



## Neighborhood Economic Development Advocacy Project

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**BY EMAIL: [comments@FDIC.gov](mailto:comments@FDIC.gov)**

May 16, 2005

Robert E. Feldman  
Executive Secretary  
Attention: Comments/Legal ESS, Room 3060  
Federal Deposit Insurance Corporation (FDIC)  
550 17th Street, NW  
Washington, DC 20429

Dear Mr. Feldman:

The Neighborhood Economic Development Advocacy Project (NEDAP) is eager to offer testimony on the petition for rulemaking submitted by the Financial Services Roundtable, dated March 4, 2005. The stated purpose of the requested rulemaking is to establish “parity” between state-chartered banks and national banks in interstate activities and operations. The Financial Services Roundtable has made an audacious request – one that demands public input beyond the one scheduled hearing in Washington DC. The issues are complex, and it would be contrary to the public interest for the FDIC to grant the Roundtable’s requested rules.

The requested rulemaking would have lasting and harmful effects on New Yorkers and their communities. NEDAP therefore regrets that, due to limited organizational resources, we are unable to testify at the Washington, DC hearing, on May 24, 2005.

It is also clear that state non-member banks’ interest in “parity” with national banks arises largely from recent overreaching by the U.S. Office of the Comptroller of the Currency (OCC). The OCC’s actions seem to have prompted an attempted “race to the bottom” as now state non-member banks also seek to circumvent state consumer protection and other vital laws.

We urge the FDIC, given the magnitude of the requested rulemaking, to hold public hearings at each of the FDIC’s regional offices, to afford organizations like ours in New York City and across the country opportunity to comment meaningfully.

Respectfully,

Sarah Ludwig  
Executive Director