

From: Hugh Harwell
Subject: CRA Regulations Hearings

Comments:

Submitted on 2010-08-25 21:00
Submitted by anonymous user: [4.156.81.45]

Submitted values are:

Submit your comment letter to bank regulators:
Body (please personalize the bracketed areas to ensure your letter is not overlooked):
My name is Hugh Harwell.

Good, affordable credit from local investors is essential to the health of our nation's neighborhoods and communities, especially the many rural ones with sole proprietorships and small, family-owned enterprises that serve those communities sustainably. Financial institutions of all kinds must be directed to participate in the real, down-home economy where people matter to each other by offering low-cost, quality loans and other substantial community investments. Thank you for initiating the process of updating the Community Reinvestment Act regulations. Please make sure they are designed to keep the capital produced locally at home and reinvested locally to ensure stable, resilient and continuously developing, self-sufficient local economies that only import and export the bare minimum needed for essential goods and services.

The past decade has shown how devastating high-cost, predatory lending by outside vultures can be to our nation. Toxic credit that was targeted to low-income and communities of color pushed our entire economy to the brink of collapse and has left in its wake devastation in the form of rampant unemployment, faltering state and local budgets, miles of foreclosures and full blocks of abandoned buildings.

Rural communities like Shutesbury across the country have the renewable solar, wind, water, forest and fertile soil resources that must be preserved, protected and responsibly managed for the long-term, sustainable future of our whole civilization, as we shift from an industrial economy based on non-renewable resources to a post-industrial, post-carbon economy based primarily on renewables. We need local enterprises supported by local investors for the benefit of local communities to do so.

It is imperative that the banks, many of them the very ones who caused this crisis, repair the damage and continue to do good business in our communities. An updated and modernized Community Reinvestment Act can help.

We need:

* Emphasis on and competitive flexibility for locally owned community banks and credit unions and prohibitions on mergers and acquisitions by big banks.

*A cap on the maximum size any bank can be, so there is room for more diversity and competition among smaller banks.

* Real Accountability and Fairness for Banks. Banks like Bank of America and Wells Fargo that took down our economy should not receive outstanding ratings. Banks should no longer be allowed to pick which of their areas they are graded on or which parts of their companies get looked at.

* Banks must get failing grades if they discriminate by offering toxic loans, less credit, worse credit or inadequate services to African-American and Latino communities.

* Strengthen the requirements for banks to work with us. If they are not doing their jobs, we will be the first to know. We need to be able to challenge the banks directly to meet our credit needs.

Sincerely,

First Name: Hugh

Last Name: Harwell, MRP