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FRB Vice Chair Brainard Touts CRA Proposal and Positive Impacts on Native American Communities



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On July 19, Federal Reserve Board (“FRB”) Vice Chair Lael Brainard gave [remarks](#) to the National Native Coalition Virtual Series sponsored by the National Congress of American Indians. Her remarks focused on the joint [proposal](#) from the FRB, Federal Deposit Insurance Corporation (“FDIC”), and the Office of the Comptroller of the Currency (“OCC”) (together, “The Agencies”) to modernize the Community Reinvestment Act (“CRA”). As we mentioned briefly in our [newsletter](#) in May, the comment period on the proposal will be open until August 5, 2022.

In her remarks, Vice Chair Brainard encouraged those attending the virtual conference to provide feedback by the August 5 deadline, noting “your feedback is key to ensuring that we get CRA reform right.” She also stated that “[t]his is a once-in-a-generation opportunity to strengthen the CRA to bring greater credit, investment, and banking services to the communities that have faced the greatest challenges. For the first time, the CRA will provide powerful incentives for banks to make investments in communities that do not have access to branches, such as in Native lands.

Vice Chair Brainard highlighted parts of the CRA proposal that would provide “greater incentives for community investments in Native Land Areas by providing enhanced clarity and specificity about what activities qualify for CRA credit.” She also noted the importance of the Agencies’ proposal of “providing positive qualitative consideration if banks operate branches located in Native Land Areas” and that even if banks don’t have branches on Native Land areas, the proposal should “result in greater CRA activity outside of where banks have branches and physical locations in order to address unmet needs in communities that have more limited access to bank branches.”
