

From: Sonja Reis <sreis@mckeesrocks.com>
Sent: Monday, April 06, 2020 1:35 PM
To: Comments
Subject: [EXTERNAL MESSAGE] Oppose changes to CRA regulations – RIN 3064-AF22

04/06/2020

To Whom It May Concern:

I work in community development in the low-income communities of McKees Rocks and Stowe Township, Pa.

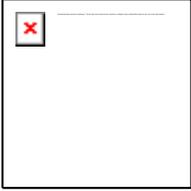
I oppose the changes to the Community Reinvestment Act (CRA) regulations proposed by the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC), for the following reasons:

- The proposal would make it so banks no longer have an obligation to make mortgage loans in neighborhoods with low and moderate incomes
- The proposed changes will encourage banks to seek out large dollar community development deals to quickly get to a single total dollar volume metric and discourage loans to people with low- and moderate-incomes LMI and small businesses because the loans are much smaller
- The new scoring system would allow banks to completely ignore almost half of the markets where they have branches and still pass their exams
- The system that gives credit to banks for having branches in LMI communities is weakened and will likely lead to massive branch loss in communities that are already underserved
- The proposal redefines community development to include large infrastructure projects like stadium improvements in LMI Opportunity Zones which further encourages banks to seek out larger deals over smaller loans to meet the ratio for the total dollar volume metric
- The definition of affordable housing would be relaxed to include middle-income housing in high-cost areas
- The proposal would redefine small businesses and family farms with higher revenues again encouraging banks to focus on larger loans to bigger businesses instead of smaller community-style loans
- The proposal would lessen the public accountability of banks by not accurately measuring its responsiveness to local needs

The CRA was designed and implemented to deter redlining. The proposed changes weaken CRA and obliterate any and all progress that has been made toward that end since 1977. These changes are shameful and designed to benefit the bankers and not the people who live in LMI areas like McKees Rocks, Pa. Our towns have few financial institutions as is, and much of the work my organization (McKees Rocks Community Development Corporation) has completed over the years would be wiped out by these changes. This backtracking would violate the agencies' obligation under the statute to ensure that banks are continually serving community needs.

The FDIC and OCC need to discard the proposal, and instead work with the Federal Reserve Board to create an interagency rule that will augment the progress achieved under CRA instead of reversing it.

Sonja Reis
Communications & Marketing Director
McKees Rocks Community Development Corporation



611 Chartiers Avenue
McKees Rocks, PA 15136
p: 412-331-9900
e: sreis@mckeesrocks.com
w: www.mckeesrocks.com

