



January 21, 2005

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

Attention: No. 2004-54

To Whom it May Concern:

The National Community Reinvestment Coalition (NCRC), the nation's economic justice trade association of 600 community organizations, urges you to withdraw your interim final rule under the Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA) of 1996 regarding the elimination of the informal and formal meeting requirements as part of your merger application process.

The two-stage meeting process is a vital opportunity for community groups and thrifts to meet with your agency to discuss CRA and anti-predatory lending matters when thrifts are merging. The informal and formal meetings ensure that all facts and impacts of proposed mergers are thoroughly vetted. Your proposal would allow the OTS, at its own discretion, to hold only one meeting or to decline to hold a meeting. This is inadequate as merging institutions often conceal important data and information regarding CRA and fair lending compliance, and will only provide this information if repeatedly prodded by NCRC member community groups during meetings with the regulatory agency.

You state that industry comments suggest that community groups use the two stage meeting process solely to delay the processing of the application or to raise frivolous issues. The agencies should know by now that NCRC member organizations request meetings not to delay the proceedings but when lending institutions are not revealing critical information such as financial relationships with payday lenders. The process of submitting written comments often does not resolve these issues in a satisfactory manner. In a number of cases, full disclosure is only obtained through the meeting process. Thus, the meeting process must be as thorough as possible. The two stage meeting process established by the OTS is the most comprehensive of the agencies and is appreciated by NCRC member organizations. Now, the OTS is proposing a change that could very well result in the agency becoming the most lax fair lending regulator of the four federal financial institution regulatory agencies.

NCRC urges the OTS to retain its newspaper notice and public comment requirements concerning changes to branch locations or establishment of new branch offices. A public comment in response to the newspaper notice triggers an application requirement. While NCRC prefers automatic application requirements for branch relocations or start-ups, we



believe that it is important that the OTS at least requires applications upon receipt of public comments in response to a newspaper notice.

Finally, NCRC urges the OTS to re-consider its decision regarding the display of the equal housing logotype. This is an important symbol regarding the commitment to non-discrimination and should be displayed on advertisements for all types of lending, not just housing-related lending.

If you have any questions, please feel free to contact Josh Silver, Vice President of Research and Policy, or myself on 202-628-8866.

Sincerely,

John Taylor
President and CEO