

From: [REDACTED]
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] RIN 3064-AF22
Date: Tuesday, April 07, 2020 6:03:02 PM

April 1, 2020

Comptroller Joseph M. Otting Comptroller of the Currency Comp 400 7 th Street, SW Washington, D.C. 20219	Chair Jelena McWilliams Federal Deposit Insurance Corporation 550 17th Street, NW Washington, DC 20429
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Docket No. OCC-2018-0008

Dear Comptroller Otting & Chair McWilliams:

I would like to submit these comments in response to the OCC/FDIC's Notice of Proposed Rulemaking (the "Proposal") regarding the Community Reinvestment Act (CRA). As a citizen who understands and sees the value of the CRA every day, I oppose the Proposal's dramatic shift from qualitative to quantitative evaluation measures. The exclusion of a qualitative assessment of banks' activities in meeting the unique local community needs may negatively impact the very communities that need help. The net impact of the Proposal would be to reduce bank investments and services in low- and moderate-income (LMI) communities. This runs counter to the spirit of the law itself.

A pass-fail test for evaluating banks' retail lending distribution would prompt many banks to do *just enough* to pass. Converting the CRA activities test into a dollar-based metric would encourage banks to cut down on many small, impactful loans and projects – which together may have higher transaction costs – and instead focus on fewer, high-dollar-value projects. It is difficult to imagine that a bank will expend resources to help open a small business owned by immigrants (like my parents once did) when it could spend millions improving an athletic stadium in an LMI Opportunity Zone.

The CRA is the most significant tool we have to ensure that banks meet the needs of low- and moderate-income (LMI) families and communities. Modernization must preserve what works under the CRA. As Federal Reserve Gov. Brainard recently observed, one of the "core strengths" of the CRA is creating an ecosystem that "encourages banks to engage on the priorities identified by local leaders." The Proposal would strip away this core strength in the name of supposed objectivity. To protect the CRA ecosystem, we urge you to suspend the rulemaking process, invite the Federal Reserve back to the table, and release a proposal only when all three regulators are on the same page. This approach is in the best interests of the LMI communities, non-profits, banks and the regulators.

Sincerely,
Debbie Liu