

2023

ADVOCACY WEEK AGENDA

for the 118th Session of Congress

Investing in a Just Economy

About NCRC

NCRC and its grassroots member organizations create opportunities for people to build wealth and participate more fully in our nation's economy. We work with community leaders, policymakers and financial institutions to champion fairness in banking, housing, and business.

We represent Main Street—the hundreds of millions of men and women across the country who are striving to make better lives for themselves and their families. Our goal is to advance investment, capital and financial services to every person living in this country, remedying the disparities of ZIP code, race, ethnicity, gender, age or socio-economic status, and to advance financial stability, community economic development, and upward economic mobility.

Since its founding in 1990, NCRC has grown to a coalition of over 700 organizations committed to bringing responsible investment back to communities and helping individuals and communities build wealth, opportunity, and power. We work in communities in every state in America.

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Our coalition includes:

- Community Development Financial Institutions
- State and Local Governments
- Community Organizers
- Community Advocacy Groups
- Small Business Associations
- Academics
- Housing Counseling Organizations
- Civil Rights Groups
- Community Development Corporations
- Women- and Minority-Owned Business Development Groups
- Faith-Based Institutions

Investing in a Just Economy

Our 2023 Advocacy Week Agenda serves to prepare attendees of NCRC Advocacy Week to meet with their members of Congress during our Just Economy Conference. It is a call to action on four core issues, discussed in detail below: strengthen and expand the **Community Reinvestment Act**; protect the **Consumer Financial Protection Bureau**; strengthen **Section 1071 of Dodd-Frank (ECOA)** and provide **full and equitable funding** for community investments (including housing). NCRC's full Policy Agenda for the 118th Congress can be viewed [online at ncrc.org](https://ncrc.org).¹

For over 30 years, NCRC has worked to create a just economy. We believe capital of various forms must be engaged in building an equitable and fair economy. There is a legal obligation for banks and other financial institutions to invest in and lend in low-and moderate-income communities. There is also a moral obligation to address the racial wealth divide and the overall concentration of wealth in society.

Our nation continues to face ongoing social and political crises, including racial injustice and economic insecurity as well as environmental crises with public health and climate change. This moment is not the first time we have grappled with these issues, but their confluence during a time of pitched concern over what it means to participate in a just economy has sparked a critical push to invigorate oversight of corporate practices and to direct federal spending where it is most needed. Yet much remains to be done. This Congress should take action to strengthen the laws that will advance a just economy – and to invest adequate resources in our communities.

We believe the following principles should guide our policymakers:

Invest Equitably: Invigorate and institutionalize commitment to fair housing and fair lending, as well as to affirmative measures to promote economic inclusion and remedy the racial wealth divide.

Invest Local: Strengthen credit and capital access for community development in local communities, including those that have been underserved.

Invest Forward: Ensuring advances in technology and industry do not inhibit needed progress in financial stability, housing and homeownership, and that all communities share the benefits of innovation. Further, emerging investments in infrastructure and climate response must be harnessed to respond to the needs of those communities who are at the frontlines of environmental and climate harm and where an injection of those resources is most due.

Invest in Community: Strengthen investment in the infrastructures of housing, community economic development and small business.

We urge the 118th Congress to take action to create vibrant communities, make our financial markets fairer and more transparent, and recommit to an expansive view of economic opportunity. Our grassroots coalition of housing practitioners, housing counselors, community developers and consumer advocates stand ready to do the hard work necessary to move this agenda forward. We are committed to staying the course until this work is realized in every community across the country.

Sincerely,



Jesse Van Tol
Chief Executive Officer

¹ NCRC (2023, Jan 9). *2023 Policy Agenda for the 118th session of Congress*. NCRC. Retrieved January 9, 2023, from <https://ncrc.org/2023-policy-agenda-for-the-118th-congress/>

NCRC 2023 Advocacy Week Ask Summary:

We ask Congress to:

1. Reintroduce the American Housing and Economic Mobility Act (Senate & House)
2. Reintroduce the Making Communities Stronger through the Community Reinvestment Act (House)
3. Oppose the Taking Account of Bureaucrats' Spending (TABS) Act
4. Defend Section 1071 of Dodd-Frank
5. Increase funding for housing, community development, civil rights enforcement, and housing counseling
6. Schedule an in-district follow up meeting with attendees after Advocacy Week

NCRC 2023 Advocacy Week Asks:

American Housing and Economic Mobility Act

In 2019, Senator Elizabeth Warren (D-MA) and Rep. Cedric Richmond (D-LA) introduced the **American Housing and Economic Mobility Act**. Section 203 of the bill called for reforms that would strengthen the Community Reinvestment Act. **NCRC supports the reintroduction of this bill.** In addition to updating CRA as applied to banks, the bill would extend CRA to mortgage companies and required an evaluation of their retail lending, community development lending and investments and community development services.¹

The bill also includes significant investments in housing resources. This includes a \$445 billion investment over 10 years in the Housing Trust Fund, which would provide up to 2.17. million homes for low-income families; and several billion dollars for a variety of other housing supports. It would work to reduce the racial wealth divide by targeted investments in down payment assistance.

