



Mountain West Bank  
101 Ironwood Dr. Ste. 210  
Coeur d' Alene, Idaho  
May 4, 2005

Mr. Robert E. Feldman, Executive Secretary  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street NW  
Washington, D.C. 20429-9990

Attention: Comments

Dear Mr. Feldman:

Thank you for giving us an opportunity to provide input regarding the proposed changes to the Community Reinvestment Act. Mountain West Bank is strongly in favor of the proposal to create the "intermediate small bank" designation for banks between \$250 million and \$1 billion.

We believe a two-part test should be considered, but rather than evaluating lending and community development, perhaps lending and services would be a better test. Community development could remain a component of both tests. The current tests consist of 12 points for lending, 6 points for investments, 6 points for services. A new point system to consider could be 18 points for lending and 6 points for services, recognizing the emphasis on lending.

We support the removal of the low/moderate requirements. Community banks are involved in community development with every loan, every donation and every service offered, regardless of the income level of the census tracts in the assessment areas. Citizens of all income levels live interspersed throughout each census tract. Emphasis needs to be placed on how well we are serving our assessment areas, regardless of income levels.

Furthermore, we support the concept of intermediate small banks being exempt from CRA small business and community development loan data collection requirements. The cost of collection, maintenance, review and examination

expenses outweigh the value of this information, especially in a rural state like Idaho.

Mountain West Bank does not support these changes because we think it will decrease our responsibilities under the Community Reinvestment Act. In fact our Bank has always aggressively supported the housing and small business credit needs of the various markets we serve. In addition, we provide a number of banking services and products to all income levels in our markets. Finally we have always been a bank that has supported a wide variety of worthy causes through donations and employee participation. The opportunity to continue to provide these various levels of support within a regulatory framework that is not as costly or burdensome to work with is our motivation.

In summation, we are firmly convinced the proposed CRA changes will encourage new and better types of community development activities, foster needed rural economic and infrastructure improvements and allow community banks, like Mountain West Bank Bank, to focus our efforts on meeting local needs.

Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Don Shepherd".

Don Shepherd  
Director