



December 14, 2022

Via Electronic Submission

The Honorable Janet Yellen
Secretary
United States Department of the Treasury
1500 Pennsylvania Avenue
Washington, DC 20220

RE: Finalization of Emergency Capital Investment Program (ECIP) Draft QSR

Dear Secretary Yellen:

On behalf of the members of the Community Development Bankers Association (CDBA), Inclusiv, and the National Bankers Association (NBA), we write to commend the U.S. Treasury Department (Treasury) on its ongoing efforts to finalize instructions for the Quarterly Supplemental Report (QSR) for ECIP participants. We also write to urge the agency to afford our members sufficient time to set up their systems to respond to the reporting quarterly reporting requirement.

CDBA is the national trade association for banks and thrifts that are US Treasury-designated Community Development Financial Institutions (CDFIs). Inclusiv is the national association for CDFI and low-income credit unions. NBA is the leading trade association for the country's Minority Depository Institutions (MDIs). Collectively, our members represent the large majority of institutions that have been recipients of ECIP capital investments.

The QSR represents the most comprehensive data collection initiative that any of our member organizations has previously undertaken. While our members build the internal mechanisms to collect quarterly transaction level data, in many cases it requires a fundamental rethinking of their approach to data collection. This involves modifying internal systems, processes, technology, and training staff. In particular, as there are no "off-the-shelf" software packages or technology solutions that meet the ECIP reporting requirements, our members must build new internal systems; some are exploring development of group solutions that will improve the quality of reporting, but require additional near-term work to coordinate and plan.

We ask that you allow an initial report deadline of at least 120 days from the publication of the QSR instructions, but no sooner than the end of the second quarter of 2023, whichever is later. We do not believe it is realistic to expect ECIP participants to be ready to implement such systems immediately when the QSR is finalized. For example, collecting customer demographic data is a highly sensitive matter particularly in low-income and minority communities. Any such system must be implemented with care.

Given the importance of data collection for this program, we prefer that Treasury focus on getting the QSR right, rather than on speed of execution. Our members consider ECIP a long-term partnership between the CDFI banking, credit union and MDI sectors and Treasury to promote the economic vitality of distressed communities and underserved customers. The effectiveness of the policy decisions over the 10+ years of ECIP will have a profound impact on program participants, the people and communities they serve, Congress, and the American

people. To that end, we strongly recommend Treasury convene a focus group with stakeholders before finalizing the Quarterly Supplemental Reports. While we appreciate the initial town halls, this should be discussed with the main industry groups on this letter and a diverse, representative group of stakeholder ECIP institutions.

Further, according to the current program guidelines, all ECIP institutions will have to do back reporting on lending activities going back to closing, before the finalization of the QSR. Transparency, accountability, and impact are foundational to our movement. However, it is inequitable to expect reporting on metrics that have not been communicated. We strongly recommend further discussion and development of a reasonable framework to address the transition period between the closing dates and the formalization of the QSR.

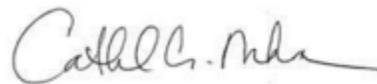
We appreciate the hard work and thoughtful consideration of Treasury in launching ECIP. We look forward to working with you to resolve outstanding issues with careful consideration.

If you have any questions, please contact Jeannine Jacokes, CDBA Chief Executive Officer, at (202) 689-8935 ext. 222 or jacokesj@pcqloanfund.org, Cathie Mahon, President & CEO, Inclusiv, at cmahon@inclusiv.org or (212) 809-3274, and Nicole Elam, NBA President & CEO, at (202) 590-6880 or nelam@nationalbankers.org.

Sincerely,



Jeannine Jacokes
Chief Executive Officer
Community Development Bankers Association



Cathleen A Mahon
President & CEO
Inclusiv



Nicole Elam
President & CEO
National Bankers Association