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U.S. House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

November 4, 2005

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ROBERT U. FOSTER III
STAFF DIRECTOR

The Honorable John C. Dugan
Comptroller of the Currency
Office of the Comptroller of the Currency
250 E Street, SW
Washington, DC 20219

The Honorable Alan Greenspan
Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20219

The Honorable Donald E. Powell
Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

The Honorable John Reich
Director
Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552

Dear Comptroller Dugan, Chairman Greenspan, Chairman Powell, and Director Reich:

As you know, your joint Community Reinvestment Act (CRA) regulation that was issued on August 2, 2005, changed the definition of “community development” to make financial institutions’ activities to revitalize or stabilize designated disaster areas eligible for CRA consideration. We believe the regulation requires the agencies to give financial institutions favorable CRA consideration for making qualified investments in minority-owned federally insured depository institutions (MOIs) located in the areas that have been affected by Hurricane Katrina. While the Office of Thrift Supervision has not adopted this provision, we strongly urge that it treat qualified investments to MOIs located in designated disaster areas in a similar manner, and thus are writing to all four of your agencies. MOIs have traditionally provided

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financial services and products to otherwise underserved populations. The long-term prosperity of these MOIs is critically important in ensuring that the devastated Gulf Coast area is revitalized and rebuilt. As such, financial institutions across the country that make qualified investments, including grants or deposits, in MOIs in the areas affected by Hurricane Katrina are helping to revitalize and stabilize those areas, and should receive favorable CRA consideration for their efforts without a requirement that MOIs be located in the financial institutions' broader statewide or regional area. We appreciate your consideration of our views on this matter.

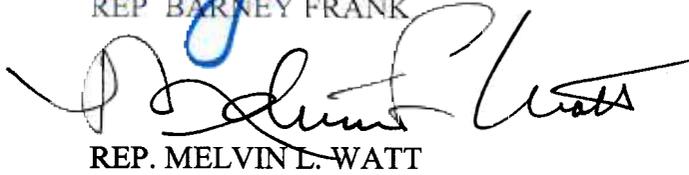
Sincerely,



REP. BARNEY FRANK



REP. MAXINE WATERS



REP. MELVIN L. WATT



REP. JULIA CARSON



REP. GREGORY W. MEEKS



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