



August 2, 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:

Thank you for the opportunity to comment on the proposed Community Reinvestment Act (CRA) rule revisions. The FDIC is our primary regulator. Community Bank of Mississippi is a \$4.5 billion financial institution located in the states of Mississippi, Alabama, Tennessee, and Florida. We serve a wide variety of communities within the four states we serve, including urban centers, suburban communities, and rural counties that are relatively underbanked save for the institutions such as ours that have committed to provide banking services. Community Bank of Mississippi is committed to serving the underprivileged communities in our footprint. Many of these areas have significant economic disadvantages and are primarily agricultural in nature. We strive to provide crucial depository and lending services to all of these areas.

Thank you for your leadership and hard work to draft a proposal on which stakeholders can provide feedback. In particular, thank you for the coordinated effort between each of the banking agencies to create a uniform rule that respects the unique needs of communities of various sizes and the abilities of financial institutions of varying business strategies and with differing resources.

As a part of your efforts to address these differences in communities and institutions, we ask you to consider the situation faced by a bank like ours when performing the Retail Lending Screen. In particular, we feel that some of our assessment areas that are primarily rural or economically disadvantaged exhibit low loan demand. While we lend in each of these areas, we face challenges in generating the same volume of lending that we are able to generate in other assessment areas. Yet we are committed to serving even these rural areas with a wide variety of deposit services, small business, and consumer lending, as well as home mortgage lending. Regrettably, the volume of credit in these areas does not meet the threshold the proposed rule establishes for all assessment areas of 30% of total deposits from the assessment area.

We ask the agencies to consider establishing a lower threshold for areas that exhibit generally low loan demand. Aggregate bank lending data as well as economic data should provide sufficient information to flag an assessment area as economically disadvantaged. Additionally, could the revised evaluation procedures place emphasis on deposit and other services offered by banks in areas exhibiting low loan demand? Doing so could help to ensure that banks continue to offer much needed services in these areas even though relatively few loans can be originated.



We would ask the agencies to consider the financial burden that would arise for banks with respect to geocoding deposits. The proposed rules require banks over \$10 billion in assets to do so but it is implied that other banks will need to do so as well to be able to gauge their own performance or risk the use of the FDIC's Summary of Deposit information in the examination. The proposed rules admit that doing so could cause flaws in the analysis because Summary of Deposit data includes deposits gathered outside the assessment area by bank branches within the assessment area. For a bank to have a fair analysis performed, it will need to devote additional resources to tracking deposit information. Given other regulatory reporting requirements, we anticipate having to add additional staff to be able to adequately monitor this information. This will cause an additional financial burden on our bank and many other similar institutions.

Again, we greatly appreciate the opportunity to comment on the proposed changes. Thank you again for the hard work you and the other agencies are doing to make these changes fair and meaningful.

Sincerely,



Jeff Swilley
Executive Vice President
Community Bank of Mississippi
1905 Community Bank Way
Flowood, Mississippi 39232