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September 12, 2003

Public Information Room
Office of the Comptroller of the Currency
250 E Street, S.W.
Mailstop 1-5
Washington, D.C. 20219

Ms. Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551
Docket No. R-1151

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments, Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, N.W.
Washington, D.C. 20552

Attention: Docket No. _____, regarding the Economic Growth and
Regulatory Paperwork Reduction Act of 1996

To Whom It May Concern:

The National Community Reinvestment Coalition ("NCRC"), the nation's Community Reinvestment Act trade association of more than 600 community organizations and local public agencies, is sending this comment in response to the Notice of Regulatory Review as required by the Economic Growth and Regulatory Paperwork Reduction Act of 1996. In response to the first series, that includes "Applications and Reporting," "Powers and Activities," and "International Operations," NCRC respectfully requests that the federal banking agencies retain their regulations concerning the Community Reinvestment Act's merger application process. Also, NCRC requests that the Office of the Comptroller of the Currency ("OCC") retain its regulations concerning debt cancellation contracts and debt suspension agreements.

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The Community Reinvestment Act ("CRA") states "regulated financial institutions have continuing and affirmative obligations to help meet the needs of the local communities in which they are chartered." Community organizations and the general public have a vital role to play in the bank merger application process. Federal agencies recognize that citizens, as consumers of banking services, have insights on bank merger applications that cannot occur to regulatory staff who are not directly affected by a bank's application to merge or change its services. Only if federal agencies have well-informed comments from all affected parties – consumers, local governments, and local businesses as well as banks – will federal agencies have the complete information necessary to weigh all of the ramifications of the merger applications.

To that end, NCRC requests that the federal banking agencies retain and consider the bank merger application process as a necessary regulatory requirement. For example, the OCC's Rules, Policies and Procedures for Corporate Activities (Part 5) generally provides a 30-day comment period. Community groups must be keenly aware of this short time period for bank applications. This short period does not allow a great deal of time for community groups to understand and comment on the merger application. Any diminution of procedures and time in the public notice and comments process would be detrimental to consumers. Any shortening of the process would also be inconsistent with the agencies' statutory responsibilities to fully consider CRA and fair lending aspects of bank applications.

In September 2002, the OCC issued its ruling on debt cancellation contracts ("DCC") and debt suspension agreements ("DSA"). The rule restricted bank practices in these areas. It required banks to provide disclosures and other safeguards for customers interested in these products. The rule also prohibited national banks from offering single premium DCCs and DSAs in connection with mortgage loans. At the time of the final rule, the OCC received two comments stating that the rule was unduly burdensome. NCRC urges the OCC not to change these rules and weaken consumer protections during its review of regulations and statutes.

Finally, NCRC urges the Federal Deposit Insurance Corporation ("FDIC") not to diminish data reporting requirements associated with call reports. Call reports provide critical information to the regulatory agencies and the general public regarding the safety and soundness of financial institutions. If anything, the amount of call report data should be increased and include more information about subprime lending activities (as NCRC and our members commented previously when the agencies were considering adding information about subprime lending to the call report data).

NCRC urges the federal banking agencies to consider the benefits of the public comment period for bank mergers, the DCC and DSA requirements, and the FDIC data reporting requirements. NCRC appreciates this opportunity to comment and requests that the federal banking agencies notify us of any changes that may occur due to this inquiry. These procedures are vital to consumers as protective and necessary measures.

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Please contact me or Kelly Brinkley, NCRC's Legislative and Regulatory Affairs Director, on 202-628-8866 with any questions regarding our comment.

Sincerely,

A handwritten signature in black ink, appearing to read "John Taylor". The signature is fluid and cursive, with the first name "John" and last name "Taylor" clearly distinguishable.

John Taylor
President & CEO

