



# PRESS RELEASE

Federal Deposit Insurance Corporation

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Media Contact:  
David Barr (202) 898-6992

## FDIC Seeks Additional Comments on "Small-Bank" CRA Threshold

### FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation (FDIC) today issued a proposed rule seeking additional comments regarding the Community Reinvestment Act (CRA). On February 6, the FDIC, along with the other banking and thrift regulators, published for comment a proposed rule to make changes to CRA evaluations that would, among other things, increase the small institution threshold to \$500 million from \$250 million.

After reviewing the more than 900 comment letters received, the FDIC has decided to issue a new proposal to solicit additional comments on the impact of changing the definition of a small bank for purposes of CRA to include those with total assets of up to \$1 billion, regardless of holding company affiliation.

In addition, for banks with assets between \$250 million and \$1 billion, the proposal would add a new community development criterion to the small bank performance standards that would provide these institutions with a choice among community-based lending, investment and service activities. The proposal also seeks comments on whether a separate community development test in addition to a lending test would be more appropriate. The proposal also would expand the definition of community development to encompass a broader range of activities in rural areas.

The purpose of today's action is to solicit further comments for the FDIC's Board of Directors and staff to consider before making a final decision on rule changes. It does not withdraw or supersede the February 6 proposed rule.

Comments are due 30 days after publication in the Federal Register. Copies of the FDIC's proposal are attached and are also available at the Public Information Center (877-275-3342 or (703) 562-2200).

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### Attachments:

- [Memorandum to FDIC Board of Directors](#)
- [Notice of proposed rulemaking](#)



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-83-2004