

August 18, 2025

The Honorable Jerome Powell  
Chairman, Federal Reserve Board of Governors  
20th and Constitution St. NW  
Washington, DC 20551

The Honorable Jonathan Gould  
Comptroller of the Currency  
400 7th St. SW  
Washington, DC 20219

The Honorable Travis Hill  
Acting Chairman, Federal Deposit Insurance Corporation  
550 17th St. NW  
Washington, DC 20429

Dear Chair Powell, Comptroller Gould, and Acting Chairman Hill:

The Community Reinvestment Act (CRA) is instrumental in ensuring that bank capital serves all communities across the United States. On behalf of the National Housing Conference (NHC), the nation's oldest and broadest affordable housing coalition, I am writing to express our support for the joint proposed CRA rule published on July 18, 2025. NHC has expressed the importance of any CRA rule to be jointly issued by the Federal Reserve Board (FRB), Office of the Comptroller of the Currency (OCC), and Federal Deposit Insurance Corporation (FDIC), and we are grateful to the agencies for taking joint action on this proposed rule.

Enacted in 1977, the CRA remains an essential component of our national economic policy, helping ensure that low- and moderate-income (LMI) communities and people are better served by banks of all sizes. The original consideration of the CRA statute attempted to address two distinct problems that were relevant to banking in 1977. The first was the disinvestment from some communities and investment in others using those funds. This disinvestment often created the development of suburban communities and greenfields at the expense of investment in the cities that were still generating deposits, as many legacy businesses had not yet moved to the suburbs.

In the late 1970s through the mid-1990s, more businesses in these redlined areas follow their customers and employees to the suburbs as well. The source of deposits, as well as the beneficiaries of lending, became increasingly concentrated at first inner ring, and then outer ring suburbs. Today in many metropolitan areas, the opposite trend is taking place. Investment is moving from aging inner-ring suburbs to recovering urban areas. The elegance of the CRA statute is that it provides the ability for regulators to adjust for changing geographic needs as the economy has grown and changed. The fact that the CRA is relevant at all given the fact that interstate banking and online and mobile banking didn't exist in 1977 is a credit to its authors.

To repair the damage that was done by disinvestment over decades, community development lending and investment is the foundation on which future expansion of retail deposit-taking and lending are built. Redlining left deep scars in communities that remain clearly present today. Investing in Community Development is the only practice that can help to heal these scars of redlining, even in times when redlining is no longer legal and occurs much more infrequently.

Financial institutions have built a community investment infrastructure over time that has generated significant investments in underserved areas and provided strong returns for the banking industry. As a result, communities have seen substantial benefits. Although there remain areas for modernization and improvement, the impetus for reform over the past eight years has been the need for greater clarity and consistency. At present, the most effective way to achieve this clarity and consistency is to preserve the 1995 rule.

Agencies should carefully assess how much modernization can be done through regulatory guidance and other actions within the parameters of the 1995 rule. NHC previously provided input on its priorities for CRA modernization and feedback on the June 3, 2022 notice of public rulemaking in an August 5, 2022 comment [letter](#). We appreciate the agencies' careful consideration of commentary from the housing sector. The final 2023 rule addressed many of those priorities and concerns, although there remained areas for [improvement](#). Much of that input remains applicable today.

A truly sustainable CRA modernization effort must have broad bipartisan support to ensure durability, effectiveness, and lasting change. The agencies' joint proposed rule to return to the 1995 framework is a constructive step. NHC supports the proposed rule, which preserves the critical components of the CRA currently in place, and we look forward to working with the FRB, OCC, and FDIC on any potential additional regulatory guidance or Q&As.

Sincerely,



David M. Dworkin  
President and CEO

#### [About the National Housing Conference](#)

The National Housing Conference has been defending the American Home since 1931. NHC is a diverse continuum of affordable housing stakeholders that convene and collaborate through dialogue, advocacy, research, and education, to develop equitable solutions that serve our common interest – an America where everyone is able to live in a quality, affordable home in a thriving community. Politically diverse and nonpartisan, NHC is a 501(c)3 nonprofit organization.