Joint Press Release

March 19, 2020

Federal bank regulatory agencies issue interim final rule for Money Market Liquidity Facility

Board of Governors of the Federal Reserve System

Federal Deposit Insurance Corporation

Office of the Comptroller of the Currency

To support the flow of credit to households and businesses, the federal bank regulatory agencies today announced an interim final rule to ensure that financial institutions will be able to effectively use a liquidity facility recently launched by the Federal Reserve Board.

The Board launched the Money Market Mutual Fund Liquidity Facility, or MMLF, yesterday to enhance the liquidity and functioning of money markets and to support the economy. The interim final rule modifies the agencies' capital rules so that financial institutions receive credit for the low risk of their MMLF activities, reflecting the fact that institutions would be taking no credit or market risk in association with such activities. The change only applies to activities with the MMLF.

The rule is effective immediately and comments will be accepted for 45 days after publication in the *Federal Register*.