

Community Development Financial Institutions Fund

Notice of Funds Availability (NOFA); Amendments to Previously Published Notice for the Bank Enterprise Award Program

AGENCY: Community Development Financial Institutions Fund, Department of the Treasury.

ACTION: Notice of funds availability; amendment to previously published notice.

SUMMARY: The Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4701 *et. seq.*) authorizes the Community Development Financial Institutions Fund (hereafter referred to as "the Fund") to provide assistance to insured depository institutions for the purpose of promoting investments in Community Development Financial Institutions ("CDFIs") and facilitating increased lending and provision of financial and other services in economically distressed communities. Insured depository institutions and CDFIs are defined terms under an interim rule (12 CFR part 1806) published in the Federal Register on October 19, 1995 and subsequently amended on January 23, 1996 and February 29, 1996. The BEA Program is subject to the interim rule. The interim rule establishes the program requirements. This notice amends a Notice of Funds Availability published in the Federal Register on October 19, 1995. The notice is amended to permit applicants to select, with the consent of the Fund, a six-month Assessment Period that differs from the six-month period specified in the previously published NOFA. The notice also gives the Fund more flexibility with respect to establishing any limitations on the maximum amount that may be awarded to an applicant.

ADDRESSES: All questions concerning this notice should be addressed to the Director, Community Development Financial Institutions Fund, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington DC 20220.

FOR FURTHER INFORMATION CONTACT: Kirsten S. Moy, Director, Community Development Financial Institutions Fund at (202) 622-8662. (This is not a toll free number.)

SUPPLEMENTARY INFORMATION:

I. Background

As part of a national strategy to facilitate revitalization and increased availability of credit and investment capital in distressed communities, the Community Development Banking and

Financial Institutions Act of 1994 provides that a portion of funds appropriated to the Fund be distributed through the BEA Program. The BEA Program is largely based on the Bank Enterprise Act of 1991 although Congress significantly amended the program to facilitate greater coordination with other activities of the Fund. The program is designed to encourage insured depository institutions to make equity investments or otherwise support Community Development Financial Institutions or increase lending and other services provided within distressed communities. This Notice amends the Notice of Funds Availability published in the Federal Register on October 19, 1995 inviting applications for assistance.

II. Award Amounts

The October 19, 1995 notice indicated that "the anticipated maximum award under this Notice is \$1 million. However, the Fund, in its sole discretion, reserves the right to award amounts in excess of \$1 million for applications of exceptional merit." This notice revises the earlier notice by deleting the last two sentences under the heading III. "Designation Factors" and substituting in their place the following sentence: "The Fund may, in its sole discretion, establish any limitations on the maximum amount that may be awarded to an applicant, as deemed appropriate by the Fund."

III. Baseline Period and Assessment Period Dates

In the notice published in the Federal Register on October 19, 1995, Applicants were instructed to project Qualified Activities that they anticipated carrying out during a six-month Assessment Period. Such Assessment Period began on January 1, 1996 and ended on June 30, 1996. However, the Fund has determined that in order to achieve the purposes of the Bank Enterprise Award Program it is necessary to permit Applicants to select from several alternative six-month Assessment Period options. Such alternative Assessment Period options are intended to give Applicants adequate time to complete the activities proposed in their original application. Since the Fund, for a variety of reasons, took longer than originally anticipated to complete all reviews and evaluations necessary to estimate whether any Applicant potentially qualified for a Bank Enterprise Award, and since Applicants reasonably waited to hear from the Fund with respect to whether they potentially qualified for an award

before completing many of their proposed activities, the Fund concluded that in order to be fair to Applicants it needed to allow Applicants the option of choosing a different six-month Assessment Period from the one originally contemplated by the October 19, 1995 Notice. All Applicants were notified of their Assessment Period options through written correspondence issued on August 19, 1996.

The October 19, 1995 notice is revised in the fourth sentence under the heading IV. "Baseline and Assessment Period Dates." In the notice, the sentence currently reads as follows: "Such assessment period will begin January 1, 1996 and end on June 30, 1996." It is hereby amended to read as follows: "Unless another six-month period is agreed to by the Fund and the Applicant, such assessment period will begin on January 1, 1996 and end on June 30, 1996."

IV. Other Matters

(a) Paperwork Reduction Act. For details on the information collection requirements of the rule and this Notice, the reader should refer to the interim rule (12 CFR Part 1806) published in the Federal Register on October 19, 1995 and subsequently amended on January 23, 1996 and February 29, 1996.

(b) Environmental Impact. Pursuant to Treasury Directive 75-02, the Department of the Treasury has determined that implementation of the BEA Program under the interim rule is categorically excluded from the National Environmental Policy Act of 1969 (21 U.S.C. 4332) and does not require an environmental review. The determination is available for public inspection between 9:30 a.m. and 4:30 p.m. weekdays at the offices of the Fund at 1777 F Street, N.W., 7th Floor, Washington D.C. 20006.

Authority: 12 U.S.C. 4703, 4717; Chapter X, Pub. L. 104-19, 109 Stat. 237; 12 CFR 1806.206(a).

Dated: November 18, 1996.

Kirsten S. Moy,

Director, Community Development Financial Institutions Fund.

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Fiscal Service

Proposed Collection of Information: Pools and Associations Annual Letter

AGENCY: Financial Management Service, Fiscal Service, Treasury.

ACTION: Notice and request for comments.