

**Housing Action Illinois Sample Comment Submission Regarding “Reforming the Community Reinvestment Act Regulatory Framework”: Docket ID OCC-2018-0008**

---

[Organization Name] appreciates the opportunity to comment in support of strengthening, not weakening, the Community Reinvestment Act (CRA).

In the (city or neighborhood), in which my organization works, CRA has motivated banks to provide loans and investments for affordable housing and economic development.

[Insert a few sentences describing your organization’s work and how the community you serve has benefited from the CRA. If possible, provide an example of CRA financing that has addressed a critical need and/or is innovative.]

Overall, the ideas put out for public comment by the OCC will weaken CRA and should not be implemented. For example:

- The importance of assessment areas on CRA exams should not be diminished, as it will lead to a reduction in both mortgage and small business lending in low- and moderate-income communities.

[Add a few sentences here about how your organization has engaged banks and/or CRA examiners in discussions about local needs and proposed financing and/or bank lending. Describe how these discussions and partnerships may end or be diminished if assessment areas become less important on CRA exams.]

- Implementation of a “one ratio” will make CRA ineffective, because a mathematical formula cannot reflect whether a bank is responding to local needs. This can only be accomplished through a variety of means, including considering public comments.
- If CRA exams award points for financing or activities that do not address lack of access to banking or community development needs in lower income neighborhoods, such as financing projects with supposedly broad benefits, then CRA will be less effective in channeling resources to the communities that were the focus of the 1977 legislation.
- Research has shown that low- and moderate-income people rely on branches for access to loans and banking services. If CRA exams drop branches from consideration, the amount of lending and bank services in low- and moderate-income neighborhoods will decrease significantly.

[Add your experience about bank branches in lower income neighborhoods or helping your modest income clients who are unfamiliar with banks get loans via bank branches.]

Meaningful CRA reform could boost lending and access to banking for underserved communities. However, this will not happen if the CRA pass rate continues to be 98 percent. Policies that would strengthen CRA include:

- Assessment areas must be added that include areas outside of bank branch networks in which banks make high volumes of loans.
- Since racial disparities in lending remain stubborn and persistent, CRA must include lending, investing, and service to people and communities of color in its evaluations.
- Mortgage company affiliates of banks must be included on CRA exams.

Sincerely,

[Name]

[Title]

[Organization]

[City, State]