



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, DC 20429-9990

**Financial Institution Letter**  
**FIL-35-2009**  
**June 24, 2009**

## **Community Reinvestment Act**

### ***Request for Comment on Proposed Revisions to CRA Regulations***

#### **Summary:**

The FDIC, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision (the agencies) are publishing the attached proposed revisions to the Community Reinvestment Act (CRA) regulations. The proposed revisions would require the agencies, when assessing a financial institution's record of meeting community credit needs, to consider low-cost education loans to low-income borrowers and various activities undertaken by nonminority-owned and nonwomen-owned financial institutions in cooperation with minority- and women-owned financial institutions and low-income credit unions. Comments on the proposed revisions are due 30 days following publication of the joint notice of proposed rulemaking in the *Federal Register*.

#### **Distribution:**

FDIC-Supervised Banks (Commercial and Savings)

#### **Suggested Routing:**

Chief Executive Officers  
CRA Officers  
Compliance Officers

#### **Related Topics:**

Community Reinvestment Act

#### **Attachment:**

[FDIC PR-98-2009, Joint Release Announcing Notice of Proposed Rulemaking for Community Reinvestment Act Regulations: Joint Notice of Proposed Rulemaking](#)  
[Community Reinvestment Act Regulations: Joint Notice of Proposed Rulemaking - PDF \(PDF Help\)](#)

#### **Contact:**

Deirdre Foley, Senior Policy Analyst, Compliance Policy Section, at [dfoley@fdic.gov](mailto:dfoley@fdic.gov) or (202) 898-6612; or Susan van den Toorn, Counsel, at [svandentoorn@fdic.gov](mailto:svandentoorn@fdic.gov) or (202) 898-8707

#### **Note:**

FDIC financial institution letters (FILs) may be accessed from the FDIC's Web site at [www.fdic.gov/news/news/financial/2009/index.html](http://www.fdic.gov/news/news/financial/2009/index.html).

To receive FILs electronically, please visit <http://www.fdic.gov/about/subscriptions/fil.html>.

Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 3501 Fairfax Drive, E-1002, Arlington, VA 22226 (1-877-275-3342 or 703-562-2200).

#### **Highlights:**

- The federal banking and thrift agencies are proposing to amend the CRA regulations to address the recent statutory amendment made to the CRA by the Higher Education Opportunity Act, which requires the agencies to consider low-cost education loans to low-income borrowers when assessing a financial institution's record of meeting community credit needs.
- The proposal also would incorporate into the CRA rules statutory language that allows the agencies, when assessing an institution's record, to consider, as a factor, joint ventures undertaken by nonminority-owned and nonwomen-owned financial institutions in cooperation with minority- and women-owned financial institutions and low-income credit unions.

The agencies are seeking comment on all aspects of the proposal. For example, the proposal seeks comment on the following questions:

- Should the definition of "education loans" include private loans not governmentally insured or guaranteed?
- Should "low income" be defined differently from the way it is currently defined in the regulations, and in determining income level, how should the agencies treat the student's family income or expected contribution?