GREATER ROCHESTER
COMMUNITY REINVESTMENT COALITION
P.O. BOX 39541
ROCHESTER, NEW YORK 14604

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Manager, Dissemination Branch
Information Management & Services Division
Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552

Re: Docket No: R-1069

Dear Sir/Madam:

I am writing to you on behalf of the Greater Rochester Community Reinvestment Coalition of Rochester (GRCRC) to submit comments on the so-called Sunshine Provision of the Gramm-Leach-Bliley Act.

GRCRC was convened in 1993 to generate discussion about lending patterns and practices in Rochester. Since then, the Coalition has released five analyses of home mortgage and small business lending data. We have used the analyses to identify strengths and weaknesses in lending patterns and to generate ongoing discussion with the banks in question. The Coalition also submits comments, based on the data, to the appropriate Federal and State regulators who have oversight of the banks.

GRCRC has a membership of over 30 locally based not-for profits and individuals. GRCRC has ongoing written commitments from M&T Bank, HSBC and Charter One about their community reinvestment obligations. GRCRC also continues to monitor unilateral pledges made by Fleet, Chase and Citibank. GRCRC has commented on over half a dozen mergers and over a dozen CRA exams since 1995. As a result of Sunshine our very legitimate comments will now trigger reporting requirements for our members.

GRCRC, as a member of the National Community Reinvestment Coalition (NCRC), urges your agency to adopt the comments submitted by NCRC. We would like to emphasize some of the specific points based on our experience of entering into "agreements". None of the agreements resulting from GRCRC conversations with area banks require a bank to enter into a contract with a specific coalition member. Instead the agreements refer to the banks' willingness to improve its lending performance or provide financial counseling or engage in some other activity which will benefit the low-moderate income community. However area banks do enter into specific contracts with coalition members, as well as other not-for profits, to give grants for operating expenses, develop affordable housing, provide financial counseling, etc.

As these regulations are implemented, it is imperative that:

- It is inherently clear who has to report when.
- Not-for-profits advocates are not penalized for commenting on banks' CRA performance.
- The disclosure requirement be simple and straightforward using a form that the not-for-profit already needs to prepare such as an IRS 990 tax return.
- Not-for-profits should not be required to disclose terms and conditions in a business transaction, the disclosure of which would make them less competitive.

Who should be required to report?

All non-governmental agencies that enter into contracts that would materially impact on a banks CRA performance should be required to report. Whether a group comments, agrees not to comment or doesn't comment at all should be immaterial. Triggering the reporting requirement to whether a group commented or not will have a chilling impact on individuals right to freely let regulatory agencies learn about the lending activities of banks. The reporting requirements should also be limited to contracts entered into within a clearly defined time period surrounding a CRA exam or during the merger process.

Contracts with affiliates should be included because making the reporting requirement provisional on a banks including or excluding the affiliate from a CRA exam creates uncertainty and confusion.

The reporting requirement should be kept as simple as possible.

All GRCRC members are not-for-profits that run on a shoestring budget. If each member had to spend thousands of dollars on additional reporting, that is money taken away from meeting the needs of their clients. Multiply that by the thousands of organizations, and we quickly realize that this is going to cost the low-income community millions of dollars. That means less money for our members to provide financial counseling, affordable housing and all the other services they provide.

We urge you keep the reporting requirement simple, preferably using IRS 990 (or its equivalent for organizations such as community development credit unions). We also endorse NCRC's suggestion for the report to be sent to FFIEC, which would then forward it to the relevant regulator.

Legitimate disclosure of what a bank professes to be undertaking as part of its CRA performance can have a positive impact on improving community development lending. Requiring community groups and banks to measure success is a commendable goal.

However these regulations will have to be modified a great deal if they are to accomplish that. As they are currently written they will cause confusion as to who needs to report, they will have a chilling effect on organizations legitimate right and duty to comment on a banks performance. They will also make banks very wary of entering into contracts with community groups. We urge you to take our comments into consideration as you revise them.

If you have any questions, please feel free to contact me. I can be reached at 716-454-4060.

Very truly yours,

Ruhi Maker, Esq.