

## ANHD's Top Priorities for CRA Reform

1. **Quality, Quantity, and Impact Are Important Components Of CRA: Evaluate banks on the *quantity, quality and impact* of their activities within the local communities they serve, based on the needs of these local communities. A single metric does not allow for such a comprehensive evaluation.**
  - **Credit for impactful activities that help lift historically redlined people out of poverty**
  - The CRA was passed in response to redlining and disinvestment in low-income communities of color. Low- and moderate-income people and people of color continue to suffer the impact of disinvestment and irresponsible investment and products
  - **Downgrades for harmful behavior**, including patterns of lending that lead to harassment, displacement and harm
  - **High impact activities must correspond to local needs.**
    - In NYC, quality **community development activities** include loans and investments that support deeply, permanently affordable housing; mission-driven developers, neighborhood-based community organizations, and CDFIs; and quality jobs in sectors that pay well and are accessible to underserved populations.
    - Quality **retail activities** include maintaining and expanding bank branches and providing affordable loans and banking products to underserved small businesses; first-time homebuyers and existing homeowners; and consumers
    - CRA examiners should specifically evaluate the impact of activities on people of color in addition to lower-income people.
2. **Community Input and Community Needs Must Be at The Heart of the CRA**
  - Strong community needs assessment and community engagement should inform community needs and how examiners evaluate how well banks are meeting those needs.
  - Community Input must be a key component of the CRA process to help evaluate how well banks are meeting local needs. This applies to CRA exams, and applications where a bank's CRA record is considered, including bank mergers and branch openings/closings – the CRA can and should foster collaboration with community organizations and lead to more investment and more impactful investment.
3. **Assessment Areas Must Maintain Local Obligations**
  - The CRA must maintain the place-based commitment banks have to local communities.
  - Maintain assessment areas where banks have branches and ATMs, and expand to other areas where banks also do considerable business, such as lending and deposit-taking
  - Any assessment area reform must increase the size of the pie: maintain or increase quality reinvestment where it is needed, including high need "CRA hot spots" such as New York City, while also directing capital to under-banked regions.