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**Comments of Peter Skillern, Executive Director, Reinvestment Partners**  
**Federal Reserve Hearing on BB&T and SunTrust Merger**  
**Charlotte, North Carolina**  
**April 25, 2019**

I am Peter Skillern, Executive Director of Reinvestment Partners, a nonprofit advocacy and community development agency fostering healthy and just communities by empowering people, improving places and influencing policy. We work at the local, state and national levels.

The agency has been engaged in community reinvestment advocacy since 1988. BB&T entered into a community benefits agreement in 1994 as part of its merger with Southern National Bank. It was on a path to grow from a community bank to a regional powerhouse. The bank quickly outgrew its 1994 agreement goals totaling \$300 million dollars. But the pattern of setting goals for lending to low- and moderate-income and minority households and offering mortgage products like CHIP and FHA continued. BB&T expanded its community development activities in philanthropy, lending and investments. Over time, BB&T leadership has been responsive to our concerns regarding fair lending compliance and overdraft protection, making changes to its policies and practices. It has proactively reached out to discuss bank branch closures and new merger acquisitions. The bank has been innovative in supporting new approaches such as supporting our agency's healthy food prescription programs in rural areas. In short, we agree with its Outstanding Rating for Community Reinvestment by the FDIC. Likewise, we appreciate SunTrust's investments in Low Income and New Market Tax Credits, its support of financial literacy and the activities of its foundation.

It is hard to overstate the impact of this bank merger. The new bank will become the sixth largest bank in the country, but its footprint is primarily in the southeast. The merger concentrates power, with more than 442 billion dollars in assets. With power comes responsibility. The concentration of capital in one corporation is important to market dynamics in the provision of credit, services and competition. The bank can have a negative impact or a positive impact on families, neighborhoods and society as never-before. We are here to urge the combined bank to create a beneficial impact that matches the new institution's capital and capacity by affirmatively meeting the financial needs of its customers and communities.

Founded in 1872, BB&T started as a merchant bank serving the farm communities around Wilson, North Carolina. Given the bank's history, it will continue to have a significant footprint in rural areas. BB&T has 138 branches in 56 of our 80 rural counties, more than any other retail bank. And that matters to those communities. We anticipate divestment or branch consolidation in urban areas. We urge the banks to consider the impact on LMI and communities of color when doing so. But there is little overlap between SunTrust and BB&T in rural areas and branch duplication should not be a catalyst for closures in rural areas.

In North Carolina and across the southeast, rural areas face a challenging economic landscape. Many different problems intersect to create an environment where good jobs are scarce, businesses strain to grow, and too many households cannot make ends meet. These areas consistently report higher rates of poverty, lower rates of educational attainment, and persistent population declines. Much of rural America never recovered from the Great Recession. We recommend that the new bank create a multi-disciplinary team to focus on the credit and investment needs of its rural footprint.

We applaud the leadership of both SunTrust and BB&T for engaging in the listening process of six regional meetings organized through the National Community Reinvestment Coalition. I participated in the Winston-Salem and Atlanta meetings.

Community leaders ask that the bank recognize the continued impact that slavery, segregation and ongoing discrimination have had in creating an unequal playing field for African Americans in our society. We ask that a racial equity lens be used in creating fair, non-discriminatory treatment and that the new bank undertake an affirmative initiative to diversify its hiring, its philanthropy to minority led agencies and HBCUs, and its efforts to create economic opportunity.

During those meetings, we requested support for the community development field, including low-cost capital investments into community development financial institutions, partnerships with community development corporations and small business technical assistance providers, and grant support for housing counseling agencies. In response to climate change and the increasing number of disruptive storms in its franchise footprint, we also ask that the bank become a leader to assist recovery efforts.

For accountability and transparency, we ask for measurable goals for lending by income, geography and race. To meet the goals, we request mortgage products like CHIP and FHA and rehab loans. We request the bank take a leadership role in disclosure data for its small business lending.

Most importantly, we ask that the leadership merge the best of both banks in terms of their talented staff, products, investments and relationships. We hope the new bank will embody a culture and infrastructure of policies and procedures to serve the common interests of the bank, its clients and their common communities.

Thank you.