

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. Pursuant to clause 1(c) of rule XIX, further consideration of H.R. 5332 is postponed.

□ 1615

PROVIDING FOR CONGRESSIONAL DISAPPROVAL OF RULE SUBMITTED BY OFFICE OF THE COMPTROLLER OF THE CURRENCY RELATING TO "COMMUNITY REINVESTMENT ACT REGULATIONS"

Ms. WATERS. Madam Speaker, pursuant to House Resolution 1017, I call up the joint resolution (H.J. Res. 90) providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Office of the Comptroller of the Currency relating to "Community Reinvestment Act Regulations", and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Pursuant to House Resolution 1017, the joint resolution is considered read.

The text of the joint resolution is as follows:

H.J. RES. 90

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That Congress disapproves the rule submitted by the Office of the Comptroller of the Currency relating to "Community Reinvestment Act Regulations" (85 Fed. Reg. 34734; published June 5, 2020), and such rule shall have no force or effect.

The SPEAKER pro tempore. The joint resolution shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services.

The gentlewoman from California (Ms. WATERS) and the gentleman from North Carolina (Mr. MCHENRY) each will control 30 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.J. Res. 90 and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.J. Res. 90, a Congressional Review Act resolution of disapproval to nullify the Office of the Comptroller of the Currency's rule undermining the Community Reinvestment Act.

I introduced this resolution with our Consumer Protection and Financial Institutions Subcommittee chair, Representative MEEKS, and I am proud we

are joined by 70 other Members who have cosponsored the resolution.

The Community Reinvestment Act is a civil rights act. It is a law enacted in 1977 to prevent the discriminatory practice of redlining, in which banks discriminate against prospective customers in nearby neighborhoods, often based on their racial or ethnic background. The law requires banks to invest and lend responsibly in low- and moderate-income communities where they are chartered.

Unfortunately, implementation of the Community Reinvestment Act has not been robust. Today, 98 percent of the banks routinely pass their Community Reinvestment Act exams. However, research has shown that more than 60 metro areas across the country are now experiencing modern-day redlining today. These findings clearly demonstrate the need to strengthen the implementation of the law. Unfortunately, the OCC's rule would do the opposite.

Despite the warnings of a wide range of stakeholders, former Comptroller Otting rushed to finalize this rule in his final days on the job. So, without the support—without the support—of the Federal Reserve or the Federal Deposit Insurance Corporation, the other banking regulators were responsible for enforcing the law.

Mr. Otting appears to have been determined to undermine the Community Reinvestment Act ever since the law complicated his efforts to quickly obtain regulatory approval for OneWest Bank, a bank that he ran with Treasury Secretary Mnuchin, to merge with another bank in 2015.

I am deeply concerned that the OCC's final rule will harm low-income and minority communities that are disproportionately suffering during this crisis, effectively turning the Community Reinvestment Act into the community disinvestment act.

If this resolution is not adopted, we will have different rules for different banks, leading to regulatory arbitrage and a race to the bottom of weaker standards that will only hurt the people the law is intended to help.

Notably, the OCC rule was adopted with insufficient and incomplete data, and it incentivizes large deals at the expense of smaller and more continuous financial transactions that truly benefit LMI communities.

For example, the OCC final rule allows CRA credit to be given for activities in LMI-qualified opportunity zones, but the rule does not ensure that these activities promote community development that includes affordable housing or small business economic development. This can lead to the unacceptable result of banks receiving CRA funding for building luxury housing in opportunity zones, providing no direct benefit to LMI communities.

Additionally, the OCC concedes it does not have all the data it needs to properly implement its new CRA framework, with the rules stating that the OCC will need to issue yet another

notice of proposed rulemaking in the future to help set specific benchmarks, thresholds, and minimums. It doesn't speak highly of a rule when the office says it is half baked.

A wide range of stakeholders have criticized OCC's efforts. For example, a group of civil rights and consumer groups issued a statement noting: "The new OCC rules stick with an overly simplistic metrics system that creates a loophole for banks to exploit, allowing them to get a passing CRA rating by making investments in communities where they can reap the largest rewards, while leaving too many credit needs unmet for underserved consumers and neighbors."

During these difficult times, communities across the country have taken to the streets to demand justice and to tell their elected officials that they can no longer ignore the needs of communities of color. In a letter supporting this resolution from various organizations led by the Leadership Conference on Civil and Human Rights and National Community Reinvestment Coalition, they wrote: "In the weeks since the OCC finalized its rule, our Nation has been facing a long overdue reckoning with our troubled legacy of racial and ethnic discrimination. . . . Now is certainly not the time to weaken the most important civil rights laws we have at our disposal to correct those disparities."

Congress must block any effort by the Trump administration to weaken our civil rights laws and send a strong message to Federal regulators that they should be doing all they can during this pandemic to help, not hurt, low- and moderate-income communities, and especially communities of color.

By passing this resolution, Congress will block the OCC's harmful rule so that, once the pandemic passes, banking regulators can renew efforts to collaborate, modernize, and strengthen the Community Reinvestment Act with a new joint rulemaking that truly benefits the community the law was intended to help.

Madam Speaker, I urge my colleagues in the House to vote "yes" on H.J. Res. 90.

Madam Speaker, I reserve the balance of my time.

Mr. MCHENRY. Madam Speaker, I yield myself such time as I may consume, and I rise in opposition to the resolution.

Madam Speaker, as I said, I rise in opposition to this resolution. First, before I get into the contents of my discussion here, I want to thank Chairwoman WATERS for her steadfast and long-time leadership in supporting minority, rural, low- and middle-income communities, LMI communities. Her service in the California Assembly and Senate and Congress has been commensurate with that work and that focus.

Committee Republicans share the chairwoman's goal of strengthening

these communities. For example, we know that community development financial institutions and minority depository institutions play critical roles in getting necessary funds to the smallest of small businesses in these communities.

Committee Republicans support the efforts of the Paycheck Protection Program to target small lenders as well as small businesses in communities across America.

Committee Republicans believe the reforms made in the underlying final rule promulgated by the Office of the Comptroller of the Currency will continue to support minority, rural, and LMI communities into the 21st century.

Madam Speaker, the Community Reinvestment Act was enacted in 1977, nearly 43 years ago. Its purpose was to ensure depository institutions like banks and savings associations help meet the needs of their local communities. The law tasks the OCC, as well as the other bank regulators, with issuing rules to carry out that purpose. However, the last time the CRA regulations were meaningfully updated was in 1995.

I think we can all agree that a lot has changed in the past 25 years, including how banks can best serve their communities. Much of this change has been driven by technology and innovation.

In 1995, it was cutting edge when you could call your bank and get your balance and the last couple of checks that cleared your account. Calling up and not having to talk with somebody and a computer tell you the answer, that was cutting edge. And at that time, only 24 percent of Americans had accessed the internet.

Since that time, we have witnessed a massive shift to online and mobile delivery of banking services, and that is for good in many, many ways. This virus has really enhanced that trend just in the last few months. This means that where banks get their deposits doesn't necessarily match up with where their branches are physically located.

Second, the number of bank branches has steadily declined since the financial crisis, but the CRA regulations continue to place a very heavy emphasis on banks' physical footprints rather than where they truly serve.

At the same time, CRA exams have gotten more complex and less transparent. Banks can only guess which of their community investments will receive credit, because the exams are quite highly subjective. The written evaluations can be thousands of pages long, and yet the regulators and the public have no clear data to help understand where all the CRA money has gone.

But there are, sadly, a few things that have not changed in the last 25 years—sadly—including socioeconomic conditions in the poorest communities, economic opportunity, and the per-

sistent lack of capital in those communities. The CRA is intended to help address those issues, and that is why it is a vital and important law and, properly structured, can deliver in a better way.

But, clearly, we know the status quo is not working. It is not working for the communities that we care desperately about giving opportunity to, economic opportunity to, and that is really what this is driven towards with this law.

Modernizing this regulatory framework is long overdue. Here are a few aspects of the rule that I believe represent major improvements over the old regulations.

First, the rule provides for a public list of activities that will count for CRA credit so the community can understand, the banks can understand, and we, as elected officials who have oversight of this program, we can understand, too. And they will have that public list on what counts for CRA credit.

This list will eliminate regulatory ambiguity and provide certainty over the types of investments that will lead to a good evaluation. With more certainty, banks will naturally make more investments. That is how capitalism works. This change alone is likely to increase community reinvestment across the board.

Second, the rule provides a better model for where the activity can count. Banks will be incentivized to invest where they take deposits instead of only around their branches. Let me explain.

Previously, a bank was only evaluated on its lending and investment in an area around its physical footprint, but banking today is very different than it was a generation ago when this regulation was written. Banking today, with the help of new technology and innovation has changed substantially. So, if an online bank chooses a headquarters in one State—let me give you an example: Utah.