Making Communities Stronger through Community Reinvestment Act

NCRC supports the Making Communities Stronger through the Community Reinvestment Act, introduced by then-House Financial Services Committee Chairwoman Maxine Waters in September of 2022.² That bill would direct regulators to cut points from CRA scores when there is evidence of discriminatory conduct, including business practices that displace and otherwise harm LMI communities; provide for credit for small-dollar mortgages; require new biannual interagency studies of racial discrimination and disparities in access to credit to better enable the regulators to respond to ongoing inequities; and extend coverage to loans originated in partnership with non-depository institutions.

¹ American Housing and Economic Mobility Act of 2019, S 1368, 116th Cong. (2021). Retrieved from <https://www.congress.gov/bill/117th-congress/senate-bill/1368>.

² Making Communities Stronger through the Community Reinvestment Act, H.R.8833, 117th Cong. (2022). Retrieved from <https://www.congress.gov/bill/117th-congress/house-bill/8833?q=%7B%22search%22%3A%5B%22H.R.8833%22%5D%7D&s=2&r=1>

Oppose the TABS Act

NCRC opposes the reintroduction of the Taking Account of Bureaucrats' Spending (TABS) Act, introduced in the 117th Congress by Rep. Andy Barr (R-KY). If enacted, the TABS Act would strip the CFPB of its independence from the Congressional appropriations process. Congress understood that if the CFPB was vulnerable to the annual vicissitudes of budget negotiations, financial markets would be in chaos, and the interests of lobbyists would take precedence over the needs of consumers.³

Under Dodd-Frank, Congress stipulated that the CFPB would receive its funding directly from the Federal Reserve, which is itself funded outside of Congressional appropriation. However, the TABS Act ignores the fact that none of the prudential regulators rely on the appropriations process for their funding. The Office of the Comptroller of the Currency funds its work through assessments charged to its banks.⁴ Insured banks and thrifts pay premiums to cover the Federal Deposit Insurance Corporation's Deposit Insurance Fund.⁵

The CFPB has detractors because it has been a success. In the last ten years, the CFPB returned more than \$13 billion in relief for consumers and ordered more than \$1.8 billion in civil penalties on financial institutions during its first ten years.⁶ To continue on its impressive record, the CFPB's funding must remain independent of Congressional politics.

Defend Section 1071 of Dodd-Frank

Oppose bills that would weaken Section 1071 small business loan disclosures. NCRC would oppose bills that would reduce the number of lending institutions that would report 1071 data, or bills that would limit the collection of data relating to an applicant's race or ethnicity. NCRC would also oppose limiting access to the proposed Section 1071 public sector database, which would function similarly to the database for HMDA data and would not pose a privacy risk, despite claims by 1071 opponents.

Appropriations: Increase Funding for Housing, Community Development, Civil Rights Enforcement, and Housing Counseling

Provide high, much-needed levels of funding for community investments such as housing (affordable rental housing and expanded homeownership opportunities), equitable infrastructure (which offers important economic benefits, including fair participation in the green economy), and small business support, as well as counseling and civil rights enforcement resources.

Attached is NCRC's FY2024 budget chart which highlights specific programs that NCRC is tracking. Our appropriations asks are calculated by taking the highest proposed appropriation from congressional reports, past presidential budget requests, or developed in consultation with NCRC members/allies.

3 At Hearing, Warren Calls out Fifth Circuit's Dangerous Ruling Against the CFPB, Which Jeopardizes Major Financial Regulators and Stability of Financial System | U.S. Senator Elizabeth Warren of Massachusetts, (2022). <https://www.warren.senate.gov/newsroom/press-releases/at-hearing-warren-calls-out-fifth-circuits-dangerous-ruling-against-the-cfpb-which-jeopardizes-major-financial-regulators-and-stability-of-financial-system>

4 Office of the Comptroller of the Currency. (2019, January 24). OCC at a Glance. <https://www.occ.treas.gov/about/index-about.html>

