

South Bend Reparations Working Group

(SBRWG)

PO. BOX 572 South Bend, IN 46601

The South Bend Reparations Working Group (SBRWG), a newly incorporated advocacy organization serving the South Bend-Mishawaka, Indiana metropolitan and greater St. Joseph County areas, appreciates the opportunity to comment on the Notice of Proposed Rulemaking (NPR) regarding updating the Community Reinvestment Act (CRA).

The mission of the SBRWG is to advocate for reparations at the local, state, and federal levels as a way of acknowledging and repairing the harm caused by historical and current injustices experienced by African American descendants of slavery and its aftermath. We believe this revision to CRA will provide needed resources in areas of our cities and county that continue to suffer due to systemic factors that include, among other institutions, banking and financial entities.

Because our priorities lie with those citizens that have and continue to be marginalized, we recommend that –

- The CRA will be more effective in bolstering bank reinvestment activity in underserved communities, the more rigorous CRA exams and ratings are. We suggest that while the NPR proposed some significant improvements in test rigor the improvements are not across the board on all aspects of exams.
- Of special interest to us is that the improved data collection and the breadth of geographical areas on exams include race on exams.

Persistent racial disparities in lending should compel the agencies to incorporate race and ethnicity in CRA exams. We share the findings of a recent national level analysis that showed continuing disparities in loan denials by race; when people of color did receive home loans, their equity accumulation was less.¹ We have identified such disparities in our community in terms of the absence of equity due to diminished homeownership among some racial and ethnic groups. Our work depends on access to current data that includes race and ethnicity in order to identify and address persistent racial disparities that have direct impacts on quality of life and health outcomes.

Regarding data collection and its availability,

- We concur with the proposals to include new data collecting requirements for deposits, community development activities and automobile lending. And we ask that all of this data such as deposit and automobile lending be publicly available.

¹ Richardson, J, Devine, J, Buell, J, and Asante-Muhammad, D. “NCRC 2020Hojme Mortgage Report: Examining Shifts During Covid-19.” National community Reinvestment Coalition (NCRC), January 2022.
<https://www.ncrc.org/ncrc-2020-home-mortgage-report-examining-shifts-during-covid/>

- We urge that lending online be examined to capture data that could be overlooked, such as small metro areas and rural counties.
- We ask that the proposal to eliminate certain subtests for a number of medium-sized and smaller banks that would eliminate their accountability for providing community development finance and branches in underserved communities be eliminated.

As an advocacy organization, we live by open and transparent information about our community's strengths and weaknesses in order to make reasoned judgments about ways to strengthen and improve its quality of life. We think that expanding the public reporting of this data and including other recommendations about people and areas in need will help us close the gaps in our inequalities.

Sincerely,

Nimbilasha Cushing

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Send comments to each of the agencies:

OCC:

Go to this link: <https://www.regulations.gov/commenton/OCC-2022-0002-0001>. After clicking on this link, the user will see a form and can either type in comments directly and/or upload a file.

FDIC:

Email: comments@fdic.gov. *Include RIN 3064-AF81 on the subject line of the message.*

Federal Reserve Board:

Email: regs.comments@federalreserve.gov. *Include docket and RIN numbers (Docket No. R-1769 and RIN 7100-AG29) in the subject line of the message.*

Prosperity Indiana

Email: hello@prosperityindiana.org

Include: **Comments on CRA in subject line with note that this is a copy of letter that was sent to above agencies.**