



September 27, 2004

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington D.C. 20429

Attn: Comments/Legal ESS

Re: RIN Number 3064-AC50; FDIC Proposed Increase in the Threshold
for the Small Bank CRA Streamlined Examination

Dear Mr. Feldman:

I am the Senior Vice President and General Counsel of Greenfield Savings Bank, located in Greenfield, Franklin County Massachusetts which is a town of approximately 18,000 residents. My bank has approximately \$490,000,000 of assets and as such is already subject to examination by the FDIC under the large bank CRA examination procedures. I strongly support the FDIC's proposal to increase the threshold for a streamlined small bank CRA examination to \$1 billion dollars. I also act as the CRA Officer for the bank. This proposal when adopted will greatly relieve the regulatory burden placed on small banks such as Greenfield Savings Bank, which under the current regulations are required to meet the same standards applicable to the largest banks.

The proposal by the FDIC does not result in the small banks being exempt from the CRA examination and will not result in small banks decreasing or diminishing their community development initiatives and investments. The proposed regulation will have the effect of lowering our current regulatory burden significantly in terms of both cost of compliance and the man-hours needed to comply with the current large bank procedures.

The addition of a community development criterion to the small bank examination for those banks over 500 million in assets is a significant improvement over the present investment test. As the examiners at the FDIC know, it is often extremely difficult for small banks to find investments which meet the qualified investment test and which are located in their own communities. This is even more difficult for banks such as Greenfield Savings Bank which are also located in rural communities. Franklin County Massachusetts, which is located in northwestern Massachusetts, has been described as the most rural area in Massachusetts and the county is also the poorest area in Massachusetts. Our latest public disclosure for CRA made the following observations: