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July 20, 2000

Manager
Dissemination Branch
Information Management & Services Division
Office of Thrift Supervision
1700 G Street NW
Washington DC 20552

Attention: Docket No. 2000-44

Dear Sir/Madam:

I am writing on behalf of the Los Angeles Neighborhood Housing Services (LANHS) to urge you to make significant changes in the proposed "sunshine" regulations. I believe that the sunshine statute strikes at the heart of the Community Reinvestment Act (CRA).

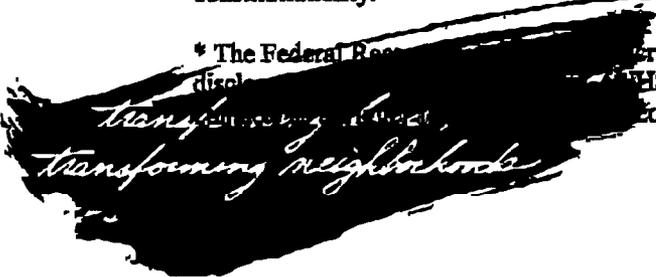
The CRA has been critical to our success as an organization. Our purpose is to improve and restore our targeted neighborhoods by promoting reinvestment, providing decent housing that is affordable to low- and moderate-income persons, and promoting economic development opportunities. At the same time, we strive to restore confidence and to emphasize pride through the efforts of neighborhood residents acting in concert with financial institutions, local government, insurance companies, the business community, and others. Since 1984, we have served over 1.25 million families, developed over 3,800 housing and commercial units, established 92 block clubs, and employed over 200 neighborhood youth, leveraging more than \$1 billion back into some of Los Angeles' toughest neighborhoods.

The essence of the Community Reinvestment Act is encouraging members of the general public to articulate credit needs and engage in dialogue with banks and federal banking agencies. The sunshine statute, by making CRA-related speech suspect, threatens to reverse more than twenty years of bank-community partnerships and progress.

* Under the procedures of general operating grants LANHS asks the Federal agencies to specify in the final regulation that the use of IRS Form 990 is an acceptable means of disclosure. In their preamble to the draft regulation, the federal agencies state that the 990 form provides more than enough detail for satisfying disclosure requirements. Codifying the use of 990 forms would simplify reporting requirements and reduce burdens for nonprofit organizations that are very familiar with the 990.

* Because of the profound damage that the CRA contact portion of the sunshine provision will cause, LANHS asks that the federal banking agencies refrain from implementing the CRA contact rules until they have sought an opinion from the Department of Justice's Office of Legal Counsel regarding its constitutionality.

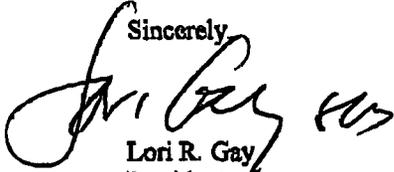
* The Federal Reserve has discretionary authority to exempt agreements or contracts from disclosure. LANHS asks the Federal Reserve to eliminate all non-written CRA contact should not be considered CRA contact because of the



inability to document and define the contact. The agencies need to have very specific and clear definitions of what a CRA contact is.

We urge the federal banking agencies to adopt our suggestions for streamlining the sunshine regulation.

Sincerely

A handwritten signature in black ink, appearing to read "Lori R. Gay", with a stylized flourish at the end.

Lori R. Gay
President

LRG:jb