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savings and loan association
of **GREENE COUNTY**

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January 20, 2005

Regulation Comments, Chief Counsel's Office
Office of Thrift Supervision
1700 G Street N.W.
Washington, D.C. 20552

Attention: No. 2004-53

Re: Community Reinvestment Act – Community Development, Assigned Ratings
69 FR 68257 (November 24, 2004)

Dear Sir or Madam:

On behalf of First Federal Savings & Loan Association of Greene County, we appreciate this opportunity to comment on the proposal issued by the Office of Thrift Supervision that would provide additional flexibility to savings associations in meeting the requirements imposed by the Community Reinvestment Act. We strongly support the proposal to provide additional flexibility to the definition of "community development," and believe that this change is long overdue. We request the OTS to adopt the proposal because we view it as real regulatory relief.

Further, we strongly support the proposal to provide flexibility in assigning ratings for CRA purposes. We meet the needs of our community everyday, but the burden of meeting the requirements of the CRA regulation diminishes our ability to use the resources where they are most needed in our community. Permitting institutions to determine how best to allocate the time, financial support and human capital will help those in the community who need it the most – and all the bank regulators should recognize this.

We appreciate the OTS's creative and innovative efforts to help us solve the conflict that sometimes arises in trying to comply with a regulation, and yet meet the real needs of our community. Providing us the flexibility to determine how much weight should be assigned to the lending, investment and service tests will permit us to make choices involving our community that are based what it needs, whether it is lending, investment or service, and not governed by goals that are established elsewhere.

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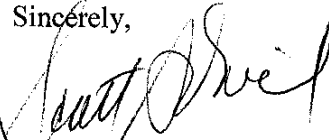
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Community banks are burdened by so many regulations that impact all aspects of operations. We need relief from the requirements that result in no benefit for our community or customers. We welcome relief from the arbitrary burdens imposed by the current CRA examination weightings.

Serving the needs of our community is why we are in business. We urge all the federal banking regulators to look for ways to eliminate some of the burden of compliance. This is a good step and we strongly support the OTS.

Thank you for the opportunity to comment on this proposal.

Sincerely,



Scott S. O'Neil
President

SSO/ekb