

From: Walter Birdwell [wbirdwell@citizensbankcarthagetn.com]  
Sent: Monday, April 19, 2004 5:31 PM  
To: Comments OTS  
Subject: EGRPRA Review of Consumer Protection Lending Related Rules

Walter Birdwell  
407 Main St.  
Carthage, TN 37030

April 19, 2004

Dear OTS:

Gentlemen:

As a community banker for fifty years, I know first hand the problems of meeting the ever increasing regulatory burdens placed on banks today. Our bank is located in the central part of Tennessee, has \$430,000,000. in assets, operates nine offices, and has 550 stockholders. The so-called consumer protection regulations are so complicated that consumers cannot understand the disclosures they are given. From the bank's point of view one requirement would not be difficult but requirements on top of each other have become so burdensome relief is needed.

The areas we find unnecessarily burdensome are:

Disclosures required because we have over 500 stockholders - Even though this is a Securities and Exchange ruling, the FDIC administers this for banks. It applies the same requirements to non publically traded banks as those who are publically traded.

Right of Rescission under Regulation Z - This is disruptive to borrowers who want immediate access to funds from a loan. It would be helpful if customers could more easily waive the right of rescission.

CRA Requirements - The investment requirement for banks over \$250,000,000 (\$500,000,000 as proposed) is almost impossible to meet and to understand. The small bank threshold should be raised to at least \$2 billion to completely differentiate small and large banks.

Home Mortgage Disclosure Act (HMDA) - The volume of the data required is very burdensome. These costs must be passed on to the consumers who always end up paying for our reporting.

Flood Insurance - Our bank is in a hill area where flood areas are clearly defined. We have the responsibility to obtain flood insurance where needed. However, we must make a detailed disclosure even though the property is on top of a hill.

Transfers from MMDA - Restrictions on these transfers should be liberalized to allow at least one each day.

We feel like we spend more time reading and trying to understand the regulations than waiting on customers and providing them with the best banking services.

Sincerely,

Walter G Birdwell, Jr.