



Urban League of
Greater Columbus, Inc.

*Empowering Communities.
Changing Lives.*

Board of Directors

Officers

Gail Baker-Page
Chair

December 15, 2004

Nathan Suber
1st Vice Chair

Regulation Comments
Chief Counsel's Office

Shonalee Gamble
Treasurer

Office of Thrift Supervision
1700 G St. NW
Washington, D.C. 20552

Alonza Whitaker
Secretary

Attention: No. 2004-53 & 2004-54

Henry Cook, Jr.
President, Young Professionals

To Whom It May Concern:

Sandra Ellison
President, Urban League Guild

As President and CEO of the Urban League of Greater Columbus, I am writing to urge you to immediately withdraw your proposal concerning the Community Reinvestment Act (CRA). We find that this proposal contradicts the purpose of the CRA because it will significantly reduce the amount of community development financing and thrift services available in low- and moderate-income communities.

Reginald L. Pugh
President/CEO

Board Members

Sharon Cox-Bevley

The OTS proposal allows large thrift institutions to design their own watered-down Community Reinvestment Act exams. It would allow a large thrift to choose to eliminate its investment and service tests, and thus only have to pass a lending test. Or, it can choose to have minuscule investment and service tests, meaning that the lending test counts for virtually the entire total grade. In the end, thrifts would be allowed to neglect the pressing needs in their communities – thus failing to fulfill their responsibility to enforce the CRA. For example, if a thrift eliminates their investment tests, they will not be required to finance affordable rental housing through the Low Income Tax Credits, or finance small businesses through equity investments. Thrifts could also abolish their service tests and not be required to place or maintain branches in low- and moderate-income communities, thus leaving the residents prey to abusive payday loans, check cashing, and other high cost banking services.

Carlo Brena

Alice Budge

Keyla Cabret

Susan Cooper

Tracy Darrington

Julius Graham

Bill Heard, III

Isaiah Hugley

Alicia Paredes-Laramy

Edgar Lester

Brick Luke

Jan Pease

Carole Rutland

Stella Shulman

Chuck Walls

Diedre Williams

If this proposal passes, very few families, if any, with low-to-moderate incomes would receive affordable financial assistance to help with family emergencies, autos, and home purchases.

Advisory Committee

Robert Anderson

Jack Basset

Frank Bullard

R. Larry Cardin

Sal Diaz-Verson

Florene Calvin Dawkins

M. Delmar Edwards, M.D.

Rev. J.H. Flakes, Jr.

George W. Ford, Jr.

Col. (Retired) James C. Jackson

Brown Nicholson, Jr.

Bob Poydasheff

Paul Seff

Rep. Calvin Smyre

William B. Turner, Sr.

William B. Turner, Jr.

In addition, the proposal allows all savings and loans to serve affluent neighborhoods, and neglect low- and moderate-income neighborhoods, in rural areas and areas impacted by natural disasters. This is contrary to the purpose of the CRA to fight against the redlining of low- and moderate-income communities. And finally, the OTS proposal would reduce opportunities for community groups and citizens to meet with thrifts and the OTS to discuss CRA and anti-predatory lending issues when thrifts are merging.

Also, predatory lending will begin to heavily concentrate in all poverty and minority areas throughout the country. There will be more home foreclosures and auto repossessions involving people of color.

The Urban League of Greater Columbus views the proposed severe weakening of the CRA by the OTS as an attack on a key civil rights law that is vital if we are to promote equal opportunity in an "ownership society." We therefore urge immediate withdrawal of the OTS proposal. Please call me at 706-323-3687 if you have questions or need additional information.

Sincerely,

Reginald L. Pugh, ACSW, LCSW, BCD
President/CEO