



NATIONAL
ASSOCIATION FOR
LATINO
COMMUNITY
ASSET
BUILDERS

Public Statement from the People & Places Collaborative Regarding the recent Community Reinvestment Act (CRA) lawsuit April 18, 2024

NALCAB is greatly concerned by a recent lawsuit against newly established Community Reinvestment Act (CRA) regulations that are a critical step forward in shaping a financial marketplace that genuinely serves all stakeholders. As a partner in the People & Places Collaborative, we will continue to fight for a future where every individual and neighborhood has access to the resources and support they need to thrive.

We are issuing the following public statement:



As the People & Places Collaborative, and advocates of community development organizations, low- and moderate-income neighborhoods, and communities of color, we are deeply disappointed by the [recent lawsuit](#) initiated by the American Bankers Association, the US Chamber of Commerce, the Independent Community Bankers of America, and others, to overturn [newly established Community Reinvestment Act regulations](#). This legal challenge undermines the progress we have tirelessly worked towards in ensuring equitable investment in our communities.

The new regulations represent progress and a crucial modernization of how banks fulfill their obligations to invest in our communities. They were finalized after years of information-gathering, stakeholder engagement, research and analysis, and are a thoughtful compromise, addressing numerous challenging issues to create a more fair and effective framework for investment. This regulation is one of the most powerful tools federal bank regulators have to address systemic inequities in credit access for minority and low- and moderate-income (LMI) individuals and communities. It contributes to higher homeownership rates, increased mortgage lending, investments in entrepreneurship, and larger levels of private community development financing in communities that otherwise struggle to access capital.

We support the proposed new CRA rule as a step forward in shaping a financial marketplace that truly serves all stakeholders. The regulators' approach in crafting this rule reflects a

thoughtful consideration of legal authority and regulatory principles, instilling confidence in its effectiveness. However, this lawsuit poses a significant obstacle to the progress we seek.

Together, we can uphold the principles of fairness, inclusion, and opportunity for all members of our community. Let us continue working collaboratively towards a future where every individual and neighborhood has access to the resources and support they need to thrive.

About the People & Places Collaborative

*[National Association for Latino Community Asset Builders](#)
[Community Opportunity Alliance | formerly NACEDA](#)
[National Coalition for Asian Pacific American Community Development](#)*

Our collaborative efforts are organized around three pillars, which each play a vital role in advancing community development and fostering a more just and equitable society for all.

- Community Power
- Equitable Funding Distribution and Data
- Accountability

Together, we strive to combat structural racism and economic disparity through convenings and strategic policy advocacy. The collaborative is led by three national entities representing community development.