Utah has a lot of online banks and they domicile in Salt Lake City, so that is where the community giving is around Salt Lake City, even if they take most of their deposits from Chairwoman WATERS' district or my district. So, if you have that headquarters for an online bank, it should not prevent them from making investments in other States or localities that desperately need capital.

Under the final rule, banks will get credit for investing in so-called banking deserts. This has been a priority of mine for the last decade, to help those who are in communities where they can't get ready access. We know food deserts in urban areas, and if you can't get access to fresh food, you can't have a healthy diet.

□ 1630

That is a huge issue. It is a huge issue in rural areas, it is a huge issue in urban areas.

So we have banking deserts now, and this rule prioritizes those banking

deserts that don't have a branch or don't have many branches. And those underserved places under this rule are distressed areas, economically distressed areas, Tribal lands, folks that have been hit by natural disasters, regardless of where they get deposits or if they get deposits from those areas. I think there are some laudable changes.

Now communities without bank branches that were essentially invisible under the current framework will be able to receive CRA investment. This is a huge improvement.

Finally, the rule introduces objective metrics and transparent evaluations. I think that is a really good thing for regulation. Instead of a highly subjective exam and a 1,000-page evaluation, examiners will be able to deliver more consistent, useful, and timely CRA evaluations; "timely" meaning more frequent and more readily available.

Clearer metrics and better reporting will enable banks, regulators, and the public to have a better understanding of the CRA activities of individual banks and of cross-sections of the industry. Consumers will be able to see that and understand the type of institution they are banking with as well.

I would also note that this final rule is a culmination of a multiyear process. It reflects more than a decade of dialogue about how to make the CRA work better, it builds on recommendations that Federal banking agencies submitted to Congress in 2017 and recommendations released by the Treasury Department in April of 2018 and more than 75 hard comments submitted during the rulemaking process that updated and changed and made better the regulations that the administration put forward.

Republicans and Democrats agree the Community Reinvestment Act is extremely important, it is an important law. And because it is important, the regulations need to keep pace with how Americans bank today.

I believe this rule is a huge improvement over the status quo.

Madam Speaker, I urge my colleagues to vote against this resolution and support the underlying rule.

Madam Speaker, I reserve the balance of my time.

Ms. WATERS. Madam Speaker, I yield 3 minutes to the gentleman from New York (Mr. MEEKS), who is the chairman of the Subcommittee on Consumer Protection and Financial Institutions and the coauthor of this bill.

Mr. MEEKS. Madam Speaker, I rise in support of H.J. Res. 90, and I am proud to have joined Chairwoman WATERS in introducing it.

This resolution provides for congressional disapproval of the rule submitted by the Office of the Comptroller of the Currency relating to the Community Reinvestment Act.

The Community Reinvestment Act was enacted into law, as indicated, in 1977 as a direct response to the long, painful legacy of structural discrimination, financial exclusion, redlining, and

economic suppression of racial minorities in America, a legacy of prejudice and economic exclusion that we are seeing all-too-clearly still echoes to this day, which is why many of the individuals you see in the streets today want to correct this structural problem that we have in our Nation.

At its core, the Community Reinvestment Act is a civil rights bill. It was the fourth in a series of banking bills passed to address systemic discrimination in banking, including the Fair Housing Act of 1968, the Equal Credit Opportunity Act of 1974, and the Home Mortgage Disclosure Act of 1975.

These bills built on the findings of the 1961 report from the U.S. Commission on Civil Rights, and community-led civil action in Chicago to hold banks accountable for rampant discrimination in lending in Black and Hispanic communities.

Any efforts at reforms and modernization must remain true to this legacy, particularly given the overwhelming evidence of continued discrimination in banking and access to finance.

We must make sure that when we look at the CRA, the CRA is creating an opportunity for minority businesses to thrive and strive and investing further in its communities; that affordable housing is something that is there, not something where we are investing and driving people out so they can't have the benefits in the community. It must be relevant to the community and keeping the people in the community so that they can see a better life.

Under Comptroller Otting's leadership, the OCC's work on CRA modernization has systematically failed to remain true to the law's civil rights roots. In fact, the very way in which the rule was finalized and published by the OCC was symptomatic of the agency's failed approach from the start. It was rushed, unfinished, unsupported by data, and not done in coordination with the other prudential regulators.

And to cap it all off, Comptroller Otting abandoned his post within the very same week of publishing this rule, in the middle of a pandemic, economic crisis, and a looming banking crisis, leaving everyone else to hold the bag.

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. WATERS. Madam Speaker, I yield an additional 30 seconds to the gentleman.

Mr. MEEKS. Madam Speaker, the fact is, there is room to modernize CRA and to update it to the realities of modern-day banking. The Fed and community advocacy groups have put forward some thoughtful ideas on just how to do that.

Let us pass this bill, let us stop this ill-fated rule that the OCC put out, and let us do some real CRA to help people in these communities who have been deprived for far too long.

Mr. McHENRY. Madam Speaker, I yield 3 minutes to the gentleman from

Colorado (Mr. TIPTON), a great member from the Financial Services Committee who also is the vice chair of the Western Caucus.

Mr. TIPTON. Madam Speaker, I thank the gentleman for yielding.

I rise in opposition to the resolution on the floor today.

We agree that the Community Reinvestment Act is an important historic piece of legislation; however, my friends across the aisle have mischaracterized the OCC's rule and the modernization of the CRA.

First, the OCC's rulemaking process has been thorough, inclusive, and thoughtful. CRA regulations haven't been meaningfully updated since 1995, making this a much-needed effort to ensure that regulations match the modern state of the banking industry.

The OCC's processes included input from the Federal Reserve, the FDIC, the Federal Financial Institutions Examination Council, and the Treasury Department.

The OCC has also provided ample opportunities for regulated banks and consumer groups to weigh in.

What is more, 94 percent of the participants in the OCC's advance notice of proposed rulemaking agreed that the current CRA rules lack objectivity, transparency, and fairness. These are the central themes to the OCC's modernization effort.

Second, this update to the CRA is needed now more than ever. One large bank's CEO recently noted that due to COVID-19, the bank has seen somewhere between a 17 and 35 percent increase in online banking activity that normally would have been conducted in the branch. Americans are turning to online banking resources now more than ever.

The OCC's rule takes steps to be able to ensure that CRA dollars go into low-to-moderate income communities where banks draw their deposits, not only where they have bank branches. This change is forward-looking and should mark significant new opportunities to be able to invest in underserved communities.

Third, the OCC regularly and meaningfully engaged with critics in the rulemaking process. The OCC met with community, consumer, and academic groups to listen to their concerns about the proposal.

These meetings resulted in real changes to the OCC's final rule, including a raised exemption threshold for community banks, changes to the treatment of mortgage origination and sale on the secondary market for purposes of the CRA, and raising the bar for a passing grade in CRA examinations.

This rule creates greater accountability between banks and the communities they invest in under the CRA. It adds transparency in what activity counts towards CRA credit, creates fairer and more timely examinations, and allows CRA performances to be measured assessment over assessment

and against other banks. It also allows banks to reach new constituencies with their CRA dollars, most notably disabled, Tribal, rural, and farm populations.

By increasing regulatory certainty and reducing subjectivity, the OCC CRA modernization rule can equal greater lending and investment in underserved communities.

Madam Speaker, I urge my colleagues to vote "no" on the measure.

Ms. WATERS. Madam Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GREEN), the chairman of the Subcommittee on Oversight and Investigations.

Mr. GREEN of Texas. Madam Speaker, it is an honor to serve in the Congress of the United States of America under Chairwoman WATERS' leadership.

Madam Speaker, Ms. WATERS and I both know that the CRA was not born to create luxury homes in opportunity zones. The CRA was not birthed to provide opportunities in what are being called banking deserts that may not be LMI communities.

The CRA was born to correct the harm that the government had done in the 1930s.

At that time, the government, by and through the FHA, decided that it would craft maps, and these maps had red lines on them. These red lines became communities that were undesirable, but more appropriately, they were deemed unsafe, and as a result, lending institutions would not lend in these redlined areas.

The CRA was born to end the discrimination, the redlining, but this bill takes a step back to the 1930s.

This bill will not undo the harm that was done; it will increase the harm. I cannot support it.

The CRA was created to help LMI, low-to-moderate income, communities have banking privileges that they were denied under the law.

This bill doesn't help us with the LMIs. It is going to give those big guys an opportunity to acquire these funds. I stand against it.

Madam Speaker, I support the chair of the committee and I stand for justice for the LMI communities.

Mr. McHENRY. Madam Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. HUIZENGA), my friend and the ranking member of the Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets.

Mr. HUIZENGA. Madam Speaker, I rise today in opposition to H.J. Res. 90, which is an effort to overturn a long-overdue regulatory update of the Community Reinvestment Act.

Frankly, it is ludicrous to compare this modernization effort to bringing us back to 1930s banking policy. I don't understand how my colleagues on the other side can possibly equate that.

