

## **Banking and Finance Law Daily Wrap Up, BANKING OPERATIONS— Trade, advocacy groups differ on OCC’s national trust bank chartering proposal, (Feb. 17, 2026)**

Banking and Finance Law Daily Wrap Up

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By Nora Macaluso

Some groups believe the proposal would clarify trust in banks’ existing authority, while others say it would undermine the system.

The Office of the Comptroller of the Currency’s proposed rule stipulating that national trust banks are not, and have never been, prohibited from engaging in non-fiduciary activities is drawing criticism from some groups, while others say it is needed to foster innovation and competition (see [Banking and Finance Law Daily](#), Jan. 9, 2026).

The Independent Community Bankers of America (ICBA) [urged](#) the OCC to withdraw the notice of proposed rulemaking, saying it could result in uninsured national trust banks engaging in cryptocurrency-related activities without being subject to the regulations that apply to insured institutions.

Better Markets also [opposed](#) the plan, which it called “crypto-friendly” and likely to harm “real banks.”

But the Financial Technology Association (FTA) [said](#) it supports the changes, saying they would amend “potentially confusing” statutory language from 2003 to reflect that national trust banks are not prohibited from engaging in activities such as custody or safekeeping. “To underscore this point, nearly \$2 trillion in assets are already safely managed under OCC supervision in custody or safekeeping accounts,” the FTA said.

“A modernized trust charter framework is essential to maintaining American leadership in the global financial services landscape,” Angelena Bradfield, FTA’s head of policy, wrote in a comment letter to the OCC. “FTA encourages the OCC to move forward with this rule to promote innovation, foster competition, and provide the market with the certainty required for long-term investment in U.S. financial infrastructure.”

ICBA, however, [said](#) the change is “inconsistent with statutory authority and poses significant public policy concerns.”

“We are particularly concerned that the proposed change will promote the position that the OCC may charter uninsured national trust banks that engage in non-fiduciary cryptocurrency-related activities without being subject to the Bank Holding Company Act and other prudential requirements that apply to FDIC-insured institutions,” the group said in its comment letter.

If the OCC does not withdraw the proposal, it should issue and amended rulemaking “consistent with the OCC’s statutory authority” and impose a moratorium on charter applications until a final rule is issued that “fully aligns with statutory intent and incorporates public comments.”

The law, ICBA said, only authorizes the OCC to charter a limited-purpose national bank that engages in certain fiduciary activities. “The canons of statutory construction, legislative history, judicial interpretation, and the OCC’s own precedent are inconsistent with the interpretation set forth” in the proposal, the group said in its letter.

Better Markets also said the proposal is at odds with the law. “The proposal is clearly a part of the OCC’s and the administration’s efforts to allow crypto banks to engage in a range of crypto activities, which would undermine the OCC’s mission and the banking system,” the group [said](#) in a comment letter of its own.

“The OCC must stick to its core mission and the reason for its existence instead of giving powerful lobbies in the financial system whatever they want,” Phillip Basil, director of economic growth and financial stability for Better Markets, said in the letter.

Companies: Better Markets; Financial Technology Association; Independent Community Bankers of America

RegulatoryActivity: BankHolding BankingOperations CommunityDevelopment FinancialIntermediaries  
FinancialStability FinTech