

A Conversation with Financial Regulators on Community Development During COVID-19

May 14, 2020

Webinar will start promptly at 3:00 PM ET.

Welcome



Michael R. Roush, M.A., AFC®
Director, Center for Disability-Inclusive
Community Development
National Disability Institute

Listening to the Webinar

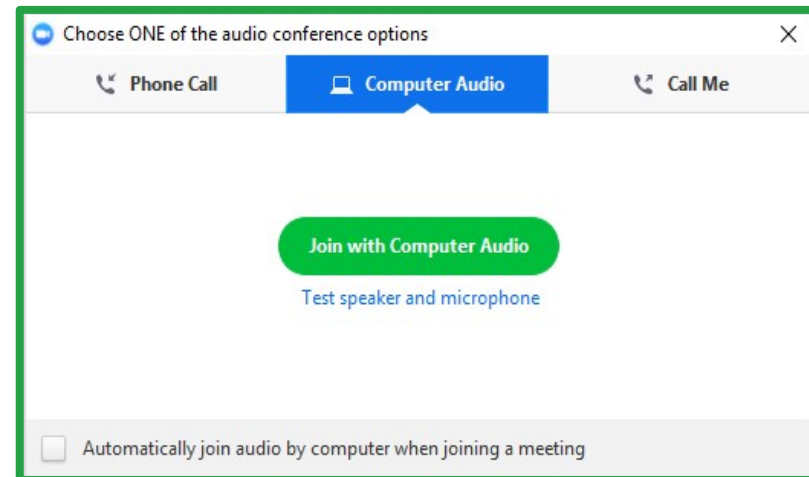
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Captioning

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Submitting Questions

- Please use the Q&A box to submit any questions you have during the webinar and we will direct them accordingly.
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Technical Assistance

- If you experience any technical difficulties during the webinar, please use the chat box to send a message to the NDI Host or email hprice@ndi-inc.org.
- Please note: This webinar is being recorded and the materials will be placed on the National Disability Institute website at: nationaldisabilityinstitute.org/resources/webinars

Webinar Agenda

- Overview of CDICD
- Overview of CRA
- Panel Discussion on how financial service providers, community development organizations and disability service providers can work together to meet the needs of people with disabilities during and after the COVID-19 pandemic.
- Tools and Resources
- Q&A

Center for Disability-Inclusive Community Development (CDICD)

The Center for Disability-Inclusive Community Development, managed by National Disability Institute, is working to build the awareness that people with disabilities are a part of all communities and the needs of disability community need to be a part of community development activities.

Disability-Inclusive Community Development

- Disability-inclusive community development is assuring that ALL are included in activities that promote the wellbeing of a community.
- This may include enhancing affordable housing, workforce development and building the financial knowledge of low and moderate income (LMI) individuals with and without disabilities.
- An inclusive community development approach assures that the wellbeing of all is the focus.

CRA 101



Lisa Anne Mifflin, NBE, CRCM
District Community Affairs Officer
Office of the Comptroller of the
Currency (OCC)

Community Reinvestment Act (CRA) and the COVID-19 Response

Evaluating CRA Performance

- The CRA encourages regulated banks to meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations.
- Banks provide their CRA activities to regulators to demonstrate responsiveness in meeting the credit needs of the communities in which they operate—their assessment areas.
- Regulators evaluate the bank's CRA performance, rate their performance and prepare a public CRA report for each bank (*“public evaluation”*).

Evaluating CRA Performance

Five Types of CRA Evaluations

- **Small Bank** (Assets under \$326 million)
- **Intermediate Small Bank** (Assets over \$326 million less than \$1.305 billion)
- **Large Bank** (Assets over \$1.305 billion)
- **Wholesale** or **Limited Purpose Bank**
- Banks operating under a CRA **Strategic Plan**

*Updated annually | www.ffiec.gov

Joint Statement on CRA Consideration for Activities in Response to COVID-19

Issued by the OCC, FDIC & FRB System | March 19, 2020

Pursuant to the Community Reinvestment Act (CRA), the agencies will favorably consider retail banking services and retail lending activities in a financial institution's assessment areas that are responsive to the needs of low- and moderate-income individuals, small businesses, and small farms affected by COVID-19 and that are consistent with safe and sound banking practices.

