



FLORIDA BANKERS ASSOCIATION

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225

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Regulation Comments, Chief Counsel's Office
Office of Thrift Supervision
1700 G Street N.W.
Washington, D.C. 20552
Regs.comments@OTS.treas.gov

Attention: No 2004-53; RIN 1550-AB48; Assigned Ratings Proposal

Re: Community Reinvestment Act – Community Development, Assigned Ratings
69 FR 68257 (November 24, 2004)

Dear Sir or Madam:

On behalf of the Florida Bankers Association, we appreciate 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 strongly support the proposal to provide additional flexibility to the definition of "community development," and believe that this change is long overdue. We request the OTS to adopt the proposal because we view it as real regulatory relief.

Further, we strongly support the proposal to provide flexibility in assigning ratings for CRA purposes. We meet the needs of our community everyday but the burden of meeting the requirements of the CRA regulation diminishes our ability to use the resources where they are most needed in our community. Permitting institutions to determine how best to allocate the time, financial support and human capital will help those in the community who need it the most – and all the bank regulators should recognize this.

This proposal is particularly important for the state of Florida. Having suffered the effects of four major hurricanes in the last year we know the importance of getting our financial resources where they are needed for rebuilding and redevelopment. "Community development" should include at a minimum an institution's response to natural disasters such as the storms that caused so much damage in this state. Expanding the definition to include non-rural and non-low or moderate income in such circumstances would be a very positive measure.

A broad definition of "rural" is also significant to Florida institutions. Assisting rural area develop economically is a priority in this state. The income and poverty levels in rural areas are in fact much greater than in most urban areas. Enterprise Florida, a public-private partnership in its Strategic Plan for Economic Development 2004-2005 has identified as one of state's priorities implementation of an integrated economic stimulus strategy for areas of rural critical economic concern. Encouraging financial institutions to invest in such areas would go hand and hand with such identified public policy.

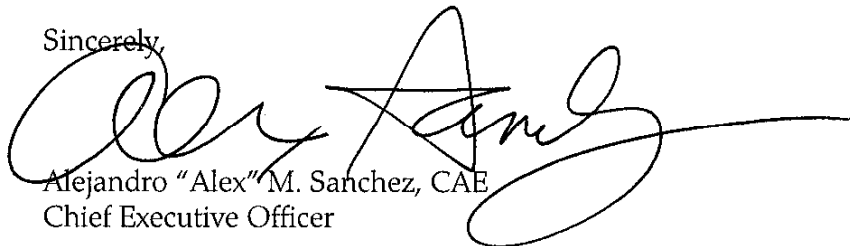
We appreciate the OTS's creative and innovative efforts to help us solve the conflict that sometimes arises in trying to comply with a regulation and yet meet the real need of our community. Providing us the flexibility to determine how much weight should be assigned to the lending, investment and service tests will permit us to make choices involving our community that are based on what its needs, whether it is lending, investment or service, and not governed by goals that are established elsewhere.

Banks are burdened by so many regulations that impact all aspects of operations, we need relief from the requirements that result in no benefit for our community or customers. We welcome relief from the arbitrary burdens imposed by the current CRA examination weightings.

Serving the needs of our community is why we are in business. We urge all the federal banking regulators to look for ways to eliminate some of the burden of compliance. This is a good step and we strongly support the OTS.

Thanks for the opportunity to comment on this proposal.

Sincerely,



Alejandro "Alex" M. Sanchez, CAE
Chief Executive Officer