

Banking and Finance Law Daily Wrap Up, COMMUNITY DEVELOPMENT —Waters and Meeks introduce resolution to reverse OCC’s Community Reinvestment Act rule, (Jun. 12, 2020)

Banking and Finance Law Daily Wrap Up

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The legislators contend that the rule will result in disinvestment in many low- and moderate-income communities. Representatives Maxine Waters (D-Calif) and Gregory Meeks (D-NY) have introduced a Congressional Review Act resolution ([H.J. Res. 90](#)) to reverse the final rule recently issued by the Office of the Comptroller of the Currency to amend its regulations implementing the Community Reinvestment Act. Waters issued a [statement](#) saying that former Comptroller of the Currency Joseph Otting "recklessly pushed ahead with his rule, which will result in disinvestment in many low- and moderate-income communities, despite the Federal Reserve and the FDIC—the other regulatory agencies responsible for enforcing CRA—declining to join in the rulemaking."

Similarly, Meeks said that Otting and the OCC had "put forward a rushed, incomplete rule that will harm the very communities the CRA is meant to support." He added that "any reforms to the Community Reinvestment Act must remain true to the law's civil rights roots."

Earlier, Waters had urged Acting Comptroller of the Currency Brian P. Brooks to withdraw the final rule. Warren also requested that Brooks recuse himself from future CRA-related rulemaking, in light of his experience at OneWest Bank, which has been sued by community groups for housing discrimination in 2017 (see [Banking and Finance Law Daily](#), June 11, 2020).

The National Community Reinvestment Coalition issued a [press release](#) supporting the resolution. According to Jesse Van Tol, CEO of the NCRC, "The new rules should be overturned and the three agencies that regulate the nation's banks should start over and work together on a true modernization of the CRA regulatory framework. The OCC shouldn't have moved forward in the middle of the pandemic, and with rules that will undermine the ability of communities to rebuild after. Even most banks didn't want these new rules put into place right now, and they still are unsure what it will take to implement them."

Companies: National Community Reinvestment Coalition; OneWest Bank

LegislativeActivity: BankingOperations CommunityDevelopment OversightInvestigations