



510 South Mendenhall Road  
Memphis, Tennessee 38117  
901-888-BANK (2265)  
[www.cbtcnet.com](http://www.cbtcnet.com)

April 7, 2020

Robert E. Feldman  
Executive Secretary  
Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429  
Attention: Comments, RIN 3064–AF22

Legislative and Regulatory Activities Division  
Office of the Comptroller of the Currency  
400 7th Street SW, Suite 3E–218  
Washington, DC 20219  
Docket ID OCC–2018–0008

Re: Community Reinvestment Act Regulations

Dear Madam or Sir:

### **Introduction**

- A. Commercial Bank and Trust Company is an \$800 million institution operating in four markets in West Tennessee. Two markets are located in MSA's and two are in rural communities with populations of approximately 10,000. Our Primary regulator is the FDIC.
- B. Thanks for your hard work to draft a proposal on which stakeholders can provide feedback.
- C. We are committed to the goals of CRA and to meeting the credit and financial services needs of our customers and the communities we serve.
- D. The need to update CRA has existed for years and will grow more pressing as technology and the financial services industry continue to evolve.
- E. We urge all three banking agencies—the OCC, FDIC, and Federal Reserve—to develop a final CRA rule that is issued on an interagency basis.

Although there are numerous aspects of the proposal changes that are problematic for a bank our size. I am focusing my comments on Subpart E.

## **Subpart E**

According to the proposal, and based on our asset size, we would transition from an Intermediate Small Bank to a Large Bank. We are a small community bank serving our assessment areas with consumer retail, mortgage, small business and farm loans in addition to consumer and business deposit accounts.

We are concerned about the increased costs (direct and indirect) as well as the additional burden regarding the proposal on data collection, recordkeeping and reporting; specifically, the addition of collection and record keeping for qualifying and non-qualifying retail loans in addition to home mortgage and consumer loans that do not qualify for CRA credit. To be able to manage this would include not only adding more employees but the cost of systems which are capable of complying with the requirements.

Compatibility between the proposal and the manner in which bank data systems are structured is a concern. The proposal does not recognize that portions of the required data generally does not reside in a single system within a bank. In order for the bank to comply with the proposed changes, we would be forced to add additional employees and invest in system upgrades to capture the additional information required. These systems are not designed to retain loan-level information in monthly and quarterly intervals.

We are concerned that if we are going to be regulated and examined on the same basis as a \$5 billion bank, it will require significant additional investments in Human Capital and Technology/System upgrades in order to comply. Our goal is to continue our commitment to effectively serve our Low to Moderate Income communities as we have in the past.

Commercial Bank respectfully requests the threshold for the small bank designation be increased from the proposed \$500 million to \$5 billion.

Respectfully,



Roy M. Ford Jr.  
CEO & Chairman of the Board  
Commercial Bank & Trust  
101 N. Poplar St  
Paris, TN 38242