



April 7, 2020

Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

RIN 3064-AF22

Re: Community Reinvestment Act Regulations

Dear Sir:

Ireland Bank is approximately \$250 million in asset size with 14 branches located in Southern Idaho. Three of these branches are in metropolitan areas while in other areas we may be the only financial institution available. The customers we serve are largely in small rural communities.

We would like to thank you for your leadership and hard work to draft a proposal on which stakeholders can provide feedback.

We are committed to the goals of CRA and to meeting the credit and financial services needs of our customers and communities. Many of the loans we provide are to borrowers considered to be small businesses and small farms. Many employee hours are committed to our communities by providing financial education to schools as well as serving on a number of committees in local areas supporting low-moderate income and homeownership growth.

We take pride in being engines of economic growth. But, CRA regulation and supervision have become overly complex, unpredictable, and they have not kept up with the way the consumers expect to use technology to access financial products and services. The need to update CRA has existed for years and will grow more pressing as technology and the financial services industry continue to evolve.

In lieu of the current CRA regulation's lending, investment, service, and community development tests, the proposal's new framework would evaluate a bank's CRA performance within each assessment area and at the bank level using three measures. Together, these three measures would generate a presumptive rating, which the agencies could adjust based on performance context factors or evidence of discriminatory or other illegal credit practices. The CRA Evaluation measures will be a sum of several quantitative calculations. These calculations are lengthy, difficult and will be time consuming to monitor the bank's performance.

The proposal would focus on a bank's balance sheet in lieu of the CRA data reporting that exists today. It imposes significant recordkeeping requirements regarding the collection and maintenance of new data supporting the bank's performance. The amount of recordkeeping requirements for a bank of our

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size would be excessive and require a significant amount of time. Even if the bank was to opt-in to the Small Bank category, it does not relieve us from the recordkeeping we would be required to have.

Additionally, banks would be required to collect and maintain results of borrower distribution and geographic distribution tests for major retail lending product lines and would be required to collect the value of each retail domestic deposit account and the physical address of each depositor as of the close of business on the last day of each quarter. This would require the bank to implement a costly and again time-consuming process for the bank to collect and report this data.

While we support CRA reform, the outcome should be something that is easily monitored and reported and not add to the financial and time burdens already placed on small banks for government reporting. A simplified approach would be most helpful for our bank. The proposal would leave our bank needing to train additional staff that already have multifunctional demands which could lead to a potential lack of required expertise in this complicated regulation.

Thank you for your time and consideration in evaluating the effectiveness of this proposal.

Sincerely,

Bruce Lowry
President, Chief Executive Officer

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