

From: Carol  
Proposal: 1723 (AF94) Reg BB - Community Reinvestment Act  
Subject: R-1723 Community Reinvestment Act

---

Comments:

Date: Feb 16, 2021

Proposal: Regulation BB: Community Reinvestment Act [R-1723]

Document ID: R-1723

Revision: 1

First name: Carol

Middle initial:

Last name:

Affiliation (if any):

Affiliation Type: ()

Address line 1:

Address line 2:

City:

State:

Zip:

Country:

Postal (if outside the U.S.):

Your comment: To Whom It May Concern:

The Board of Governors of the Federal Reserve System's (Board) Advance Notice of Proposed Rulemaking (ANPR) to reform the Community Reinvestment Act (CRA) ignores the importance of including low- and moderate-income (LMI) people with disabilities in as a key target audience for qualified CRA investing, lending and services. For too long, people with disabilities in LMI neighborhoods have not been a focus of CRA activities nor been part of the performance evaluation process. As a result, the Disability Rights Education & Defense Fund (DREDF) strongly recommends that the ANPR be revised to address the financial and economic needs of low- and moderate-income people with disabilities.

DREDF is a leading national civil rights law and policy center directed by individuals with disabilities and parents who have children with disabilities. Our mission is to advance the civil and human rights of people with disabilities through legal advocacy, training, education, public policy and legislative development.

Americans with disabilities make up one of the United States' largest minorities. More than 25% live in poverty and only about 20% have gone to college. Seventy-five percent are unemployed. People with disabilities are more likely to be low- or moderate-income than those without disabilities. More than 60 percent of adults with disabilities are considered LMI and many live in LMI neighborhoods.

Such economic and social disenfranchisement is not an inevitable consequence of the physical and mental limitations imposed by disability; it is the result of society's historic response to those limitations: lack of accessibility in the built environment and policies that encourage or even require exclusion, segregation, and institutionalization. The result is a legacy of prejudice and paternalism that is deeply embedded in the social consciousness.

An example of this historic prejudice is the exclusion of people with disabilities from mainstream financial services. People with disabilities are less likely to be banked or have access to mainstream credit. If revised with attention to the comments below, the proposed rule changes to the CRA have the potential to address the needs of this underserved population.

We are particularly concerned about the following five key issues:

The ANPR does not require banks to disaggregate reporting data by gender/race/ethnicity or disability, thereby failing to compel banks to address the historical lack of access and equitable treatment of sub-populations of the LMI community.

The ANPR discusses the applicability of other relevant laws that address discrimination, but fails to include the Americans with Disabilities Act (ADA). This oversight continues the lack of attention to this

most economically vulnerable population and their financial and economic needs. Since the passage of the ADA, financial institutions have, in multiple court cases, been found in violation of the ADA for lack of website accessibility and discriminating practices regarding access to credit.

Performance measurement and metrics must draw specific attention to the economic needs of LMI people with disabilities and impact performance scores. No bank should receive an outstanding rating without both the Community Development and Retail Services Subtests demonstrating a direct response to identified community needs of LMI people with disabilities. Quantitative and qualitative data should be identified and analyzed regarding utilization of retail banking products and services and community development financing that directly responds to needs of LMI individuals with disabilities within and across assessment areas.

A qualifying illustrative list of CRA activities should be included in the final rule that contains specific examples of LMI people with disabilities benefitting from investments, lending and/or service activities. Such a list would begin to provide regulated financial institutions specific ways to meet the needs of this underserved population. Such a list could be developed with input from the disability and financial communities.

Banks should receive CRA credit for investment in workforce development activities including apprenticeships, internships, on-the-job skills training and skill certifications that are vitally important to many LMI populations, including those with disabilities. Workforce development activity should be identified separately, rather than simply as a subpart of economic development activities. In light of millions of job losses due to COVID-19, an emphasis on workforce development activities deserves specific attention for CRA credit.

Vibrant communities are best supported when economic opportunities are inclusive of LMI populations, including people with disabilities. Unless the challenges of LMI people with disabilities are intentionally addressed, people with disabilities will be unintentionally excluded from the financial system and overlooked as a target of community development activities.

The Board needs to revise the ANPR in its current form and offer, for the first time, a set of rules that responds to improved financial inclusion and economic stability for low- and moderate-income people with disabilities.

We deeply appreciate your consideration of these important recommendations.

Sincerely yours,

Susan Henderson  
Executive Director