**Community Reinvestment Act Regulations**

**Docket Number R-1723 and RIN Number 7100-AF94**

**Comments by the CDFI Coalition**

**February 16, 2021**

The Coalition of Community Development Financial Institutions (CDFI Coalition) writes to comment on the Board of Governors of the Federal Reserve System (Board) advance notice of proposed rulemaking (ANPR), overhauling the Community Reinvestment Act (CRA).

The Coalition urges the Board to meet five key tests with its CRA reform efforts. Reforms should: (1) boost the voices and input of community groups in conducting CRA exams and developing CRA ratings; (2) generate additional investment in traditional community development activities in CRA deserts; (3) encourage thoughtful, high-impact investments significant benefits to low- to moderate-income (LMI) communities; (4)strengthen accountability for financial institutions; and (5) most importantly, ensure financial institutions are serving people of color and traditionally disadvantaged groups.

The Board's proposed framework comes close to the mark, but we have some additional recommendations. We urge all three agencies charged with CRA compliance to work together to create a unified framework.

**The CDFI Coalition, CDFIs, and CRA**

Formed in 1992 as an ad-hoc policy development and advocacy initiative, the CDFI Coalition is the lead national organization in the United States promoting the work of community development financial institutions (CDFIs). Through its member organizations, the Coalition represents CDFIs working in all 50 states, the District of Columbia, and Puerto Rico. This national network of CDFIs includes community development loan funds, community development banks, community development credit unions, microenterprise lenders, community development corporations, and community development venture capital funds. The CDFI Coalition coordinates industry-wide initiatives to increase the availability of capital, credit, and financial services to low-income communities across the nation.

CDFIs – like the CRA - emerged in response to disparities in capital allocation by traditional financial institutions to many urban neighborhoods and rural areas, particularly those with high poverty and unemployment rates.

Financial institutions often look to CDFIs when they seek to meet the requirements of the CRA. Banks help capitalize CDFIs with grants and equity as shareholders and provide them with deposits, loans, and investments. In return, banks receive CRA consideration for serving borrowers outside their typical customer profiles through a responsible CDFI partner.



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CDFIs rely on CRA to secure capital from private financial institutions. In FY 2019, CDFIs awarded under the CDFI Fund Program received $7.5 billion (21 percent) of their capital from financial institutions, according to the latest data from the CDFI Fund. Without CRA, the CDFI industry today would be a fraction of its current size, and the scale of its lending and impact correspondingly reduced. In FY 2019[1], CDFI Fund program award recipients made 772,000 loans or investments totaling more than $21.5 billion with an average origination size of $28,000. CDFIs also financed over 51,000 affordable housing units.

An analysis of CDFI Fund transaction-level data from CDFI program awardees' FY 2017 activities[2] found that CDFIs provide flexible, patient capital to nearly every sector of the economy. For example, CDFIs provided:

- 3,126 loans and equity investments totaling $666 million to manufacturing and industrial businesses; and
- 1,892 loans to community facilities, nonprofits, and social enterprises, including but not limited to 670 healthcare facilities, 247 childcare providers, and 351 educational facilities and programs.

The $21.5 billion originated by CDFI award recipients in FY 2019 is only a fraction of the CDFI industry. In FY 2019, CDFIs winning awards from the CDFI Fund. CDFI Banks and Credit Unions made $143 billion in loans in FY 2019, including, but not limited to: $51 billion in consumer loans, $50 billion in residential real estate loans, and $20 billion in loans to small businesses.

Communities count on CDFIs, and CDFIs count on CRA to secure capital.

**Improving CRA to Meet its Intended Purpose in the Modern Financials Services World**

CRA has been tremendously successful in delivering financial services to historically disadvantaged populations. To meet CRA's requirements, banks invest in affordable housing, small businesses, and other community development activities that bring historically disadvantaged populations into the economic mainstream. Simply put: CRA works. With the right data-driven reforms, it can be even more effective.

At a baseline, CRA modernization should result in a net increase in both the quantity and quality of financial products and services available in LMI areas. The burden is on federal regulators to show – with data and evidence – that their proposal would meet these baseline goals for reform.

Last year, the Coalition strongly objected to much of the OCC's CRA proposal. Instead of correcting some of the narrow flaws of the current system, the proposed regulatory framework would end CRA as we know it. It would divert billions in investment away from traditional community development activities toward activities that provide minimal benefit to LMI communities and populations.

