

From: Paul Joffrion [4joffrio@bellsouth.net]
Sent: Friday, January 21, 2005 7:42 PM
To: Comments, Regs; action@cra-nc.org
Subject: CRA Streamlining Proposal

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

Attention: No. 2004-53

To Whom it May Concern:

I am writing to oppose your CRA Streamlining Proposal. As I understand the purpose of the Community Reinvestment Act (CRA) it is designed to provide low and moderate-income communities with community development and banking resources. This returns to them some measure of the financial capital that they have invested in the economy of the community, and from which banking institutions benefit. The barriers of access of lower income individuals and communities to the financial and developmental resources of financial institutions are well-documented. It is for this reason that that the CRA was created, subsequently strengthened under several presidential administrations.

If the business world has learned anything over the last 20 years, it is that responsibilities of oversight left to institutions that need monitoring is an invitation to financial disaster. The failure of Savings and Loan institutions during the 1980's cost the federal government, and the taxpayer, billions of dollars. More recently, the collapse of Enron, World Com, Arthur Anderson, and others has destroyed the livelihoods of thousands of employees as well as the holdings of untold numbers of shareholders. The CRA mandates an investment test, a lending test, and a service test of provisions made by banking institutions to their target communities. The new CRA proposals would allow banking institutions to effectively administer their own oversight-guidelines, whereby they could reduce or eliminate significant portions of the presently CRA-required activity.

When an "Enron" collapses, the world takes notice because of the powerful individuals and institutions affected by such a collapse. If the new CRA regulations are implemented, already dis-empowered low and moderate income communities have few avenues of recourse. The present CRA regulations are their most important avenue of recourse.

Please withdraw your proposal. If you have any questions, please call me at 919-957-3545

Sincerely,

Paul Joffrion
Durham, NC