



*rec'd. 11/26/01*  
**Community Bankers of Louisiana, Inc.**

4825 Jamestown Avenue PO Box 14089

Baton Rouge Louisiana 70898

225.927.9022 Fax 928.3201

www.cbla.org

**Daniel P. Digby**  
President

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October 17, 2001

Regulation Comments  
Chief Counsel's Office  
Office of Thrift Supervision  
1700 G Street, NW  
Washington, DC 20552  
Attn: Docket No. 2001-49

RE: Community Reinvestment Act

Dear Regulation Comments:

The Community Bankers of Louisiana (CBL) is a state trade association representing only community banks domiciled in Louisiana. Community banks in Louisiana and throughout the nation have express their concerns regarding the burden imposed by compliance requirements associated with the Community Reinvestment Act (CRA).

Community Banks by their very nature are committed to the success and development of their local communities. The future of the bank is intertwined with the local community. Without CRA requirements, Community banks would be involved in reinvesting in communities they serve.

CBL members embrace the underlying objectives of CRA. However, community banks are concerned with certain regulatory requirements that need to be corrected.

In particular, the definition of a "small bank" needs to be revised. Present CRA regulations requires a bank with assets less than \$250 million to meet a lesser CRA standard than a bank with assets greater than \$250 million. When the revised CRA regulations were approved, a "small bank" was defined as less than \$250 million in assets. In today's market, a "small bank" is defined as less than \$1 Billion in assets. Both the Federal Reserve and the Federal Home Loan Banks use the \$1 Billion asset as their threshold. Therefore, the CRA regulations must be revised to include this standard.

Mergers of Community banks in the same geographic area have forced them to comply with the more stringent CRA requirements. The operating philosophy has not changed and their commitment to their local communities has not changed. But, their asset

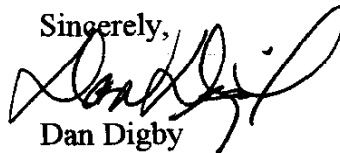
size has increased.

These community banks are subjected to the CRA's investment test and required to prove composition of community to achieve a high CRA rating. In most cases, such investments are unavailable in their local communities. CBL does not believe the investment test was the intent of the original objectives established for the CRA.

A solution is change the definition of a "small bank" to \$1 Billion or less.

CBL and its community bank members wants to emphasize our strong support for the CRA goals. CBL urges your support for changing the regulation as outlined allowing community banks to comply without excessive regulatory burden.

Sincerely,



Dan Digby  
President

cc Board of Directors