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June 8, 2006

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G St. NW
Washington DC 20552

To Whom It May Concern:

Re: Attention No. 2006-17

On behalf of Woodstock Institute and its board of directors, we appreciate the recent proposal to make the Office of Thrift Supervision's (OTS) definition of community development consistent with the definitions of the Federal Reserve, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency. We believe that, if implemented rigorously, that the proposed changes to community development will benefit low- and moderate-income families in rural areas and communities recovering from disaster areas.

Just like the three banking agencies, the OTS has amended its CRA regulation to provide CRA credit for thrifts if they finance community development in designated disaster areas and middle-income census tracts in distressed and underserved rural counties. Also, just like the three other agencies, the OTS' proposed questions and answers (Q&As) clarify that more CRA points will be awarded for financing community development if the community development meets the needs of low- and moderate-income families. Woodstock Institute accurately maintains that the purpose of CRA is to promote investment in low- and moderate-income communities and that CRA credit should be targeted to projects that fulfill this mandate. In order to fulfill CRA's mandate, the OTS must remain focused on the needs of low- and moderate-income families and communities in the Q&As.

We are pleased that the OTS has proposed Q&As that are virtually identical to the Q&As of the banking agencies. In an effort to further establish consistency with the banking agencies, Woodstock Institute urges the OTS to modify its recent changes to the CRA examinations and regulations for savings and loans above \$250 million in assets. Woodstock Institute was strongly opposed to this action in January of 2005 and urges Director Reich to continue to consider establishing an "intermediate small bank" test similar to the other three regulatory agencies.

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Uniform examinations and regulations are very important to establish consistent expectations of rigorous CRA examinations regardless of the charter held by a depository institution. Uniform examinations and regulations had been the standard for all of CRA's history until the last couple of years. We urge the OTS to adopt the uniform standard set by the remaining three regulatory agencies.

Thank you for this opportunity to comment. If you have any questions, please feel free to contact me or Tom Feltner, Communications Associate at Woodstock Institute, at (312) 427-8070.

Sincerely,

Malcolm Bush
President

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