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Regulation Comments  
Chief counsel's Office  
Office of Thrift Supervision  
1700 G Street  
Washington, DC  
Attention: No 2004-04

Re: Community Reinvestment Act Regulations

Dear Sir or Madam:

I am the President of a \$220 million bank located in Troy, Ohio. As a community banker, I strongly endorse the federal bank regulators' proposal to increase the asset size of banks eligible for the small bank 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 our regulatory burden.

As a community banker, I applaud the agencies for recognizing that it is time to expand this critical burden reduction to larger community banks. At our bank approaches the \$250 million threshold, this change will allow us to focus on what we do best – making loans in our community. If we must comply with the requirements of the large bank CRA evaluation process, our costs would increase dramatically and the resources we devote to CRA compliance are resources not available for meeting the credit demands of our community.

A local community bank like ours is essential to the growth and well being of our community. Our management and Board are involved at all levels in projects that make our community a better place to live. If we want to keep the local banks in the community where customers have better access to decision-makers, we must recognize that regulatory burdens are strangling smaller institutions and forcing them to consider selling to larger institutions that can better manage the burdens.

Increasing the size of banks eligible for the small-bank streamlined CRA examination does not relieve banks from CRA responsibilities. Since the survival of our bank is closely intertwined with the success and viability of our community, 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. While community banks still must comply with the general requirements of CRA, this change will eliminate some of the most problematic and burdensome elements of the current CRA regulation from

community banks that are drowning in regulatory red-tape. Thank you for your leadership in this area of concern.

Sincerely,

Ronald B. Scott  
President