So we all agree the fundamental purpose of the Community Reinvestment Act is to combat unacceptable, discriminatory redlining, and demand that banks meet the credit needs of

their communities. There is no disagreement on that. My friend from New York laid out that history very, very well. It is the reason why we support the CRA and modernizing it.

However, the regulations promulgated to implement the CRA haven't been meaningfully updated since 1995. Now, earlier we were talking about credit reporting, and the chair cited the fact that we had not addressed this in 17 years, as to why we needed to pass the bill that was on the floor. Well, we haven't addressed the CRA in any meaningful way for 25 years. We have 8 years on that on this particular issue.

So in May of this year, the Office of the Comptroller of the Currency issued a final rule that modernizes the Community Reinvestment Act regulations for the 21st century.

The final rule provides clarity to banks on what activities count for a Community Reinvestment Credit, updated the geographic definitions of a bank's community, as well as accounts for the technological transformation of banking services that we have seen. This will ensure that banks' reinvestment will be in those communities that need it most.

The final rule establishes new performance standards and metrics that will allow OCC bank examiners to measure performance objectively and produce more consistent, useful, and timely Community Reinvestment Act evaluations to provide more clarity to banks.

Now, I understand that some of my colleagues want to have this "let's move the target to my pet project" kind of a way of evaluating where a bank is going, but that is not what it is intended to do.

Lastly, this modernization introduces objective reporting measures that will allow comparison over time and between banks, which has never been possible in the history of the CRA. What is a good project in one neighborhood should be viewed as a good project in an adjacent neighborhood, and that isn't the case today.

□ 1645

As we work to ensure a strong economic recovery for all Americans—all Americans—it is critical that we encourage financial institutions to continue to provide services to those most in need.

I have the poorest county in the State of Michigan. I have urban and suburban areas. These are issues that affect all of America.

The OCC's rule will play an important role in this recovery effort by encouraging more capital, investment, and lending services in the communities hardest hit by COVID-19.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MCHENRY. Madam Speaker, I yield the gentleman from Michigan an additional 1 minute.

Mr. HUIZENGA. Madam Speaker, I appreciate the ranking member doing that. Let me just wrap up.

By using the Congressional Review Act to overturn this critical final rule, my colleagues on the other side of the aisle will only delay progress and harm the very communities that I know they want to protect. Those are the same communities that I serve as well.

I urge all of my colleagues to vote against this partisan attempt to overturn much-needed reform and modernization of the Community Reinvestment Act, and I am hopeful that we are going to be able to come together and work on true, meaningful, actual reform in the long run.

Ms. WATERS. Madam Speaker, I yield 2 minutes to the gentleman from Washington (Mr. HECK), a senior member of the Financial Services Committee.

Mr. HECK. Madam Speaker, I thank the chairwoman for introducing this important measure, of which I am a proud cosponsor.

This resolution is especially timely as we reckon with the legacy of discrimination in our country. In that process, we must consider how housing policy has contributed to systemic inequality.

For decades in this country, we allowed a Federal agency to legitimize racial discrimination by creating those color-coded maps indicating where investments would be profitable, "greenlined," or where it would not be, "redlined."

We built institutional obstacles for Black families trying to purchase a home, and that resulted in devastating, intergenerational financial disadvantages.

Redlining prevented access to the single most important wealth-building tool an American has access to, that is, owning a home. The result? Black families have a median net worth of \$17,000, compared to \$171,000 for White families. In fact, homeownership by Black families is 44 percent, and by White families, 74 percent.

We have a responsibility to do everything we can to correct this. After all, we created it.

Yet, in the middle of a pandemic that has made racial disparities all the more pronounced, the OCC rushed out a final rule that undermined the legislation that made redlining illegal, and they even did it without the support of the Federal Reserve or FDIC.

The OCC's vague definitions and overly simplistic metrics do not do justice to what a crucial role homeownership and housing policy have played in racial inequality.

Their approach takes us backward. If you don't want to go backward, vote "yes" on this measure. If you believe homeownership should be available to all Americans, regardless of skin color, vote "yes" on this matter. If you oppose redlining, vote "yes" on this measure. If you want to stand for racial justice, vote "yes" on this measure.

Mr. MCHENRY. Madam Speaker, I would just note for the RECORD that

the FDIC approved just this week this rule, the CRA, so that is, in fact, they actually support this underlying rule.

Madam Speaker, I yield 4 minutes to the gentleman from Little Rock, Arkansas (Mr. HILL), my colleague and friend, the ranking member of the National Security, International Development and Monetary Policy Subcommittee.

Mr. HILL of Arkansas. Madam Speaker, I thank the ranking member for the time.

Madam Speaker, I rise today in opposition to H.J. Res. 90, but I rise in support of the Community Reinvestment Act. And I rise in support of the goal of CRA, for a fair and more equitable treatment of financial investment, particularly in low- and moderate-income areas of our communities.

This resolution overturns the updated Community Reinvestment Act regulation before it has even had a chance to take effect.

Speaking purely from a procedural standpoint, this resolution, in my view, Madam Speaker, is not necessary. We could be spending time on the House floor today in a much more productive way to advance the economy.

The Office of the Comptroller of the Currency has gone through a rigorous Administrative Procedure Act process. I think our constituents should know they have conducted outreach since 2017, 3 years, and have taken all that into consideration, the Federal Reserve data, Treasury recommendations, and have conducted both advanced notice for proposed rulemaking and a notice of proposed rulemaking, and received 7,500 comments.

The final rule ended up incorporating much of this serious and constructive criticism received from all stakeholders, notably, our community groups.

Banks have been complying with the Community Reinvestment Act for years. This is not a new rule, Madam Speaker. This rule is simply being updated to reflect the current economic and banking conditions in our country. The last time that was updated was 1995.

Working for a publicly traded bank in Arkansas then, I was involved in the training and the implementation at that bank for those 1995 revisions.

Madam Speaker, as one of the few Members of Congress who has actually gone through multiple CRA examinations, I can assure my colleagues that this rule could benefit from a thoughtful update.

The final rule clarifies what counts for CRA credit. It updates what bank activity counts for CRA credit. It evaluates the CRA performance of our financial institutions in a much more fair, open manner. It makes CRA reporting more transparent and faster. It reflects the fintech community of digital banking in our country today. And it enhances CRA for rural areas and Tribal areas in our country.

In short, the bank branch issue that the ranking member mentioned is serious. We have had a shrinking number

of banks since the original rule was proposed in 1977, and the CRA rule was connected to those bank branches. That is another reason for modernizing the rule.

Since we created this bank branch closure system by our economy contracting the number of banks, due to regulation and the like, it is a double whammy, so let's make sure that our banks can get credit for doing a good job on accessing of all of our communities, particularly our minority, low-to-moderate income, and rural areas served by those institutions.

Let's fix this problem by having the certainty that we have an effective CRA rule, that it is implemented properly, and that we can all see our constituencies benefited by that.

Let's let the Comptroller of the Currency do their job. They are the banking experts. They are the ones who have been managing this work. Congress should not be undermining it.

Madam Speaker, I thank the chairman for the time, and I urge my colleagues to vote "no" on the resolution but support the work of the Community Reinvestment Act.

Ms. WATERS. Madam Speaker, I yield 2 minutes to the gentlewoman from Massachusetts (Ms. PRESSLEY), a member of the Financial Services Committee.

Ms. PRESSLEY. Madam Speaker, I rise today in support of this critical resolution reversing a rule tainted by conflicts of interest and callous disregard for the communities most affected.

As hundreds of thousands take to the streets, as the cries for a reckoning with this Nation's past and present grow louder, this administration believes that the future is further deregulation.

Today, we reject the administration's position that it is banks that are deserving of our time and sympathy as further relief funding is denied to millions of struggling families.

There is no separating the history of banking from the history of racism in this country. Wall Street, our Nation's financial capital, is named after a structure erected by enslaved people and then served as a site where they were bought and sold.

Today, we have predatory lenders set up in Black communities, where systems of oppression ensure a steady stream of customers, communities that banks have decided are simply not worth their time or their business.

The Community Reinvestment Act reflects, and is a direct response to this history, and aims to reverse course.

I urge all of my colleagues to acknowledge the decades of divestment from our communities and to support this crucial civil rights legislation.

Mr. McHENRY. Madam Speaker, I yield 4 minutes to the gentleman from Janesville, Wisconsin (Mr. STEIL).

Mr. STEIL. Madam Speaker, I rise today in opposition to the resolution of disapproval.

The Community Reinvestment Act is an important law that encourages investments in places like Racine, Kenosha, and Janesville, and communities in need across this country. But the rulings governing the CRA haven't been updated since 1995.

In the last 25 years, the banking industry has undergone significant changes. Small and medium-sized banks have consolidated and closed. Branches have disappeared from some rural and low-income areas. Technology has drastically affected the way millions of Americans are conducting their banking.

