



COMMUNITY BANKERS ASSOCIATION OF NEW YORK STATE

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Mariel O. Donath
President & CEO

February 9, 2001

Office of Thrift Supervision
Department of the Treasury
1700 G Street, NW
Washington, DC 20552

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REGULATION SERVICES
DIVISION

Dear Sir or Madam:

The Community Bankers Association of New York State* wishes to state its opposition to the proposed regulation requiring S&L holding companies to notify OTS before engaging in significant debt, asset, or capital transactions. We believe this regulation would seriously undermine the charter value of an S&L holding company because of the extra time needed to complete legitimate business transactions.

While we understand OTS' concern about the relationship between the holding company and the savings association subsidiary in complex corporate structures, we believe OTS already has adequate supervisory tools to review and detect risky activities. Imposing additional burdensome prior notice regulations would result in a competitive disadvantage in today's business environment.

Thank you for the opportunity to comment on this important matter.

Sincerely,

Mariel Donath

* 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.