

From: "Paul C. Adamski" <pineries@charter.net> on 04/05/2004 11:10:45 AM
Subject: Regulation BB - Community Reinvestment Act

Paul C. Adamski
3601 Main St.
Stevens Point, WI 54481

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Dear Federal Reserve:

Please accept this correspondence as my comment letter urging your agency to increase the asset size of banks eligible for the small bank streamlined Community Reinvestment Act (CRA) examination from \$250 million to \$500 million. I also understand that this proposal would eliminate the holding company size limit (currently \$1 billion). Obviously this proposal would greatly reduce regulatory burden.

Approximately eight years ago a group of investors and I purchased the smallest bank in the state for the purpose of growing that bank in its original market and in a new market (ie, Stevens Point, WI). During that time we have worked hard to keep a loan to deposit ratio that has typically ranged from 75% to 83%. It is our opinion that consistent high loan to deposit ratios of this type speak for themselves when it comes time for regulators to determine how a financial institution is meeting the needs of its communities.

We would also suggest that adjusting the asset size limit is appropriate at this time because it more accurately reflects significant changes and consolidation within the banking industry in the last 10 years. When I first started in the banking business every bank in Portage County Wisconsin was independently owned and operated. Obviously time and legislation have changed that situation significantly. Now is the time to recognize that banks should not all be examined and subject to the exact same types of regulations. This proposal is a significant step in that direction.

I applaud your agencies initiative to bring this streamlined CRA proposal to the forefront and encourage you to take similar measures in other areas of regulation that will prudently reduce the regulatory burden for community banks throughout the nation.

Yours very truly

Paul C. Adamski