

From: Glenn Burleigh <gburleigh@ehoc-stl.org>
Sent: Thursday, August 04, 2022 11:15 AM
To: Comments
Subject: [EXTERNAL MESSAGE] Submission of multiple community comments on RIN 3064-AF81 / CRA reform
Attachments: Vaughn Tenant comment.pdf; MSTA Comment page 1.pdf; KCOM comment.pdf; MSTA Comment page 2.pdf

To whom it may concern,

Please see the attached comment letters from community leaders and faith organizations in St. Louis. You will see that there are three comment letters, though one is two separate pages. We hope that the FDIC takes the concerns of these leaders into consideration during the finalization of the new CRA regulations.

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Glenn Burleigh (He/Him)

Community Engagement Specialist

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July 29, 2022

To whom it may concern,

On behalf of Kingdom Complex Outreach Ministries, Inc. (KCOI), we are writing to you regarding the proposed, multi-agency Community Reinvestment Act (CRA) rule. Specifically, KCOI organization strongly urge the adoption of a final rule that requires racial lending data be considered in determining a lender's CRA rating.

Our nation's financial system has long been racialized in a way that supports and perpetuates the nation's continued racial wealth and homeownership gaps. As these inequalities have been specific to racial minorities and follow generations of explicitly racialized and racist housing and lending policies, there is little to no reason to believe that "race blind" solutions can remedy these ongoing injustices. As such, we strongly encourage regulators to reconsider their decision to omit the use of racial lending data in determining a lender's CRA rating. Although the CRA was passed as a legitimate remedy that intended to end redlining, to this day, the St. Louis region continues to see lending largely concentrated in majority white areas. While redlining may be technically illegal, race-blind approaches have failed to truly reverse the pattern of redlining in our region. As such, we believe that it is necessary to institute race-conscious policies to deal with an issue that has such obvious connections to race and racial discrimination.

We also support the call for greater transparency around comment letters regarding lenders' performance. The CRA is intended to encourage financial institutions to meet the needs of the communities they serve, and these public comments represent the most direct feedback from community groups on a lender's performance and service to the community. By posting these comments on websites, it not only shows proper consideration of the public's feedback, also provides an accountability mechanism for the regulators, who would have to justify grades for banks with poor public comment letters. This is a potentially important way to decrease the "grade inflation" that has long plagued the CRA exam process and allowed lenders with poor service to low- and moderate-income communities to receive satisfactory and outstanding ratings, even though lending has remained weak in large portions of their service areas.

These changes will help add clarity for both community members and lenders. There is still too great of a need for increased funding and services to those communities that have long been ignored by these financial institutions.

Kingdom Complex Outreach Ministries, Inc.

John Lattier, President



SALVATION

Moorish Science Temple of America Inc.

Prophet Noble Drew Ali, Founder

*Bro. C. Kirkman Bey, Past S.G.A. & M., Bro. F. Nelson Bey, Past S.G.A. & M., Bro. J. Blakely Bey, Past S.G.A. & M.
Bro. R. Love-El, Former Grand Sheik and Moderator
Bro. R. Jones-Bey, Grand Sheik and Moderator of The Moorish Science Temple of America, Inc.*



UNITY

To whom it may concern,

On behalf the Moorish Science Temple of America #5, I am writing to you regarding the proposed, multi-agency Community Reinvestment Act (CRA) rule. The Moorish Science Temple of America #5 urge the adoption of a final rule that requires racial lending data be considered in determining a lender's CRA rating

We the members of the Moorish Science Temple of America #5 are excited to see the three primary banking regulators moving forward on a much needed joint agency update to the rules and regulations that translate the text of the CRA into real world policy. Proposals like the creation of assessment areas in places where a bank does significant online lending, despite the lack of a physical branch location, is an important recognition of the changing digital landscape in the financial services industry. Almost three decades after the last updates, the banking industry has gone through significant changes. It is encouraging to see that regulators have recognized the need for modernization. We embrace this progress and yet, we must highlight some significant concerns with sections of the proposed rule. Specifically, we are disappointed that the agencies did not take the necessary steps to truly address longstanding racial disparities and inequality in our nation's mainstream financial services system.

