



May 31, 2022

Submitted via email to: comments@fdic.gov, regs.comments@federalreserve.gov, and Senior Deputy Comptroller for Bank Supervision Grovetta Gardineer

James P. Sheesley
Assistant Executive Secretary
Attention: Comments RIN 3064- AF81
Federal Deposit Insurance Corporation
550 17th Street, NW,
Washington, DC 20429.

Grovetta Gardineer
Senior Deputy Comptroller for Bank Supervision
Policy
Office of the Comptroller of the Currency
400 7th Street, SW, suite 3E-218
Washington, DC 20219.

Ann E. Misback
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551.

RE: Community Reinvestment Act Regulations [Docket ID OCC-2022-0002, RIN 1557-AF15; Docket No. R-[•] and RIN 7100-AG [•]; RIN 3064-AF81]

To whom it may concern,

On May 5, 2022, the Office of the Comptroller of the Currency (“OCC”), the Board of Governors of the Federal Reserve System (“The Board”), and the Federal Deposit Insurance Corporation (“FDIC”) (collectively, “the agencies”) promulgated a Notice of Proposed Rulemaking, proposing major revisions to the implementing regulations of the Community Reinvestment Act.¹ Our banking trade associations² appreciate the efforts that the agencies have undertaken to release this proposal and do not underestimate the difficulty of revising an important and complicated regulatory framework on an interagency basis. We commend the agencies for the hard work they have done so far.

¹ Available at: <https://www.fdic.gov/news/board-matters/2022/2022-05-05-notice-dis-a-fr.pdf>.

² Undersigned trade associations include: the American Bankers Association, the Association of Military Banks of America, the Bank Policy Institute, the Community Development Bankers Association, the Consumer Bankers Association, the Housing Policy Council, the Independent Community Bankers of America, the Mortgage Bankers Association, the National Association of Affordable Housing Lenders, and the National Bankers Association. See Appendix for a description of these groups.

Our associations appreciate the opportunity to work with the agencies to ensure that CRA works for the banking industry and the communities our member banks serve. Collectively our associations represent virtually the full universe of CRA-subject banks, ranging from large money center banks, to midsize regional banks, to smaller community banks and including community development financial institutions (“CDFIs”) and minority depository institutions (“MDIs”) of every size. Updating CRA to reflect the evolution of the banking industry and to ensure that it fulfills its statutory purpose of benefitting low- and moderate- income communities is of utmost importance to our memberships.

However, the proposal’s 90-day comment period is an inadequate amount of time for our members to fully analyze, assess, and understand how the rule will affect their banks or the communities they serve. The Notice of Proposed Rulemaking is a lengthy 678 pages and, while its contents may be familiar to agency staff, many of the metrics and benchmarks it introduces are novel to our member banks. It takes a substantial investment of time to understand the mechanics of the proposed rule and to formulate meaningful comments and specific recommendations. Having additional time to engage with our members and conduct statistical analysis will ultimately result in comments that provide more thoughtful feedback to the agencies.

Because it is necessary for us to educate our members about the proposed rule and collect information from bankers nationwide, **we urge the agencies to grant a 30-day extension of the comment period.** Granting an extension will lead to more substantive comments from banks and other stakeholders – eventually leading to a more informed and more robust regulation.

The CRA is important – it matters both to banks and to the low- and moderate- income communities they serve. As history has demonstrated, complex regulatory overhauls that are rushed tend to have little staying power or require extensive amendments and/or interpretations. In the case of CRA, both banks and communities would benefit from a modernized regulatory framework that stands the test of time.

Thank you for considering our request for extension.

Sincerely,

**American Bankers Association
Association of Military Banks of America
Bank Policy Institute
Community Development Bankers Association
Consumer Bankers Association
Housing Policy Council
Independent Community Bankers of America
Mortgage Bankers Association
National Association of Affordable Housing Lenders
National Bankers Association**

Appendix

The American Bankers Association is the voice of the nation's \$23.3 trillion banking industry, which is composed of small, regional and large banks that together employ more than 2 million people, safeguard \$19.2 trillion in deposits and extend \$11 trillion in loans.

The Association of Military Banks of America is a trade association of banks located on and outside military installations that provide financial products, services, and education to military members, veterans, and their families.

The Bank Policy Institute is a nonpartisan public policy, research and advocacy group, representing the nation's leading banks and their customers. Our members include universal banks, regional banks and the major foreign banks doing business in the United States. Collectively, they employ almost 2 million Americans, make nearly half of the nation's small business loans, and are an engine for financial innovation and economic growth.

The Community Development Bankers Association is the voice and champion of community development financial institution (CDFI) banks and thrifts. This certification, administered by the U.S. Treasury Department's CDFI Fund, indicates the bank has devoted at least 60% of its total lending, services, and other activities to benefit low- and moderate-income communities. Our members are often the only source of credit and financial services in these underserved communities. Our banks finance a range of borrowers and projects. The credit they mobilize builds housing and supports small businesses, creating a ripple effect that extends far beyond their direct customers. CDBA leads the growth and development of this sector, building healthy institutions with the capacity to promote access to capital and financial services in distressed and underserved communities.

The Consumer Bankers Association is the only national trade association focused exclusively on retail banking. Established in 1919, the association is now a leading voice in the banking industry and Washington, representing members who employ nearly two million Americans, extend roughly \$3 trillion in consumer loans, and provide \$270 billion in small business loans.

The Housing Policy Council is a trade association comprised of the nation's leading mortgage lenders, services, mortgage insurers, and title and data companies. HPC advocates for the mortgage and housing finance interests of its members in legislative, regulatory, and judicial forums. Our interest is in the safety and soundness of the housing finance system, the equitable and consistent regulatory treatment of all market participants, and the promoting of lending practices that create sustainable home ownership opportunities leading to long-term wealthy-building and community-building for families.

The Independent Community Bankers of America creates and promotes an environment where community banks flourish. ICBA is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education, and high-quality products and services. With nearly 50,000 locations nationwide, community banks constitute 99 percent of all banks, employ more than 700,000 Americans and are the only physical banking presence in one in three U.S. counties. Holding more than \$5.8 trillion in assets, over \$4.8 trillion in deposits, and more than \$3.5 trillion in loans to consumers, small businesses and the agricultural community, community banks channel local deposits into the Main Streets and neighborhoods they serve.

The Mortgage Bankers Association is the national association representing the real estate finance industry, an industry that employs more than 390,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 2,200 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: www.mba.org.

The National Association of Affordable Housing Lenders is the only national alliance of major banks, community development financial institutions (CDFIs), state and local housing finance agencies (HFAs), and other capital providers for affordable housing and inclusive neighborhood revitalization. In 2018, NAAHL member banks made 829,346 loans totaling \$124.8 billion for low- or moderate-income (LMI) people and communities.

Since its founding in 1927, **the National Bankers Association** has served as a voice for Black and other minority-owned banks. Now, with membership that includes Hispanic-American, Asian-American, Native-American, and women-owned banks, our reach extends across the country. We believe strongly in advocating for not only our member banks, but also the communities they serve. Our members help low and moderate-income communities, and they are committed to providing economic revitalization to families in those neighborhoods.