing a final rule on March 10, 2022, requiring demographic data collection of the MENA heritage for its State Small Business Credit Initiative (SSBCI). Under the rule, all SSBCI partners must report on whether any small business that receives a loan, investment, other credit or equity support, or technical assistance through the SSBCI is principally owned by a “Middle Eastern or North African” individual (31 CFR 35.28(g)).¹

The agencies have a vested interest in ensuring standardization with OMB’s standards and with assessing fairness and financial inclusion in access to housing and credit which can only be done if all major racial categories are understood and have had their data collected. Without a separate category to collect and analyze data on how many individuals of MENA origin it reaches through programs authorized by the CRA.

Sincerely,

NNAAC Culturingua

¹ The rule states “for each principal owner of the business, indicate which of the following ancestry categories the principal owner identifies with: Middle Eastern or North African; not Middle Eastern or North African; prefer not to respond; or that the business did not answer.”