

April 20, 2005

Mr. Robert E. Feldmen  
Executive Secretary  
Attention: Comments  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, D.C. 20429

Re: Proposed Changes to Small Bank CRA Streamlined Examination

Dear Sir:

I am a Compliance Officer of Citizens Union State Bank & Trust, located in Clinton, Missouri, a community of approximately 10,000 located in rural Western Missouri. My bank is \$300 million in assets and subject to the current large bank CRA exam. I am writing to comment on the FDIC's proposal to raise the threshold for the streamlined small bank CRA examination to \$1 billion without regard to size of the bank's holding company.

I support the proposal to create intermediate small banks between \$250 million and \$1 billion and exempt those institutions from data reporting obligations. However, I strongly oppose making the Community Development criterion a separate test from the bank's overall CRA evaluation. For a community bank, Community Development lending is not significantly different from the provision of credit to the entire community. The current small bank test considers the institution's overall lending in its community. The addition of a category of Community Development lending (and services to aid lending and investments as a substitute for lending) fits well within the concept of serving the whole community. A separate test would create an additional Community Development obligation and regulatory burden that would erode the benefit of the streamlined exam.

I strongly support the FDIC's proposal to change the definition of "community development" to include "rural or underserved" areas rather than focusing on low-and-moderate income area residents. However, a more specific definition of rural/underserved should be provided by the regulatory agency.

In conclusion, I believe the FDIC is working on a major improvement in the CRA regulations, one that much more closely aligns the regulations with the Community Reinvestment Act itself, and I urge the FDIC to continue to work with institutions to finalize revisions to the regulation. I will be happy to discuss these issues further with you, if that would be helpful.

Sincerely,

Rhonda L. Burchett  
Compliance Officer