



June 8, 2006

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G St. NW
Washington DC 20552

RE: Attention No. 2006-17

To Whom it May Concern:

The National Community Reinvestment Coalition (NCRC), the nation's economic justice trade association of 600 community member organizations, appreciates that you are proposing to make the OTS' definition of community development consistent with the definition of the other banking agencies. We believe that, if implemented rigorously, the proposed changes to community development will benefit low- and moderate-income families in rural areas and communities recovering from natural disasters.

Just like the three banking agencies, the OTS has amended its CRA regulation to provide CRA points for thrifts if they finance community development in designated disaster areas and middle-income census tracts in distressed and underserved rural counties. Also, just like the three other agencies, the OTS' proposed questions and answers (Q&As) clarify that more CRA points will be awarded for financing community development if the community development meets the needs of low- and moderate-income families.

When NCRC commented to the banking agencies, we had asked the agencies to insert phrases like "particularly" meeting the needs of low- and moderate-income families in the Q&A's dealing with community development. We believed that this emphasis would fulfill CRA's statutory purpose of replacing redlining of low- and moderate-income communities with an affirmative obligation imposed on depository institutions to serve low- and moderate-income communities. Although the banking agencies did not insert phrases like "particularly," the agencies also did not reduce or eliminate references to low- and moderate-income families and communities as recommended by the banking trade associations. In order to fulfill CRA's mandate, the OTS must also keep the constant attention on the needs of low- and moderate-income families and communities in the Q&As. We are pleased that the OTS has proposed Q&As that are virtually identical to the Q&As of the banking agencies.

In an effort to further establish consistency with the banking agencies, NCRC urges the OTS to modify its recent changes to the CRA exams and regulations for savings and loans above \$250 million in assets. When Director John Reich addressed NCRC's annual conference in March, Director Reich indicated that the OTS is seriously considering



making its CRA exams and regulations consistent with the recent changes of the banking agencies. Uniform exams and regulations are very important to establish consistent expectations of rigorous CRA exams regardless of the charter held by a depository institution. Uniform exams and regulations had been the standard for all of CRA's history until the last couple of years. We urge the OTS to go back to a uniform standard.

Thank you for this opportunity to comment. If you have any questions, please feel free to contact either myself or Josh Silver, Vice President of Research and Policy, on 202-628-8866.

Sincerely,

A handwritten signature in black ink, appearing to read "John Taylor". The signature is stylized and cursive.

John Taylor
President and CEO

cc. NCRC Board of Directors