



COMMUNITY BANKERS ASSOCIATION OF NEW YORK STATE

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July 21, 2000

Mr. Robert E. Feldman, Executive Secretary  
Attention: Comments/OES  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Ms. Jennifer J. Johnson, Secretary  
Federal Reserve Board  
20<sup>th</sup> and C Streets, NW  
Washington, DC 20551  
Attention: Docket No. R-1069

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Communications Division  
Office of the Comptroller of the Currency  
250 E Street, SW  
Washington, DC 20219  
Attention: Docket No. 00-11

Manager, Dissemination Branch  
Information Management & Services Division  
Office of Thrift Supervision  
1700 G Street, NW  
Washington, DC 20552  
Attention: Docket No. 2000-44

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DISSEMINATION  
OFFICE OF THRIFT SUPERVISION

RE: Disclosure and Reporting of CRA-Related Agreements

Dear Sir/Madam:

The Community Bankers Association of New York State\* appreciates the opportunity to comment on the joint regulatory proposal implementing the "Sunshine Provision" of the Gramm-Leach-Bliley Act. We strongly support Senator Gramm's objective to expose confidential agreements under which a bank would provide funds or services to an advocacy organization in exchange for that organization's support or silence in connection with a CRA review or at the time of a merger or acquisition.

While we understand and appreciate the regulatory effort in implementing the statutory provision and drafting this proposal, we must point out that it would result in significant and we believe unnecessarily costly and burdensome requirements on banks. We urge the agencies to limit the types of written agreements covered by the Sunshine Provision to (1) agreements under which a bank provides funds or services in exchange for support or silence in connection with a CRA regulatory review and (2) agreements that represent a material portion, such as ten percent, of a bank's activity under CRA assessment criteria.

We believe the overreach of this proposal is partially caused by the decision to list all of the factors that may or may not have a material impact. It deems any factor considered by an examiner during a CRA exam to have a material impact. However, neither the statute nor the Conference Report mandates that every factor be considered. We suggest that regulators evaluate those factors that have a material impact on an agency's CRA decision and eliminate those that that would have only a de minimis impact. If the language were drafted to provide more guidance, it would exempt banks from having to report activities, transactions, and contacts that have little or no impact on a bank's CRA status.

We believe this proposal requires disclosure and reporting beyond what Congress mandated and that further refinement and clarity is needed. We appreciate past efforts by the banking agencies to eliminate unnecessary regulatory burdens and hope this proposal can be improved accordingly.

Sincerely,

Mariel Donath  
President & CEO

\* The Community Bankers Association of New York State (CBANYS) represents an industry of nearly 90 savings institutions and commercial banks with cumulative assets of more than \$155 billion. CBANYS members employ nearly 25,000 people at more than 1,100 locations statewide, and allocate more than \$1 billion annually to local affordable housing and community development efforts.