Joint Statement on CRA Consideration for Activities in Response to COVID-19

Issued by the OCC, FDIC & FRB System | March 19, 2020

The statement clarifies that financial institutions will receive CRA consideration for community development activities.

Qualifying activities include those that help to revitalize or stabilize low- or moderate-income geographies as well as distressed or underserved non metropolitan middle-income geographies, and that support community services targeted to low- or moderate-income individuals.

The statement provides examples of activities that will receive favorable Community Reinvestment Act (CRA) consideration including:

- Easing terms for new loans to affected low-and moderate-income customers and waiving certain fees such as overdraft fees and late payment fees on credit cards;
- Investments or services that support digital access for low-and moderate-income individuals or communities;
- Loans, investments or services that support access to healthcare particularly for low-and moderate-income individuals or communities;
- Economic development activities that sustain small business operations in low-and moderate-income communities; or
- Investment or service activities that support provision of food supplies and services for low-and moderate-income individuals or communities.

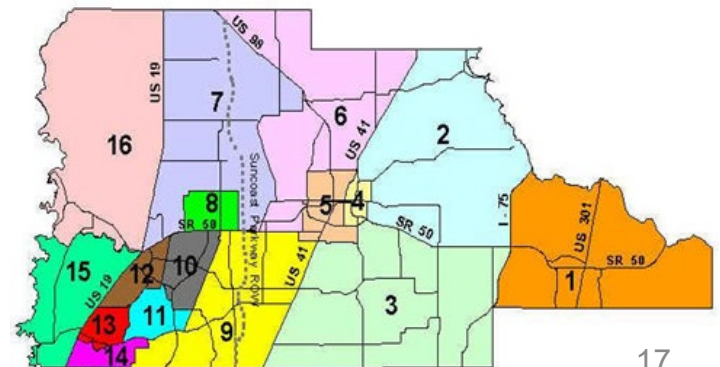
Assessment Area(s)

Banks define their CRA **Assessment Area(s)**:
The area(s) in which their CRA performance is evaluated

INCLUDES

The geographic areas of the bank's:

- Main Office
- Branches
- Deposit-taking ATMs
- Surrounding areas where a bank has originated or purchased a substantial portion of its loans



Low- and Moderate-Income

- **Low-income** = an individual income or census tract income that is less than 50% of the MFI
- **Moderate-income** = an individual income or census tract income that is at least 50% and less than 80% of the MFI
- **Middle-income** = an individual income or census tract income that is at least 80% but less than 120% of MFI
- **Upper-income** = an individual income or tract income that is equal to or greater than 120% of MFI

Retail Banking Services

Services that improve access to financial services, or decrease costs, for low- or moderate-income individuals:

- Low-cost or deposit accounts
- Electronic benefit transfer accounts
- Individual development accounts (matched savings programs)
- Free or low-cost check cashing services
- Alternative delivery systems

Retail Lending

- Evaluate bank's record of lending for:
 - Home Mortgage Loans
 - Small Business Loans
 - Small Farm Loans
 - Consumer Loans
- Evaluate record of lending based on:
 - Borrower ***Income*** or ***Revenue***
 - ***Geographic Location***
 - With the focus on LMI persons, LMI neighborhoods and small businesses/farms

Community Development

Loans, Qualified Investments & Services for:

- **Affordable housing** for low- or moderate-income (LMI) individuals
- **Community services** targeted to LMI individuals
- Promote **economic development** by providing financing for small business or farms
- **Revitalize or stabilize** certain geographies
LMI Areas ♦ Rural Distressed or Underserved Areas ♦ Disaster Areas

