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**From:** Menachem Krajcer [mkrajcer@arc.org]  
**Sent:** Tuesday, January 25, 2005 2:50 PM  
**To:** Comments, Regs; Comments, Regs  
**Subject:** CRA Proposal



CRAItr.doc

TO OTS:

Attached please find a letter on your CRA Proposal. I sent an email yesterday, but it was bounced back.

Please contact me if you have any questions.

Menachem

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

Attention: No. 2004-53 & 2004-54

To Whom it May Concern:

We are writing to express our concern that your proposal will negatively impact community development financing and basic banking services in low- and moderate-income communities.

Allowing thrift institutions to design their own Community Reinvestment Act (CRA) exams is a conflict of interest and will weaken protections for consumers. For example, a thrift institution could eliminate the investment and service parts of the CRA exam, which is likely to result in reduced investments in or fewer provide branches for low-and moderate-income communities. In addition, your proposal would allow thrifts to focus finance of community development in affluent communities—this is contrary to the goals of CRA to prevent discrimination and increase access to credit in income neighborhoods, in rural areas and areas afflicted by natural disasters. Finally, your proposal will 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.

We ask that you withdraw your proposal.

Sincerely,

Menachem Krajcer  
Senior Policy Analyst  
Applied Research Center