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# 2018 REPORT TO THE COMMUNITY

ST. LOUIS EQUAL HOUSING & COMMUNITY  
REINVESTMENT ALLIANCE



St. Louis Equal Housing &  
Community Reinvestment Alliance

# SLEHCRA MEMBERS

- Beloved Streets of America
- Caring Ministries
- Center for the Acceleration of African American Business
- Civil Rights Enforcement Agency, City of St. Louis
- Coalition of Concerned Citizens, Alton Area
- Community Action Agency of St. Louis County (CAASTLC)
- Consumer's Council of Missouri
- Hyde Park Neighborhood Association
- International Institute of St. Louis Community Development Corporation
- Justine PETERSEN
- Latinos en Axion STL
- Man of Valor, Inc.
- Metropolitan St. Louis Equal Housing and Opportunity Council (EHOC)
- Missionary Baptist State Convention of Missouri
- Missouri Immigrant and Refugee Advocates (MIRA)
- Missourians Organizing for Reform and Empowerment (MORE)
- Moorish Science Temple of America, Temple #5
- MoKan
- NAACP O'Fallon, IL
- NAACP St. Louis
- North County Churches for Racial Harmony and Justice
- Old North St. Louis Restoration Group
- O'Fallon Community Developing Organization
- Ready, Aim, Advocate! Committee
- Urban League of Metropolitan St. Louis
- Voices of Women
- Walnut Park East Neighborhood Association

SLEHCRA thanks our members that contributed to the creation of this report through surveys, edits, and sharing their stories. Special thanks to Talor Crawford for her contribution to this report



# INTRODUCTION

The St. Louis Equal Housing and Community Reinvestment Alliance is a coalition of community organizations working to increase investment in low- and moderate-income communities, regardless of race, and in communities of color, regardless of income. We do this by ensuring that banks are meeting their obligations under the Community Reinvestment Act and fair lending laws.

SLEHCRA exists because banks have a responsibility to serve all parts of our community – including low-income communities and communities of color. The CRA makes sure that banks are investing in our communities and have products and services that meet our needs – products like checking and savings accounts, car loans, and home loans that are affordable.

## **JANIS'S STORY IS WHY THIS WORK IS IMPORTANT:**

*"Like many others across the country, I found myself unemployed, with no bank account, no savings, and living with family as a result of the 2009 turn in the economy. Within a couple years I had a job and bank account and was on my way to recovering.*

*This was life changing for me! Several months later, I was able to purchase my first home! Although the house was too small to have my grandchildren come to spend the night, and it was not the safest part of the city, I was still happy to be living in my own home.*

*In 2017, after five years in my first home, I wanted to have a home where I felt safer and that was big enough to entertain my six grandchildren. With limited income and a just okay credit score, I did not believe that anyone would finance another home for me. I was encouraged to go to a new bank branch that had opened in partnerships with a church in the community, and had loan products that would fit my needs.*

*Even though I was assured that there were that there were banks in my community that wanted to invest in low-income areas, I still had doubts throughout the process, and up to the day I got the call that I was approved.*

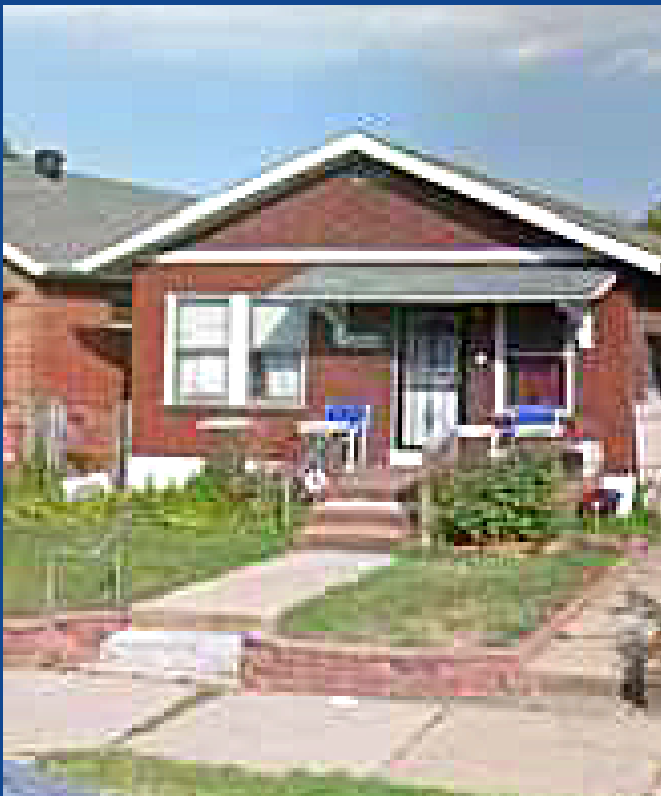
*I am now the owner of two homes, I am renting out the first home and I realize I now have assets and I am more financial stable than I have ever been.*

***I am hopeful that housing values will gradually increase in my neighborhoods in the coming years. I am spreading the word to other neighbors that because of strong CRA laws, banks and community partners are working together to make sure loans to purchase and repair homes in my neighborhood are available.***

