



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-18-2008
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COMMUNITY REINVESTMENT ACT

Annual Asset-Size Threshold Adjustment

Summary: The FDIC, the Federal Reserve Board, the Office of the Comptroller of the Currency and the Office of Thrift Supervision have published the attached joint final rule amending the Community Reinvestment Act (CRA) to make the annual adjustment to the asset-size threshold used to define “small bank” and “intermediate small bank” under the Act. The final rule also corrects a paragraph heading that is inaccurate as a result of annual revisions to the small institution threshold.

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Joint Final Rule

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Note:

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Highlights:

- The federal banking agencies have amended their CRA regulations to publish an increase in the asset-size threshold to be used to define “small bank” and “intermediate small bank.” The increase is based on the annual percentage change in the Consumer Price Index (CPI).
- As a result of the 2.7 percent increase in the CPI for the period ending in November 2007, the definitions of small and intermediate small banks for CRA examinations have changed as follows:
 - “Small bank” or “small savings association” means a bank that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.061 billion.
 - “Intermediate small bank” or “intermediate small savings association” means a small bank with assets of at least \$265 million as of December 31 of both of the prior two calendar years, and less than \$1.061 billion as of December 31 of either of the prior two calendar years.
- These asset-size threshold adjustments took effect on January 1, 2008.
- The final rule also revised the paragraph headings found at 12 C.F.R. § 345.26 (“Small banks with assets of less than \$250 million”). As a result of the annual adjustments to the dollar amount threshold for small institutions, the threshold of \$250 million described in the paragraph heading is inaccurate.
- Current and historical asset-size thresholds are published on the Federal Financial Institutions Examination Council's Web site at www.ffiec.gov/cra/.