



Prince George's County Council

Agenda Item Summary

Meeting Date: 11/12/2019 **Effective Date:**
Reference No.: CR-097-2019 **Chapter Number:**
Draft No.: 1 **Public Hearing Date:**
Proposer(s): Turner
Sponsor(s): Turner, Streeter, Anderson-Walker, Franklin, Glaros, Dernoga, Ivey, Taveras and Hawkins
Item Title: A RESOLUTION CONCERNING THE COMMUNITY REINVESTMENT ACT for the purpose of expressing the County Council's support for the Community Reinvestment Act, which encourages lending and investment in low-and moderate-income communities.

Drafter: Colette Gresham, Legislative Officer
Resource Personnel: Tomeka C. Bumbry, Chief of Staff/Legislative Aide, District 4

LEGISLATIVE HISTORY:

Date:	Acting Body:	Action:	Sent To:
11/12/2019	County Council	introduced	
	Action Text: This Resolution was introduced		
11/12/2019	County Council	rules suspended	
	Action Text: A motion was made by Vice Chair Streeter, seconded by Council Member Glaros, that this Resolution be rules suspended. The motion carried by the following vote: Aye: 9 Turner, Anderson-Walker, Dernoga, Franklin, Glaros, Hawkins, Ivey, Streeter and Taveras Absent: 2 Davis and Harrison		
11/12/2019	County Council	adopted	
	Action Text: A motion was made by Vice Chair Streeter, seconded by Council Member Anderson-Walker, that this Resolution be adopted. The motion carried by the following vote: Aye: 9 Turner, Anderson-Walker, Dernoga, Franklin, Glaros, Hawkins, Ivey, Streeter and Taveras Absent: 2 Davis and Harrison		

AFFECTED CODE SECTIONS:

BACKGROUND INFORMATION/FISCAL IMPACT:

The Community Reinvestment Act ("CRA") was enacted in 1977, to end the practice of "redlining" by financial institutions, a technique used by financial institutions to cut off low-and moderate-income communities and any communities with large minority populations, from financial services. Residents of "redlined" communities could not access credit services, such as mortgages and business loans, regardless of their qualifications or creditworthiness. The CRA established a regulatory regime for monitoring the level of lending, investments, and services in communities traditionally underserved by lending institutions. Examiners from the federal Office of the Comptroller of the Currency ("OCC"), the Federal Deposit Insurance Corporation, and the Federal Reserve Board assess and "grade" the activities of lending institutions in these traditionally underserved communities. The OCC last year released an Advance Notice of Proposed Rulemaking ("ANPR") floating a number of ideas about how to modernize the CRA regulations and examination procedures. Many of the changes proposed by the OCC could undermine local lending and investing by the nation's banks under the CRA. The proposed legislation expresses the Council's support of those efforts aimed at modernizing the CRA, but nor relaxing or undermining the law's goal and intent and opposes regulators' efforts to water down the penalties under the CRA for discrimination.

Document(s): R2019097, CR-097-2019 AIS