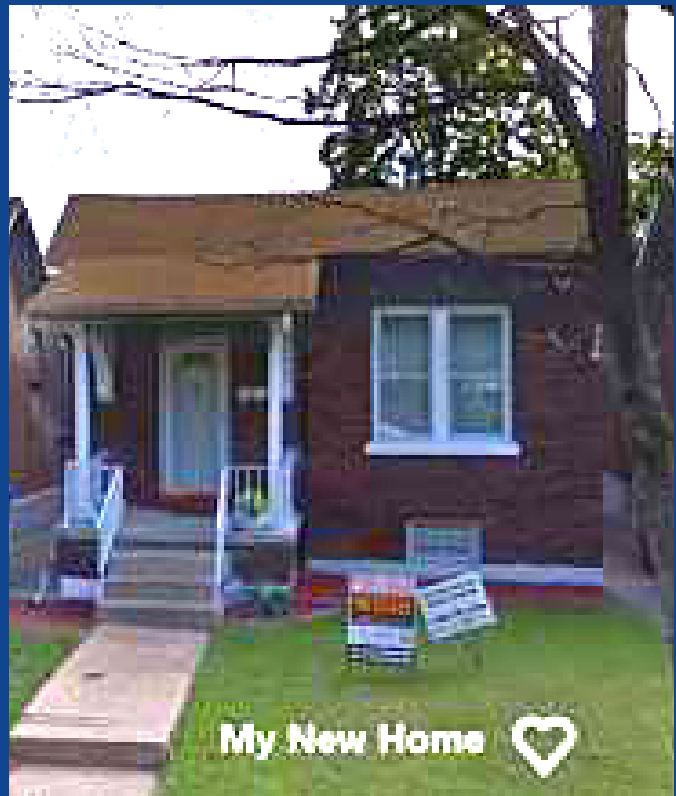
***Thanks to the Community Reinvestment Act, and those community partners working with banks, my life is a lot safer, happier and more economically sound!"***

This Report to the Community highlights the work of SLEHCRA over the last year. Through a survey of banks and a survey of community members, this report lays out how banks are serving the needs of the community while also identifying gaps in financial services and products.

A strong CRA is important, even more important this year as we face expected changes to the CRA. We need to strengthen CRA, not relax it. SLEHCRA calls on you to join us in advocating for a strong CRA that live up to the spirit and intent of it - providing access to credit and capital for low- and moderate- income communities and communities of color.



Janis's First Home



Janis's Second Home

# Highlights Since 2012 Report

**17**

New Bank branches in low and moderate income communities or communities of color

**\$4.3B**

In community development commitments

**18**

Banks increased the racial and ethnic diversity of their Board of Directors

**61**

Total employees or bank positions created to promote community development or CRA

# SLEHCRA'S WORK

## CRA ACCOUNTABILITY

In 2018, SLEHCRA engaged with nine banks. We hold banks accountable to CRA, ensuring their products and services reach historically under-served people and communities. We gather and analyze their performance data, share it with the community, and submit our assessments in the form of public comment letters.

An increasing trend in SLEHCRA's work is around bank mergers and acquisitions. As more banks consolidate, SLEHCRA works to ensure that the merged bank is providing clear and significant benefits to the community, particularly low- and moderate-income communities and communities of color. Under the CRA, it is important for banks to clearly communicate how they are going to meet the needs of the community when they are becoming a new bank. It is even more important that we see clear, specific, and measurable commitments in the form of a Community Benefits Agreement (CBA). In 2018, we continued our call for Community Benefits Agreements in bank mergers. We called for a CBA with the merger of Busey Bank and The Bank of Edwardsville in an OpEd in the *St. Louis American* and began working on a CBA when Simmons Bank announced the merger with Reliance Bank.

## MEMBERSHIP AND CAPACITY

In 2018, SLEHCRA welcomed two new member organizations bringing the total to 27 coalition members. The two new organizations include:

- **Hyde Park Neighborhood Association**
- **Caring Ministries**





## POLICY ISSUES

In 2018, SLEHCRA engaged in policy advocacy in the St. Louis metro area as well as across the country on various issues related to fair lending and the Community Reinvestment Act. One of the major issues was the #TreasureCRA campaign. This focused on bringing national awareness to the importance of CRA in the wake of the Office of the Comptroller of the Currency (OCC) inviting public comment letters on an advance notice of proposed rulemaking that would weaken instead of strengthen CRA. The campaign involved social media awareness using the hashtag #TreasureCRA, passing local CRA Resolutions, as well as submitting public comment letters.

On August 30, 2018, the City of St. Louis Board of Aldermen passed a [Resolution](#) in support of strengthening and modernizing CRA in line with SLEHCRA's perspective. Specifically, the resolution supports the following key elements of a strong CRA:

- Expanding its application to non-banking institutions such as mortgage companies, financial technology companies, and credit unions
- Implementing a clearly-defined grading system that emphasizes lending, bank branches, fair lending performance, and responsible loan products for working-class families
- Holding financial institutions accountable for not passing CRA exams or seeking to merge with an institution with a higher CRA grade, encouraging community benefits agreements and other efforts to motivate financial institutions to increase lending and investment in traditionally underserved communities, as well as expand the scope of financial services they provide
- Opposing regulatory efforts to undermine the CRA's intent and impact and watering down penalties for noncompliance

SLEHCRA, our member organizations, and other allies from the National Community Reinvestment Coalition (NCRC) wrote public comment letters in response to the OCC's proposed rulemaking. In total, over 1,000 of the approximately 1,500 comments total were submitted in support of our position around a strong CRA.

