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August 5th, 2022

James P. Sheesley
Assistant Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429
Attention: Comments RIN 3064-AF81

Re: Community Reinvestment Act Regulations

Dear Madam or Sir:

Bankers Trust Company (“Bankers Trust”, or “Bank”) is Iowa’s largest privately-owned bank with \$5.6 billion in assets serving the financial needs of communities it serves in the states of Iowa and Arizona. Bankers Trust was established in 1917 and is currently supervised by the FDIC and the Iowa Division of Banking. Since the year 2000, the Bank has maintained an “Outstanding” CRA rating from its prudential regulators.

Bankers Trust appreciates the banking agencies for their leadership to draft a joint proposal on which stakeholders can provide feedback and for making a coordinated effort to develop a final CRA rule that will be issued on an interagency basis.

As a community bank, Bankers Trust is committed to serving the financial needs of the communities in which it serves; enough so that one of our Core Values is “Community”. The Bank reinvests into its communities through various initiatives including lending, investments and services. It extends credit to and make investments in organizations, both for-profit and non-profit, that provide stable affordable housing options, vital community service programs, economic development initiatives, and revitalization/stabilization efforts to help ensure members of its communities, especially low- and moderate-income members, live a healthy and prosperous life. Additionally, Bankers Trust team members volunteer, on average, over 10,000 hours each year; roughly 20 hours per employee. While the Bank recognizes the importance of being a responsible corporate citizen, team members truly understand the impact they make by being civil servants within their communities.

Bankers Trust supports the modernization of the CRA and recognizes the regulation and supervision has become overly complex, unpredictable, and outdated. The need to update the CRA has existed for years and will grow more pressing as technology and the financial services industry continues to evolve.

Increased Transparency and Certainty Regarding Community Development

Bankers Trust supports the agencies efforts to clarify and expand what qualifies for CRA credit, expanding where CRA activities count, suggesting a more objective method to measure CRA activity, and efforts to revise data collection, recordkeeping and reporting.

The Bank supports the ideas and the intent to establish specific, quantifiable performance metrics. Removing subjectivity from the examination process is long overdue and beneficial for all stakeholders.

With the creation of a Community Development preapproval process and list of qualifying activities, this would substantially reduce the amount of ambiguity when considering CRA qualified activities. This process would not only benefit the Bank but would also provide the agencies with real-time examples of activities that are occurring throughout the country, leading to the expansion of qualified examples for supervised banks to reference.

Retail Lending Assessment Area for Large Banks

Bankers Trust assessment areas consist of full county geographies; therefore, it supports the agencies approach of Facilities Based Assessment Areas (FBAA's). However, the Bank does not support the proposed Retail Lending Assessment Areas (RLAAs) delineation threshold. While the Bank primarily operates and lends within its defined assessment areas, it also extends home mortgage and small business loans outside of these areas. The requirement of creating multiple RLAAs based on exceeding the 100 home mortgage or 250 small business threshold would be extremely burdensome and could inadvertently cause the Bank to focus on specific geographic locations outside of its FBAA rather than focusing on low- and moderate-income geographies within its FBAA.

CRA Exempted Entities – Credit Unions

In the spirit of CRA modernization, Bankers Trust encourages the agencies to work with policymakers to increase oversight of entities that have been exempted from the CRA requirements, specifically credit unions. Here in the State of Iowa, the number of large credit unions, those with assets around \$10 billion, has substantially increased in recent years. These financial institutions have veered away from their chartered purpose of serving low- and moderate-income individuals and communities, and instead are now targeting large commercial businesses and high net worth individuals. Additionally, credit unions have even began acquiring small community banks across the Midwest¹, thereby reducing the number of regulated CRA financial institutions helping meet the credit needs of their communities. As these large credit unions begin to shift their strategic focus and priorities, this puts low- and moderate-income individuals and communities at greater risk of having their financial needs being unmet.

Thank you for the opportunity to comment on the proposed changes to the CRA. Bankers Trust is committed to the spirit of the CRA and ensuring its communities, including low- and moderate-income, credit needs are met.

Respectfully submitted,



Joshua Kummer
Assistant Vice President, Fair Banking Officer
Bankers Trust Company

¹ Dupaco Community Credit Union completes acquisition of Home Savings Bank