

amendment, par. (1)(D) read as follows: “the Federal Home Loan Bank Board with respect to institutions the deposits of which are insured by the Federal Savings and Loan Insurance Corporation and to savings and loan holding companies;”.

Par. (2). Pub. L. 101-73, §1212(a), substituted “insured depository institution (as defined in section 1813 of this title)” for “insured bank as defined in section 1813 of this title or an insured institution as defined in section 401 of the National Housing Act”.

1978—Par. (4). Pub. L. 95-630 added par. (4).

#### EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the transfer date, see section 351 of Pub. L. 111-203, set out as a note under section 906 of Title 2, The Congress.

#### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-630 effective Nov. 10, 1978, see section 1505 of Pub. L. 95-630, set out as a note under section 27 of this title.

### § 2903. Financial institutions; evaluation

#### (a) In general

In connection with its examination of a financial institution, the appropriate Federal financial supervisory agency shall—

(1) assess the institution’s record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of such institution; and

(2) take such record into account in its evaluation of an application for a deposit facility by such institution.

#### (b) Majority-owned institutions

In assessing and taking into account, under subsection (a) of this section, the record of a nonminority-owned and nonwomen-owned financial institution, the appropriate Federal financial supervisory agency may consider as a factor capital investment, loan participation, and other ventures undertaken by the institution in cooperation with minority- and women-owned financial institutions and low-income credit unions provided that these activities help meet the credit needs of local communities in which such institutions and credit unions are chartered.

#### (c) Financial holding company requirement

##### (1) In general

An election by a bank holding company to become a financial holding company under section 1843 of this title shall not be effective if—

(A) the Board finds that, as of the date the declaration of such election and the certification is filed by such holding company under section 1843(l)(1)(C)<sup>1</sup> of this title, not all of the subsidiary insured depository institutions of the bank holding company had achieved a rating of “satisfactory record of meeting community credit needs”, or better, at the most recent examination of each such institution; and

(B) the Board notifies the company of such finding before the end of the 30-day period beginning on such date.

<sup>1</sup> See References in Text note below.

#### (2) Limited exclusions for newly acquired insured depository institutions

Any insured depository institution acquired by a bank holding company during the 12-month period preceding the date of the submission to the Board of the declaration and certification under section 1843(l)(1)(C)<sup>1</sup> of this title may be excluded for purposes of paragraph (1) during the 12-month period beginning on the date of such acquisition if—

(A) the bank holding company has submitted an affirmative plan to the appropriate Federal financial supervisory agency to take such action as may be necessary in order for such institution to achieve a rating of “satisfactory record of meeting community credit needs”, or better, at the next examination of the institution; and

(B) the plan has been accepted by such agency.

#### (3) Definitions

For purposes of this subsection, the following definitions shall apply:

##### (A) Bank holding company; financial holding company

The terms “bank holding company” and “financial holding company” have the meanings given those terms in section 1841 of this title.

##### (B) Board

The term “Board” means the Board of Governors of the Federal Reserve System.

##### (C) Insured depository institution

The term “insured depository institution” has the meaning given the term in section 1813(c) of this title.

##### (d) Low-cost education loans

In assessing and taking into account, under subsection (a), the record of a financial institution, the appropriate Federal financial supervisory agency shall consider, as a factor, low-cost education loans provided by the financial institution to low-income borrowers.

(Pub. L. 95-128, title VIII, §804, Oct. 12, 1977, 91 Stat. 1148; Pub. L. 102-550, title IX, §909(1), Oct. 28, 1992, 106 Stat. 3874; Pub. L. 106-102, title I, §103(b), Nov. 12, 1999, 113 Stat. 1350; Pub. L. 110-315, title X, §1031(a), Aug. 14, 2008, 122 Stat. 3488.)

#### REFERENCES IN TEXT

Section 1843(l)(1)(C) of this title, referred to in subsec. (c)(1)(A), (2), was redesignated section 1843(l)(1)(D) of this title by Pub. L. 111-203, title VI, §606(a)(2), July 21, 2010, 124 Stat. 1607.

#### AMENDMENTS

2008—Subsec. (d). Pub. L. 110-315 added subsec. (d).

1999—Subsec. (c). Pub. L. 106-102 added subsec. (c).

1992—Pub. L. 102-550 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

#### EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106-102 effective 120 days after Nov. 12, 1999, see section 161 of Pub. L. 106-102, set out as a note under section 24 of this title.

