Grass Roots

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VICTORY! CRA Coalition Wins CRA Commitment Pledge Changes from Treasurer Giannoulias

After 15 months, the Community Reinvestment Organizing Project, a community reinvestment and community organizing campaign of the Monroe Foundation, representing 50 community, faith and institutional partners, won the support and commitment of Illinois Treasurer Alexi Giannoulias to implement revised CRA commitment standards for financial institutions' that seek state deposits and public investment funds.

This win was "signed-off" on by Treasurer Giannoulias at a Southside CRA Public Policy Forum, held on November 18th at Marquette Bank, a state depository that recently received an "Outstanding" CRA regulatory rating.

In announcing the new commitment language to the Treasurer's "Proposing Institutions Commitment to Community Reinvestment", Treasurer Giannoulias stated, "Although my office can't force banks to work with community groups seeking community benefits through community reinvestment commitments, we can monitor what state depositories are doing or not doing when they respond or don't respond to community requests to become involved in community development project's".

The Treasurer's "Proposing Institutions Commitment to Community Reinvestment", requires financial institution's proposing to serve as state depositories, previously only asked institutions to commit to "a standard" of community reinvestment in one paragraph. The "revised" form, adds commitments that were drafted by the CRA Coalition, that further defines what community partners envision as "Commitment(s) to Community Reinvestment.

Those commitments include:

- Depository name) will make best faith efforts that it will not deny access to banking and savings products and services to customers within the community served by this Depository on the basis of such customers' or potential customers' low to moderate income status or because such customers or potential customers are from a low income, moderate income or rural community, within the limits of its legal restrictions and prudent financial practices.

Next steps for the Community Reinvestment Organizing Project leaders is to monitor and evaluate the impact of the new commitment form on banks and how community groups leverage those commitments for community benefits, and begin to develop a similar CRA Commitment form for depositories through the City Treasurer and Cook County Treasurer's Offices.

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