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Mr. Robert E. Feldman  
 Executive Secretary  
 Attention: Comments/Legal ESS  
 Federal Deposit Insurance Corporation  
 550 17th St. NW 20429

RE: RIN 3064-AC50

Dear Mr. Feldman:

I am a concerned citizen opposed to watering down CRA (Community Reinvestment Act) requirements for mid-sized banks. CRA is vital for increasing homeownership and economic development in lower-income communities and for expanding financial education and asset-building opportunities for low-income people.

I understand that banks with over \$250 million in assets must be tested on their number of loans, investments, and services to low- and moderate-income communities. The Bush Administration/FDIC proposal would eliminate the separate investment and service requirements for all banks with under \$1 billion in assets. This will result in low-income communities with significantly fewer:

- grants to nonprofits to provide services such as financial education
- bank branches and affordable account products, and
- Investments in affordable rental housing, health clinics, community centers, and economic development projects.

For example, in Illinois, Financial Links for Low-Income People (FLLIP) provides low-income people with the financial education necessary to help lift them out of poverty. Local community agencies and organizations, as part of the FLLIP coalition, provide this training in communities across Illinois. A recent independent evaluation of the program has shown a remarkable improvement in both the financial literacy and behaviors of the participants after completing the program.

Yet programs like FLLIP would not be possible without the funds provided to them by banks, and in particular banks that do not hold \$1 billion in assets. In Illinois, more than 97% of banks fall under this threshold, meaning that these banks would have no obligation to fund programs like FLLIP.

You also propose that community development activities in rural areas should benefit any group of individuals instead of only low- and moderate-income individuals. But this will allow banks to cherry-pick and focus on affluent residents of rural areas rather than the lower-income consumers CRA targets. Finally, you would also eliminate publicly available data on the small business lending of mid-sized banks. Without data, community groups and citizens cannot hold banks accountable for lending to small businesses in their neighborhoods.

Your proposed changes are contrary to CRA's mandate that banks meet community needs. CRA is too important to be gutted. Please drop your proposal like the two other federal agencies that recognized its harm to underserved communities.

Sincerely,

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Cc:

National Community Reinvestment Coalition  
 President George W. Bush  
 Senators John Kerry and John Edwards