We join other advocacy groups in the recognition that our nation's financial system has long been racialized in a way that supports and perpetuates the nation's continued racial wealth and homeownership gaps. As these disparities have been specific to racial minorities and follow generations of explicitly racialized and racist housing and lending policies, there is little to no reason to believe that "race blind" solutions are actually capable of remedying these ongoing injustices. As such, we strongly encourage regulators to reconsider their decision to omit the use of racial lending data in determining a lender's CRA rating. Although the CRA was passed as a legitimate remedy that intended to end redlining, to this day, the St. Louis region continues to see lending largely concentrated in majority white areas. While redlining may be technically illegal, race-blind approaches have failed to truly reverse the pattern of redlining in our region. As such, we believe that it is absolutely necessary to institute race-conscious policies to deal with an issue that has such obvious connections to race and racial discrimination. We join other advocacy groups in their belief that there is nothing in the CRA that bars regulators from making this data a part of their grading considerations. As these major revamps are usually decades apart, we are fearful that this will mean more decades pass, prior to regulatory changes that are necessary for the CRA to fulfill its mandate.

We also join other advocacy groups nationwide in supporting the call for greater transparency around comment letters regarding lenders' performance. The CRA is intended to encourage financial institutions to meet the needs of the communities they serve, and these public comments represent the most direct feedback from community groups on a lender's performance and service to the community.

By posting these comments on websites, it not only shows proper consideration of the public's feedback, it also provides an accountability mechanism for the regulators, who would have to justify grades for banks with poor public comment letters. This is a potentially important way to decrease the "grade inflation" that has long plagued the CRA exam process and allowed lenders with poor service to low and moderate income communities to receive satisfactory and outstanding ratings, despite the fact that lending has remained anemic in large portions of their service areas.

Our coalition is heartened to see the proposed clarifications to the community development definition. These changes will help add clarity for both community members and lenders. Still, there are concerns around some of the proposed changes. The proposal to give CRA credit for lenders performing financial literacy, regardless of the income of the individuals and communities said activities service. As is, there is still too great of a need for increased funding and services to those communities that have long been ignored by these financial institutions. By allowing lenders to move these activities to higher incomes communities, it is likely to reinforce existing inequities that the CRA was intended to help correct.

The Moorish Science Temple of America #5 also joins NCRC and other advocacy groups in believing that newly collected data from lenders' auto lending and depository accounts should be made publicly available. We are hopeful that the agencies reconsider this decision. Consumers and their advocates deserve all reasonable transparency. As such, we implore that this newly collected information be made available to the public so that consumers can have a greater understanding of how banks are performing in these important business activities and whether they are doing so in a manner that is in keeping with the spirit of the CRA. Likewise, Moorish Science Temple of America #5 joins NCRC's call for including depository accounts in consumer protection and anti-discrimination legal frameworks. It is also important that CRA exams include an examination of the affordability of the credit offered by these institutions. This should include penalties for lenders lending through third parties that exceed the anti-usury interest rate caps in an institution's home state.

Our final concern relates to the method proposed for determining a bank's size and the CRA and reporting requirements to which institutions would be held. As currently proposed, we believe that these rules would lead to a detrimental decrease in both transparency and community development lending and investment. We believe that "intermediate" banks should continue to have a community development financing obligation; under the proposal, almost 800 of them would no longer be examined for community development activities. We note that this is especially true of lenders in surrounding micropolitan areas that currently face significant unmet community development needs.

Respectfully Submitted



Vaughn Tenant Management
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Vaughn Tenant Management a non-profit organization that service low and moderate income communities is excited to see the three primary banking regulators moving forward on a much needed joint agency update to the rules and regulations that translate the text of the CRA into real world policy. Proposals like the creation of assessment areas in places where a bank does significant online lending, despite the lack of a physical branch location, is an important recognition of the changing digital landscape in the financial services industry. Almost three decades after the last updates, the banking industry has gone through significant changes. It is encouraging to see that regulators have recognized the need for modernization. We embrace this progress and yet, we must highlight some significant concerns with sections of the proposed rule. Specifically, we are disappointed that the agencies did not take the necessary steps to truly address longstanding racial disparities and inequality in our nation's mainstream financial services system.

Respectfully submitted

Mr. Russell Huston President

