

**From:** Katalin Patterson <kpatterson@glacierbancorp.com>  
**Sent:** Tuesday, August 02, 2022 4:09 PM  
**To:** Comments  
**Subject:** [EXTERNAL MESSAGE] June 3, 2022 - Community Reinvestment Act; Joint notice of proposed rulemaking; Comment Request (RIN 3064-AF81)

To whom it may concern,

I have worked in the banking industry for over a decade and most of that time was spent in Compliance and CRA. CRA has always been my favorite part of the job, so I appreciate the opportunity to provide feedback.

Please note that opinions expressed here are primarily my own.

I have spent time reading through the proposal, so I am providing feedback on several of the specific questions asked.

1. Partial consideration should be given for high impact activities, that would benefit a large number of people including LMI. This option should not be limited to affordable housing.
2. In instances where pro-rata consideration is given outside of affordable housing, where 50% or less of the activity has a primary purpose of Community Development or less than half of the beneficiaries are LMI, the minimum amount eligible for pro-ration should be 20%.
3. The only additional requirement when there is a “stated purpose or bona fide intent” should be to verify rents do not exceed Fair Market Rent for the area.
4. Affordable Housing to middle income families should be considered in communities where there is a documented need by a local housing agency or municipality, due to high cost of housing in the area.
5. Cost of living and especially housing compared to local wages in communities is an additional factor that could be considered.
6. Yes.
7. Yes, this should be considered in all geographies.
8. Activities that support homeownership for LMI families should be weighted heavier.
10. The housing needs of the local community that benefits from the affordable housing activity should be the greatest determining factor for consideration.
14. I don’t think all place-based definition activities should require the support of a government plan as long as there is a clearly documented need in that community. Rural communities are less likely to have well defined government plans while still having obvious needs.
15. The answer to this question will depend on the nature of the activity and the extent to which it benefits the community.
17. No need for additional requirements. If an infrastructure or facility is essential, it is for the use of all residents regardless of income level.
20. The more categories an activity can fall into, the more confusing it will be for everyone.
22. Yes.
23. The fewer and more inclusive the progs, the better. Too many progs especially with overlap can create confusion.
27. All financial literacy activity should be considered, but there should be a way to weight activities that benefit LMI heavier.
30. Yes, it is important to take into consideration the local community’s plans and goals.

31. A list on non-qualifying activities is not necessary, but it may be helpful to keep a list of FAQs based on activities that get submitted for consideration and end up not qualifying the way they were presented.
32. A 30-day timeline would be appropriate to allow for back-and-forth dialog between the regulatory agency and the bank about the activity.
37. The FHFA definition may be too restrictive for some communities. I recommend the agencies be open to other options as long as high cost of living compared to local wages and income can demonstrate a need.
40. Facility based assessment areas are appropriate for banks with a classic banking model, where deposits are primarily collected at branch facilities. There should be deposit-based assessment areas for banks that collect a significant amount of their deposits remotely without relying on branch or remote service facilities.
43. Banks should have the option to choose.
45. Performance context remains import to consider when evaluating banks of all sizes.
46. If a large bank primarily lends within their facility-based assessment areas (80-90%), then they should be exempted from delineating a retail lending assessment area.
49. Performance context should always be considered.
55. Community Needs Assessments could bring greater clarity and add to Performance Context.
60. Multifamily lending is very different from your typically single-family mortgage lending and therefore should be considered in the Community Development Financing Test only and not the Retail Lending Test.
62. To avoid confusion and undue burden, once 1071 goes into effect, definitions and requirement under 1071 are the only ones that should be in effect.
63. CRA Small Business and Small Farm definitions and requirements should sunset after 1071 goes into effect.
64. Loan purchases should not be given limited consideration in comparison to loan originations.
66. Data collection for automobile lending may lead to increased burden for consumers not just banks if banks need to collect additional information from customers for accurate data reporting purposes.
73. Performance context should be taken into consideration.
74. Lending in Distressed/Underserved tracts should be considered for all evaluated products.
82. Community Needs, Market Trends and Performance Context are important factors to consider when establishing benchmarks and lender performance compared to those benchmarks.
83. Borrower income distribution should be given higher weight than geographic distribution.
87. Yes, banks that make more than 80% of their loans in facility-based assessment areas should be exempted from the need to establish and be evaluated under the retail lending assessment area test.
95. If credit union access is considered, membership requirements for the credit union will need to be determined to properly evaluate if it is a comparable alternative.
97. Some banks offer notary services, usually free, in their communities which are available to everyone regardless of income. This should be considered.
98. Yes, branches in underserved/distressed areas should be considered.
99. If a branch serves LMI individuals/areas and underserved/distressed areas, consideration should be given even if the branch is located outside of those areas.
106. It would be helpful to have a non-exhaustive list of eligible programs and have the option to ask about a particular program that is not on the list similarly to Community Development activities.
108. Offering financial education with products or just in general to the community.
113. & 114. Weighting should be determined based on business model and performance context.
127. Yes, though provision of financial services should be weighted heavier.
129. All volunteer activities conducted on behalf of the bank by staff, executives and board members should be considered.
- 147-155. If deposit data collection and reporting does become a requirement under CRA, which I think is only necessary and beneficial when the banking model is not facility based, there will need to be significant guidance provided. There should not be any additional data collection requirements towards the customer. Guidance will need to be provided for instances where the physical address collected dates back several

decades when the customer first opened accounts, where the most current address on file is a PO Box, where customer spends part of the year at one address and part of the year at a different address, when mail is returned and there is no accurate address on file, etc. Also, any data collected and compiled for statistical analysis, should be made available in a public dataset.

156. There should be no changes made to the current data collection requirement that is going to be rescinded anyway once 1071 goes into effect.

160. Any data that is collected should have a public dataset made available.

163. The current method works.

164. Allowing the banks flexibility to demonstrate responsiveness is better, while providing guidance in the form of examples.

173. Providing demographic data without appropriate context may lead to confusion and significant misinterpretation of the data.

177. Yes. This would be a very valuable tool for all stakeholders.

179-180. The two regulatory requirements should be lined up in a way that there is no dual collection and reporting.

Thank you for taking these comments into consideration.

**Kat Patterson**

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