



June 5, 2020

Acting Comptroller Brian P. Brooks
Comptroller of the Currency
Comp 400 7th Street, SW
Washington, D.C. 20219

Chair Jelena McWilliams
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Chair Jerome Powell
Federal Reserve Board
20th Street and Constitution Avenue N.W.
Washington, D.C. 20551

Re: Community Reinvestment Act Addresses Racism

Dear Chair Powell, Chair McWilliams & Acting Comptroller Brooks:

We are writing you today in a call to action to make the financial system more racially equitable.

Racism has long been imbedded in our financial system and in the society it is meant to serve. The official government policy of redlining that began in the 1930s cemented racial segregation in Chicago and throughout the nation, and this foundation continues to support individual and systemic racism that has brought us to today: significant racial disparities in COVID-19 death rates, the over-policing of communities of color that permit modern-day lynchings, and the failure of the government and financial institutions to prioritize impacted communities with relief funds and capital investments. Healing the nation's wounds and implementing solutions that will eliminate racism and its many structural components require bold actions.

The Community Reinvestment Act (CRA), passed less than a decade after the 1968 Chicago riots, was a bold solution. The law directly targeted the effects of redlining by creating an affirmative obligation for banks to invest in and serve low- and moderate-income communities. The Chicagoans whose activism led to the passage of the CRA knew that stopping racist policies was not enough. The disinvestment that targeted communities of color for decades would need to be reversed if we hoped to establish a lasting peace in Chicago and make community prosperity possible.

We should all keep this goal at the forefront as efforts to “modernize” the CRA are undertaken. “Simplifying” or “streamlining” the law should not be the top priorities. Getting it done more quickly should not be a driving intention. Grappling with complexity to effectively steer investment to racially and economically segregated neighborhoods is critical. Taking time to make data-driven decisions is time well spent if it means lifting up the communities that have been and continue to be disregarded.

Our advocacy to strengthen the CRA continues. The pain of the past few days inspires us to work together to get this right because we all have a role in finally dismantling racist systems that hold our entire country back. We call on the three banking regulators to work with us and our allies across the country to strengthen CRA to help rebuild economically vibrant communities where all people can prosper.

Sincerely,

Alliance to End Homelessness in Suburban Cook County
BEDS Plus Care, Inc.
BPI
Center for Changing Lives
Center for Neighborhood Technology
Chicago Area Fair Housing Alliance
Chicago Coalition for the Homeless
Chicago Community Loan Fund
Chicago Community Trust
Chicago Jobs Council
Chicago Urban League
Chicago Westside NAACP
Coalition for Equitable Community Development
Corporation for Supportive Housing
Economic Awareness Council
Economic Security for Illinois
Fair Housing Legal Support Center, UIC John Marshall Law School
Faith Community Homes, Arlington Heights, IL
Heartland Alliance for Human Needs & Human Rights
Housing Action Illinois
Housing Choice Partners
Housing Opportunities and Maintenance for the Elderly (H.O.M.E.)

IFF

Illinois Asset Building Group

Institute for Cultural Affairs

Lawyers' Committee for Better Housing

League of Women Voters of Illinois

Menard County Housing Authority

Northwest Side Housing Center

Office of Illinois State Treasurer Michael Frerichs

Preservation of Affordable Housing, Inc. (POAH)

The Resurrection Project

Revolution Workshop

South Suburban Housing Center

Spanish Coalition for Housing

Universal Housing Solutions CDC

Woods Fund Chicago

Woodstock Institute