



James R. Turner, President

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January 21, 2005

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

Re: No. 2004-53 Community Reinvestment Act-Community Development, Assigned Ratings 69FR
68257 (11-24-04)

Dear Sir or Madam:

The Heartland Community Bankers Association appreciates the opportunity to comment on the proposal issued by the Office of Thrift Supervision that would provide additional flexibility to savings associations in meeting the requirements imposed by the Community Reinvestment Act. We applaud the prior decision of OTS to allow streamlined small institution examination for institutions under \$1B in asset size (most of our members) but would encourage you to proceed with providing this needed flexibility to the definition of "community development" for all institutions regardless of size.

The Community Reinvestment Act (CRA) was created to "meet credit needs" and we believe that focus has indeed expanded the availability of credit. Unfortunately, the CRA definitions have also expanded over time to encompass "investments" which quite often are at the expense of "lending."

We encourage the Office of Thrift Supervision to move forward and adopt the aforementioned proposal. We support providing flexibility in assigning rating for CRA purposes. The current weighting of "investment" and "service" is confusing and counterproductive to Congressional intent.

It is time that CRA was refocused on "lending" and we believe this proposal accomplishes that objective. We believe this proposal will allow our members to better allocate their time and resources to meeting community credit needs and would urge final adoption.

Thank you for considering our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Turner".

James R. Turner,
President

JRT/da