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To: FDIC
Re: RIN 3064-AC97

Community Reinvestment Act
Interagency Questions & Answers Regarding Community Development and other suggested
topics to be clarified

Dear Sirs,

In my previous comments about the proposed Q&A's I neglected to include a suggestion covering a topic of increasing importance each passing year. Since the inception of CRA the Agencies appear to have interpreted the Regulations to *require that the Assessment Area for any retail bank must include a deposit-taking facility*. There is no specific prescription in the Regulations in Part ¶.41(a)-(e) that imposes such a requirement nor is there a proscription in the Regulations that prevents a retail bank from establishing an assessment area without a deposit-taking facility. Furthermore, there is no Q&A or Interpretive letter that addresses the subject. Inquires of Agency personnel regarding this matter have been met with inconsistent responses which, for the most part, claim that every assessment area must include a depository facility, although it appears that the OTC does not make this assertion.

We urge the Agencies to issue a definitive statement regarding this matter. Moreover, we encourage the Agencies to permit the delineation of assessment areas for retail banks without requiring deposit-taking facilities in each assessment area. The advance of the Internet as a deposit-gathering mechanism and the advent of technologies such as remote-deposit capture have made the assumption (inherent in the position that the Regulations require a physical deposit-collecting facility in each assessment area) that banks gather deposits in the geographies immediately surrounding their physical facilities anachronistic. Today more and more banks are using modern technology to capture deposits far removed from their branches. We have seen one bank that has collected only 0.4% of its deposits from within its traditionally defined assessment area yet the Agency insists that the bank cannot delineate other assessment areas from which it gathers most of its deposits. This approach contradicts the very spirit of the CRA which was intended to require banks to lend back into the communities from which they gathered their deposits. New technologies and new deposit-collecting systems require a more flexible interpretation of this issue. But no matter what your position, it should be unambiguously declared and consistently enforced. Therefore, we urge you to adopt a new Q&A regarding this issue.

Respectfully submitted,

Leonard Suzio, President
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