

Proposal: 1723 (AF94) Reg BB - Community Reinvestment Act

Description:

Comment ID: 137809

From: Laraine Bryson

Proposal: 1723 (AF94) Reg BB - Community Reinvestment Act

Subject: R-1723 Community Reinvestment Act

Comments:

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Dear Federal Reserve System,

I appreciate the Federal Reserve Board encouraging public input on ways to modernize and improve the Community Reinvestment Act (CRA).

The evaluation process for banks awards "outstanding" and "satisfactory" grades less frequently than in the past needs to reflect how the banks are actually doing. Oftentimes these grades indicate that the bank is making strides toward meeting the CRA goals, although often this is not the case.

The CRA evaluation process must more meaningfully address the impacts of redlining in communities of color. Our community members suffer from lack of access to credit. This means that our community members don't get affordable mortgage and home equity loans - often driving people to pay more for rental housing when homeownership would be less expensive. We also lack access to credit for building small businesses.

Racial equity must be the focus of the CRA. Research demonstrates loan denials correlate to race, after controlling for income. This means that we need to ensure the number not just the amount but the number of loans is cataloged that are provided to BIPOC. Not only focusing on low-income as a proxy for race.

Sincerely,
Laraine Bryson