

Proposal: 1769(AG29) Regulation BB: Community Reinvestment Act

Description:

Comment ID: 142501

From: Arkview Capital, Vijay Mehta

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Subject: Reg BB; Community Reinvestment Act

Comments:

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Dear Federal Reserve,

I hope this email finds you well as I am writing in regards to Docket: R-1769, RIN 7100-AG29. I would like to make the following comments and suggestions to the CRA legislation.

1. While CRA today is focused on low- to moderate-income populations, I also believe that there should be CRA benefits that accrue to investments in certified Minority Business Enterprises (MBEs) that have historically lacked access to capital. Specifically, I believe that any investment into a certified MBE should be considered as a qualifying CRA investment and/or loan as this will incentivize more capital to flow to MBE businesses.
1. Investments into certified MBEs should also qualify as "Public Welfare Investments" as these MBEs have historically been excluded from the financial and capital market ecosystem. Over 95% of the funding for MBEs is through friends and family as institutional capital has not been interested or able to invest in MBEs and designating MBEs as Public Welfare Investments can spur investment and help close the racial and wealth gap in the US.

Please let me know if you have any further questions or comments regarding these simple but impactful updates to the Community Reinvestment Act.

Thank you,
Vijay
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