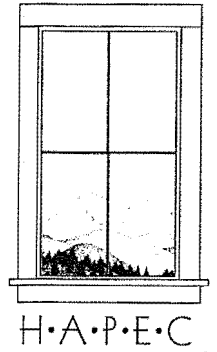


Housing Assistance Program
of Essex County, Inc.



April 8, 2020

The Honorable Joseph Otting, Comptroller
Office of the Comptroller of the Currency
400 7th Street SW, Suite 3E-218
Washington, DC 20219

The Honorable Jelena McWilliams, Chair
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429-0002

RE: Docket ID OCC-2018-0008; RIN 1557-AE-34, 3064-AF22; - Comment regarding
"Reforming the Community Reinvestment Act Regulatory Framework"

Dear Comptroller Otting and Chair McWilliams:

The Housing Assistance Program of Essex County, Inc. was formed in 1976, well before the Community Reinvestment Act had any impact here in the Adirondack Region of New York State. The pre-CRA days drastically contrast with the environment created by the CRA over the past 20 years. The benefits of the Act in the sustainability of our communities have been significant. The Community Reinvestment Act is well worth preserving. We caution against any wholesale changes to a piece of legislation that has served our communities well. As a member of NeighborWorks America we have witnessed first hand the power of investment, when our financial institutions participate and partner with communities that need investment the most.

Proposed changes that we are most concerned about are:

- Combining dollar volume of lending and community development in order to reach a rating largely based on dividing CRA activity by deposits. This will encourage banks to seek out the largest deals and discourage smaller dollar loans and investments
- Letting banks pass their CRA exams while failing in half of their assessment areas. This will let banks get credit for activities done anywhere and could lead banks to dramatically cut back CRA activity in many of their assessment areas
- Changing definitions of CRA activity to include things like stadiums in LMI communities
- Counting the multiplier of community development, unintentionally letting banks cut community development funding in half.
- A lack of transparency created by the proposal to base assessment areas on physical address of depositors, rather than basing assessment areas on where lending occurs.
- Many large banks with the most resources to reinvest do not have branches in rural persistent poverty areas and therefore do not have a requirement to advance community reinvestment in those areas. At the same time, large bank lending and deposit capture activity still occurs in those communities. To address the mismatch, CRA

investment requirements should be increased and the definition of CRA assessment areas should be expanded to include rural persistent poverty places where banks lend and take deposits from consumers.

We encourage you to strengthen the Community Reinvestment Act and to do all that is possible to encourage positive outcomes in rural and underserved communities.

Sincerely,

A solid black rectangular redaction box covering the signature of Bruce Misarski.

Bruce Misarski
Executive Director