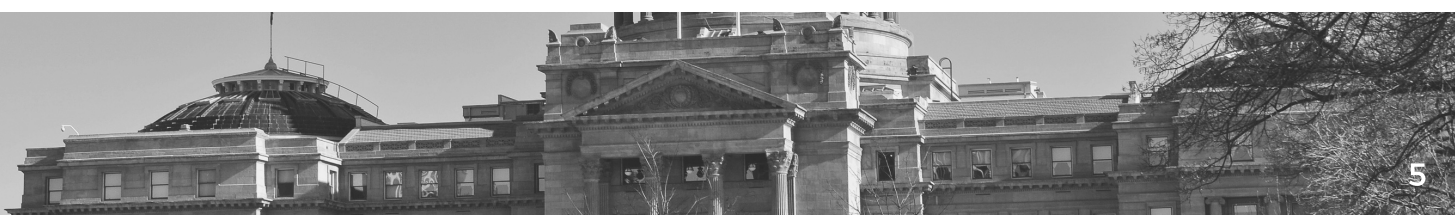




Photo by Lindy Drew/Humans of St. Louis - May 2018

In photo: Jackie Hutchinson and Elisabeth Risch, SLEHCRA Co-Chairs

## RECOGNITION, MEDIA COVERAGE, AND MAJOR INITIATIVES

### Humans of St. Louis

In 2018, our co-chairs Elisabeth Risch and Jackie Hutchinson were interviewed by Humans of St. Louis as a part of their #STL2039 action plan storytelling series in partnership with Forward Through Ferguson. The goal of the #STL2039 action plan storytelling series was to share the visions of St. Louis residents for a future St. Louis—in 2039—where Racial Equity is the reality and to highlight what they're doing to achieve it today. In the interview, they explained how and why the coalition was started, how SLEHCRA is holding banks accountable, and the role that racial equity plays in banking and housing. Read the full interview [here](#).

### Reveal: Kept Out

SLEHCRA also contributed to Reveal and the Center for Investigative Reporting's Kept Out Series, the largest national media story of redlining and lending discrimination. Read the series [here](#). The story found that Black homebuyers were 2.5 times more likely to be denied a conventional home loan than a white homebuyer in the St. Louis metro area. The St. Louis Post-Dispatch covered the story locally, including coverage of SLEHCRA members and contacts. Read the full article [here](#).



In photo: Gateway Neighborhood Mortgage Steering Committee with St. Louis City Mayor Lyda Krewson



## Gateway Neighborhood Mortgage

SLEHCRA's on-going major initiative is the Gateway Neighborhood Mortgage, formerly referred to as the 'Greenlining Fund.' In response to systemic discrimination and redlining that continues to impact communities of color, the Gateway Neighborhood Mortgage is a new innovative loan program to increase homeownership and expand access to credit historically redlined neighborhoods.

Modeled after a successful program in Detroit, the program will provide home loans over the appraised value for the purchase and renovation of homes in communities with depressed housing values, little to no mortgage lending, and low appraisals. Participating banks will offer the loan product, providing homebuyers with consistent terms and rates on quality affordable mortgages. Homebuyers will receive homebuyer counseling and a project manager will help oversee renovation of the homes. SLEHCRA members are working to develop the program in collaboration with the Metropolitan St. Louis CRA Association, Legal Services of Eastern Missouri, Health Equity Works, the City of St. Louis and the St. Louis Development Corporation.

Read more about the program in the St. Louis Post-Dispatch [here](#) and [here](#).



# METHODOLOGY

## BANK SURVEYS

This Report to the Community accounts for changes in the financial industry through a survey of banking activities over the last year. In March of 2018, we sent surveys to 45 banks in the St. Louis region to gather information on banking activities and community investments within the 2018 calendar year. A 51% response rate was achieved with 23 banks sending back completed surveys. Banks who completed the survey reported on the following factors:

- Community Development Commitments and Partnerships
- Financial Education
- Banking Products and Services
- Marketing and Outreach
- CRA or Community Development Personnel
- Diversity of Staff, Leaders, and Board of Directors

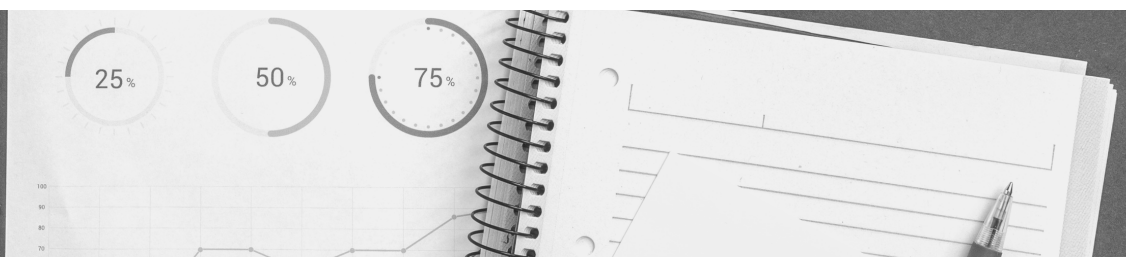
All responses were voluntary and confidential. The findings within this report reflect the aggregate responses from all participating banks. Highlighted examples were approved to share publicly.