[1] FY 2019 CDFI Fund Agency Financial Report
[2] The most recent publicly available dataset from the CDFI Fund. Analysis conducted by the CDFI Coalition.

We are encouraged by the comprehensive and more thoughtful approach taken by the Federal Reserve, but still have some concerns related to the qualitative and reductive approach on monitoring smaller and intermediate sized institutions. We were pleased by the focus on racial equity, since this is the foundation for the CRA that dates back to its implementation. Our comments below describe our more specific views on some of the questions posed by the Federal Reserve in the ANPR.

The Coalition notes that as this is an ANRP, it is our expectation that the Federal Reserve will work to provide more detailed recommendations, including quantifying the impact of its proposal on LMI and communities of color, on which the community development industry can weigh in and comment.

## Section III - Assessment Areas and Defining Local Communities for CRA Evaluations.

*Section III addresses the issue of how to define a bank's local communities, which impacts where banks' CRA performance is evaluated and is critical for ensuring that the CRA fulfills its purpose of encouraging banks to meet the credit needs of their local communities. The Board seeks to more predictably delineate assessment areas around physical locations, such as bank branches, and to ensure that assessment areas are contiguous, do not reflect illegal discrimination, do not arbitrarily exclude LMI census tracts, and are tailored to bank size and performance context. For large banks that conduct a Start Printed Page 66411significant amount of lending and deposit-based collection far from their branches, the Board seeks comment on deposit-based and lending-based alternative approaches to delineating assessment areas. For internet banks, the Board is also considering whether nationwide assessment areas could more holistically capture their banking activities.*

**Question 5. Should facility-based assessment area delineation requirements be tailored based on bank size, with large banks being required to delineate facility-based assessment areas as, at least, one or more contiguous counties and smaller banks being able to delineate smaller political subdivisions, such as portions of cities or townships, as long as they consist of whole census tracts?**

Assessment areas (AAs) must reflect a commitment to local lending, investments, and services. The Coalition does support proposals to expand assessment areas on CRA exams. The banking industry has evolved with the use and availability of online and mobile banking. That being said, LMI communities still need access to bricks and mortar facilities. When a physical bank branch is not available, residents of LMI communities often turn to exploitive, high-cost options. A hybrid approach is needed to both address the prevalence of internet banks and large hybrid bank that have significant activity outside their physical footprint and recognize the continued importance of traditional bank branches

The bank's AA, regardless of size should take into consideration if the institution is the only bank serving a census tract, as this could have a very negative impact on rural counties. For example, a bank may have an online presence with significant lending and deposit taking in a community that does not necessarily reflect the branches or deposit-taking ATMs.

**Question 8. Should delineation of new deposit- or lending-based assessment areas apply only to internet banks that do not have physical locations or should it also apply more broadly to other large**

**banks with substantial activity beyond their branch-based assessment areas? Is there a certain threshold of such activity that should trigger additional assessment areas?**

The Coalition agrees with NCRC and Opportunity Finance Network (OFN) that the delineation of deposit or lending-based assessment areas should apply to both internet banks and other large hybrid banks that engage in significant lending or deposit-taking outside of their physical footprint. Banks must have an obligation to serve LMI and communities of color in all the areas in which they engage in significant amount of business, not only in areas with their branches. If they are not held accountable for making loans, investments and services to underserved communities in areas beyond their branches, racial and income disparities in access to credit will widen.

**Question 9. Should nationwide assessment areas apply only to internet banks? If so, should internet banks be defined as banks deriving no more than 20 percent of their deposits from branch-based assessment areas or by using some other threshold? Should wholesale and limited purpose banks, and industrial loan companies, also have the option to be evaluated under a nationwide assessment area approach?**

The Coalition is concerned about a national assessment area for internet banks. Using a hybrid deposit or lending based assessment area approach to create local assessment areas for internet banks is a better approach.

## Section IV - Overview of Evaluation Framework.

*Section IV provides an overview of the Board's proposed framework for evaluating banks' CRA performance with a Retail Test and a Community Development Test. The Retail Test would include two subtests: A Retail Lending Subtest and a Retail Services Subtest. The Community Development Test would also include two subtests: A Community Development Financing Subtest and a Community Development Services Subtest.*

**Question 13. Is $750 million or $1 billion an appropriate asset threshold to distinguish between small and large retail banks? Or should this threshold be lower so that it is closer to the current small bank threshold of $326 million? Should the regulation contain an automatic mechanism for allowing that threshold to adjust with aggregate national inflation over time?**

The Coalition opposes the Board’s proposal to increase the threshold for small banks from those under $326 million in assets to either $750 million or $1 billion. We agree with comments submitted by our member OFN that an increase in small bank threshold could exempt many more banks from a community development test, which would result in a loss of community development investment in CDFIs and rural areas. Rural areas are more likely to be served by small banks, and already receive less community development investment than urban areas. The Fed should be moving to strengthen, not exempt, banks’ meaningful investments in rural communities, particularly communities of color and persistent poverty communities.

