



NATIONAL LATINO FARMERS & RANCHERS

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To whom it may concern

National Latino Farmers and Ranchers comments on the Notice of Proposed Rulemaking (NPR) regarding the modernization of the Community Reinvestment Act (CRA)

The National Latino Farmers and Ranchers (NLFR) has existed for over 17 years representing Latino farmers, Ranchers and producers throughout the U.S. We have served as a trade association providing both advocacy and technical support. In some areas, we have been the only source of support to small and developing farmers and to the impoverished communities where many reside. During those years we've seen little to no CRA type investment in the areas where our members do business. Because of this need, the NLFR has transitioned from a trade association to a national organization with the administrative capacity to serve our members with boots on the ground. Moreover, we are now engaged in developing a loan fund, and the necessary technical resources to assist our members in the various facets of agriculture, from cultivation to distribution to development of innovative food systems in their communities investments.

Although banks have made major CRA investments in many communities throughout the U.S., they've made only limited investment in disadvantaged communities of color. As a result, our members have frequently complained that there's been few opportunities for credit during crucial periods in the cultivation and production. This has created instability and volatility in food production and deficiency in providing for local food systems. Traditionally, they've lacked meaningful technical support, advocacy, fair crop prices, or support and continuity in bringing their crop/food products to market. This has created a significant void



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in disadvantaged communities of color as evidenced by the fact that thirty-eight million people struggle with hunger despite the record 122 billion in food aid spending.

It stands to reason that CRA investments and credit opportunities are crucial if we are serious about creating a more equitable and healthier living for low-income communities. We believe it's critical, now more than ever, for our country's banks to create CRA development opportunities for low income and disadvantaged rural communities and to form meaningful partnerships with farmers and ranchers to generate the food systems of the future.

The NLFR has evolved into a national organization with the capacity to eventually offer our members the complete spectrum of support, advocacy, and technical assistance to develop the regenerative, sustainable and diversified farming systems that potentially can help them develop sustainable businesses and to take the lead in improving local food systems. Through the development of diversified and resilient food products nutritious food can be made available locally through organic farms, farmers markets, cooperatives. In addition, innovative techniques such as mobile markets that deliver food to isolated schools and food deserts are also viable when we enter into effective partnerships. Inclusive and diversified CRA investments and credit opportunities are vital to meeting our goals. Investments must be made in rural disadvantaged Latino communities and in the small farmers and ranchers that support these communities.

We believe that examiners should determine whether banks are making a significant effort to invest in disadvantaged racial and ethnic communities and in the small farmers and ranchers that serve these communities. Where banks fail to provide investments or credit opportunities, this should be specifically noted in the examination report. When significant disadvantaged communities are ignored, this should also be addressed in the examination and the bank is required to respond with proposed actions to correct the deficiency.



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Examiners should also assess the affordability and efficacy of lending to determine whether sustainable and if abusive practices exist. The goal of such investments should be to have a significant social impact in low income communities.

To determine the extent of social impact of loan programs in disadvantaged communities, agencies should include race and ethnic data in performance context. Currently, NPR maintains an emphasis on serving MPI communities but there's failure to incorporate race and ethnic data in the demographic data in the examination process. It's time to report all meaningful data in examinations so the public can hold banks accountable when they are not meeting the needs of the entire community. We also believe that provisions should be made to collect lending data on the smaller rural communities and on activity involving Latino farmers and ranchers.

Finally, we believe that the NPR is a good start and appears to make meaningful improvements to the law but it still must be more inclusive in addressing the needs of disadvantaged communities, including those of Latino farmers, ranchers and producers. We commend the coordinated interagency approach to CRA modernization and trust that we can work toward making the law more inclusive including eventually investing in the development of innovation in our food systems of today and of the future.

Thank you for this opportunity to provide info on behalf of our members. We look forward to working with your agency in the future and to building meaningful partnerships. If you have any questions, please feel free to contact me at (301) 366-8200 or in the following emails: rudy@nlfrta.org info@nlfrta.org or latinofarmers@live.com.

Sincerely,

CEO-Executive Director

National Latino Farmers & Ranchers