April 24, 2014

The Honorable Timothy Johnson
Chairman
U.S. Senate Committee on Banking, Housing and Urban Affairs
Washington, DC 20510

The Honorable Michael Crapo
Ranking Member
U.S. Senate Committee on Banking, Housing and Urban Affairs
Washington, DC 20510

Re: Including a Strong Access Mechanism in Housing Finance Reform

Dear Chairman Johnson and Ranking Member Crapo:

Housing finance reform must ensure access to mortgage credit for all creditworthy borrowers and affordable rental housing for renters of all incomes. While the proposal you have set forth takes important steps toward achieving that goal, the undersigned organizations have very serious concerns that the legislation in its current form would harm the ability of working families to access credit.

We are encouraged that the Johnson-Crapo proposal includes an incentive mechanism to reward institutions that provide access to conventional mortgage credit in underserved communities, but we are concerned that the proposal falls short in a number of crucial ways. In order for the proposal to create a housing finance system that ensures broad access, the following concerns with the Johnson-Crapo bill must be addressed:

- **Identify Communities of Color as a Traditionally Underserved Market Segment.** Johnson-Crapo fails to identify communities of color as a traditionally underserved market segment despite the long-standing history of difficulty that minority neighborhoods have experienced in obtaining access to conventional mortgage credit.

- **Remove the Unnecessary and Harmful Down Payment Requirements.** Down payment requirements have consistently been proven to restrict the ability of communities of color, millennials, and low- and moderate-income borrowers to access mortgage credit, and should be removed from this legislation.
· **Require All Market Participants to Provide Fair Credit Access.** Johnson-Crapo does not contain any language explicitly requiring institutions that benefit from the government guarantee or securitization platform to provide fair access for all creditworthy borrowers.

· **Eliminate the Ability to “Opt Out” of Serving Communities.** Secondary market entities can choose to opt out of the incentive-based affordable housing access mechanism, undermining its ability to drive competition between actors in the market to meet unmet housing needs.

· **Ensure Existing Anti-Discrimination Laws are Not Harmed.** When it comes to serving traditionally underserved communities, Johnson-Crapo prohibits the regulator from interfering with an institution’s business decisions on a loan level. This is problematic not only because it may deprive the regulator of the ability to enforce existing anti-discrimination laws with the entities it is required to regulate, but also because it may weaken the ability of discrimination victims to protect themselves.

· **Maintain and Protect Support for Affordable Housing.** The regulator is allowed to temporarily suspend contributions to the National Housing Trust Fund, the Capital Magnet Fund, and the Market Access Fund in times of market instability. These funds are meant to serve communities in need, and suspending contributions during times of crisis will further hurt populations that are already most vulnerable.

As Congress evaluates proposals for reforming or replacing GSEs, we ask that you press for the creation of a secondary-market system that will increase access to affordable homeownership and rental housing opportunities for all Americans. Any reforms to the secondary market must include a strong, enforceable access mechanism that guarantees that creditworthy first-time homebuyers, low- and moderate-income families, and communities of color will have the opportunity to build wealth over generations by securing safe, affordable mortgage credit.

The undersigned organizations urge you to support changes to the current proposals that address the above concerns and create a strong, mandatory access mechanism. American families need your leadership to ensure that reforms to the housing finance system support the ability of all hardworking, creditworthy borrowers and renters to access affordable housing.

Sincerely,

John Taylor
National Community Reinvestment Coalition

www.ncrc.org
Advocates for Basic Legal Equality
Affordable Homes of South Texas, Inc.
Affordable Housing Services
African Immigrant Services
Agora Community Services Corporation NFP
AIDS Foundation of Chicago's AIDS Housing Advisory Council
Alabama A&M University Community Development Corporation
American Consumer Credit Counseling
American Debt Resources, Inc
Anacostia Economic Development Corporation
Association for Neighborhood & Housing Development, Inc.
Atlanta Neighborhood Development Partnership, Inc
Baltimore Neighborhoods, Inc.
BAME Renaissance Community Development Corporation
Baraga-Houghton-Keweenaw Community Action Agency
Beaulac Associates LLC
BEE Coalition
Birmingham Business Development Initiative
Birmingham Business Resource Center
Breaking Chains
Brick Capital Community Development Corporation
Bridge Communities
Bridgeport Neighborhood Trust
Brio Management
Brooklyn-wide Interagency Council on Aging, Education Fund, Inc.
Buffalo Urban League
Building Alabama Reinvestment
California Capital Financial Development Corporation
California Coalition for Rural Housing
California Community Economic Development Association
California Reinvestment Coalition
California Resources and Training
Calvert Foundation
Calvert Investments
Carnegie Community Development Corporation
CASA of Oregon
Catalyst Miami
CEI Maine
Center for Changing Lives
Center for Fair Housing
Center for NYC Neighborhoods
Center for Sustainable Neighborhoods
Centre for Homeownership and Economic Development Corporation
Centro Hispano of Milwaukee
Chicago Alliance to End Homelessness
Chicago Area Fair Housing Alliance
Chicago Community Loan Fund
Chicanos Por La Causa
Chosen Journeys
Citizens’ Housing and Planning Association
City Heights Community Development Corporation
Civic Center Barrio Housing Corp.
Clarifi
Coalition for Equitable Community Development
Common Wealth Development, Inc.
Community Action Agency of St. Louis County
Community Action Committee of the Lehigh Valley, Inc.
Community Action Duluth
Community and Economic Development Association of Cook County
Community Development Corporation Resource Consortium
Community Development Council of Greater Memphis Tennessee
Community First Milwaukee
Community Housing Council of Fresno
Community Housing Fund
Community Housing Innovations, Inc
Community Improvement Program
Community Legal Services of East Palo Alto
Community Service Programs of West Alabama, Inc.
Consumer Action
Consumer Education Services, Inc.
Consumers Council of Missouri
Cornerstone Services Inc.
Covenant Faith Outreach Ministries/Covenant Community Development Corporation
Dean Lovelace, Dayton City Commissioner
Debt Counseling Corporation