## Section V - Retail Test.

*Section V describes the two subtests of the proposed Retail Test. For the Retail Lending Subtest, the Board proposes a metrics-based approach that is tailored based on a bank's major product lines and on the credit needs and opportunities within its assessment area(s). For the Retail Services Subtest, the Board proposes a qualitative approach that is intended to provide greater predictability and transparency for evaluating important aspects of retail banking services, including branches, other delivery systems, and deposit products.*

**Question 16. Should the presumption of ''satisfactory'' approach combine low and moderate-income categories when calculating the retail lending distribution metrics in order to reduce overall complexity, or should they be reviewed separately to emphasize performance within each category?**

The Coalition does not support combining loan products and income categories for the presumption of a satisfactory determination. Banks presently separate the consideration of income groups and product types on CRA exams and combining them may result in less focus on low-income borrowers.

**Question 17. Is it preferable to retain the current approach of evaluating consumer lending levels without the use of standardized community and market benchmarks, or to use credit bureau data or other sources to create benchmarks for consumer lending?**

The Coalition believes CRA evaluations should examine consumer lending and make sure it is not abusive. We urge the Federal Reserve to carefully consider how the regulation of consumer lending on CRA exams can ensure that traditional financial institutions can serve as affordable alternatives to payday and other fringe non-bank lending.

**Question 19. Would the proposed presumption of ''satisfactory'' approach for the Retail Lending Subtest be an appropriate way to increase clarity, consistency, and transparency?**

The presumption of "satisfactory" approach is reasonable if the performance measures and thresholds are high enough to encourage additional investment and lending and do not result in inflated CRA ratings.

## Section VI – Retail Test Qualifying Activities.

*Section VI discusses updating and clarifying certain aspects of Retail Test qualifying activities, including the designation of major product lines, the evaluation of consumer loan products, the definitions of small business and small farm loans, and the consideration of retail activities conducted in Indian Country.*

**Question 35. What standard should be used to determine the evaluation of consumer loans: (1) A substantial majority standard based on the number of loans, dollar amount of loans, or a combination of the two; or (2) a major product line designation based on the dollar volume of consumer lending?**

Consumer lending should be evaluated routinely on CRA exams if the lending exceeds the thresholds for a major product category.



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**Question 36. Should consumer loans be evaluated as a single aggregate product line or do the different characteristics, purposes, average loan amounts, and uses of the consumer loan categories (e.g., motor vehicle loans, credit cards) merit a separate evaluation for each?**

When evaluating a bank's consumer lending for CRA purposes, the quality of the consumer product is extremely relevant. High-cost credit card, car and student loans which may be detrimental to the financial health of the borrower should not receive CRA credit.

**Question 37. Should the Board continue to define small business and small farm loans based on the Call Report definitions, or should Regulation BB define the small business and small farm loan thresholds independently? Should the Board likewise adjust the small business and small farm gross annual revenues thresholds? Should any or all of these thresholds be regularly revised to account for inflation? If so, at what intervals?**

The Board should continue to define small business and small farm loans based on Call Report definitions of $1 million or less. There is a significant need for smaller dollar loans, especially in communities of color and among LMI entrepreneurs and increasing the threshold would disincentivize this level of lending.

The Coalition urges the Board to coordinate with other federal data collection requirements. CDFIs currently report to numerous federal agencies on their small business lending activity including the Small Business Administration (SBA) and CDFI Fund. The implementation of Dodd-Frank Section 1071 will also require reporting on small business lending to the Consumer Financial Protection Bureau. Section 1071 data will create a public database with data on race, gender and other demographics of small business applicants for credit that may be comprehensive enough to replace the small business data collection required by bank regulators for CRA, as well as at SBA and CDFI Fund.