#### REGULATIONS

Pub. L. 110-315, title X, §1031(b), Aug. 14, 2008, 122 Stat. 3488, provided that: “Not later than 1 year after

the date of enactment of this Act [Aug. 14, 2008], each appropriate Federal financial supervisory agency shall issue rules in final form to implement section 804(d) of the Community Reinvestment Act of 1977 [12 U.S.C. 2903(d)], as added by this section.”

#### § 2904. Report to Congress

Each appropriate Federal financial supervisory agency shall include in its annual report to the Congress a section outlining the actions it has taken to carry out its responsibilities under this chapter.

(Pub. L. 95-128, title VIII, §805, Oct. 12, 1977, 91 Stat. 1148.)

#### § 2905. Regulations

Regulations to carry out the purposes of this chapter shall be published by each appropriate Federal financial supervisory agency, except that the Comptroller of the Currency shall prescribe regulations applicable to savings associations and the Board of Governors shall prescribe regulations applicable to insured State member banks, bank holding companies and savings and loan holding companies,<sup>1</sup> and shall take effect no later than 390 days after October 12, 1977.

(Pub. L. 95-128, title VIII, §806, Oct. 12, 1977, 91 Stat. 1148; Pub. L. 111-203, title III, §358(2), July 21, 2010, 124 Stat. 1548.)

#### AMENDMENTS

2010—Pub. L. 111-203 inserted “, except that the Comptroller of the Currency shall prescribe regulations applicable to savings associations and the Board of Governors shall prescribe regulations applicable to insured State member banks, bank holding companies and savings and loan holding companies,” after “supervisory agency”.

#### EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the transfer date, see section 351 of Pub. L. 111-203, set out as a note under section 906 of Title 2, The Congress.

#### § 2906. Written evaluations

##### (a) Required

###### (1) In general

Upon the conclusion of each examination of an insured depository institution under section 2903 of this title, the appropriate Federal financial supervisory agency shall prepare a written evaluation of the institution’s record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods.

###### (2) Public and confidential sections

Each written evaluation required under paragraph (1) shall have a public section and a confidential section.

##### (b) Public section of report

###### (1) Findings and conclusions

###### (A) Contents of written evaluation

The public section of the written evaluation shall—

- (i) state the appropriate Federal financial supervisory agency’s conclusions for

each assessment factor identified in the regulations prescribed by the Federal financial supervisory agencies to implement this chapter;

- (ii) discuss the facts and data supporting such conclusions; and

- (iii) contain the institution’s rating and a statement describing the basis for the rating.

##### (B) Metropolitan area distinctions

The information required by clauses (i) and (ii) of subparagraph (A) shall be presented separately for each metropolitan area in which a regulated depository institution maintains one or more domestic branch offices.

##### (2) Assigned rating

The institution’s rating referred to in paragraph (1)(C)<sup>1</sup> shall be 1 of the following:

- (A) “Outstanding record of meeting community credit needs”.

- (B) “Satisfactory record of meeting community credit needs”.

- (C) “Needs to improve record of meeting community credit needs”.

- (D) “Substantial noncompliance in meeting community credit needs”.

Such ratings shall be disclosed to the public on and after July 1, 1990.

##### (c) Confidential section of report

###### (1) Privacy of named individuals

The confidential section of the written evaluation shall contain all references that identify any customer of the institution, any employee or officer of the institution, or any person or organization that has provided information in confidence to a Federal or State financial supervisory agency.

###### (2) Topics not suitable for disclosure

The confidential section shall also contain any statements obtained or made by the appropriate Federal financial supervisory agency in the course of an examination which, in the judgment of the agency, are too sensitive or speculative in nature to disclose to the institution or the public.

###### (3) Disclosure to depository institution

The confidential section may be disclosed, in whole or part, to the institution, if the appropriate Federal financial supervisory agency determines that such disclosure will promote the objectives of this chapter. However, disclosure under this paragraph shall not identify a person or organization that has provided information in confidence to a Federal or State financial supervisory agency.

##### (d) Institutions with interstate branches

###### (1) State-by-State evaluation

In the case of a regulated financial institution that maintains domestic branches in 2 or more States, the appropriate Federal financial supervisory agency shall prepare—

- (A) a written evaluation of the entire institution’s record of performance under this

<sup>1</sup> So in original.

<sup>1</sup> So in original. Probably should be paragraph “(1)(A)(iii)”.