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**From:** Marguerite Ashley [MDAshley@co.new-castle.de.us]  
**Sent:** Monday, January 24, 2005 4:42 PM  
**To:** Comments, Regs  
**Subject:** 2004-53 Community Reinvestment Act

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

Attention: No. 2004-53

On behalf of the Delaware Chapter of the National Association of Housing and Redevelopment Officials, I am writing in opposition to the proposal to redefine small banks as banks with assets of under one billion dollars.

From what I've observed, the current administration is supportive of empowering—rather than entitling—low income citizens. Low income people climb the ladder of American plenty under their own steam thanks to CRA investments, loans, and services. Self-sufficiency is nurtured in Delaware's CRA-fueled environment of:

- \* financial education
- \* homeownership counseling
- \* small business counseling
- \* Community Development Financial Institutions
- \* Low Income Housing Tax Credit investment
- \* Individual Development Accounts
- \* numerous creative programs that serve the credit needs of a diverse and historically underserved community

Many innovative capacity building and empowerment programs in Delaware are funded via the CRA investment or service categories. Should these categories no longer be examined, some unique local solutions may fall by the wayside, as banks choose the path of least resistance: community development lending.

On the most basic level, the CRA compliance examination has succeeded in motivating banks to meet the credit needs of low and moderate income neighborhoods. Corporate goodwill will not offset eliminating the CRA exams of seven Delaware additional Delaware banks, particularly in rural Delaware, where these seven banks loom in importance. (These banks are AIG, Artisans, Baltimore Trust, Bank of NY, Citizens, Juniper, and Delaware National.)

In conclusion we are opposed to the expansion of the definition of a small bank, as well as to removing the requirements on the investment and service elements of the comprehensive compliance examinations. CRA identifies investment opportunities in distressed locations and builds financial empowerment in low income populations. The proposed changes endanger this "research and development" arm of Delaware's housing and community development programs.

Sincerely,  
President, Delaware Chapter

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Cc: Senator Joseph Biden  
Senator Thomas Carper  
Congressman Michael Castle  
Saul Ramirez, President, NAHRO  
Rashmi Rangan, Delaware Community Reinvestment Action Council

