

Proposal: 1712(AF86) Reg Q; Paycheck Protection Program Lending Facility and Paycheck Protection Program Loans

Description:

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From: Benjamin Bronfman

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Subject: Regulatory Capital Rule: Paycheck Protection Program Lending Facility and Paycheck Protection Progra

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Comments:

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Your comment: As I've been dealing with the many ramifications of the COVID19 pandemic, I've also been taking considerable time to assess how the government response to the pandemic is being received by people across the economic spectrum.

Obviously, this is a major political issue in terms of the public perception of this massive government bailout.

To me, it's extremely important that Community Development Financial Institutions (CDFI's) are included, and their presence highlighted within the financial sector.

I think we can all agree on is that when we emerge from this pandemic, the economic toll will be the largest we've seen in decades and it will take time for our economy to rebuild itself.

One consequence of this crisis is that wealth disparity will most likely increase as we emerge from this unfortunate episode.

CDFI's will also emerge as a pivotal pillar in the context of engaging with minorities, women and the underbanked.

To get specific, I think it is extremely important (both economically and politically) that Community Development Financial Institutions (CDFI's) are included by the Fed in the "supply chain" of the PPP and PPPLF programs.

As you know, CDFI's primarily serve minorities, women and the "under-banked."

By making sure that these financial institutions can both originate and purchase PPP loans and pledge them under the PPPLF it will be extremely helpful to continue serving their target customers. It will also help public's perception as it relates to government's sincere attempt to make sure that capital flows into the hands of the underserved during this crisis.