

January 22, 2020

Ms. Jelena McWilliams  
Chairman  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> St. NW  
Washington, DC 20429

**RE: Proposed Rule – Community Reinvestment Act Regulations [85 FR 1204, RIN 3064-AF22]**

Dear Chairman McWilliams:

Thank you for the opportunity to provide comment on the Notice of Proposed Rulemaking for the Community Reinvestment Act (CRA). Please note that these comments have not been submitted to or approved by NeighborWorks America’s Board of Directors and do not necessarily represent their views, either collectively or as individuals. These comments have been formed based on the ongoing work of NeighborWorks America with our network of nearly 250 local and regional nonprofit affiliated NeighborWorks organizations.

For over 40 years, Neighborhood Reinvestment Corp. (d/b/a NeighborWorks America), a Congressionally-chartered, national, nonpartisan nonprofit, has created opportunities for people to improve their lives and strengthen their communities by providing access to homeownership and safe, affordable rental housing. Our collective network experience provides the basis for recommendations to ensure that bank assessments under the Community Reinvestment Act are appropriate and adequate to capture and evaluate the extent to which banks are meeting the credit needs of their communities.

The Community Reinvestment Act (CRA) is a critical framework for ensuring that the low- and moderate-income (LMI) people that NeighborWorks organizations serve have access to safe, sustainable banking and financial products, and that the neighborhoods in which they live are able to attract and retain investment from homeowners, small businesses, and others. CRA also provides incentives for banks to partner with NeighborWorks organizations and other community-based organizations to increase their reach and enhance access to safe and responsible financial products and services. NeighborWorks and the organizations that make up the NeighborWorks network have a vested interest in ensuring that CRA is preserved and the regulatory structures strengthened to continue to meet the capital needs of LMI people and communities in a changing banking environment.

The proposed rule dramatically alters the framework of CRA examinations, and while on its face the proposed structure appears simple, the mechanics and implications are much more nuanced. In order to give the OCC/FDIC proposal serious consideration, as well as to compare it with the vision laid out by the Federal Reserve, NeighborWorks respectfully requests an extension of the 60-day comment period. As with the development of any comment letter, we intend to engage our network organizations in deep, thoughtful conversation in order to seek their input and perspectives. The on-the-ground viewpoint that our network provides offers a window into the implications of policy changes for a diverse set of communities from CRA deserts to hotspots, rural to urban, and everything in between. Under the existing 60-day comment deadline, we simply will not be able to garner the participation that such an important conversation requires.

We urge you to extend the comment period to 120 days. This timeframe would allow us to provide granular feedback, identifying elements of the proposal that we support and offering suggestions or alternatives for ways in which to improve the framework. Given the importance of CRA to combatting the legacy of redlining in communities across the country, we simply cannot afford to move quickly at the expense of achieving our mutual goals of a stronger CRA that provides clarity and consistency for the long term while driving investment to places where it is most needed.

Sincerely,



Kirsten T. Johnson-Obey  
Senior Vice President, Public Policy and Legislative Affairs  
NeighborWorks America