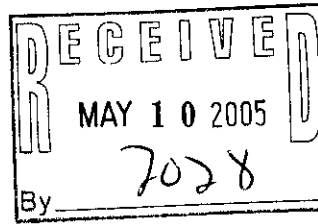


# Security Bank

of Bibb County



May 3, 2005

Ms. Leneta G. Gregorie  
Legal Division  
Room MB—3083  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Mr. Mark D. Menchik  
Desk Officer  
Office of Information and Regulatory Affairs  
Office of Management and Budget  
Room 10325  
Washington, DC 20503

Reference: Community Reinvestment – 12 CFR 345, Financial Institution Letter FIL-21-2005

Dear Ms. Gregorie and Mr. Menchik:

This letter will serve as our response to your request for comment on the proposed changes to the Community Reinvestment Act (CRA). Our comments are as follows

- Regarding the proposal to raise the “small bank” threshold to \$1 billion in assets – We support this recommendation. Banks less than \$1 billion in assets size are, almost always, “community banks”; meaning that they address a limited geographic area immediately surrounding their branch offices, and that they are totally dependent on the local market’s perception of them for their continued growth and success. Community banks are extraordinarily sensitive to the needs of their local communities and regard their responsibility to encourage the overall health of those communities as fundamental to their ability to continue to thrive in their respective markets. They typically occupy a single market area and do not have operations spread over several regions or states. For these reasons, even a larger \$1 billion asset institution will typically function in and address it’s home community in much the same way as a much smaller institution would. We believe that the \$1 billion ‘cut off’ is appropriate for individual banks, regardless of the size of a holding company that may own the bank.
- Regarding the proposal to use the existing small bank lending test to ‘grade’ these banks – We agree that banks under \$1 billion in assets should be subjected to the same lending test as applies to smaller institutions. For many of the same reasons noted above, banks under \$1 billion are aggressive in addressing the lending needs of their local markets, and

it is through that service avenue that they have the most opportunity to appropriately promote the health of the local economy and its community. We recognize that banks have a responsibility to encourage economic advancement across the entire spectrum of their resident markets and to support initiatives that enhance their communities.

- Regarding the proposal to institute a new “community development test” – We advise against this proposal. It is our understanding that one of the expressed purposes of the proposals is to, “...reduce regulatory burden for banks between \$250 million and \$1 billion in assets ..”. While raising the small bank designation to \$1 billion works to accomplish this, imposing a new community development test works directly against this goal. It is our position that we’d rather have the existing measurements and guidelines left in place rather than to change to the new proposals; if by doing so we’re instituting a new set of expectations and requirements. We’re already set up to deal with the existing requirements. We already have the reporting systems and skill sets in place to comply with the existing requirements. We’re already practiced in working with our regulatory partners to measure and gauge our compliance with the existing regulations. To impose a new type of measurement and set of expectations in place of those we already understand and are successfully managing would not be in our best interest – nor would they result in any better, more effective, or more broad service to our community. If you are going to reduce the regulatory burden and the attendant paperwork, then we urge you to do so. If you are only going to replace existing regulations with other, untried and potentially confusing regulations, we urge that you don’t.
- Regarding the proposal to expand the term “community development” to include rural areas – We support this proposal. While this portion of the proposal does not apply to our bank, we see this as an oversight in the original regulations that needs to be corrected.

With regard to your questions regarding the use of “plain language”:

- The material is sufficiently well organized to be of use.
- The proposal clearly states its intent and its requirements.
- Language in the proposal is clear.
- The format is sufficiently clear so as to make it useful.
- The proposal is sufficiently easy to understand.

We thank you for this opportunity for comment and appreciate your consideration of our points and concerns.

Sincerely,



Richard A Collinsworth  
President