## COMMUNITY SURVEYS

A survey for community members was developed to gather information about experiences with banks and financial services. The surveys were distributed to SLEHCRA member organizations. Responses were anonymous. Paper copies were collected from Justine PETERSEN, CAASTLC, Moorish Science Temple of America #5, and People's Community Action Agency, as well as responses from an online version of the survey. In total, 168 survey responses were collected.

# 51%

Response rate was achieved with 23 of 45 contacted banks sending SLEHCRA completed surveys





# BANK CHANGES

The following sections explore changes made in 2018 by banks within their St. Louis metropolitan area markets.

## COMMUNITY DEVELOPMENT COMMITMENTS

The following commitments incorporate loans and investments that have a community development purpose, including affordable housing, economic development, revitalization of a distressed area, or services that benefit low- to moderate-income individuals or communities.

Nearly all banks reported some form of community development loans or investments.

 **\$1.4** BILLION WAS REPORTED IN COMMUNITY DEVELOPMENT LOANS AND INVESTMENTS FROM SEVENTEEN BANKS

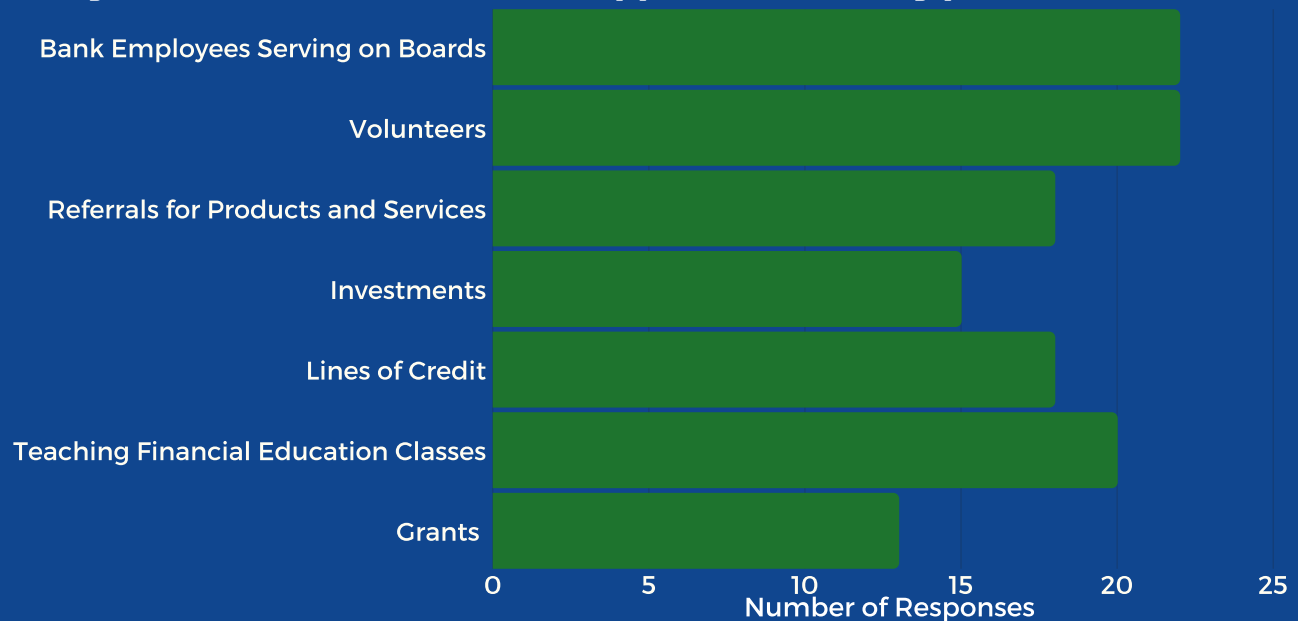
This includes:

- Over \$1.3 Billion in Community Development Loans
- Over \$110 million in Community Development Investments

Ten banks (43%) reported CRA commitments or pledges for upcoming years. Common commitments include the St. Louis Equity Fund, Urban League of Metropolitan St. Louis, and Justine PETERSEN.



## Ways in which banks want to support community partners



### PARTNERSHIPS WITH THE COMMUNITY

One of the greatest ways that banks serve the community is through partnerships with community organizations. Nearly all banks have maintained their ongoing partnerships with community organizations that serve LMI communities or communities of color. Common continued partnerships included various local school districts, St. Louis Equity Fund, Urban League of Metropolitan St. Louis, Better Family Life, Beyond Housing, and Justine PETERSEN.