Revitalize or Stabilize

LMI Areas ♦ Rural Areas ♦ Disaster Areas

Activities that:

- Help attract new, or retain existing, residents or businesses
- Consistent with a federal, state, local or tribal plan for revitalization, stabilization or recovery of the area
- Help meet essential community needs in distressed or underserved rural middle-income geographies

Panel Discussion Moderator



Michael Morris, JD
*Founder and
Senior Strategic Advisor
National Disability Institute*

Panelists



Jessica LeVeen Farr
Subject Matter Expert,
Supervision,
Regulation and Credit
Federal Reserve Bank
of Atlanta



Lisa Anne Mifflin,
NBE, CRCM
District Community
Affairs Officer
Office of the Comptroller
of the Currency (OCC)



Luke W. Reynolds
Chief of Outreach &
Program
Development
FDIC

COVID-19 Resources

- FDIC

fdic.gov/coronavirus/index.html

- OCC

occ.treas.gov/topics/supervision-and-examination/bank-operations/covid-19-information/covid-19-faqs-for-national-banks-and-fsa.html

- Federal Reserve

federalreserve.gov/covid-19.htm

COVID-19 Information (www.fdic.gov/coronavirus)

- Public confidence communications
- Frequently asked questions
- FDIC Consumer News: [COVID-19 and Your Financial Health](#)
- Economic impact payment outreach
- Supervisory actions and communications
 - Joint Statement on CRA CRA Consideration for Activities Activities in Response to the to the COVID-19



Audience Questions

Tools and Resources

- **CDICD Website**

nationaldisabilityinstitute.org/disability-inclusive-community-development/

- **Five strategies for maintaining your financial health during the COVID-19 crisis.**

nationaldisabilityinstitute.org/wp-content/uploads/2020/03/financial-resiliency-tips.pdf

- **Community Reinvestment Act (CRA) Consideration in Response to Coronavirus**

nationaldisabilityinstitute.org/cdicd-resources/cra-consideration-coronavirus/

- **Financial Resilience Center**

nationaldisabilityinstitute.org/financial-resilience-center/

Keys to Financial Inclusion Podcast Series

Keys to Financial

Inclusion will launch in June 2020. The podcast series will feature diverse guests to discuss what inclusive community development means to them and their organization. *Keys to Financial Inclusion* podcasts are 30 minutes in length.

Scheduled Guests

- Annie Harper, Yale University
- Ray Boshara, Federal Reserve Bank of St. Louis
- Jeanne Bonds, University of North Carolina
- Dara Duguay, Credit Builders Alliance
- Darlene Goins, Wells Fargo
- Maria Town, AAPD
- Molly Barackman-Eder, NeighborWorks

Inclusive Community Development Awards

- In 2020, the year of the 30th anniversary of the Americans with Disabilities Act (ADA), the Center will introduce the First Inclusive Community Development Awards Program.
- The purpose of the awards is to raise the visibility of regulated financial institutions' and community-based organizations' collaborative activities that are promising in support of low- and moderate-income (LMI) individuals with disabilities.
- Award winners will be selected on a competitive basis to bring added attention to the possible ways financial institutions can help improve the financial stability and health of LMI people with disabilities.
- Inclusive community development award winners will be recognized for their exemplary efforts to improve the participation and contributions of LMI people with disabilities who are adding value to our nation's economy.

COMING THIS SUMMER: Instructions on how to submit a nomination. For more information, please contact Michael Roush at mroush@ndi-inc.org.

Upcoming Webinars

- June 4, 2020 3:00 PM ET

A conversation with financial institutions on addressing the needs of consumers during COVID-19

- June 25, 2020 3:00 PM ET

A conversation with community-based organizations on meeting the needs of clients during COVID-19

Thank You

CDICD is supported with funding from

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Bank of America



Thank You!

To learn more about the Center for Disability-Inclusive Community Development, please visit:
nationaldisabilityinstitute.org/disability-inclusive-community-development/.

If you have specific questions, please send them to
ask@ndi-inc.org.