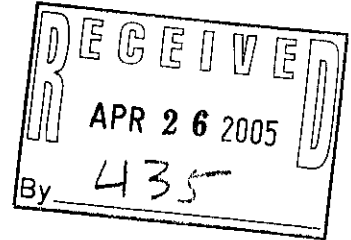




**Scott County
Housing Council**

131 West Third Street, Suite M03
Davenport, Iowa 52801
Ph. (563) 323-0420



April 18, 2005

Robert E. Feldman
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 - 17th Street NW
Washington DC 20429

RE RIN 3064-AC89

Dear Mr. Feldman,

I believe the current three test Community Reinvestment Act exam is the best way to ensure a financial institution provides services and investments along with their lending requirements, therefore, I urge you to enhance your proposed changes to the CRA regulations so that banks do not reduce their number of branches and community development loans and investments to low- and moderate-income communities.

Banks must be expected to engage in all three essential aspects of community development in order to pass their CRA exam as the current regulations require. If you move to a new exam structure, you must ensure that significant declines in community development financing do not occur.

The role of investment in communities can not be demeaned. Investments in affordable housing and economic development build wealth for families and communities and thus open up new markets for bank lending and services. The importance of investments as an economic development tool is one reason why you must ensure any final proposal regarding the CRA reporting and the exam emphasize the investment test.

I am also concerned that deleting the separate services test will result in CRA exams no longer holding mid-size banks accountable for the provision of bank branches and low-cost accounts in low- and moderate-income communities. Payday lending and other high cost credit has increased in my community over the last several years. The last thing we need is a CRA exam that no longer looks at the number of bank branches in traditionally underserved communities. Please ensure that the provision of the bank branches is a clear factor on the final CRA exam for mid-sized banks.

It is equally imperative that you drop the proposed elimination of data collection and public disclosure regarding community development, small business and small farm lending. All the banks in my area would fall into the mid-sized category and if they don't report their data and if that data is not published we will lose our ability to hold their feet to the fire and ensure that they provide services to those most in need. We literally would have no data for any of the local financial institutions that we work with.

The current three test CRA exam is the best method that we have to ensure that our financial institutions are serving those most in need. I urge you not to change what and how mid-sized banks currently report and how they are judged in the performance of their duties.

Sincerely,

Rick Schloemer
Resource Development Director