



# National Neighborhood Coalition

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Office of Thrift Supervision

1700 G Street NW

Washington DC 20552

Attn: Docket No. 2000-44

Dear Regulator:

On behalf of the members of the National Neighborhood Coalition, thank you for the opportunity to comment on the proposed Community Reinvestment Act "sunshine" regulations. We appreciate efforts by the regulatory agencies to consider the burdens the reporting and disclosure requirements will place on community-based organizations and their community development partners.

NNC members are national networks of community and neighborhood-based organizations that provide affordable housing and community development in lower income neighborhoods. CRA has fostered strong and productive partnerships between nonprofit community development organizations and lenders and has resulted in greater awareness of the credit needs of distressed neighborhoods. It has stimulated billions of dollars of private investment in affordable housing and community revitalization that would not otherwise have been available and has been a boon for residents of poor communities and good business for banks.

Our members are very concerned that the Gramm-Leach-Bliley Act's reporting and disclosure requirements are overly broad and excessive and will have a chilling effect on lending and investment in low-income urban and rural communities. The reporting requirements create an extreme burden on both banks and community groups and are likely to be a disincentive for banks and nonprofits to work together for the benefit of low-income communities.

We urge that the final rule minimize the potential harm to communities that will result from excessive regulation. Specifically we encourage that the final rule include simplified disclosure and protection of proprietary and confidential information.

One way to minimize the disclosure burdens for nonprofits is to clarify that the use of IRS 990 forms would meet the annual reporting requirements of the Act. We strongly encourage you to opt for this simplified form of disclosure in the final rule and not require the creation of new forms of documentation, monitoring or reporting.

Second, CRA transactions should be afforded the same privacy treatment as other bank transactions. CRA agreements benefit communities that are underserved by financial institutions – low and moderate-income communities whose residents are disproportionately people of color. Requiring disclosure of proprietary information as part of fulfilling the requirements of the final rule singles out business dealings that benefit residents of these communities for differential treatment. Lenders will no doubt be less likely to enter into CRA agreements if they believe proprietary information, such as terms

and conditions of bank transactions, will become publicly available. This will result in less bank activity in low-income communities. Protection of proprietary information and privacy standards that are applied consistently across all types of bank transactions should be part of the standard for the final rule.

We understand that the regulators must act within the constraints of the statute. However we strongly encourage you to consider the impact that the rule will have on the ability of community-based organizations and financial institutions to continue the work they've already begun together in underserved communities. It is critical that the final rule not diminish the effectiveness and simplicity of the Community Reinvestment Act through excessive disclosure and reporting requirements. Thank you again for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Betty Weiss". The signature is fluid and cursive, with a large initial "B" and "W".

Betty Weiss  
Executive Director  
National Neighborhood Coalition

(Attachment: List of NNC members)

## NNC Members

*The National Neighborhood Coalition (NNC) is a 501(c)(3) membership organization that serves as the national voice for neighborhoods. NNC provides a crucial link to Washington for neighborhood and community based organizations and is an important networking resource for representatives of national organizations. NNC promotes public policies that strengthen the role of community and neighborhood-based nonprofits as problem solvers and community builders and fosters communications and collaboration among local, regional and national organizations working to build healthy and sustainable communities. For more information about NNC, call 202/986-2096.*

### Regular

Abilene Neighborhoods In Progress	National Alliance to End Homelessness
ACORN	National American Indian Housing Council
AFL-CIO	National Assoc. of Comm. Action Agencies
American Planning Association	National Assoc. of Realtors
Bazon Center for Mental Health Law	National Center for Urban Ethnic Affairs
Catholic Charities USA	National Community Capital Association
CDFI Coalition	National Congress for Community Economic Development
Center for Community Change	National Co-op Business Association
Center for Public Dialogue	National Council of La Raza
Chicanos Por La Causa	National Housing Trust
Citizens for Action in New Britain (CANB)	National Low Income Housing Coalition
Coalition for Nonprofit Housing Development	National Urban League, Inc.
Comm. Research & Ed. Center	National Assoc. of Affordable Housing Lenders
Congress for the New Urbanism	National Puerto Rican Coalition
Council for Urban Economic Development	National Trust for Historic Preservation
Development Training Institute	Neighborhood Associations of Michigan
Effective Communities Project	Neighborhood Funders Group
Employment Support Center	Neighborhood Reinvestment Corp.
Enterprise Foundation	NETWORK: A National Catholic Social Justice Lobby
Fair Haven Housing Initiative, Inc.	New Hampshire College
Fund for an Open Society	Northriver Development Corp.
Gateway-GA Ave. Revitalization Corp.	Pacific Institute for Comm. Org. (PICO)
Habitat for Humanity International	PolicyLink
Housing Assistance Council	Powderhorn Park Neighborhood Association
Housing Opportunities Commission	Rockford Area Affordable Housing Coalition
Indianapolis Neighborhood Resource Center	Seedco
Jesuit Conference	Surface Transportation Policy Project
Joseph Corporation	The Social Compact
Local Initiatives Support Corp.	TransManagement, Inc.
Low Income Housing Fund	UCC: Office for Church in Society
Lowell Alliance for Families & Neighborhoods	Unitarian Universalist Affordable Housing. Corp.
Lower Ninth Ward Neighborhood Council	United Way of America
Main Street Business Association	US Catholic Conference
McAuley Institute	Vermont Slauson Economic Development Corp.
Metropolitan Housing CDC, Inc.	Volunteers of America
Metropolitan Housing Coalition	Washington Area Comm. Investment Fund
Metropolitan Strategy Group	Working Partnerships USA
NAHRO	
National Committee for Responsive Philanthropy	

### Associate

Bank of America	Federal Home Loan Bank of	LaSalle Bank FSB
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Atlanta	San Francisco	Companies of America
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Boston	Freddie Mac	Washington Mutual Inc.
	JP Morgan & Co., Inc.	World Savings