Project Team: Three Blues

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ELEVATING FINANCIAL CAPABILITY FOR ALL
THE COMMUNITY REINVESTMENT ACT OF 1970

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What is the CRA?

- Federal Law.
- Encourage credit unions to meet credit needs.
- Federal agencies
  - Assessments.
“We believe the community reinvestment act (CRA) must help all low to moderate income households, communities, and small businesses develop mutually beneficial banking relationships”
History

- Prior to the CRA: other similar acts - a need for reform
- Gale Cincotta: activist
- Current CRA: new updates
Gale Cincotta

Addressing the National Conference on Initiatives for Affordable Housing

Photo by Paul L. Merideth
**Why does it exist?**

- **Before the CRA.**
  - The New Deal and HOLC
  - Redlining

- **After the CRA.**
  - Banks became incentivized
  - Directly faced redlining

Photo from National Geographic
What Real Impact Has the CRA Had Since It Was Created?

**EFFECT**
- Stopped Redlining
- Increased Loan amounts
  - Low, middle, and high

**FUTURE**
- New change coming
- Differences in regulator’s assessments.
Why should we Care?

- Increases the loan amount and wealth of many
- Helps regulate banks
- Ensures that no discrimination will be brought back
- Ensures that businesses receive the help they deserve
Thank You!
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