Additionally, banks highlighted new partnerships for 2018 which included:

- Operation Hope
- St. Louis City Treasurer's Office
- Comtrea
- Community Builders Network (CBN)
- YMCA
- Soul Fisher Ministries
- Salvation Army
- Lily of the Valley Missionary Baptist Church
- Riverview Gardens School District
- Connections to Success
- Habitat for Humanity St. Louis

Banks also responded to how they would like to engage with community organizations in the future. In these responses, 22 banks (95%) are looking to have bank employees serve on boards and serve as volunteers in the community. Likewise, 20 banks (86%) are hoping to start teaching financial education classes, which was expressed as a major need in our community survey responses.

These are important ways that banks can help strengthen nonprofits and community organizations while also helping meet their CRA obligation of CRA-qualified service hours.

# 95%

**Of banks that participated in the survey are looking to have bank employees serve on boards**

## FINANCIAL EDUCATION

Nearly all banks engaged in some kind of financial education outreach. This included partnering with community groups or participating in relevant programs to provide funding for financial education. Or, banks often provide employees to teach financial education classes. Banks detailed efforts like partnering with local school districts, funding Money Smart Month efforts, and holding various financial education classes and lunch & learns.

*13 banks reported spending \$583,897 on financial education programs.*

This is a \$422,197 increase in financial education spending from our 2017 report findings, which only included 10 banks offering financial education.

## BANKING PRODUCTS

In 2018, many banks created or improved financial products specifically targeted to LMI communities. These include checking and savings accounts, home loans, home improvement loans, auto loans, and easily accessible products for immigrant communities.

### Bank On 2.0

Bank On is a national platform that supports local coalitions and financial institution's efforts to connect consumers to safe, affordable bank accounts.

As a part of this platform, they created the **National Bank On 2.0 Account Standards** which outline what a safe and affordable checking account should include. Banks across the country can certify if their checking account meets these standards. These standards include features such as:

- A minimum opening deposit/account balance of \$25 or less
- No overdraft fees
- No inactivity fees
- Free/unrestricted branch access, telephone banking, and use of in-network ATMs
- Free online and mobile banking, free banking alerts, and free electronic, monthly statements

Of the banks in SLEHCRA's survey, only nine (39%) reported having an account that met the new Bank On 2.0 standards. This shows a significant gap in meeting the financial needs of the LMI community in St. Louis. SLEHCRA understands the importance of access to a safe and affordable checking account for LMI communities. We call on banks to meet this need by creating new accounts or adapting existing accounts that meet these standards to close this gap.

# 9

**Banks surveyed offer a bank account that meets Bank On 2.0 National Account Standards**





## Home Loan Products

One of American's first and largest sources of wealth is owning a home. Yet many Americans cannot purchase a home due to various systemic reasons. Thus, they are stuck renting an apartment and not gaining wealth because they lack the money for a down payment or face higher interest rates due to credit issues. Due to these reasons, the creation and improvement of affordable home loan products are extremely important to LMI communities to serve as a pathway to financial security and a source of wealth building.

Of the banks responding to the survey, 16 (70%) reported offering an affordable home purchase loan product targeted to the LMI community, nine of which offered a portfolio loan.

Some features of the various products include:

- Lower down payments
- Lower credit score requirements, including alternative credit considerations
- Assistance with down payment or closing costs
- Homebuyer and credit building classes

While the large number of banks offering home purchase loans is encouraging we also know there is a large need for home improvement loans. Many homes in St. Louis are affordable to purchase but require many improvements to make the home liveable. Or, those homes require on-going maintenance and improvements because of St. Louis's older home stock. If few banks offer home improvement loans, the path to maintaining homeownership is more difficult for low-income families in St. Louis.

An increasing number of banks have been creating new affordable home improvement loans to meet this need. Eight banks (34%) reported that they offer home improvement loans targeted to LMI communities.

Some features of these loans include:

- Various products offering from \$1,500 - \$15,000 loans
- Low fixed interest rates
- Loan periods from 5-10 years



## Auto Loan Products

In addition to buying a home, another large purchase many community members stated they plan to make within the next year included purchasing a car. While many car dealerships offer financing, this may include high-interest rates or poor loan terms. Especially for LMI communities, auto dealerships that offer “buy here, pay here” deals frequently take advantage of consumers with low or no credit with high interest rates and high fees on car loans.

Additionally, discrimination still widely exists in car financing through dealerships. A 2018 study by the [National Fair Housing Alliance](#) in which they sent White and non-White testers to various dealerships to inquire about financing for the same vehicles show a clear pattern of racial discrimination.

More specifically:

- “62.5 percent of the time, Non-White testers who were more qualified than their White counterparts received more costly pricing options.” (1)
- “On average, Non-White testers who experienced discrimination would have paid an average of \$2,662.56 more over the life of the loan than less-qualified White testers.” (2)
- “75 percent of the time, White testers were offered more financing options (3)

Given these alarming findings, it is crucial that banks continue to offer auto loans as an alternative to predatory financing. Of the banks surveyed, only seven banks (30%) reported offering an auto loan. These loans have various interest rates depending on the age of the car and the length of the loan. Loan minimums ranged from \$500 to \$7000.



