



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

Financial Institution Letter
FIL-7-2018
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CRA Consideration for Community Development Activities in the U.S. Virgin Islands and Puerto Rico Following Hurricane Maria

Summary: The FDIC generally encourages depository institutions to consider all reasonable and prudent steps to assist their customers and other residents in communities affected by natural disasters. In furtherance of this goal, the FDIC, in coordination with the Federal Reserve Board of Governors (FRB) and Office of the Comptroller of the Currency (OCC), is issuing a statement to clarify that a financial institution located outside the U.S. Virgin Islands and Puerto Rico, designated as disaster areas, will receive consideration for community development activities that revitalize or stabilize these areas, as long as the institution has been responsive to the community development needs and opportunities of its assessment area(s).

Statement of Applicability to Institutions Under \$1 Billion in Total Assets: This Financial Institution Letter applies to all FDIC-supervised institutions.

Distribution:
FDIC-Supervised Institutions

Suggested Routing:
Chief Executive Officer
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Attachment:
[CRA Consideration for Community Development Activities in the U.S. Virgin Islands and Puerto Rico Following Hurricane Maria.](#)

Contact:
Patience Singleton, Senior Policy Analyst, at (202) 898-7168 or PSingleton@fdic.gov.
Pamela Freeman, Senior Examination Specialist, at (202) 898-3656 or PFreeman@FDIC.gov.

Note:
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Highlights:

- The CRA regulatory definition of community development includes revitalization or stabilization efforts in designated disaster areas.
- Interagency Questions and Answers Regarding Community Reinvestment state that the agencies will favorably consider activities by financial institutions that revitalize or stabilize designated disaster areas within their assessment area(s) or broader statewide or regional areas.
- Hurricane Maria caused widespread devastation in areas that are not connected to the mainland United States or within assessment area(s) or the broader statewide or regional areas of most banks, but have had economic impact and other effects that may extend to other parts of the nation.
- In response to inquiries from institutions and the magnitude of the disaster, the FDIC, FRB, and OCC have determined that it is appropriate to give favorable consideration to community development activities to financial institutions located anywhere in the nation that help to revitalize or stabilize designated disaster areas in the U.S. Virgin Islands and Puerto Rico affected by Hurricane Maria.
- Community development consideration will be provided only if the institution has been responsive to the needs and opportunities of its own assessment area(s).
- Consideration for activities that assist the disaster areas or affected individuals will be given without regard to median income of the census tract or the personal income of the individual. However, the agencies may give greater weight to activities that are most responsive to community needs, including the needs of low- and moderate-income areas and individuals.