



August 31, 2020

Via Electronic Mail

Commissioner Ramamurti
Congressional Oversight Commission

Re: **Follow-up Question from Hearing on August 7, 2020 Examination of the Main Street Lending Program Established by the Federal Reserve Pursuant to the CARES Act**

Dear Commissioner Ramamurti:

The Bank Policy Institute appreciated the opportunity to be a witness before the Commission on August 7, 2020 and we thank you for your follow-up question and continued engagement regarding the Main Street Lending Program (MSLP). With regard to your specific question, please find our response below.

I. **Do lenders collect demographic data on borrowers in the absence of federal program mandate to collect and report such data? If not, will BPI commit to working with its members to collect such demographic data for MSLP loans?**

BPI is not specifically aware of BPI member banks collecting demographic data on MSLP applicants or MSLP borrowers who ultimately receive funds under the Program.

Given BPI member banks represent less than 10% of registered lenders it may be more appropriate for such data to be systematically collected by the Federal Reserve Bank of Boston to get a more accurate picture of loan distribution across demographics. BPI member banks would of course be willing to work with the Federal Reserve Bank of Boston to determine how best to capture such data through the portal process.


Alongside working with the Federal Reserve Board, the Federal Reserve Bank of Boston and the Treasury to ensure the MSLP is reaching LMI communities and minority-owned businesses, BPI banks are very committed to serving such communities and businesses. For example, about four-in-ten PPP loans originated by large banks went to businesses in low- to moderate-income or predominantly minority

areas, according to a recent BPI survey of its largest member banks.¹ Additionally, BPI members are partnering with Community Development Financial Institutions and Minority Depository Institutions to better support financial inclusion and minority entrepreneurship and success. As a result, BPI is supportive of efforts in Congress to expand investments in CDFIs and MDIs, including legislation that would provide long term equity to these institutions to deliver further support to underserved borrowers and borrowers in minority communities.

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Bank Policy Institute appreciates the opportunity to engage with the Commission. If you have any questions, please contact the undersigned by phone at 202-737-3536 or by email at Lauren.Anderson@bpi.com.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lauren Anderson', written over a horizontal line.

Lauren Anderson
Senior Vice President and Associate General Counsel
Bank Policy Institute

¹ See “Large Banks Are Serving the Credit Needs of Small Businesses in Low- and Moderate-Income and Minority Communities Through the Paycheck Protection Program,” (June 22, 2020); available at <https://bpi.com/press-releases/large-banks-are-serving-the-credit-needs-of-small-businesses-in-low-and-moderate-income-and-minority-communities-through-the-paycheck-protection-program/>