

April 29, 2004

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

Attention 2004-04

Dear Sir or Madam;

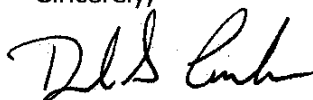
As a community banker in a small town, I strongly endorse the federal regulators' proposal to increase the asset size of banks eligible for the small bank streamlined CRA examination from \$250 million to \$500 million. This proposal will greatly reduce the regulatory burden imposed on smaller institutions. I am the Chief Operating Officer of BankSouth, a \$200 million thrift in Greensboro, Georgia, a small town located halfway between Atlanta and Augusta.

The regulatory burden on small banks has increased over the past few years with the enactment of the Patriot Act, Gramm Leach-Bliley Act, and revised HMDA. With the additional burden on the small bank of complying with the same requirements as the larger banks, costs will soar and efficiencies will be compromised.

By increasing the size threshold, smaller banks will not be relieved of their obligations to support CRA efforts. I can assure you that our bank takes our community responsibility very seriously. We believe in putting back into our community in such a way that everyone's growth will benefit. We strongly support programs such as Relay for Life and Habitat for Humanity; both financially and with many volunteer man hours while on "bank time."

I believe our community benefits greatly by our being a hometown community bank, as do many other communities do with their local banks. With increased regulatory red tape, many of these smaller community banks will undoubtedly be taken over by larger institutions that are driven by shareholder return and not by the communities they serve. In my mind, this would do much more harm to community reinvestment than by increasing the limits.

Sincerely,



David S. Cowles
Senior Vice President & Chief Operating Officer