



Office of Thrift Supervision

Department of the Treasury

1700 G Street, N.W., Washington, DC 20552 • (202) 906-6000

Because of the volume of comments received on No. 2004-53, OTS is posting the comments received on this proposal in a different format to allow the agency to post comments more efficiently. Where identical comments have been received from more than one individual, the template letter will be posted with a link to an alphabetical list of those submitting that comment ("signatories"). Originals of all comments received may be reviewed at the agency under the procedures described in the notice of proposed rulemaking. This procedure affects only the posting to the website and does not affect how comments will be counted and considered -- each individual's comment will still be treated separately.

The list of signatories to this comment may be found [here](#).

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

Attention: No. 2004-53 & 2004-54

To Whom it May Concern:

Congress passed the Community Reinvestment Act in 1977 to abolish redlining and discriminatory lending against minorities. A 2002 Harvard Study found that this legislation significantly changed the way banks do business in their communities and has been the source of rebuilding entire communities, while at the same time creating a competitive low-income mortgage market. Your proposal will result in considerably less community development financing and basic banking services in low- and moderate-income communities. You would allow thrift institutions to design their own watered-down Community Reinvestment Act (CRA) exams. The thrifts could eliminate the investment and service parts of the CRA exam, meaning that you would not require them to make investments in or provide branches to low- and moderate-income communities. At the same time, your proposal would allow thrifts to finance community development of affluent communities, not lower income neighborhoods, in rural areas and areas afflicted by natural disasters. This is wholly contrary to the purpose of CRA of combating redlining of low- and moderate-income communities. You also propose to reduce opportunities for community groups and citizens to meet with thrifts and your agency to discuss CRA and anti-predatory lending issues when thrifts are merging. These provisions would further dilute the intent of CRA of requiring banks to serve their communities.

Please withdraw your proposal. It is extremely ill conceived, and you are the only one out of four banking agencies proposing it.

Sincerely,