The CRA needs to be updated to fit the banking system we have today and to meet the needs of the communities in 2020. That is exactly what the OCC is trying to do with the new rule.

The new CRA rule provides financial institutions with greater clarity about which activities count for CRA credit and where that activity needs to take place. It also takes into account the reality that many banking activities are conducted online by giving banks that are largely digital credit for investing in areas where they take deposits.

By implementing consistent, objective metrics, the new CRA rule also makes it easier for examiners to measure the performance and to compare institutions. This resolution of disapproval would block all that progress, to the detriment of communities in need.

I urge my colleagues to vote "no" on this resolution.

Ms. WATERS. Madam Speaker, I yield 2 minutes to the gentlewoman from New York (Ms. OCASIO-CORTEZ), who is also a member of the Financial Services Committee.

Ms. OCASIO-CORTEZ. Madam Speaker, I thank Chairwoman WATERS for her continued leadership on the Community Reinvestment Act.

Over the last several weeks, our Nation has been gripped by the uprisings against anti-Black racism and systemic racial injustice across the United States. But there is a difference between saying that we believe in the inherent dignity, equality, and value of our Black brothers and sisters and actually committing to it. The Community Reinvestment Act is one such commitment.

Our Nation has an unconscionable racial wealth gap that is directly rooted in the racist financial practice of redlining, whereby Black communities had red lines drawn around them on a map and were systematically denied banking, housing, and economic opportunities.

As a result, generations of White communities were given a head start at homeownership, which was the foundation of generational wealth, while Black communities were denied.

This fuels a runaway generational wealth gap that haunts the United States today. It is a practice that continues, with over 60 metro areas, in this very moment, having banks that

deny Black applicants at significantly higher rates than they do White applicants.

Now, the CRA is an antiracist, anti-poverty policy that seeks to remedy some of the damage done.

Yet, while this administration and the Republican Party paid lip service to Black and Brown communities with toothless policing legislation, behind everyone's back, the OCC made moves to gut rules around the CRA and advance the continued economic oppression of Black people in the United States. In fact, these rule changes advance gentrification and value luxury housing over investment in Black lives.

Well, to that move, we have four words: Not on our watch. That is because, in this House, in the 116th House, under the leadership of Chairwoman WATERS, we will value Black lives.

Mr. McHENRY. Madam Speaker, I reserve the balance of my time.

Ms. WATERS. Madam Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. GARCÍA), a member of the Financial Services Committee.

□ 1700

Mr. GARCÍA of Illinois. Madam Speaker, I thank Chairwoman WATERS for this opportunity.

I rise in support of this resolution and join my colleagues in opposition to the Trump administration's new rule that weakens implementation of the Community Reinvestment Act.

It is an outrage that the Trump administration's OCC issued this rule that guts a historic law in the midst of an unprecedented pandemic.

To add insult to injury, former Chairman Otting resigned his post immediately after issuing the rule so that he will avoid cleaning up the fallout from this mess. It is up to Congress to clean it up, and that is what we are seeking to do.

The Community Reinvestment Act was enacted more than 40 years ago and has been one of our most powerful tools against redlining and the perpetration of systemic racism and poverty.

Like so much of our country's history, the story of the CRA runs through Chicago, where a local community organizer in the Austin neighborhood, Gale Cincotta, led the fight against discriminatory housing injustice and earned the nickname "Mother of the CRA." Through her work with her neighborhood association and National People's Action, Cincotta fought against redlining and disinvestment from our communities using some of the innovative and confrontational tactics that we recognize in today's protest movements.

My district is a working-class immigrant district, and Gale Cincotta and organizers like her across the country fought to pass the CRA so that communities like mine would not be left behind by financial institutions.

The OCC's rule allows lenders to count activities that have nothing to

do with improving our neighborhoods toward their requirements to serve low- and moderate-income communities, decrease transparency, and make it even harder to hold these institutions accountable. That is why we oppose it.

Mr. MCHENRY. Madam Speaker, I am prepared to close.

May I inquire if there are further speakers on the majority side.

Ms. WATERS. Madam Speaker, I have additional speakers.

Mr. MCHENRY. Madam Speaker, I reserve the balance of my time.

Ms. WATERS. Madam Speaker, I yield 2 minutes to the gentleman from Florida (Mr. CRIST), who is a member of the Appropriations Committee.

Mr. CRIST. Madam Speaker, I would like to take this opportunity to thank Chairwoman WATERS for promoting access to capital for minority borrowers.

Since the murder of George Floyd, our Nation has embarked on a true, broad-based push to defeat institutional racism. America is coming to realize that racism did not end with emancipation, and it did not end with civil rights. It is still very much with us all today.

So, as we commit ourselves to Black Lives Matter, we need to also ensure Black communities matter, Black homeownership matters, Black wealth matters, and Black businesses matter.

My hometown of south St. Petersburg, Florida, is blessed by a large and vibrant Black community where, despite their strength, pride, character, and entrepreneurial spirit, we are still working to overcome institutional racism. Underinvestment in the community, food deserts, and redlining exist.

This past weekend, I witnessed the unveiling of the Black Lives Matter mural in front of the Dr. Carter G. Woodson African American Museum. It is right near one of my favorite restaurants on the south side, Chief's Creole Cafe.

While the art moved me beyond words, reality quickly set in. The owners of Chief's Creole, the Brayboys, were told by their bank that they couldn't get a PPP loan, not because they didn't qualify, but because the big banks are leaving behind the smallest businesses, businesses overrepresented by Black, women, and veteran owners.

If the banks aren't making PPP loans to Black-owned businesses when they don't have skin in the game, how can we trust them to do the right thing when it is their own money at risk?

That is why the Community Reinvestment Act is so vitally important. That is why we need it to work for the communities it was actually designed to serve.

The OCC got it wrong. Vote "yes" to benefit the rule.

Mr. MCHENRY. Madam Speaker, I reserve the balance of my time.

Ms. WATERS. Madam Speaker, if Mr. MCHENRY has no more speakers, I am prepared to close.

Mr. MCHENRY. Madam Speaker, I yield myself such time as I may consume.

So, in closing, the Community Reinvestment Act, we agree, is an important law that is intended to support underserved communities across America. Maintaining the status quo also ignores the innovation and the needs of our community.

The innovations taking place to financial services and to banking over the last 25 years need to be addressed, but also the fact that we are not actually meeting the needs desperately needed in communities around our district, both the urban and rural.

The new regulations will increase investment and capital in communities and provide more clarity and transparency to all parties involved in the process. That is why it is a good update.

As we work to ensure a strong economic recovery for all Americans, it is critical we encourage financial institutions to continue to provide services for those most in need. The OCC's final rule will play an important role in this recovery effort by encouraging more capital, investment, and lending services in the communities hardest hit by COVID-19. That is good.

The OCC took a very thoughtful approach, embracing input from other agencies and stakeholders over the course of several years. The final rule builds in nearly all of the constructive criticism the agency has received through the open comment process. In fact, this shows the agency is willing to compromise but not willing to settle for the status quo.

The OCC's modernization of the CRA regulation is a long overdue update that will help our communities come into the 21st century stronger and healthier. The last time these regulations were revised was in 1995, when banking received most of their deposits through branches, and as such, the old regulations that are on the books still rely heavily on branch locations.

Quite frankly, what we have seen over the last 100 days in America is that branches are less vital than they were in previous generations, because most of these branches have been shut down in our States because our States are trying to do the right thing to address this health crisis. That is why we are wearing masks, that is why we are social distancing, and that is why we are trying to be responsible to one another and be thoughtful in our approach to one another.

But, unfortunately, this bill before us is a very straightforward up-and-down. I will say let's not support the status quo. Let's support innovation and an update to our regulation to meet the needs of our communities and to meet the needs that are so desperately needed both in the rural communities and the urban communities in America.

Vote against this resolution and support the underlying rule.

Madam Speaker, I yield back the balance of my time.

Ms. WATERS. Madam Speaker, may I inquire as to how much time is remaining.

The SPEAKER pro tempore. The gentlewoman from California has 8½ minutes remaining.

Ms. WATERS. Madam Speaker, before I move into my closing, I would like to correct Mr. MCHENRY, who said the FDIC approved the OCC CRA rule this week. That is not correct. My staff just called the FDIC to confirm that they did not approve the rule.

Mr. MCHENRY. Will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from North Carolina.

Mr. MCHENRY. I misspoke. I said they supported the CRA.

Ms. WATERS. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, I include in the RECORD multiple letters from dozens of consumers, community and civil rights groups in support of H.J. Res. 90.

CHIEF COUNSEL'S OFFICE, OFFICE OF  
THE COMPTROLLER OF THE CURRENCY,

Washington, DC.

Attention: Comment Processing

We are writing to oppose the Federal Deposit Insurance Corporation (FDIC) and the Office of Comptroller of the Currency's (OCC) proposed changes that would seriously weaken the Community Reinvestment Act (CRA). The U.S. Conference of Mayors has strong policy supporting the CRA. The law was passed in 1977 to end redlining, and to meet the credit needs of communities where banks do business. Discrimination in lending still exists.