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Delaware Community Reinvestment Action Council, Inc.
Detroit Community Initiative
Dickerson Management
Dominion Financial Management, Inc.
Durham Regional Financial Center
East Bay Housing Organizations
East Los Angeles Community Corporation
Elder Law of Michigan
Emerging ChangeMakers Network
Empowering and Strengthening Ohio's People
Escambia County Housing Finance Authority
ESR Advisors
Fair Finance Watch
Fair Housing Center of Metropolitan Detroit
Fair Housing Council of Northern New Jersey
Fair Housing Council of San Diego
Fair Housing Napa Valley
Fair Housing of Marin
Fair Share Housing Center
Faith Action for Community Equity Hawaii
Family Management Credit Counselors, Inc./Iowa Mortgage Help
First Community Christian Pentecostal Church of God Inc.
Ford Heights Community Service Organization
Foundational Capital
Frameworks Community Development Corporation

www.ncrc.org
G and H Environmental Consulting
Gamaliel Foundation
Gem City-Hilltop Community Development and Housing, Inc.
Genesis Housing Development Corporation
Georgia State Trade Association of Nonprofit Developers
Global Network Community Development Corporation
GO- Northwest Housing Resource Center
Good Neighbor Foundation
Governance & Accountability Institute
Grace at Jerusalem Community Development Corporation
Greater Beverly Chamber of Commerce
Greater Rochester Housing Partnership
Habitat for Humanity Golden Empire
Habitat for Humanity Philadelphia
Haitian American Community Development Corporation
Hamilton County Community Reinvestment Group
Harlingen Community Development Organization
Hartford Community Loan Fund
Havenwoods Economic Development Corporation
Hazel Joyce Wiley Career & Financial Literacy Institute, Inc.
Heights Community Congress
Helping Hands Community Outreach
Henderson and Company
High Plains Community Development Corporation
Hill Community Development Corporation
Hilltown Community Development Corporation
Hmong American Partnership
Home City Housing, Inc.
Home Preservation and Prevention, HPP Cares
Home Repair Resource Center
Homes on the Hill Community Development Corporation
Homestead Consulting Services
HOPE of Evansville
Housing & Community Development Network of New Jersey
Housing Action Illinois
Housing Alliance of Pennsylvania
Housing and Economic Rights Advocates
Housing Corporation of Arlington
Housing Education and Economic Development
Housing Opportunities for Excellence
Housing Services of Central Florida
Housing, Options & Planning Enterprises Inc.
Hyde Park Transitional Housing Project
Illinois Iowa Center for Independent Living
Indiana Association for Community Economic Development
InGenius
Inland Fair Housing and Mediation Board
Inner City Christian Federation
Ironbound Community Corporation
ISAIAH
Jamaica Plain Neighborhood Development Corporation
JC Visions and Associates
Jewish Community Action
Kenneth Young Center
Korean Churches for Community Development
La Casa de Don Pedro
Latino Action Network
Law Foundation of Silicon Valley
Lawrence CommunityWorks, Inc.
Legal Aid Society of Milwaukee
Little Zion Baptist Church
Long Island Housing Services
Louisiana Community Reinvestment Coalition
Maine Center, Inc.
Manna, Inc.
Maryland Consumer Rights Coalition
Massachusetts Affordable Housing Alliance
Massachusetts Association of Community Development Corporations
Metro St. Louis Coalition for Inclusion & Equity
Metropolitan Milwaukee Fair Housing Council
Metropolitan St. Louis Equal Housing Opportunity Council
Metropolitan Tenants Organization
Miami Coalition for the Homeless
Miami Valley Fair Housing Center
Michigan Community Reinvestment Coalition
Milwaukee Realtist Association
Mississippi Valley Neighborhood Housing Services
Mobile Home Owners Association of Illinois
MoKan Construction Contractors Assistance Center
Movin’ Out, Inc.
Mt. Zion Developments Corporation
Mutual Housing California
National Alliance of Community Economic Development Associations
National Housing Counseling Agency
National Housing Law Project
National Trust Community Investment Corporation
Nazareth Housing
Neighborhood Housing Services of Greater Cleveland
Neighborhood Housing Services of South Florida
Neighborhood Housing Services of the Inland Empire
Neighborhood Recovery Community Development Corporation
Neighborhood Service Organization
Nevada Fair Housing Center, Inc.
New Economy Project
New Frontier Community Development Corporation
New Hampshire Community Loan Fund
New Jersey Citizen Action
New Jersey Community Capital
New Jersey State Industrial Union Council
New Orleans Neighborhood Development Foundation
New York Mortgage Coalition
New York State Rural Housing Coalition
New York StateWide Senior Action Council
North County Churches Uniting for Racial Harmony and Justice
North Shore Community Development Corporation
North/Northwest Suburban Task Force on Supportive Housing for Individuals with Mental Illness
Northbay Family Homes
Northern New England Housing Investment Fund
Northern Ohio Affordable Housing
Northwest Counseling Service, Inc.
Northwest Indian Opportunities Industrialization Center
Northwest Indiana Reinvestment Alliance
Northwest Side Housing Center
Northwestern Housing Enterprises, Incorporated
Norwalk Fair Housing Office
NW HomeStart, Inc.
Oak Park Regional Housing Center
Ohio Community Development Corporation Association
Open Communities
Oregon Opportunity Network
Our Casas Resident Council, Inc
Pacific Asian Consortium in Employment, Business Development Center
Partners in Charity
Partners in Community Building
PathStone Corporation
Peoples' Self-Help Housing