**Question 39. Are there other alternatives that would promote liquidity by freeing up capital so that banks and other lenders, such as CDFIs, can make additional home mortgage loans to LMI individuals?**

The Coalition supports the NCRC comments concerning the separate review of purchased loans from loan originations on CRA exams to determine the concentration of bank activity in loan purchases. This method of examination would allow banks to offer greater detail on their loan purchases. Activities that provide liquidity to CDFIs or other mission lenders could be considered particularly responsive or impactful and receive additional consideration.

**Question 40. Should CRA consideration be given for retail lending activities conducted within Indian Country regardless of whether those activities are located in the bank's assessment area(s)?**

Yes, the consideration should be given to banks regardless of AA due to the historic nature of discrimination against Native communities and the urgent need for capital in Indian Country. Residents of Indian Country face significant challenges in securing commercial credit, including significantly longer distance from brick-and-mortar financial institutions and poor and limited internet for mobile or online banking, which is compounded by a lack of equity resources, collateral, and credit history; experiences and perceptions among Native entrepreneurs that commercial bank financing is difficult to secure; and a lack of diversity in funding sources.[3] The Coalition concurs with OFN that activities undertaken with Native CDFIs should be considered especially impactful and responsive.

## Section VII. Community Development Test.

*Section VII describes the two subtests of the proposed Community Development Test: A Community Development Financing Subtest and a Community Development Services Subtest. The Board proposes a metrics-based approach to evaluating community development financing activities that is transparent, predictable, and tailored to the community development needs and opportunities within an assessment area. For the Community Development Services Subtest, the Board proposes evaluating community development services in a way that better recognizes the value of qualifying volunteer activities, especially in rural communities.*

**Question 42. Should the Board combine community development loans and investments under one subtest? Would the proposed approach provide incentives for stronger and more effective community development financing?**

The Coalition is not opposed to combining community development loans and investments under one subtest, but separately reporting and examining community development lending and investment activities is important ensure balanced lending activity and community development investments like Low Income Housing Tax Credit and New Markets Tax Credits projects.

**Question 43. For large retail banks, should the Board use the ratio of dollars of community development financing activities to deposits to measure its level of community development financing activity relative to its capacity to lend and invest within an assessment area? Are there readily available alternative data sources that could measure a bank's capacity to finance community development**?

The Coalition supports using the ratio of dollars of community development financing activities to deposits to measure its level of community development financing activity relative to its capacity to lend and invest within an assessment area. However, as the Federal Reserve noted in its proposed framework and public statements, there are gaps in the data, and early benchmarks should be adjusted as more data is collected.

**Question 45. Should the Board use local and national benchmarks in evaluating large bank community development financing performance to account for differences in community development needs and opportunities across assessment areas and over time?**

The Coalition concurs with OFN's comments that using local and national benchmarks will provide important context for examiners to determine if a bank is engaging in adequate amount of financing

[3] Miriam Jorgensen and Randall K.Q. Akee. 2017. Access to Capital and Credit in Native Communities: A Data Review, digital version. Tucson, AZ: Native Nations Institute.

while also taking into account local conditions that may impact community development like capacity constraints. In particular, regulators should take note of local conditions in small, rural communities where a sudden or severe job loss event or a natural disaster can dramatically change the financial landscape, beyond what might be apparent in national datasets that often lag behind local trends.

**Question 47. Should the Board use impact scores for qualitative considerations in the Community Development Financing Subtest? What supplementary metrics would help examiners evaluate the impact and responsiveness of community development financing activities?**

The Coalition supports the use of impact scores for qualitative exam purposes, as some community development loan and investment activities are more impactful than others. Impact scores can be used to account for responsiveness, innovation and complexity. More information is needed from the Board on the types of projects that would be considered at each level of impact.

**Question 48. Should the Board develop quantitative metrics for evaluating community development services? If so, what metrics should it consider?**

The Coalition does not support quantifying community development services. Rather these services should be examined qualitatively in the community development test.

**Question 50. Should volunteer activities unrelated to the provision of financial services, or those without a primary purpose of community development, receive CRA consideration for banks in rural assessment areas? If so, should consideration be expanded to include all banks?**

The Coalition concurs with comments from OFN that banks should only receive credit for volunteer activities directly related to the provision of financial services or that have a community development purpose. Community development services should be related to financial services or the regulatory definition of community development (including affordable housing and economic development).

**Question 51. Should financial literacy and housing counseling activities without regard to income levels be eligible for CRA credit?**

The Coalition believes that financial education and housing counseling must be targeted towards LMI households and should also take into consideration populations that have been historically discriminated against and are unbanked or underbanked, including communities of color and people with disabilities.

