

Proposal: 1741(AG 11) Reg Q - Regulatory Capital Rule: Emergency Capital Investment Program

Description:

Comment ID: 138118

From: BOM, Dan Blacksher

Proposal: 1741(AG 11) Reg Q - Regulatory Capital Rule: Emergency Capital Investment Program

Subject: Reg Q; Regulatory Capital Rule: Emergency Capital Investment Program

Comments:

NONCONFIDENTIAL // EXTERNAL

To Whom it May Concern:

I am a Market President of a CDFI bank located in rural Louisiana.

The ECIP will allow us to reach more customers and non-customers to bring in more of the unbanked and underbanked. Our Board of Directors has approved for us to apply for the maximum amount of funds we can get through the ECIP. We are a CDFI Subchapter S corporation and the funds we would get would be in the form of Subordinated Debt, not Perpetual Preferred Stock, as the bill is currently written. Using current Federal Reserve regulations, we would be entitled to receive in Sub Debt approximately 2% of our assets instead of the ECIP rules of up to 15%

I ask that the treasury department would consider working with the Fed and that any/all ECIP Sub Debt be excluded 100% from counting towards the Federal Reserve's Debt to Equity Ratios. Secondly, have a maturity date of at least 30 years instead of 15 years for Sub Dept. Even better 40 years or perpetual. Leveraging the funds 10 to 1 would have a tremendous positive impact for the markets we serve.

Rural America, minorities and the working poor have been negatively impacted more than others by Covid-19 and these ECIP funds will significantly enhance CDFI/MDI bank's capacity to serve those most in need.

Thank you for your consideration of this request.

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