Philadelphia Association of Community Development Corporations

Philadelphia Council for Community Advancement

Pittsburgh Community Reinvestment Group

Plymouth Redevelopment Authority

Project IRENE

Project LIFT

Prosperity Unlimited Inc.

Public Counsel Law Center

Public Justice Center

R.A.A - Ready, Aim, Advocate

Regional Housing Legal Services

Reinvestment Partners North Carolina

Remax Cityview

Renaissance Entrepreneurship Center

Renewed, Inc.

Respond Now

REVA Development Corporation

Revival Center

River Cities Development Services

River City Community Development Corporation

Roberts Law Firm

Robeson County DC

Rural Community Assistance Corporation

Rural Housing, Inc.
Sacramento Housing Alliance
Schoolcraft County Economic Development Corporation
Scott County Housing Council
Select Milwaukee
Self Help Enterprises
South Philadelphia H.O.M.E.S
Southeast Arizona Governments Organization
Southern Regional Community Reinvestment Corporation
Southwest Community Development Corporation
Southwest Fair Housing Corporation
Southwest Michigan Community Action Agency
Southwest Neighborhood Housing Services
Spanish Coalition for Housing
Springfield Center for Independent Living
St. Louis Equal Housing and Community Reinvestment Alliance
St. Petersburg Neighborhood Housing Services, Inc. dba Neighborhood Home Solutions
Tennessee Human Rights Commission
Texas Small Farmers and Ranchers Community Based Organization
Thai Community Development Center
The Arc of Hilo
The Center for Working Families, Inc.
The Fair Housing Center of Greater Boston
The Fair Housing Center of Northern Alabama
The Midas Collaborative
The National Consumer Reporting Association
The PERICO Institute for Development and Entrepreneurship
The Pride Through Empowerment Foundation, Inc.
The Victoria Foundation
Toledo Fair Housing Center
Totally Free
Training Grounds Inc.
Union of Pan Asian Communities
United Housing Connections
United Neighborhood Centers of Northeastern Pennsylvania
United Neighbors, Inc.
United South Broadway Corporation
Unity Council
Urban Housing Alliance
Urban League of Greater Miami
Vermont Slauson Economic Development Corporation
Washington East Development Alliance
Watts/Century Latino Organization
We Help Community Development Corporation
Western Egyptian Economic Opportunity Council
Western New York Law Center
Will Grundy Center for Independent Living
Wilson Community Improvement Association
Windmon Windy City Family & Community Resource Center
Wisconsin Council on Children and Families
Wisconsin Partnership for Housing Development

www.ncrc.org
Woodstock Institute

Working In Neighborhoods

Yolo Mutual Housing Association

YWCA of Madison