## Products for Immigrant Communities

Many banks reported offering products that accommodate the needs of foreign-born customers. Some immigrants struggle to obtain loans due to the lack of traditional credit and the inability to obtain traditional forms of identification. Products that accept Individual Taxpayer Identification Numbers (ITINs) instead of requiring Social Security Numbers as a form of identification is vital to the financial inclusion of a specific sector of the immigrant population.

Sixteen (70%) banks accept ITINs for checking and savings accounts and nine (39%) banks accept ITINs for mortgage loans. This is an important service in meeting the needs of the community, particularly as the foreign-born population continues to increase in the St. Louis metropolitan area.

## Language Accommodations

There continues to be a limited number of banks providing information about banking services in languages other than English. Only seven (30%) banks reported having printed materials such as loan applications in languages other than English, including Spanish and Bosnian. Eight (35%) banks reported providing marketing and advertising materials in languages other than English, including Spanish and Bosnian.

"According to the 2017 American Community Survey report, St. Louis is the second fastest-growing metro region for the foreign-born population out of the nation's largest metros. An increase of 5,015 foreign-born residents during 2016 highlights the region's second consecutive year of growth." (4)

## Marketing and Outreach

Ten (43%) banks reported engaging in new outreach or marketing strategies to better reach LMI communities and communities of color. Common strategies include using radio, television, web advertising, print media, and direct mailings. Nine banks reported spending over \$566,183 towards LMI communities in 2018, which is an increase of \$346,183 from our 2017 report.



## BANK BRANCHES

In the wake of nationwide bank branch closures, SLEHCRA continues to advocate for the importance of physical bank branches, particularly in LMI communities. Across the country there continues to be a decrease in physical full-service bank branches due to the increase in online and mobile banking among Americans. However, it is important to highlight that not all Americans have consistent and reliable internet access or feel comfortable using online banking. Of the respondents to our community survey, only 46% reported using online banking. According to a [2019 Pew Center Research study](#) of Americans with a household income of less than \$30,000, 29% of adults do not own a smartphone, 46% do not have a traditional computer, and 44% do not have home broadband access. (5)

Bank branches are also important to combat predatory lenders. According to a 2019 article by the St. Louis Federal Reserve Bank in 2017 there were more Payday lenders in the United States than McDonald's restaurants and just as many Starbucks locations. (6) Based on these statistics, we find that in order for banks to continue to serve all sectors of the community it is essential to keep open and continue to open new physical branches in LMI and minority communities. Otherwise, these residents may continue to fall victim to the convenience of these alternative predatory services.

MORE THAN  
**1700**  
**Bank**  
**Branches**  
**Closed**  
 IN THE  
 UNITED STATES  
 BETWEEN JUNE 2016  
 AND JUNE 2017 (7)

A recent [NCRC study](#) found that a decline of just 8% in branch locations reduces nearby small business lending by 22%. This decline is due to what researchers called the loss of "soft information"; details that loan officers learn about a business and the local community through social and financial interactions. Soft information is very different from the "hard information," such as credit score and debt-to-income ratios, however it is crucial to business loan underwriting. This type of information can only be gathered and assessed when bankers are located in the communities in which they lend. When local branches close, those relationships are lost, resulting in the loss of credit that local businesses need to thrive until new relationships can be established with the bank branches that remain. (8)





From North County Chamber of Commerce



From KMOV

From North County Chamber of Commerce

In St. Louis, we have seen an increase in physical bank branches. Much because of SLEHCRA's advocacy and the continuing need for physical bank branches, more bank branches have opened in St. Louis in LMI communities and communities of color within the last decade.

Since SLEHCRA's first report in 2012, 17 new bank branches have been added in total in LMI communities and communities of color. In the last year, three banks in the St. Louis area opened full-service branches located in LMI neighborhoods or communities of color.

- **FCB Banks Florissant Location**
- **Providence Bank South Jefferson Location**
- **Regions Bank Florissant Location**

Additionally, two banks opened other types of service locations in LMI or communities of color. These include ATMs, Interactive Teller Machines, along with the offices of a Community Financial Service Officer.

Enterprise Bank & Trust opened a new service location in November 2018 at the Urban League of Metropolitan St. Louis's Jennings location. This location offers an Interactive Teller Machine (ITM) and has an office for a Community Financial Services Officer. This was part of Enterprise's commitment in their Community Benefits Agreement with SLEHCRA.



# PERSONNEL

The Community Reinvestment Act is essential to increase investment in low-income communities and communities of color. Therefore, the importance of staff devoted to this work in banks, specifically employees of color, multilingual employees, and employees directly from the impacted community, is imperative to ensure the wants and needs of the community are not only heard but also addressed. To this end, it is crucial to continue to advocate for increased devoted community development personnel, as well as increased racial and ethnic diversity in bank personnel at all levels of bank staff and leadership.

## CRA and Community Development Personnel

In total, 19 (82%) banks reported having at least one employee devoted to CRA or Community Development activities. Collectively, they reported 61 CRA or community development personnel, seven of which are employees of color as of the end of 2018.

In 2018, ten (43%) banks hired new personnel or created new positions specifically related to CRA and/or community development.

