

Legislation Text

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Authorizing the Council of the City of Philadelphia to hire and retain the National Community Reinvestment Coalition to conduct research and to produce a study on lending disparities by city depositories.

WHEREAS, United States Department of the Treasury reports have found that, on average, communities that were between 50 and 80 percent minority received less than ten percent of all small business loans nationally; and

WHEREAS, The national trend is closely mirrored in the Philadelphia region, where the Greater Philadelphia Capital Access Report revealed that less than 10 percent of small business lending is done in communities that are more than twenty percent black; and

WHEREAS, The original intent of the Equal Credit Opportunity Act was to prevent lenders from collecting race and gender data from applicants seeking business loans in order to protect the civil rights of said applicants; and

WHEREAS, The de facto effect of the Equal Credit Opportunity Act has been to mask lending patterns to minorities and women seeking business loans; and

WHEREAS, The Home Mortgage Disclosure Act was amended in the early 1990s to allow home mortgage applicants to voluntarily supply race and gender information, which has enabled the Federal Financial Institutions Examination Council to create aggregate and disclosure reports that track home mortgage lending patterns by race and gender; now therefore

RESOLVED, THAT THE COUNCIL OF THE CITY OF PHILADELPHIA, Is hereby authorized to hire and retain the National Community Reinvestment Coalition to conduct research and to produce a study on lending disparities by city depositories.