
Joint Release

**Federal Deposit Insurance Corporation
Board of Governors of the Federal Reserve System
Office of the Comptroller of the Currency**

For immediate release

August 30, 2005

**Agencies Release List of Distressed and Underserved Nonmetropolitan
Middle-Income Geographies**

The federal banking agencies today announced the availability of the list of distressed and underserved nonmetropolitan middle-income geographies in which bank revitalization or stabilization activities will receive Community Reinvestment Act (CRA) consideration as "community development" pursuant to the revised CRA rules issued by the agencies on August 2, 2005. The list is available on the Federal Financial Institutions Examination Council (FFIEC) website (www.ffiec.gov/cra).

"Distressed nonmetropolitan middle-income" geographies are those located in counties that meet one or more triggers that generally reflect the "distress criteria" used by the Community Development Financial Institutions (CDFI) Fund. The distress triggers are: (1) an unemployment rate of at least 1.5 times the national average; (2) a poverty rate of 20 percent or more; (3) a population loss of 10 percent or more between the previous and most recent decennial census, or a net migration loss of 5 percent or more over the five-year period preceding the most recent census. The agencies will utilize annual information where possible.

"Underserved nonmetropolitan middle-income geographies" must meet criteria for population size, density, and dispersion that indicate that an area's population is sufficiently small, thin, and distant from a population center such that the geography is likely to have difficulty in financing the fixed costs of essential community needs. The agencies will use as the basis for these designations the "urban influence codes" numbered 7, 10, 11, and 12 that are maintained by the Economic Research Service of the United States Department of Agriculture.

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency will update the list of distressed and underserved nonmetropolitan middle-income geographies annually, and will post updates on the FFIEC website by April 1 of each year. To the extent that changes occur, the agencies are proposing adoption of a one-year lag period, which would be in effect for the calendar year following the date when a census tract designated as distressed or underserved is removed from the list. Revitalization or stabilization activities undertaken during the lag period would still be considered as community development activities if they meet the primary purpose of community development.

The list of distressed and underserved nonmetropolitan middle-income geographies can be found at <http://www.ffiec.gov/cra/pdf/distressedorunderservedtracts.pdf>.

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