But the FDIC and OCC proposed changes would make the banks less accountable to their communities through complex and confusing performance measures on CRA exams while oversimplifying how bank's performances to local needs are measured. Moreover, public input into the process will be difficult and limited. This will result in significantly fewer loans, investments and services to communities most in need of more credit and capital.

The CRA has been of enormous benefit to low- and moderate income Americans. For example, since 1996, CRA-covered banks issued more than 27 million small business loans in low- and moderate-income tracts, totaling \$1.093 trillion, and \$1.076 trillion in community development loans that support affordable housing and economic development projects benefitting low- and moderate-income communities.

While such results are very good, the proposed rule will make it all but impossible to continue such impressive results. Moreover, much more can be achieved by regulations that modernize the CRA to take into account changes in the banking industry and the economy. For example, independent mortgage companies not covered by CRA make more than 50 percent of the home mortgages in our nation. If anything, the CRA should be strengthened to reflect changing demographics and changes in the financial industry, and not weaken the CRA as the proposed rule would do. We strongly encourage you to reconsider a proposed rule, and look to modernizing CRA that will truly benefit low and moderate income citizens.

Sincerely,

Justin Wilson, Alexandria, VA; Satya Rhodes-Conway, Madison, WI; Alan L. Nagy, Newark, CA; Alan Webber, Santa Fe, NM; Sam Weaver, Boulder, CO; Carlo DeMaria Jr., Everett, MA; Robert Garcia, Long Beach, CA; Steve Benjamin, Columbia, SC; Jerome A. Prince, Gary, IN; Brian C. Wahler, Piscataway, NJ; Gregory J. Oravec, Port St.



Lucie, FL; Steve Adler, Austin, TX; Robert Donchez, Bethlehem, PA; Jack W. Bradley, Lorain, OH; David J. Berger, Lima, OH; Scott Conger, Jackson, TN; Joe Coviello, Cape Coral, FL; Denny Doyle, Beaverton, OR; Hillary Schieve, Reno, NV; Trey Mendez, Brownsville, TX; Patrick J. Furey, Torrance, CA; Marcia A. Leclerc, East Hartford, CT; Jesse Arreguin, Berkeley, CA; Jim Kenney, Philadelphia, PA; Nan Whaley, Dayton, OH; Christopher L. Cabaldon, West Sacramento, CA; Martin J. Walsh, Boston, MA; Allan Ekberg, Tukwila, WA; Jorge O. Elorza, Providence, RI; Juan Carlos Bermudez, Doral, FL; Frank C. Ortis, Pembroke Pines, FL; Bryan K. Barnett, Rochester Hills, MI; Jacob Frey, Minneapolis, MN; Ron Nirenberg, San Antonio, TX; Joy Cooper, Hallandale Beach, FL; Lyda Krewson, St. Louis, MO; Steve Schewel, Durham, NC; John Giles, Mesa, AZ; James B. Hovland, Edina, MN; Nathan Blackwell, St. Cloud, FL; Hazelle Rogers, Lauderdale Lakes, FL; Eric Johnson, Dallas, TX; Mark W. Mitchell, Tempe, AZ; Tom Dailly, Schaumburg, IL; Andy Berke, Chattanooga, TN; Pauline Russo Cutter, San Leandro, CA; Steve Gawron, Muskegon, MI; William Peduto, Pittsburgh, PA; Lioneld Jordan, Fayetteville, AR; Muriel Bowser, Washington, DC; Regina Romero, Tucson, AZ; Geoff Kors, Palm Springs, CA; Acquanetta Warren, Fontana, CA; Michael B. Hancock, Denver, CO; Mike Duggan, Detroit, MI; Leirion Gaylor Baird, Lincoln, NE; Keisha Lance Bottoms, Atlanta, GA; Greg Fischer, Louisville, KY; Victoria Woodards, Tacoma, WA; Tim Keller, Albuquerque, NM; Patrick L. Wojahn, College Park, MD; Louis 'Woody' L. Brown, Largo, FL; Ted Wheeler, Portland, OR; Erin J. Mendenhall, Salt Lake City, UT; Daniel J. Stermer, Weston, FL; John Cranley, Cincinnati, OH; Lori E. Lightfoot, Chicago, IL; Carolyn G. Goodman, Las Vegas, NV; Christina Muryn, Findlay, OH; James Allen Joines, Winston-Salem, NC; Sam Liccardo, San Jose, CA; Jon Mitchell, New Bedford, MA; Robert Restaino, Niagara Falls, NY; Chris Koos, Normal, IL; Lily Mei, Fremont, CA; Bridget Donnell Newton, Rockville, MD; Jeffrey Z. Slavin, Somerset, MD; Bernard 'Jack' C. Young, Baltimore, MD; Kenneth D. Miyagishima, Las Cruces, NM; Carol Dutra-Vernaci, Union City, CA; Mary Casillas Salas, Chula Vista, CA; Lucy K. Vinis, Eugene, OR; Thomas 'Tom' C. Henry, Fort Wayne, IN; Debra March, Henderson, NV; Andrew J. Ginther, Columbus, OH; Kevin McKeown, Santa Monica, CA; Anne McEnerny-Ogle, Vancouver, WA; Michael Vandersteen, Sheboygan, WI; David Anderson, Kalamazoo, MI; Melvin Carter, St. Paul, MN; Ashira Mohammed, Pembroke Park, FL; Amy Bublak, Turlock, CA; Daniel Rivera, Lawrence, MA; William 'Bill' Edwards, South Fulton, GA; Richard C. David, Binghamton, NY; Katrina Foley, Costa Mesa, CA; Shari Cantor, West Hartford, CT; Rex Hardin, Pompano Beach, FL; Tracy Johnson, Lockington, OH.

#### CALIFORNIA REINVESTMENT COALITION,

June 23, 2020.

#### CRC AND CA GROUPS SUPPORT H.J. RES. 90

DEAR SPEAKER PELOSI, The California Reinvestment Coalition (CRC) and our member organizations and allies write in strong support of H.J. Res. 90, the Congressional Review Act Resolution to reverse the harmful rule recently finalized by the Office of the Comptroller of the Currency (OCC) which would gut the Community Reinvestment Act (CRA). Please find following a letter from over sixty (60) California based and California servicing organizations in support of the Resolution.

The California Reinvestment Coalition builds an inclusive and fair economy that

meets the needs of communities of color and low-income communities by ensuring that banks and other corporations invest and conduct business in our communities in a just and equitable manner.

The CRA is a critical piece of civil rights legislation that has worked to fight historic and continuing redlining practices, and to bring much needed lending and investment into low-income communities of color. The CRA encourages banks to help meet local community credit needs by creating opportunities for homeownership, small business ownership, job creation, financial capability, and affordable housing and community development in neighborhoods that have been otherwise excluded from the financial mainstream and the American dream.

The OCC's harmful rule will reverse these gains by substantially lowering the bar and enabling banks to get passing grades through activities that are further and further removed from low-income communities, homeowners, tenants and small businesses. The OCC takes this damaging action during a pandemic that has had a disproportionate impact on the very communities meant to benefit from CRA.

We urge all members of Congress to co-sponsor and vote in favor of this important resolution. Defending civil rights and protecting communities ravaged by redlining and systemic racism has never been more important.

Thank you for your concern regarding these issues and your consideration of our views.

Very Truly Yours,

KEVIN STEIN,

Deputy Director.

Abundant Housing LA, AnewAmerica Community Corporation, Asian Pacific Islander Small Business Program, ASIAN, Inc., CAARMA Consumer Advocates Against Reverse Mortgage Abuse, Cabrillo Economic Development Corporation, California Capital Financial Development Corporation, California Coalition for Rural Housing, California Housing Partnership, California Reinvestment Coalition, California Resources and Training, CAMEO—California Association for Micro Enterprise Opportunity, CCEDA, CDC Small Business Finance, Center for Responsible Lending, CHOC, City Heights Community Development Corp, City of Livingston, Coachella Valley Housing Coalition, Coalition for Economic Survival (CES), Community Housing Development Corporation, Community Economics, Consumers for Auto Reliability and Safety, East Bay Asian Local Development Corporation, East Bay Housing Organizations (EBHO), Fair Housing Advocates of Northern California, Faith and Community Empowerment (formerly KCCD), Family Financial Well-Being Collaborative—Ventura County CA, Fresno CDFI dba Access Plus Capital, Home Preservation and Prevention Inc DBA HPP Cares, Housing Rights Center, LA Forward, Law Foundation of Silicon Valley, Los Angeles LDC, Main Street Launch, Merritt Community Capital Corporation, Mission Asset Fund (MAF), Mission Economic Development Agency (MEDA), Multicultural Real Estate Alliance for Urban Change, MyPath, Neighborhood Housing Services of Los Angeles County, NeighborWorks Orange County, Non-Profit Housing Association of Northern California (NPH), Opportunity Fund, Oxnard Housing Authority, Pahali Community Land Trust, Public Counsel, Public Good Law Center, Public Law Center, Reinvent South Stockton Coalition, Renaissance Entrepreneurship Center, Sacramento Housing Alliance, Sacramento Housing and Redevelopment Agency, Self-Help Federal Credit Union, Spanish Speaking Unity Council of Alameda County, Inc., Strategic Actions for a Just Economy

(SAJE), Tenderloin Neighborhood Development Co, The Fair Housing Council of San Diego, The Public Interest Law Project, Ventura County Community Development Corporation, Western Center on Law & Poverty, Women's Economic Ventures, Working Solutions, Maria Benjamin (Deputy Dir, San Francisco Mayor's Office of Housing and Community Development), Nick Cortez (Chair, California Progressive Alliance), Mark Moulton (Vice Chair, EPA CAN DO).

