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To Whom it May Concern:

The New Hampshire Community Loan Fund appreciates the thoughtfulness that the agencies have taken since the last round of comments over 3 years ago. The new Notice of Proposed Rulemaking (NPR) has greatly improved and has incorporated many of the suggestions made by nonprofit professionals in the field and across our country. It speaks to the fact that you heard us and that you value our opinions as well as the hard work we do each and every day to make sure everyone has the same opportunities to grow and prosper.

The New Hampshire Community Loan Fund is a Community Development Financial Institution (CDFI), located in Concord, NH. We were one of the original CDFIs in the country and leaders in building the movement that has grown to more than 1,300 community development lending institutions. We are a social justice organization designed to find practical solutions to oftentimes difficult, long-term problems and include more people in the mainstream economy by making access to capital possible. We pick up where banks are unable or unwilling to lend. Founded in 1983, the Community Loan Fund has loaned more than \$416 million to help create over 10,000 affordable housing units, nearly 4,000 jobs created and over 4,500 childcare spaces created or saved.

The absence of race in the CRA examination

The piece we as an organization find so ironic and perplexing about the approach to reforming CRA is that this Act came about because of structural racism baked into public policy, which redlining was one of the main issues. The original CRA Act did not address racial injustices even though it was attempting to deal with them. As we look to reform and modernize the CRA we believe it is time to be explicit and include a racial equity lens as a part of the examination process if we are to be successful in reversing the deleterious impacts of redlining. Although some improvements were made from the original Act, racial injustices and inequities are still just as prevalent today as they were in the beginning days. Based on the current NPR it will be very easy for a bank to be examined, receive an outstanding rating and never address any type of racial inequalities in their communities. That would be a travesty and a blown opportunity to

get this right. We are asking you to get it right this time and ensure that race is a component and measurement of the exam just as income, census tracts and assessment areas are.

Inclusion of CDFIs

We are happy to see that CDFIs have been included in the NPR as organizations who banks can partner with to receive CRA credit. This has long been a question mark for most banks we work with, and it is good to make this standard within the new rule. There are some areas that can be strengthened to ensure there is no ambiguity about how CDFIs should be treated as in what occurred when the Paycheck Protection Plan (PPP) was rolled out. Some areas include:

- Ensure all CDFIs are on equal footing with MDIs and Low Income Credit Unions as qualifying for CRA regardless of their location relative to a bank's assessment areas
- Affirm all activities of certified CDFIs will be eligible for CRA, specifically lending, investments and service activities
- Include CDFI's in language related to consideration for investments, loan participations and other ventures undertaken by any bank
- Include CDFIs on the proposed list of Impact Review Factors

Updating assessment areas

We were pleased to see the revision and expansion of assessment areas where banks will be allowed to invest outside the area where they just have branches. This will help bank desert geographies have more accessibility to partnerships with banks and gives banks the freedom to do so without wondering if it is CRA eligible.

Conclusion

The Community Loan Fund appreciates the opportunity to comment on potential changes to the CRA regulatory framework. With a few additional tweaks to the proposal, the new rule will more closely reflect the modernized financial services landscape and will better address the credit needs as well as the social and economic inequities of underserved communities.

Sincerely,



Steve Saltzman,
President & CEO