## Section VIII. Community Development Test Qualifying Activities.

*Section VIII discusses proposals for clarifying and updating Community Development Test qualifying activities pertaining to affordable housing, community services, economic development, and revitalization and stabilization, and discusses updating how activities outside of a bank's assessment areas would be considered. The Board seeks to emphasize qualifying activities that support MDIs and Community Development Financial Institutions (CDFIs). In addition, the Board is considering how to treat community development activities outside of assessment areas to help address discrepancies between* *so-called CRA "hot spots" and "deserts." The Board seeks feedback on defining designated areas of need—for example, in Indian Country or in areas that meet an "economically distressed" definition—where banks could conduct community development activity outside of an assessment area. The Board also seeks feedback on approaches to increase the upfront certainty about what activities qualify for CRA credit, including a process for banks and other stakeholders to obtain pre-approval that a particular activity qualifies for consideration and publication of illustrative lists of qualifying activities.*

**Question 56. How should the Board determine whether a community services activity is targeted to low- or moderate- income individuals? Should a geographic proxy be considered for all community services or should there be additional criteria? Could other proxies be used?**

Geographical proxies at the census tract level are appropriate for determining eligibility of a community facility.

**Question 57. What other options should the Board consider for revising the economic development definition to provide incentives for engaging in activity with smaller businesses and farms and/or minority-owned businesses?**

The Coalition agrees with the Board that community development activities that provide affordable financing to minority-owned, women-owned and other small businesses with revenues of less than $1 million should receive CRA credit.

**Question 58. How could the Board establish clearer standards for economic development activities to ''demonstrate LMI job creation, retention, or improvement''?**

The Coalition would recommend the Board consult with other federal agencies on established standards on economic development standards. For example, the CDFI Fund's Transaction Level reporting, which provides guidance on how to calculate job-related data points.[4]

**Question 62. Should the Board include disaster preparedness and climate resilience as qualifying activities in certain targeted geographies?**

Yes, the Coalition supports the inclusion of disaster preparedness and climate resilience as qualifying activities. In particular, low-income and communities of color are disproportionately impacted by natural disasters and climate change and often lack the infrastructure and resources to prepare or restore their communities after climate-related events. Care must be taken to differentiate between infrastructure financing activities that strengthen LMI communities over infrastructure that displaces existing residents, as was the case during the Urban Renewal building boom of the mid-20th century.

**Question 64. Would providing CRA credit at the institution level for investments in MDIs, women-owned financial institutions, and low-income credit unions that are outside of assessment areas or**

[4] CDFI Transactional Level Report Data Point Guidance September 2020, https://www.cdfifund.gov/sites/cdfi/files/documents/8.-cdfi-tlr-guidance-sept-2020.pdf

**eligible states or regions provide increased incentives to invest in these mission-oriented institutions? Would designating these investments as a factor for an ''outstanding'' rating provide appropriate incentives?**

The Coalition concurs with OFN's recommendation that the Board consider support for CDFIs and MDIs in the quantitative evaluation of banks in their assessment areas if activity occurs within the assessment area. Activities occurring outside of a bank's assessment area should be incorporated into institutional or state-level community development evaluations.

**Question 65. Should MDIs and women-owned financial institutions receive CRA credit for investing in other MDIs, women-owned financial institutions, and low-income credit unions? Should they receive CRA credit for investing in their own institutions, and if so, for which activities?**

The Coalition supports MDIs and women-owned financial institutions receiving CRA credit for investing in other MDIs, women-owned financial institutions, and low-income credit unions.

**Question 66. What additional policies should the Board consider to provide incentives for additional investment in and partnership with MDIs?**

The Coalition supports NCRC's recommendation that the Board should highlight and disseminate best practices and innovative examples of support for MDIs, women-owned financial institutions, low-income credit unions and CDFIs. The Board should make publications and other tools available on its website and those of the Federal Reserve Banks.

**Question 67. Should banks receive CRA consideration for loans, investments, or services in conjunction with a CDFI operating anywhere in the country?**

The Coalition supports the Board's proposal to provide CRA credit for CDFI/MDI investments to institutions that have a strong track record of serving communities of color and communities in designated areas of need. We recommend that activities in taken in conjunction with CDFIs should count as a part of the Community Development Test.