#### THE LEADERSHIP CONFERENCE AND NATIONAL COMMUNITY REINVESTMENT COALITION,

June 23, 2020.

Hon. NANCY PELOSI,

Speaker of the House, House of Representatives, Washington, DC.

DEAR SPEAKER PELOSI: We, the undersigned organizations, write to express our strong support for H.J. Res. 90, a Congressional Review Act resolution of disapproval that will nullify a rulemaking by the Office of the Comptroller of the Currency (OCC) that, if allowed to stand, would drastically undermine one of our nation's most important civil rights laws, the Community Reinvestment Act of 1977 (the CRA).

Enacted in 1977, the Community Reinvestment Act (CRA) has been vital in fighting redlining, a practice that systematically—and for decades, as a matter of federal policy—shut neighborhoods of color and lower-income communities out from home loans and other essential financial services. The CRA requires banks to undertake reasonable efforts to lend to and invest in all of the neighborhoods in areas where they do business. The law has helped to spur increased investments in formerly-redlined communities. It did not, however, prevent non-bank lenders (who are not subject to the CRA) from flooding communities of color with toxic subprime mortgages in the years before the 2008 crisis; and research shows that racial disparities in lending—which cannot be explained away by differences in credit scores—persist to this day.

It is clear that the CRA needs to be modernized and strengthened in order to fulfill its original purpose. But in January, the OCC and the Federal Deposit Insurance Corporation (FDIC) published a Notice of Proposed Rulemaking (NPRM) that would instead significantly weaken the CRA. The agencies proposed new overly simplistic metrics system that would make it far easier for banks to pass their CRA exams by making large investments in communities where they can reap the largest rewards, rather than carefully-targeted, smaller investments in underserved consumers and neighborhoods.

Even before the NPRM was published, a wide range of stakeholders weighed in with both the OCC and FDIC to raise concerns and to ask for more data justifying the changes. Those concerns were not addressed, and the data was never released. By the time the NPRM was published, the United States and the world were just beginning to learn about the growing threat posed by a dangerous new respiratory virus. In the coming weeks, it became clear that the virus had not been contained, and it spread rapidly to multiple countries including the United States. As stakeholders and the public began devoting more and more resources and attention to the health, social, and economic fallout of the growing pandemic, and many urged the OCC and FDIC to temporarily suspend rulemaking not related to COVID-19, the agencies continued plowing ahead, only agreeing to a one-month extension for comments.

In the days before the deadline for comments on the rule, it had become clear that COVID-19 was proving fatal to communities

of color—the very communities the CRA was intended to help—at a rate several times higher than the population at large; the U.S. Surgeon General warned the public to prepare for “our 9/11 moment,” and models predicted 100,000 or more deaths in the United States alone. Only 41 days after the comment period ended, and even though only a minority of commenters voiced support for the new framework, the OCC rushed through a final rule that left it largely intact. The FDIC, to its credit, declined to finalize its version of the rule at this time.

In the weeks since the OCC finalized its rule, our nation has been facing a long-overdue reckoning with our troubled legacy of racial and ethnic discrimination. While much of the conversation has rightly been focused on police brutality and the impact of over-policing in communities of color, this conversation is inexorably tied to the lasting economic, social, and legal legacy of redlining and other forms of racial discrimination.

We will not succeed in addressing issues surrounding law enforcement in communities of color without also addressing decades of underinvestment in housing, employment, education, health care, transportation, and other factors that, to this day, have contributed to the longstanding disparities that are once again coming to light. Now is certainly not the time to weaken the most important civil rights laws we have at our disposal to correct those disparities.

As such, we urge Congress to support H.J. Res. 90, to overturn the OCC’s regulatory attack on the Community Reinvestment Act. Thank you for your consideration.

Sincerely

Alianza Nacional de Campesinas, Americans for Financial Reform, Color of Change, Consortium for Citizens with Disabilities Housing Task Force, Consumer Action, Equality California, Impact Fund, The Leadership Conference on Civil and Human Rights, Matthew Shepard Foundation, National Association for Latino Community Asset Builders (NALCAB), National Association of Consumer Advocates, National Community Reinvestment Coalition, National Community Stabilization Trust, The National Council of Asian Pacific Americans (NCAPA), National LGBTQ Task Force Action Fund, National Urban League, Prosperity Now, Woodstock Institute.

JUNE 23, 2020.

HOUSE OF REPRESENTATIVES,

U.S. Capitol,  
Washington, DC.

DEAR REPRESENTATIVE: The Center for Responsible Lending writes to express our strong support for H.J. Res. 90, a Congressional Review Act resolution of disapproval that will invalidate the Office of the Comptroller of the Currency (OCC) final rule on the Community Reinvestment Act.

The Community Reinvestment Act of 1977 (CRA) was one in a series of landmark civil rights legislation and is a critical tool to help our nation work toward overcoming the legacy of redlining. Today’s racial wealth gap and lending disparities are in large part the result of decades of government policies and practices that enabled the redlining of communities of color for most of the 20th century. In the post-Depression era, federal policies that created housing opportunities for returning veterans and their families explicitly excluded people of color from the benefits of government-supported housing programs. Among these programs were public housing, the Home Owners’ Loan Corporation (HOLC), and mortgage insurance through the Federal Housing Administration (FHA). Not only did this redlining segregate residential neighborhoods across the United

States, but it granted whites the ability to build wealth through homeownership while denying equal opportunities for families of color to build similar home equity over the same period. The inequities that result from these discriminatory programs are part of the injustices that today’s people led protests are demanding are addressed.

The CRA imposes continuing and affirmative obligations on banks to help meet the credit needs of the local communities in which they are chartered and continues to be an important tool for fostering access to credit for these communities today. The law has urged banks to more actively lend in LMI areas; it has also played a key role in ensuring bank participation in community revitalization efforts across the country.

Despite the importance of CRA and the community investment it has spurred, CRA rules must be strengthened. The CRA as applied has not done nearly enough to revitalize previously redlined areas and has not made a substantial dent in the lagging homeownership rate for people of color. The white homeownership rate is 73.7% while the rate is 44% and 48.9% for Black and Latino borrowers respectively. Additionally, bank lending in LMI communities and communities of color has declined dramatically since the Great Recession. And existing disparities will be further perpetuated in the face of the COVID-19 global public health and economic crisis.

Unfortunately, the OCC decided to act unilaterally—without the Federal Reserve and Federal Deposit Insurance Corporation—to issue a structurally flawed final rule that weakens the CRA and will harm low- and moderate-income communities and communities of color. Rather than postpone rulemaking to focus on the devastating economic crisis caused by the COVID-19 health pandemic, the OCC issued the rule a mere six weeks after the closing of the comment period on its proposed rule despite broad requests for delay from community groups, civil rights and consumer organizations, and industry. The OCC acknowledged in the preamble to the final rule that most of the comments disagreed with the proposal’s approach. Yet, the OCC decided to side with the minority of comments in support of the proposed rule. The OCC’s rule will harm the communities most adversely affected by the current crisis, including many families that were hardest hit by the Great Recession and have yet to recover.

The final rule imposes an overly simplistic evaluation measure that fails to ensure that local banking needs are met, and sanctions bank redlining. The rule overvalues the dollar amount of CRA activities in comparison to the quality of such activities and allows banks to earn more credit for easier and larger investments in communities from which they can get the highest return. Indeed, the rule permits banks to ignore 20% of their assessment areas and still pass, resulting in unchecked neighborhood disinvestment and redlining. The rule also disincentivizes investment in LMI neighborhoods and communities of color. It incentivizes activities and investments that do not “primarily” benefit LMI communities, such as large-scale infrastructure projects. Estimating such projects’ impact on LMI neighborhoods is difficult and thus will likely divert funds away from smaller scale, yet impactful community development activities. Furthermore, the rule reduces the importance of retail lending and retail services, resulting in less lending and investments in communities that are already credit starved. The rule is opposite to the CRA’s statutory mission and will cause deep harm to communities.

