

**From:** David Dudley [mailto:ddudley@american-state-bank.com]

**Sent:** Wednesday, March 23, 2005 11:16 AM

**To:** Comments

**Subject:** RIN No. 3064-AC89 - CRA Regulations.

The reporting requirements of a "large" bank versus a "small bank" are very burdensome compared to the benefit for "small" banks. The proposed regulation will allow our bank, now defined as an "intermediate small bank" more flexibility to devote our time, efforts and money to meet the needs of our immediate communities that are underserved regardless of income levels.

I believe the revisions will reduce the unnecessary burden on intermediate small banks without reducing public policy objectives of CRA. We support 100% the proposal to raise the small bank threshold to \$1 billion and to eliminate the data collection and reporting requirements for certain loans. We also support the proposal to adjust the asset size for small and intermediate small bank on an ongoing basis, based on the CPI.

The changes would allow our bank to have more flexibility to allocate resources to areas that need to be served in our market.

Without the changes, it is difficult to comply with the regulations and to compete with the "large" banks who have substantially more resources to implement CRA regulations. The changes would help level the playing field of small banks versus large bank to serve the local needs.

Our bank appreciates and supports the proposed changes to help us serve the needs of our community.

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