**Question 69. Should the Board expand the geographic areas for community development activities to include designated areas of need? Should activities within designated areas of need that are also in a bank's assessment area(s) or eligible states and territories be considered particularly responsive?**

Yes, the Coalition supports expanding the geographic areas for community development activities to include designated areas of need. We also concur with OFN's comments that the Fed must do more to ensure these investments reach the intended communities. The CRA credit provided for investments in "designated areas of need" must be given enough weight to incent investments and the designated areas of need must be correctly defined.

- Evaluation Framework – The evaluation framework must create enough incentive for banks to conduct activities in areas of designated need. In addition, the evaluation must take into account both people and place – ensuring the investments actually reach low-income people and people of color living in these designated areas. Activities that are deeply targeted or highly impactful should receive additional consideration or higher impact scores.

- Defining Areas of Designated Need - While the list of criteria proposed is a good start, there are still concerns that the broad definitions will result in CRA activity remaining concentrated in more populous or urban areas, leaving rural and Native communities without investment. Reaching communities of color as an area of designated need must be a priority. The Board should also annually publish and update a list of designated areas of need and make public the criteria for adding and removing areas from the list.

**Question 71. Would an illustrative, but non-exhaustive, list of CRA eligible activities provide greater clarity on activities that count for CRA purposes? How should such a list be developed and published, and how frequently should it be amended?**

The Coalition is supportive of the Board's proposal to develop and publish an illustrative list of CRA eligible activities. We also support NCRC comments related to creating a public process for updating that list that fosters collaboration where banks and community groups are suggesting proposals together.

## Section X. Ratings.

*In Section X, the Board discusses updating the way in which state, multistate metropolitan statistical area (MSA), and institution ratings are reached, basing these ratings in local assessment area conclusions for the different subtests, as applicable. For example, the Board proposes assigning a bank's overall rating on the Retail Test by using a weighted average of each of the bank's assessment area-level conclusions. The Board believes it is appropriate to anchor a bank's overall rating in its performance in all of its local communities, and therefore proposes to eliminate the designation of full- and limited-scope assessment areas in the evaluation process. Certain activities outside of a bank's assessment area(s) would also be considered in determining overall ratings, such as a partnership with an MDI, which could be considered as part of a pathway to an "outstanding" rating. The Board also seeks to update the consideration of discrimination and other illegal credit practices in determining CRA ratings by adding violations of new laws and regulations that are related to meeting community credit needs.*

**Question 81. Should large bank ratings be simplified by eliminating the distinction between "high" and "low" satisfactory ratings in favor of a single "satisfactory" rating for all banks?**

As stated in previous comments, the Coalition supports more gradation, not less, and does not support eliminating "high" and "low" satisfactory ratings. These additional categories help differentiate bank performance, providing greater incentivization for serving greater areas of distress and reaching deeper into communities that are historically underbanked.

**Question 89. Would it be helpful to provide greater detail on the types and level of activities with MDIs, women-owned financial institutions, and low-income credit unions necessary to elevate a "satisfactory" rating to "outstanding"?**

Yes, it would be helpful to have illustrative examples. We agree with OFN that it is also important to clarify that the activities are examples and not the only activities that might qualify, and to give some flexibility for banks to develop partnerships that meet the needs of communities.

## Section XI. Data Collection and Reporting.

*In Section XI, the Board solicits feedback on potential revisions to data collection and reporting requirements. The Board is mindful of the potential tradeoff between the expanded use of metrics to provide greater certainty and consistency and the expanded need for data collection and reporting, and has prioritized using existing data wherever possible. The Board has also prioritized approaches that would exempt small banks from new data collection requirements. In addition, the Board seeks feedback on deposits data options for large banks, and in particular for large banks with extensive deposit activity outside of the areas served by their physical branches. The Board seeks feedback on how to balance the certainty provided through the use of metrics in CRA performance evaluations with the potential data burden implications.*

**Question 96. Is collecting community development data at the loan or investment level and reporting that data at the county level or MSA level an appropriate way to gather and make information available to the public?**

The Coalition supports collecting loan and investment community development data at the census tract level.

**Question 97. Is the burden associated with data collection and reporting justified to gain consistency in evaluations and provide greater certainty for banks in how their community development financing activity will be evaluated?**

Without data and reporting, it is difficult to evaluate the performance of banks in meeting CRA obligations. It is also important that this information be publicly available and searchable in it format so that it can be used by stakeholders and examiners to identify underserved populations and improve bank performance.



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