

CHICANO FEDERATION OF SAN DIEGO COUNTY, INC.

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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 & 54

To Whom it May Concern:

I am writing on behalf of our organization in opposition to the Office of Thrift Supervision's (OTS) proposed changes to the Community Reinvestment Act (CRA) regulations which require large thrifts to pass a three part CRA exam: investment test, lending test and service test.

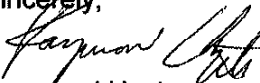
The CRA has had significant and positive impacts on financial and capital investments into low and moderate-income communities, both in a measurable increase in affordable housing development as well as small business loans. For example, we are a non-profit organization that has developed seven affordable housing complexes since 1995, serving over 600 low and moderate-income families and individuals. I have no doubt that earning CRA credit was a major factor in our ability to obtain commercial loans from a large thrift.

The regulatory change under consider by OTS would allow thrifts to select which of the CRA tests they would adhere to, which in all likelihood would lead to reduce loans and investments in low/moderate-income communities. Before enactment of the CRA, the banking, thrift, and insurance industries blatantly engaged in redlining practices, to the economic detriment of ethnic communities. Let us not turn back the clock and the progress made since enactment of the CRA by weakening the three-test requirement.

We are also opposed to reducing the number of required public hearings on proposed mergers from two to one. The thrift and banking industries are major institutions in our society and their business practices impact almost every person in this country. Reducing public hearings reduces public scrutiny and questioning of these mergers. If anything, there should be more public hearings on proposed mergers, not less.

I appreciate your consideration of my comments and strongly encourage the OTS to not change the CRA regulations which have worked so well for low and moderate-income communities.

Sincerely,



Raymond Uzeta
President & CEO

cc: National Community Reinvestment Coalition
California Reinvestment Coalition

