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July 19, 2000

Ms. Jennifer J. Johnson
Board of Governors of the Federal Reserve System
20th and C Streets, NW
Washington DC 20551

RE: Docket No. R-1069

Dear Ms. Johnson:

I am writing on behalf of the Fair Housing Council of San Gabriel Valley ("FHC") to urge you to make significant changes in the proposed "sunshine" regulations. FHC is a private nonprofit organization whose mission is to actively support and promote freedom of residence for all persons, regardless of race, color, religion, national origin, familial status, disability, marital status, ancestry, age, sexual orientation, income source or gender. I believe that the sunshine statute strikes at the heart of the Community Reinvestment Act ("CRA"). The essence of CRA is encouraging members of the 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, FHC 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, FHC 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.

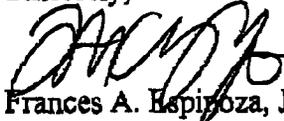
The Federal Reserve Board has the discretionary authority to exempt agreements or contracts from disclosure based on CRA contacts. FHC asks the Federal Reserve to eliminate all non-written CRA contacts as a trigger for disclosure. Oral contact should not be considered CRA contact because of the inability to document and define the



contact. The agencies need to have very specific and clear definitions of what constitutes a CRA.

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

Sincerely,



Frances A. Espinoza, J.D.
Executive Director

CC: Communications Division, Office of the Comptroller of the Currency
Robert E. Feldman, Executive Secretary, Federal Deposit Insurance Corp.
Manager, Dissemination Branch, Information Management & Services
Division, Office of Thrift Supervision