

From: Newbille, Cynthia I. - City Council <Cynthia.Newbille@rva.gov>
Sent: Tuesday, November 28, 2023 2:09 PM
To: Comments
Subject: [EXTERNAL MESSAGE] RIN: 3064-AF29

FDIC

Dear Sir or Madam:

The recently introduced regulation to increase capital requirements for banks appears to worsen the economic outlook for Black families across Richmond, making it more difficult to maintain a business or buy a home. To truly protect our communities of color, I request that you reject this proposed regulation.

Under this rule, banks would be required by federal law to hold a higher amount of capital in their reserves. This threatens to create a major credit pinch, as banks would be less inclined to give out loans. Doing so would directly harm Black businesses here in Central Virginia that rely on rapid access to these financial services. By making it harder to consistently access credit, they would struggle to fund everyday necessities for their operations. With one of the highest rates of Black owned businesses in the entire country, we cannot leave a critical portion of our region's economy behind.

Small businesses aren't the only area that will feel economically strained under increased banks capital requirements. First time homebuyers would struggle to obtain a mortgage if we move to enact this regulation, as loans would be both more expensive and scarce for approved borrowers. This would especially harm Black families in search of their first home, who have already had to combat housing policies that discriminate against them for years on end, preventing them from building generational wealth. Now, by finalizing this rule, we would only worsen the already historically bad housing affordability crisis our nation is facing.

Over the last few years, the Biden-Harris administration has continued to create an equitable society for Black families across the country. We must ensure that we continue this progress by voting against the regulation to increase bank capital requirements.

Again, your review and rejection of this proposed regulation is requested.

Sincerely,

, Councilmember

Richmond City Council, Richmond East End 7th Voter District