



**D. Keith Hefner**  
PRESIDENT & CEO

March 15, 2004

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

Attention: No. 2004-04

Dear Sir or Madame:

As a community banker, I strongly endorse the federal bank regulators' proposal to increase the asset size of banks eligible for the small streamlined Community Reinvestment Act (CRA) examination from \$250 million to \$500 million and elimination of the holding company size limit (currently \$1 billion). This proposal will greatly reduce regulator burden. I am the President/CEO of Citizens Bank and Trust Company, a \$250 million bank located in Van Buren, Arkansas.

The small bank CRA examination process was an excellent innovation. As a community banker, I applaud the agencies for recognizing that it is time to expand this critical burden reduction benefit to larger community banks. At this critical time for the economy, this will allow more community banks to focus on what they do best--fueling America's local economies. When a bank must comply with the requirements of the large bank CRA evaluation process, the costs and burdens increase dramatically, and the resources devoted to CRA compliance are resources not available for meeting the credit demands of the community.

Increasing the size of banks eligible for the small-bank streamlined CRA examination does not relieve banks from CRA responsibilities. Since our survival is closely intertwined with the success and viability of Van Buren, the increase will merely eliminate some of the most burdensome requirements.

In summary, I believe that increasing the asset size of banks eligible for the small bank streamlined CRA examination process is an important first step to reducing regulatory burden. I also support eliminating the separate holding company qualification for the streamlined examination, since it places small community banks that are part of a larger holding company at a disadvantage to their peers.

Thank you for considering my position on this very important matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Keith Hefner', written over a horizontal line.

D. Keith Hefner  
President/CEO

DKH:clw