

From: Gregory D. Squires [squires@gwu.edu]
Sent: Monday, December 13, 2004 4:49 PM
To: Comments, Regs
Subject: No. 2004-53 & 2004-54

To Whom It May Concern:

I am writing to urge you to withdraw your recent proposed revisions of the Community Reinvestment Act. Your proposal would retard a range of community development activity by weakening a tool that has proven to be effective in revitalizing neighborhoods traditionally underserved by financial service providers.

Research by the Joint Center for Housing Studies at Harvard, the Federal Reserve, the Treasury, and many others has now established that CRA has been instrumental in increasing access to financial services in low-income and minority communities. Mortgage and small business loans are more readily available and these loans have proven to be profitable.

In many communities branch banks are more accessible and financial literacy services are more available. My own research has established that CRA has also contributed to lower neighborhood crime rates and has helped racial minorities purchase homes in predominantly white neighborhoods, areas that have traditionally been closed to them.

(Copies of these papers are available upon request.) In many ways CRA has proven to be an asset to low-income and minority families and their communities.

Reducing requirements of the CRA just as lenders are learning to implement the law for their own benefit and that of the communities they serve would be a major step backwards. Virtually all interests would be served by withdrawing this proposal.

Sincerely,

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