This includes community lenders, community development officers, community financial representatives, and strategic alliance and inclusion positions focused on building connections in low- and moderate-income communities and communities of color.

## Personnel Diversity

Since SLEHCRA's first Report to the Community in 2012, 18 banks have increased the racial diversity of their Board of Directors. In 2018, two (9%) banks added a person of color to their Board of Directors, resulting in increased racial and ethnic diversity at the highest levels of the bank.

In 2018, 14 (60%) banks reported an increase in racial or ethnic diversity in their workforce. A total of 683 people of color were hired. In addition, 12 (52%) banks reported hiring 44 new employees who are multilingual. The languages spoken by these new employees include Spanish, Bosnian, Serbian, Croatian, Arabic, French, Mandarin, and Hindi.

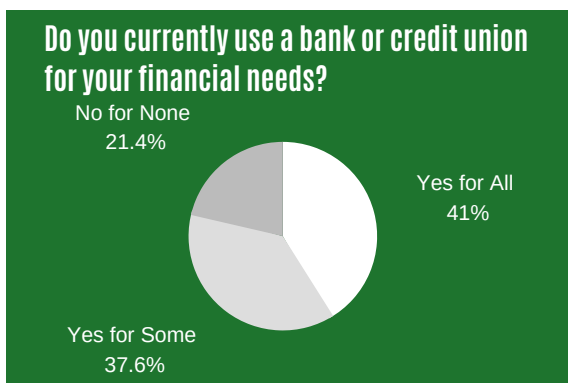
Seven (30%) banks hired or promoted 20 people of color to senior leadership positions.



# COMMUNITY EXPERIENCES

In order to gain the viewpoints of the community, surveys were distributed via SLEHCRA member organizations. The purpose of these surveys was to assess the community's view of their relationships with financial institutions and gather recommendations on how to improve these relationships. SLEHCRA truly believes that "those closest to the problem are closest to the solution" (Glenn E. Martin). Therefore, we feel that continuing to receive feedback and recommendations from those most impacted by these problems is essential to advocating for banking practices that are inclusive and meeting the needs of all members of our community.

Through our surveys we found the following information:

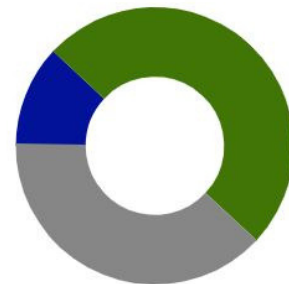


Despite over half of the respondents claiming to use a bank, 23% still said they used a check-cashing store at least once in the last year and 12% got a payday or title loans.

Additionally, 11% stated that they got a loan from an online lender that was not a bank. Only 8% of respondents used a bank small-dollar loan in the past year.

## If "no," why do you not use a bank?

- No bank nearby (11.76%)
- Negative experience (50%)
- Feel they don't need banks (38.24%)

