

Press Release

June 30, 2020

**DEPARTMENT OF FINANCIAL SERVICES ALERTS
REGULATED BANKING INSTITUTIONS OF NEW
RESPONSIBILITIES UNDER NEW YORK STATE'S
COMMUNITY REINVESTMENT ACT**

***DFS Issues Industry Letter on Amendments to NY CRA in
Support of Minority- & Women-Owned Businesses***

***DFS Urges Banks to Plan and Undertake Activities to Meet
Credit Needs of Minority- & Women-Owned Businesses***

***DFS Also Issues Industry Letter Guiding Banking
Institutions on NY CRA Credit in Response To COVID-19
Banking Institutions May Receive CRA Credit for Activities
Undertaken in Response to COVID-19 Pandemic***

The New York State Department of Financial Services (DFS) today alerted New York regulated banking institutions of their responsibilities under [enacted amendments](#) to New York State's Community Reinvestment Act (CRA) with respect to minority- and women-owned businesses, and of opportunities to receive CRA credit for activities undertaken in response to the COVID-19 pandemic.

DFS issued a [new Industry Letter](#) alerting New York banking institutions that the Department will make changes to its CRA examination process in response to amendments to the New York CRA that require banking institutions to support minority- and women-owned businesses, consistent with safe and sound operation of the banking institutions. The amendments require DFS to consider banking institutions' record of performance in helping to meet the credit needs of minority- and women-owned businesses and banking institutions' participation in technical assistance programs for small businesses and minority- and women-owned businesses.

“Reports have shown people of color and minority- and women-owned businesses struggle to access credit and this is especially true during a global pandemic,” said **Superintendent of Financial Services Linda A. Lacewell**. “DFS urges New York banking institutions to step up and undertake activities that assist people of color and minority- and women-owned businesses impacted by COVID-19 in connection with implementing new programs to meet the obligations of the recent CRA amendments.”

While DFS recognizes that New York banking institutions are currently focused on addressing the immediate effects of the COVID-19 pandemic, DFS is issuing this [Industry Letter](#) today so that banking institutions can begin planning for upcoming DFS CRA examinations and requests for information.

DFS also issued a [new separate Industry Letter](#) today that describes circumstances in which banking institutions may receive CRA credit for activities undertaken in response to the COVID-19 pandemic. The DFS Industry Letter is consistent with the [federal regulators'](#) response concerning CRA credit considerations for activities related to the COVID-19 pandemic.

The Department invites comment from covered banking institutions as to the nature and availability of information related to minority- and women-owned businesses that would best fulfill the Department's obligations under these amendments to the New York CRA. New York State-regulated banking institutions may submit comments to CRAMWBComments@dfs.ny.gov.

[Read a copy of the Industry Letter on new amendments to the New York CRA on the DFS website.](#)

[Read a copy of the Industry Letter for Banking Institutions on CRA credit in response to COVID-19 on the DFS website.](#)

###