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May 2, 2005

VIA EMAIL DELIVERY

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington DC 20551
RE: Docket No. R-1225

Robert E. Feldman
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th St. NW, Washington DC 20429
RE: RIN 3064-AC89

Office of the Comptroller of the Currency
250 E St. SW, Mail Stop 1-5
Washington 20219
RE: Docket Number 05-04

Dear Ladies/Gentlemen:

My name is Andrew Foster and I teach at Duke Law School where, among other things, I am the Director of the Community Enterprise Clinic (the "Clinic"). In the Clinic, Duke Law students, working under the supervision of Law School faculty, provide pro bono legal representation to community-based development organizations and small businesses. Based on our work with these constituencies, I see daily the importance of a strong Community Reinvestment Act (CRA) to low-wealth and minority communities. For this reason, I urge you to enhance the currently proposed changes to the CRA regulations so that banks do not reduce their levels of branches, and community development loans and investments to underserved communities. The proposed rules are an improvement over those issued in the fall, but serious issues remain.

I still believe that the current exam structure is the most effective for maximizing the level of community development financing. If a new exam format is adopted, it is critical that sufficient structures remain in place to ensure that significant declines of community development

financing do not occur. To that end, the final rule, if one is adopted should address the following points.

First, I am also concerned that eliminating the separate test for services will result in CRA exams no longer holding mid-size banks accountable for the provision of bank branches and low-cost accounts in low- and moderate-income communities. Payday lending and other high cost credit has increased in my community the last several years. In light of these realities, it is crucial that CRA exams address the services that lending institutions provide, including, without limitation, the number of bank branches located in traditionally underserved communities. Please add the provision of bank branches as a clear factor to be included in the proposed CRA exams for mid-size banks.

Finally, I strongly urge that the public data disclosure requirements of the current CRA regulations regarding community development, and small business and small farm lending be retained. Historically, the responsible analysis and use of such data has been a critical catalyst for increased community reinvestment. There is no reason to think that continued transparency will not be good for both communities and the banking industry. Thus, it is important that the current rules regarding data collection and disclosure be maintained.

Thank you very much for the opportunity to submit this comment letter and please feel free to contact me with any questions.

Best regards,

Andrew H. Foster

cc: National Community Reinvestment Coalition