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To Whom It May Concern:

My name is Teresa Bettis, and I am the Executive Director for the Center for Fair Housing, Inc., located in Mobile, AL. We are a private civil right nonprofit agency. We are a HUD-approved full-service fair housing FHIP agency and a HUD-certified housing counseling agency.

We 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 new scoring system would allow banks to completely ignore almost half of the markets where they have branches and still pass their exams. 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 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 largest metropolitan area we cover is the City of Mobile, which is a HUD entitlement area. The other seven counties we cover are rural and include Baldwin, Washington, Clarke, Monroe, Choctaw, Conecuh, and Escambia.

Mobile is rife with economic and financial troubles that contribute to an economic environment favorable to payday and title lenders. The average poverty rate in Mobile is 23.1 percent, almost 10 percent higher than the national rate of 13.5 percent. When you drill down to Census tract levels, there are areas of concentrated poverty of more than 75 percent. Like other Alabama cities, the discrepancy between the living wage and the minimum wage in Mobile is stark.



Currently, the living wage in Mobile is \$11.22 per hour for one adult, \$22.07 for one adult and one child, \$27.86 for one adult and two children. The minimum wage is \$7.25.

When there's any kind of difference between how much people need to live on and how much they earn, poverty rates will increase, and afflicted residents will turn to payday and title loans in times of crisis. It would be impossible to separate the effects of Mobile's disastrous economy and the rate of citizens using payday and title loans.

According to the Center for Responsible Lending, Alabama is one of the worst states in the country when it comes to title loans. There are 672 car-title lenders in Alabama with an adult population of 3,647,277. That means, for every 5,427 people, there is one car-title lender – which is the highest concentration in the country. This ratio explains why residents in Mobile are so quick to turn to title lenders- they're available more than they are in any other state.

Any efforts that would weaken the CRA would have devastating impacts on the communities we serve. Data shows that we are already over-run with payday and predatory lending practices here in Mobile and Alabama state-wide. Mobile is currently in the midst of the most massive affordable housing crisis I have seen in the past 20 years. We have more than 7K homeless children in the Mobile County public school system, a public housing shortage of more than 5K units with at least another 1K slated for demolition with no new affordable housing insight. Now in the wake of the CORVID-19 crisis, all of these impacts are growing exponentially in a negative pattern.

It is clear that the proposed rules would weaken CRA. The focus on LMI communities would be lost - the exact intent of CRA when it was signed in 1977. 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.

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