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Federal Reserve Board: Docket # R-1769 and RIN 7100-AG29

Comments Re: Community Reinvestment Act proposed changes 2022

The Affordable Housing Partnership appreciates the opportunity to comment on the Notice of Proposed Rulemaking (NPR) regarding updating the Community Reinvestment Act (CRA). The Partnership is a nonprofit housing agency in the Capital Region of New York that works to reduce the racial wealth gap through homeownership, address climate change via energy efficiency programs, and help low income neighborhoods access resources to implement community driven improvement plans.

We concur with the National Community Reinvestment Coalition's (NCRC) comments in response to the proposed rule. In particular we concur that:

- Rigorous CRA exams and ratings bolster community reinvestment. Add a requirement to include race as part of data collection.
- Incorporate evaluation of lending and services based on race and ethnicity in CRA exams.
- Elevate the importance of public comments regarding the extent to which banks meet needs by posting comments on bank websites.
- Continue to develop large bank tests such as community development finance and services to guide examiners against inflating ratings.

- Permit data such as deposit and automobile lending to be publicly available and expand this data collection to all large banks.
- Ensure that exams of online banks do not overlook assessment areas containing smaller metropolitan areas and rural counties.
- Retain all subtests for the 1,000 medium-sized and smaller banks that had been proposed to be eliminated.

We also strongly support recommendations from the National Housing Resource Center regarding housing counseling. Housing counseling is a vital component of CRA performance. HUD certified housing counselors work directly with the low and moderate-income populations currently targeted by the CRA and work directly with the Black, Brown, and Asian populations that we are asking regulators to include with this rulemaking.

- Given the important role housing counseling by HUD approved housing counseling agencies provides in addressing income, race, and ethnic barriers in the market place, the CRA evaluation process should provide a higher value in support for housing counseling.
- The final rule should specifically recognize lender fee-for-service payments for housing counseling services by HUD approved housing counseling agencies as an eligible activity under the Community Reinvestment Act.
- Credit for CRA eligible activities, including housing counseling services and financial literacy activities, should be limited to those programs that serve populations specifically targeted by the CRA.

The Affordable Housing Partnership supports improvements to CRA that maintain public input and accountability, as we believe these improvements will help reduce inequalities, disinvestment and other disadvantages in America's overlooked communities.

Sincerely,



Susan Cotner
Executive Director