

From: Geraldine Welsh [gwelsh@seedseattle.org]
Sent: Saturday, January 22, 2005 11:11 PM
To: Comments, Regs
Cc: Lisc-ealert@networks.liscnet.org; ssiddiqi@ncrc.org
Subject: 2004-53 & 2004-54 Community Reinvestment Act

To Whom It May Concern:

After reading about your proposal and questions contained in it, my question to you is why do you want to do this? Is it due to limitations within OTS? Why do you propose to curtail regulatory activities that have yielded positive outcomes for decades for so many in low- and moderate-income neighborhoods? If the proposal stems from budget or other limitations the OTS must address, then perhaps the FDIC, Comptroller of the Currency or Federal Reserve should assume the responsibilities of administering the necessary and much needed CRA tests. I am old enough to remember the savings and loan crises and think everyone can remember Enron and other disastrous examples of self-regulation in the private sector.

CRA has yielded progressively positive opportunities, especially affordable housing and community-based economic development initiatives that would undoubtedly erode without regulatory oversight. The Community Reinvestment Act has significantly helped communities that may have been redlined 20 years ago. Today, and undoubtedly with help from CRA, these same communities are building affordable housing, new business and job opportunities in neighborhoods that were considered hopeless, unsafe and high-risk investments by many savings and loan associations and banks.

Large, national banks don't have all the answers nor should they be the only ones required to address and meet the lending and banking service needs of historically marginalized communities. Please withdraw your proposal. If you have any questions, please call me at (206) 760-4291.

Very truly yours,

Geraldine Welsh, Deputy Director
SouthEast Effective Development