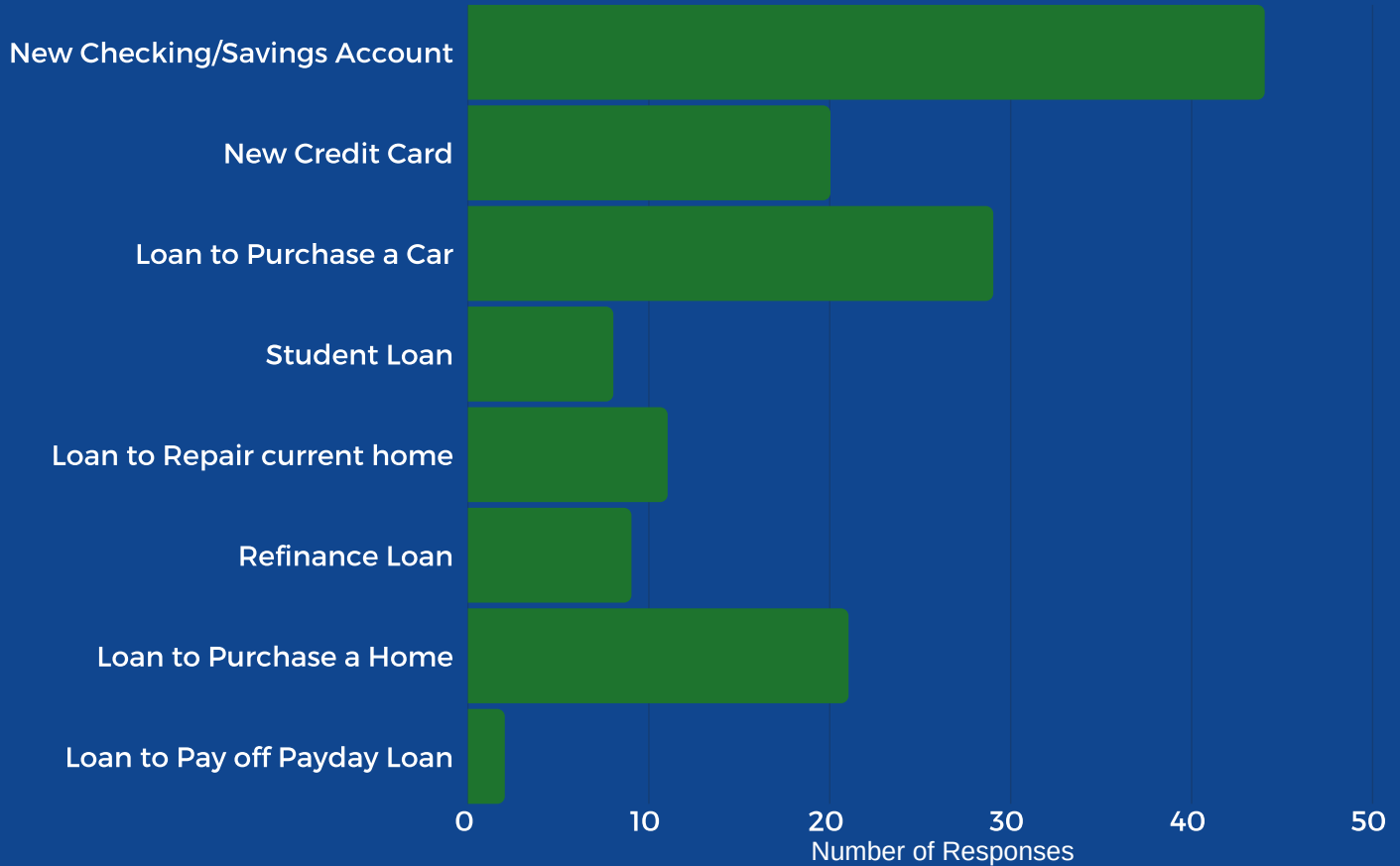


## Do you feel comfortable talking to a Bank?



■ Yes (54.49%) ■ No (20.51%) ■ Maybe (25%)

## New Banking Service Needs Among Residents



In the next year, the top three banking services that our respondents planned on using included opening a new checking or savings account, a loan to buy a car, or a loan to purchase a house.

The most common suggestions for bank improvement included offering financial education classes on various topics such as credit repair and home buying, and offering accounts/ loans for low-income individuals without high fees and interest rates. Additionally, many residents stated the need for banks to invest directly in the community through programming and development.

Based on these responses there is a clear need for the work that is being done by SLEHCRA to strengthen the relationship between banks and the community. We hope our collaborations and continued work can achieve this goal.

# CONCLUSION: COMMITMENT TO FUTURE GROWTH OF CRA

It is clear, through the bank surveys, that many banks in the St. Louis area care about creating new products and services to ensure they are serving all parts of the community. Nevertheless, the community surveys, show that gaps still exist and we call on banks to do more to continue to serve LMI communities and communities of color. Without a strong CRA, banks may again abandon LMI communities and communities of color and leave them without access to credit and opportunities to build wealth. In the coming months we expect to see changes to CRA. These changes may weaken the mechanisms that hold banks accountable to LMI communities. SLEHCRA remains vigilant and resolute in ensuring that CRA serves to protect those in need, and will continue to ask that banks ensure they are serving the entire community.

As part of the bank survey, we wanted to better understand banks views of CRA reform and how they would like to see the CRA changed or updated. Seventeen (73%) banks responded to the question “**Does CRA reform need to happen?**”

## 53%

**Of banks surveyed favor or strongly favor CRA reform**

Many bankers are in favor of CRA reform. Some specific suggestions included:

- Creating clear CRA guidelines that are consistent across all regulatory agencies
- Providing more guidance on what activities and services count toward CRA
- Requiring all lending and financial institutions to be examined for meeting CRA standards
- Provide incentives to banks for receiving an Outstanding rating

## 47%

**Of banks surveyed are neutral towards CRA reform**



Interestingly, the recommendations provided by bankers closely align with SLEHCRA's and NCRC's recommended principles for a modern CRA. These principles include:

- Ensure that geography remains an important portion of CRA exams
- Include new language explicitly stating the law's obligation to fairly serve all races and ethnicities
- Apply CRA requirements to all lenders not only traditional lenders, Create a clearly-defined grading system that emphasizes lending, branches, fair lending performance, and responsible loan products for working-class families
- Enforce consequences for low CRA exam scores, and encourage and support banks to do the work needed to earn a high score

## TREASURE CRA CAMPAIGN

In the wake of expected changes to CRA, we as a coalition will continue to advocate for a strong CRA alongside other organizations nationwide. Our national partner NCRC has revamped their #TreasureCRA campaign website which includes a toolkit to help local governments, organizations, communities, and individuals learn how they can also advocate for a strong CRA.



## Ways you can advocate for a Strong CRA

- Write a public comment letter to Congress telling them why you support a strong CRA
- Encourage your local elected officials to write a resolution supporting a strong CRA
- Write an Op-Ed to your local or city newspaper supporting a strong CRA
- Share information via Social Media informing others why they should support a strong CRA
- Write a public comment letter to the banking regulators when they release the Notice of Proposed rule making

For examples of these and more visit [NCRC.org/treasurecra](https://www.ncrc.org/treasurecra)





[www.slehkra.org](http://www.slehkra.org)



St. Louis Equal Housing &  
Community Reinvestment Alliance