October 20, 2004

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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 changes in CRA (Community Reinvestment Act) requirements for mid-sized banks. CRA is vital for increasing homeownership and economic development in lower-income communities. However, your proposed changes threaten to wipe out the progress that has been made.

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. But your proposal would eliminate the investment and service requirements for all banks with under $1 billion in assets. This will result in significantly fewer loans and investments in affordable rental housing, health clinics, community centers, and economic development projects.

In the proposed changes, you would allow mid-sized banks to choose which community development activities they will undertake. Right now, these banks must make community development loans, investments, and services. Your proposed test allows banks to choose only one of the three activities. CRA makes funds available to low-income people and their communities. The likely result will be less community development activity – not a supportive move in this difficult economy and changing job market.

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 favor and focus on affluent residents of rural areas rather than the lower income consumers CRA targets. Finally, I am opposed to elimination of 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 changes directly oppose CRA's mandate to require lenders to 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,

Jayne Darling

Jayne Darling
20 South 1200 East
Salt Lake City, UT 84102

Cc:

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