

**Community Reinvestment Act  
New Interagency Questions and Answers**

Due to the significant revisions to the Community Reinvestment Act (CRA) regulations that took effect on September 1, 2005, the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board, and the Office of the Comptroller of the Currency (the agencies) prepared informal staff guidance in the form of proposed new questions and answers (Q&As) addressing those changes, along with revisions to two existing Q&As (see: 65 FR 36620, July 12, 2001). This proposed guidance was published in the Federal Register on November 10, 2005, for comment. After considering the comments, the agencies have adopted all of the proposed Q&As as they were proposed or with revisions in response to the comments.

Of the 14 new Q&As, eight discuss the revised definition of "community development," which includes activities that revitalize or stabilize a distressed or underserved nonmetropolitan middle-income geography or a designated disaster area. The Q&As also address the treatment of individuals in designated disaster areas and individuals who are displaced by disasters. The guidance includes three Q&As that address the community development test applicable to intermediate small banks and how these banks will be evaluated under it. A new Q&A that applies to banks of all sizes explains how examiners evaluate qualified investments made during the prior evaluation period but that are still outstanding during the current evaluation period. The remaining new Q&As specify that:

- Any small bank (including an intermediate small bank) may request that activities of an affiliate in the small bank's assessment area(s) be considered in its performance evaluation.
- The asset size thresholds for "small bank" and "intermediate small bank" will be adjusted annually based on changes to the Consumer Price Index.

In addition, the guidance includes revisions to two existing Q&As to provide additional clarification and examples of community development services and qualified investments. In particular, a new provision states that a community development service may include providing international remittances services that increase access to financial services by low- and moderate-income persons.

Sandra L. Thompson  
Acting Director  
Division of Supervision and Consumer  
Protection