We urge support for H.J. Res. 90 to reverse the OCC’s regulatory attack on the Commu-

nity Reinvestment Act. Thank you for your consideration.

Sincerely,

CENTER FOR RESPONSIBLE LENDING.

Ms. WATERS. Madam Speaker, I would like to close by thanking Representative MEEKS for his leadership on this issue. I appreciate the support we have received from our colleagues in this effort.

Make no mistake, unchecked, the OCC’s final rule will harm low-income and minority communities that are disproportionately suffering during this COVID-19 crisis, and it will turn the Community Reinvestment Act into the community disinvestment act.

In passing this Congressional Review Act resolution, we are not only nullifying the OCC rule, but we are sending two clear messages: regulators should be focused on protecting the economy from the pandemic and not on removing safeguards, and that after the pandemic, the OCC should go back to the drawing board and work with the Federal Reserve and FDIC to jointly issue a new rule that strengthens the Community Reinvestment Act and helps low- and moderate-income communities, including communities of color.

For over a month now, by the thousands, Americans have been marching in the streets for justice. They are standing up against racism and fighting for justice for all. Just yesterday, this House passed historic legislation to reform our Nation’s police forces and the unfair treatment so many people of color have experienced at the hands of those meant to serve and protect.

As we unite to fight against discrimination in our criminal justice system, we must also fight against discrimination, disinvestment, and injustice in our financial system and economic injustice in our communities. The OCC’s rule would encourage disinvestment in communities of color and lead to redlining on a massive scale. We must stand up against this blatant effort to economically disenfranchise hundreds of low-income and minority communities nationwide.

So I want to say to my Members on the opposite side of the aisle: I have heard this theme that you support the Community Reinvestment Act but you don’t support my bill.

I would say to the Members: You can’t have it both ways.

Madam Speaker, I ask for an “aye” vote on H.J. Res. 90, and I yield back the balance of my time.

Mr. GREEN of Texas. Madam Speaker, I submit the following letters to be included in the debate on H.J. Res. 90. The following letters express support for H.J. Res. 90.

NATIONAL COMMUNITY  
REINVESTMENT COALITION,

June 23, 2020.

HOUSE OF REPRESENTATIVES,  
U.S. Capitol,  
Washington, DC.

DEAR REPRESENTATIVE: On behalf of the undersigned organizations, we are writing to urge you to cosponsor and support H.J. Res.



90, a disapproval resolution that would overturn a poorly constructed rule change on the Community Reinvestment Act (CRA) hastily finalized in May, days before Comptroller Otting's resignation from the agency, and published this month.

At the outset, it is critical to note that the Trump Administration is split on the CRA final rule. With a lack of interagency coordination among the nation's bank regulators, different banks will be held to different reinvestment standards depending on their regulator—an outcome that both banks and advocates have cautioned against. Federal Reserve Chairman Jerome Powell testified just last week that he expects the agency to move forward with CRA updates intended to garner “broad support among the community of intended beneficiaries” something he considers to be “one non-negotiable condition for it.” The OCC's final rule achieved no such support or consensus. The vast majority of public comments—about 90 percent—opposed the CRA evaluation measure and presumptive ratings framework that remains at the heart of the final rule, but the OCC adopted it anyway.

The OCC's final rule makes a series of changes to the CRA regulatory framework that reduce incentives for banks to lend to low-and-moderate income (LMI) families and invest and serve LMI communities: home buyers and homeowners, small businesses, community development projects that primarily benefit and serve LMI people. It also expands the number of banks that will have no review of how they open and close bank branches and provide key bank services in LMI and underserved neighborhoods.

These harmful changes could not come at a worse time. The ongoing COVID-19 pandemic and widespread social unrest that is gripping the nation has hit LMI and communities of color the hardest and brought gaping disparities to the forefront. The changes to the CRA being pushed through by the OCC would do little to address the pressing national priorities of reducing the racial wealth gap, of better serving those traditionally underserved by the nation's financial system or stimulating an economic recovery from COVID-19 that is equitable. While the OCC claims its aim is to increase CRA activity, the lack of interagency agreement among this Administration's regulators should serve as a dire warning about that claim. We do not yet know the full impact of COVID-19 on local mortgage markets, small business resiliency, or how LMI households, neighborhoods, local jobs, and key sectors will recover. Weakening CRA at this moment is a blueprint for a crisis after the crisis.

For all these reasons and more, we urge you to cosponsor H.J. Res. 90 and support it when it is considered on the House floor.

Sincerely,

#### NATIONAL GROUPS

National Community Reinvestment Coalition (NCRC); AFL-CIO, Americans for Financial Reform, Center for Community Progress, Consumer Action, Local Initiatives Support Corporation (LISC), NACEDA, National Association for Latino Community Asset Builders (NALCAB), National Housing Resource Center, National Housing Trust, National NeighborWorks Association, National Urban League, Prosperity Now, The Leadership Conference on Civil and Human Rights, UnidosUS.

#### ALABAMA

Titusville Development Corporation.

#### ARIZONA

Arizona Housing Coalition, Local First Arizona, Local First Arizona Foundation.

#### CALIFORNIA

California Coalition for Rural Housing; California Reinvestment Coalition; Cali-

fornia Resources and Training; CDC Small Business Finance; EAH Housing; Grounded Solutions Network; High Impact Financial Analysis, LLC; Peoples' Self-Help Housing; The Greenlining Institute; VEDC.

#### COLORADO

Urban Land Conservancy.

#### CONNECTICUT

Neighborhood Housing Services of Waterbury.

#### DISTRICT OF COLUMBIA

Africa Diaspora Directorate.

#### DELAWARE

Delaware Community Reinvestment Action Council, Inc.; Edgemoor Revitalization Cooperative, Inc.; The Ministry of Caring Inc.

#### FLORIDA

Affordable Homeownership Foundation, Inc.; Community Reinvestment Alliance of South Florida; Goldenrule Housing & Community Development Corp Inc; Metro North Community Development Corp.; Solita's House.

#### HAWAII

Hawai'i Alliance for Community-Based Economic Development.

#### ILLINOIS

Accion Serving Illinois & Indiana; Chicago Community Loan Fund; Chicago Rehab Network; Housing Action Illinois; NW HomeStart, Inc.; Woodstock Institute.

#### INDIANA

Continuum of Care Network NWI, Inc.; HomesteadCS; Legacy Foundation; Prosperity Indiana.

#### KENTUCKY

River City Housing.

#### LOUISIANA

Multi-Cultural Development Center.

#### MASSACHUSETTS

Greater Boston Legal Services, Massachusetts Affordable Housing Alliance.

#### MARYLAND

African American Chamber of Commerce of Montgomery County, Maryland Consumer Rights Coalition, Maryland Consumer Rights Coalition, Rebirth Inc., Residential Housing Counseling Agency.

#### MAINE

Coastal Enterprises, Inc.

#### MICHIGAN

Fair Housing Center of Metropolitan Detroit, GenesisHOPE, Habitat for Humanity of Michigan, Southwest Economic Solutions.

#### MISSOURI

Metropolitan St. Louis Equal Housing and Opportunity Council.

#### MISSISSIPPI

Hope Enterprise Corporation, Montgomery Citizens United for Prosperity (MCUP).

#### MONTANA

Montana Fair Housing, Inc.

#### NORTH CAROLINA

Reinvestment Partners.

#### NEW JERSEY

NCRC Housing Rehab Fund, LLC; New Jersey Association on Correction; New Jersey Citizen Action; New Jersey Community Capital.

#### NEW MEXICO

Southwest Neighborhood Housing Services.

#### NEW YORK

Association for Neighborhood and Housing Development (ANHD); Banana Kelly Community Improvement Association; Beaulac Associates LLC; BOC Capital Corp. CDFI; Busi-

ness Outreach Center Network; Center for NYC Neighborhoods; Chhaya Community Development Corporation; Community Capital New York; Community Development Venture Capital Alliance; CNY Fair Housing, Inc.; Community Loan Fund of the Capital Region, Inc.; Fair Finance Watch; Fidelis Federal Credit Union; Fifth Avenue Committee; Genesee Co-op FCU; Greater Jamaica Development Corporation; Habitat for Humanity New York City; Habitat NYC Community Fund; La Fuerza CDC; Neighbors Helping Neighbors; NYS CDFI Coalition; Oswego County Federal Credit Union; PathStone Enterprise Center, Inc.; Renaissance Economic Development Corp.; The Knowledge House; Three Jewels Outreach Center; University Neighborhood Housing Program.

#### OHIO

Cleveland Neighborhood Progress; Columbus Compact dba Columbus Empowerment Corp.; County Corp.; Homes on the Hill, CDC; Ohio CDC Association; The Fair Housing Center for Rights & Research; Working In Neighborhoods.

#### OREGON

Housing Oregon.

