

NATIONAL CONGRESS OF AMERICAN INDIANS

November 30, 2004

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

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Jacqueline Johnson

Thlingit

Attention: No. 2004-53 & 54

To Whom It May Concern:

It has been brought to my attention that the Office of Thrift Supervision (OTS) has proposed changes to regulations for the Community Reinvestment Act (CRA). The proposal would reduce lending, investments, and banking services in low- and moderate-income communities, including many in Indian Country.

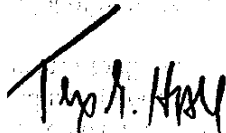
Your proposal would allow thrift institutions to design their own CRA exams. The thrifts could eliminate the investment and service parts of the CRA exam, meaning that you would not require them to make investments in or provide branches to low- and moderate-income communities. At the same time, your proposal would allow thrifts to finance community development of affluent communities, not lower income neighborhoods, in rural areas and areas afflicted by natural disasters. This is contrary to the purpose of CRA to combat redlining of low- and moderate-income communities. You also propose to reduce opportunities for community groups and citizens to meet with thrifts and your agency to discuss CRA and anti-predatory lending issues when thrifts are merging.

A lot of progress has been made since the implementation of CRA regulations for lending in Indian Country and low to moderate income communities. This proposed shift would roll back much of this progress and would limit access to financing.

The Native American Bank (NAB) has been instrumental as a CRA funded institution by reinvesting millions of dollars in loans back into Indian Country and a large part of this has been due to its unique understanding of lending issues in Indian Country. The proposed changes would limit major financial institutions use of NAB and other CRA funded financial institutions as vehicles to provide financial services to low to moderate income communities.

Please withdraw your proposal. It is ill-conceived that the OTS would be the only agency out of four banking agencies proposing it. If you have any questions, please contact me or my staff at (202) 466-7767.

Sincerely,



Tex. G. Hall
President

cc. National Community Reinvestment Coalition