5 Federal Deposit Insurance Corporation. (2020, May 15). What We Do. <https://www.fdic.gov/about/what-we-do/index.html>

6 Enforcement by the Numbers. (2022, July). <https://www.consumerfinance.gov/enforcement/enforcement-by-the-numbers/>

Budget Summary



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DISCRETIONARY PROGRAMS (Dollars in Thousands)	2024: NCRC Ask (a)	2024: President's Budget Request	2023 Enacted	2022: Enacted	2021: Enacted
Department of Housing and Urban Development (HUD) Programs					
Community Development Block Grants (CDBGs)	4,200,000	3,770,000	3,300,000	3,475,000	3,425,000
HOME Investment Partnership	1,950,000	1,800,000	1,500,000	1,500,000	1,350,000
Sec. 4 Capacity Building for Community Development and Affordable Housing	42,000	41,000	42,000	41,000	41,000
Veterans Affairs Supportive Housing (HUD-VASH) incremental rental voucher assistance	50,000	(b)	50,000	50,000	40,000
Project-Based Rental Assistance	15,504,000	15,504,000	13,537,580	13,540,000	13,065,000
Public Housing Fund	8,893,000	8,893,000	8,451,500	8,451,500	
Public Housing Capital Fund				Combined with Public Housing Operating Fund to become the Public Housing Fund	2,765,000
Public Housing Operating Fund				Combined with Public Housing Operating Fund to become the Public Housing Fund	4,839,000
Choice Neighborhood Initiative	350,000	185,000	350,000	350,000	200,000
Native American Housing Block Grant	820,000	820,000	787,000	772,000	647,000
Homeless Assistance Grants	3,749,000	3,749,000	3,633,000	3,213,000	3,000,000
Section 202 Housing For the Elderly	1,075,000,	1,023,000	1,075,000	1,033,000,	855,000
Section 811 Supportive Housing For Persons With Disabilities	360,000	356,000	360,000	352,000	227,000
Fair Housing and Equal Opportunity	153,000	90,000	86,355	85,000,	72,555
Office of Lead Hazard Control & Healthy Homes	415,000	410,000	410,000	415,000	360,000
Self-Help Assisted Homeownership Opportunity Program (SHOP)	13,500	10,000	13,500	12,500	10,000
Neighborhood Reinvestment Corporation	172,000	172,000	166,000	163,000	163,000
Housing Counseling Assistance	100,000	66,000	57,500	57,500	57,500
Housing Opportunities for Persons With AIDS (HOPWA)	505,000	505,000	499,000	450,000	430,000

(continued on reverse)

Budget Summary

(continued from reverse)

DISCRETIONARY PROGRAMS (Dollars in Thousands)	2024: NCRC Ask (a)	2024: President's Budget Request	2023 Enacted	2022: Enacted	2021: Enacted
Department of Treasury Programs					
Community Development Financial Institutions (CDFI) Fund	1,000,000	341,478	324,000	295,000	270,000
CDFI Bond Guarantee Program	500,000	500,000	500,000	500,000	500,000
Department of Agriculture (USDA) Programs					
Rural Housing Service Unsubsidized Guaranteed Loans	30,000,000	30,000,000	30,000,000	30,000,000	24,000,000
Section 502 Direct Loans	1,500,000	1,500,000	1,250,000	1,250,000	1,000,000
Section 515 Rental Housing	200,000	200,000	70,000	50,000	40,000
Section 538 Guaranteed Rental Housing	400,000	400,000	400,000	250,000	230,000
Section 542 Rural Housing Vouchers	48,000	38,000	48,000	45,000	40,000
Rural Microentrepreneur Assistance Program Grants	8,250	8,250	6,000	6,500	6,000
Rural Business Development Program	103,600	103,600	86,520	73,125	56,400
Intermediary Relending Program	18,999	18,890	18,889	18,889	18,999
Small Business Administration (SBA) Programs					
Microloan Program Technical Assistance	41,000	41,000	41,000	37,000	35,000
PRIME Technical Assistance	7,000	(d)	(c)	7,000	5,500
Women's Business Centers	24,400	(d)	(c)	24,400	23,000
Veterans Business Outreach	16,000	(d)	(c)	16,000	14,000
Department of Commerce Programs					
Minority Business Development Agency	110,000	110,000	70,000	55,000	48,000

Key:

- (a) "NCRC Ask" calculated by taking the highest proposed appropriation from congressional reports, past presidential budget requests, or developed in consultation with NCRC members/allies
- (b) HUD-VASH program has not been eliminated, but lumped into a Tenet-Based Rental Assistance renewal sub-account for an undisclosed amount."
- (c) Final amount will appear in agency's annual report
- (d) Indicates that there is no request for this program in the budget, but does not mean that the program was proposed to be eliminated.