#### PENNSYLVANIA

Amani Christian Community Development; Beltzhoover Consensus Group; Berks Latino Workforce Development Corporation (BLWDC); Bloomfield-Garfield Corporation; Chester Community Improvement Project; Fair Housing Rights Center in Southeastern Pennsylvania; Good Bricks Ventures LLC; Hilltop Alliance; Housing Committee; Jave Jive Coffee LLC; Mount Washington Community Development Corporation; Northside Leadership Conference; PHDA Pittsburgh Housing Development Association, Inc.; Philadelphia Association of Community Development Corporations; Pittsburgh Community Reinvestment Group; Rising Tide Partners; Southwest CDC; The Enterprise Center; Tube City Renaissance; Wilksburg Community Development Corporation.

#### RHODE ISLAND

HousingWorks RI.

#### TEXAS

Our Casas Resident Council INC., Recon Foundation, Southern Dallas Progress Community Development Corporation.

#### UTAH

Rocky Mountain Community Reinvestment Corporation.

#### WASHINGTON

Low Income Housing Institute.

#### WISCONSIN

Citizen Action of Wisconsin; Disability Justice; Metropolitan Milwaukee Fair Housing Council; Movin' Out, Inc.; United Community Center; Urban Economic Development Association of Wisconsin (UEDA); Washington Park Housing Comm; YWCA Southeast Wisconsin; Revitalize Milwaukee.

#### NATIONAL HOUSING CONFERENCE,

Washington, DC, June 22, 2020.

Hon. NANCY PELOSI,  
Speaker, House of Representatives,  
Washington, DC.

DEAR SPEAKER PELOSI: I am writing on behalf of the National Housing Conference (NHC) to express our strong support for H.J. Res. 90, the Congressional Review Act resolution of disapproval of the Community Reinvestment Act (CRA) final rule.

The Office of the Comptroller of the Currency (OCC) has issued its final CRA rule just six weeks after the end of the comment period on the Notice of Proposed Rulemaking (NPR) and amid the worst health and economic crisis of our lifetimes. Implementation of this rule poses a material

threat to our recovery from the COVID-19 recession and undercuts the purpose and intent of CRA, harming underserved communities throughout the nation.

As NHC stated in its formal comment letter on the CRA NPR on April 8, we have no idea how severely the pandemic will impact our economy, the financial system and communities throughout the nation. Committing resources to regulatory initiatives that do not directly support our national response to the COVID-19 pandemic is a dangerous distraction: On April 27, NHC joined 14 other major national organizations, including the National Association of REALTORS and the National League of Cities, to urge regulators to refrain from committing resources to regulatory initiatives that do not directly support our national response to the COVID-19 pandemic.

Notably, the Federal Deposit Insurance Corporation (FDIC) and the Federal Reserve Board refused to join the OCC on this ill-timed decision. As FDIC Chairman Jelena McWilliams noted in her March 19, 2020 letter to the Financial Accounting Standards Board, financial institutions “will face unique difficulties over the coming weeks and months to adequately staff customer-facing functions; ensure that deposit, loan, and IT systems operate normally; help borrowers that are experiencing unanticipated cash flow difficulties; and address the earnings and capital implications of near zero percent interest rates and a potential surge in borrowers who are unable to meet contractual payment terms.” We could not agree more.

CRA modernization is a once-in-a-generation opportunity. There is much to improve, as the law and most recent regulations were written before the proliferation of interstate banking, internet banking and the revitalization of America's cities; the latter being the opposite trend of one of the two major reasons for CRA's adoption—urban disinvestment—as well as the stubborn persistence of redlining and its legacy impact. Instead, the OCC has pursued an entirely new system that will gut CRA's effectiveness for years and undercut broader efforts to address the very issues that Congress attempted to solve in 1977, and still struggles with today.

The OCC's rule has received nearly universal condemnation. Using its ratio-driven approach, banks will be powerfully incented to make only the largest investments in communities that need it the least, and may also fuel the displacement of those people who need it the most. This rule eliminates the fundamental value of CRA, which at its best, levels the playing field between large, highly profitable investments, and the harder and smaller but still profitable deals that often have disproportionately positive impact on communities; and are by their nature, harder to get an allocation of capital from a bank that we want to be governed by a culture that focuses on a risk-weighted return.

CRA modernization is long overdue and needs to be done so banks and communities get the clarity and flexibility they need to ensure it has the maximum positive impact. But no modernization effort is worth gutting the central purpose of CRA—constructive reinvestment in the communities that need it most. Consequently, the National Housing Conference strongly supports H.J. Res. 90 and hope that once this unprecedented national crisis is behind us, we can all work together to fully realize the purpose and intent of CRA.

Sincerely,

DAVID M. DWORKIN,  
*President and CEO.*

HOPE,  
June 23, 2020.

Hon. NANCY PELOSI,  
*Speaker of the House,*  
*House of Representatives.*

SUPPORT FOR H.J. RES. 90

HOPE (Hope Enterprise Corporation/Hope Credit Union/Hope Policy Institute) supposes H.J. Res. 90, providing for congressional disapproval of the Office of the Comptroller of the Currency's (OCC) final rule overhauling the Community Reinvestment Act.

HOPE is a Black-led, women-owned community development financial institution, credit union, and policy institute in Jackson, Mississippi. HOPE was established 25 years ago to ensure that all people regardless of where they live, their gender, race or place of birth have the opportunity to support their families and realize the American Dream. HOPE has generated over \$2.5 billion in financing that has benefitted more than 1.5 million people throughout Alabama, Arkansas, Louisiana, Mississippi and Tennessee.

The Community Reinvestment Act (CRA) has been a critical tool for HOPE to leverage the resources it needs to serve low-income communities, rural communities, and communities of color in the Deep South. Unfortunately, the OCC's final rule moves the CRA—and economic opportunity for our communities—further out of reach in three ways:

Incenting larger, easier activities, potentially reducing the smaller, more intensive investments that Deep South communities so often need.

Deprioritizing meaningful CRA activities in the country's most distressed communities, and

Diverting investments to activities far from the CRA's original intent of redressing redlining.

As just one example, the OCC's failure to prioritize bank branches in low-income and rural areas will be acutely felt in the Deep South, where already much of the region is already in a banking desert and includes areas with the highest percentage of persons who are unbanked in the United States. Mississippi and Louisiana, with over 15% of unbanked residents, have the highest percentage among all states. The rate of unbanked Black households is even higher, at 28% both states. As made plain during COVID-19, these disparities in access to banking relationships lay the foundation for broader disparities in access to capital for small businesses and individuals.

Ultimately, the OCC's final rule widens the wealth gap and further inhibits economic opportunity in already hard-pressed areas of the country, particularly here in the Deep South.

NATIONAL ALLIANCE OF COMMUNITY  
ECONOMIC DEVELOPMENT ASSOCIATIONS,

June 23, 2020.

REPRESENTATIVE MAXINE WATERS,  
*Chairwoman, House Financial Services Committee,*  
*Washington, DC.*

DEAR CHAIRWOMAN WATERS: Thank you for leading and actively supporting H.J. Res. 90, a disapproval resolution to overturn the Community Reinvestment Act rule change finalized by the Office of the Comptroller of the Currency (OCC) in May 2020. The National Alliance of Community Economic Development Associations (NACEDA) and our members find the OCC's final rule deeply problematic for low and moderate-income communities for the reasons outlined in our public comment letter dated April, 8, 2020.

The final rule addresses very few of the concerns we expressed in our April letter.

The final rule is deeply problematic and fundamentally flawed.

To paraphrase FDIC Board Member Martin Gruenberg's statement on December 12, 2019, in opposition to the proposed rule, the proposed rule severely undermines what has been a core strength of CRA for 40 years—the encouragement of bank engagement and dialogue with stakeholders in local communities, including community-based organizations, community development corporations, and others, to understand and better serve historically underserved areas. For this reason and more, we support your committee's Congressional Review Act resolution to overturn the rule change.

Sincerely,

FRANK WOODRUFF,  
*Executive Director,*  
*National Alliance of*  
*Community Eco-*  
*nomic Development*  
*Associations.*

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 1017, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Ms. WATERS. Madam Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3 of House Resolution 965, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

#### HONORING THE LIFE OF MARNY XIONG

(Ms. MCCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MCCOLLUM. Madam Speaker, I rise today to honor the life of Marny Xiong, the chairwoman of the Saint Paul Public Schools Board of Education, who passed away from COVID-19 on June 7 at the age of 31. We mourn the loss of this young woman, a rising star whose legacy was an inspiration to us all.

Marny was a trailblazing activist and a proud member of Saint Paul's Hmong community. She was a dedicated advocate for young people, and she stood up for equality and racial justice. She understood the disparities that students of color face in our State, and she worked to make sure that every child had an opportunity to succeed.

As chairwoman of the board, her leadership was critical to successfully resolving the district's first ever teachers' strike. When confronted with the COVID-19 pandemic, Marny helped to steer the district's unprecedented transition to distance learning for 37,000 students.