

April 7, 2020

To: Office of the Comptroller of the Currency and the Federal Deposit Insurance Corp.

**Re: Docket ID OCC-2018-0008. FDIC RIN 3064-AF22
Comment regarding "Reforming the Community Reinvestment Act Regulatory Framework"**

To whom it may concern,

Thank you for the opportunity to comment on your proposed changes to the Community Reinvestment Act Regulatory Framework.

I am currently working as management consultant for neighborhood-based development organizations in Milwaukee, WI. I also serve on the Board of Directors (independent director, public interest) of the Federal Home Loan Bank of Chicago. My comments here are my own and do not necessarily reflect the views of the FHLB of Chicago or of my fellow board members.

Prior to my work as a management consultant, I was the director of Milwaukee LISC (Local Initiatives Support Corporation) for 15 years and before that, I was the Director of Housing and Neighborhood Development for the City of Milwaukee for over 10 years. I've been working in the field of affordable housing and neighborhood development for all of my adult life and I can attest to the tremendous, positive impact resulting from the Community Reinvestment Act. I take a certain amount of pride in knowing that former Wisconsin Senator William Proxmire played a key role in initially passing this legislation back in 1977.

The activities prompted by CRA, over the past 40 years, have been significant factors in enhancing lives and helping to create equity and wealth for individuals, families and communities. We must not slow the progress that has been made. We need bank branches in our neighborhood, we need banks to make home and small business loans to credit worthy borrowers in our community, and we need bank investments in community facilities. We need to enhance CRA, not weaken it!

Because of the tremendous benefits that have resulted from CRA over the past 40 years, I am disheartened by the changes being proposed in the new regulations and I am strongly opposed. The proposed rules would dramatically reduce incentives for banks to serve the needs of LMI people.

The proposed "one ratio" measure would encourage banks to find the largest and easiest deals anywhere in the country, instead of working with local communities to address local needs. If banks can meet their CRA obligations by financing public infrastructure or sports stadium, then that will reduce the amount of home loans or small business loans in LMI neighborhoods that a bank would need, in order to pass their CRA evaluations.

While the proposed regulations recognize changes in the banking industry due to increased use of the online banking, your plan for dealing with "the geography of investment" is impossible to monitor due to the lack of transparency and publicly available data. A far better idea would be to designate underserved areas and require internet banks to serve them.

Having worked on neighborhood development issues for over 40 years, I can tell you that the work takes a lot of heavy lifting. Progress has occurred because of a network of partnerships

that has emerged involving government agencies, philanthropic organizations, community-based organizations and financial institutions. CRA has been the primary driver in bringing financial institutions to the table. Initially, many banks resisted the demands that were placed on them, but over time they have come to appreciate the benefits to their communities that has resulted from the work of this community development infrastructure. Your proposed rules would not enhance, but rather undermine, this infrastructure. I think the proposed rules should be discarded and instead, the OCC and the FDIC should work with the Federal Reserve to develop an interagency rule that will augment the progress achieved under CRA instead of reversing it.

I agree with Federal Reserve Board Chairman Jerome Powell who, in discussing CRA, said “we don’t want to lose the focus on community and we definitely want to see that fundamental purpose of the law sustained” and, I would say, enhanced. I hope that any legislative changes will respect that fundamental premise.

Thank you for your consideration of my comments.

Sincerely,

Leo J. Ries

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Milwaukee, WI 53213