



June 12, 2006

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

Attention: Docket No. 2006-17

Re: Community Reinvestment Act; Questions and Answers Regarding Community  
Reinvestment; Notice  
71 FR Page #18807, April 12, 2006

Dear Sir or Madam:

America's Community Bankers ("ACB")<sup>1</sup> welcomes the opportunity to comment on the proposal issued by the Office of Thrift Supervision ("OTS" or "the Agency")<sup>2</sup> to update the Question and Answers ("Q&As") that interpret the Community Reinvestment Act ("CRA") and the implementing regulations. The proposed amendments to the Q&As are being issued as a result of the changes made by the Agency to the definition of "community development" and certain other provisions of the regulation that implement the CRA.<sup>3</sup>

### **ACB Position**

ACB supports the proposed amendments to the Questions and Answers on the CRA. We appreciate the opportunity to comment on the Q&As that the Agency provides from time to time to help savings institutions understand the regulatory interpretation of the statute and its implementation. We believe that it is very useful for all parties that are interested in interpretation of the CRA and its implementing regulation to have regular input to such guidance.

ACB supports the clarification that the revised definition of community development applies to all savings associations. We also support the clarifications explaining that positive consideration may be given for certain activities in distressed middle-income communities. ACB believes that savings associations serving their communities should receive consideration for activities that

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<sup>1</sup> America's Community Bankers is the national trade association committed to shaping the future of banking by being the innovative industry leader strengthening the competitive position of community banks. To learn more about ACB, visit [www.AmericasCommunityBankers.com](http://www.AmericasCommunityBankers.com).

<sup>2</sup> 71 Fed. Reg 18807 (April 12, 2006)

<sup>3</sup> 71 Fed. Reg 18614 (April 12, 2006)

help to revitalize and stabilize the community even if the activities extend beyond providing housing to low- to middle-income populations.

ACB believes that the issuance of these Q&As provides valuable guidance on how the OTS will consider the activities of savings associations in designated disaster areas. Given the occurrence of several severe natural disasters in the past year, we welcome the fact that some of the questions provide certainty as to whether the OTS will give credit for activities in a designated disaster area. Community banks that are able to do so should be encouraged to continue to operate in disaster areas and provide much-needed financial services.

As with any guidance issued by the Agency, we would like to emphasize the importance of having examiners in the field interpret the guidance consistently from region to region. We also believe it is crucial that examiners not view guidance in the same manner as regulation. ACB urges the Agency to reiterate this distinction to examiners.

## **Conclusion**

ACB appreciates the opportunity to comment on this important matter. The implementation of CRA continues to be a challenge for community banks. Since the revision of the regulations in the mid-1990's, the availability of questions and answers and other interpretive information has been very useful. Every community is different and every community bank serves its community in a unique manner. The continued ability of all participants in this area to provide interpretive information is critical to the success of any CRA implementing regulation.

We look forward to working with the Agency on the development of guidance in the future, as well as working with the agencies to develop less burdensome ways to implement the statutory mandates. Please contact the undersigned at 202-857-3129 or via email at [jfrank@acbankers.org](mailto:jfrank@acbankers.org), should you have any questions about this letter.

Sincerely,

A handwritten signature in black ink that reads "Janet Frank". The signature is written in a cursive, flowing style.

Janet Frank  
Director, Mortgage Finance