CentralBank
and Trust Co.

700 East 30th Avenue / P.O. Box 1366 / Hutchinson, Kansas 67504-1366 / 620 663-0666 / Fax 620 663-0604
www.centralbank-kansas.com
Member FDIC

October 18, 2004

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

RE: RIN Number 3064-AC50

Dear Mr. Feldman:

As chairman of a $215,000,000 community bank and a board member or investor in ten other community banks throughout the country, I see firsthand the affects of the regulatory and compliance costs on community banks and how it affects the banks' ability to reinvest profits in their community. Our bank spends approximately $250,000 per year (more than 10% of our pretax income) insuring compliance with laws and regulations, many which do not directly relate to our customers, our community or our banks operations. We work diligently to maintain compliance with all applicable laws and regulations, but recognize the substantial cost of complying with regulations that do not always apply to our situation.

We fully support the theory behind the Community Reinvestment Act and have an excellent track record of reinvesting our dollars in the communities where we are located. In fact, if we were not investing our capital and deposits in our community, we would not be successful. It is just that simple.

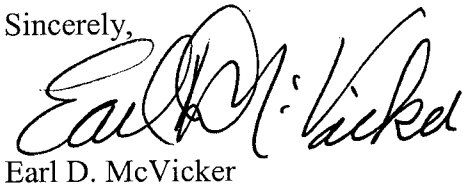
We strongly support the FDIC's proposal to raise the threshold for streamlined small bank CRA examinations to $1 billion without regard to the size of the bank's holding company. This would likely reduce our compliance cost by approximately $25,000 per year, money that would be available to loan back to our customers and invest in our community. We also believe that the FDIC should adopt its original $500 million threshold without a Community Development criterion. If the Community Development criterion is used we suggest that it be included in the overall CRA evaluation and not used as a separate test. We also support FDIC's proposal to change the definition of

"community development" to include rural residents. In our market, that would be a much more realistic criteria for community reinvestment purposes.

I have attended several meetings with FDIC personnel this year, and each time the EGRPA initiative has been discussed, and the EGRPA brochure has been distributed. FDIC says that it is serious about reducing the regulatory burden. If those statements are sincere and the EGRPA initiative and brochure is to be believed, you could take not better first step than to raise the CRA threshold as proposed.

Thank you.

Sincerely,



Earl D. McVicker
Chairman