

Press Releases

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OTS 04-31 - OTS Finalizes CRA Rule

Office of Thrift Supervision

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For further information

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Contact: Chris Smith

OTS 04-31

202/906-6677

OTS Finalizes CRA Rule

WASHINGTON - The Office of Thrift Supervision (OTS) announced today it is issuing a final rule, to be effective October 1, 2004, modifying the existing "small institution" test for thrifts under the Community Reinvestment Act (CRA). The rule increases the "small institution" threshold for savings associations from \$250 million to \$1 billion. In addition, the rule eliminates the restriction that small thrifts in a holding company with consolidated banking and thrift assets of \$1 billion or more are not eligible for "small institution" treatment under the CRA.

The final rule will permit thrift institutions qualifying as small savings associations to benefit from streamlined CRA examinations as well as reduced data collection and reporting burdens under the CRA. The final rule does not, however, relieve small savings associations of all other existing and ongoing compliance requirements and legal obligations under the CRA.

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases and other documents, visit the OTS web page at www.ots.treas.gov.