

FOR IMMEDIATE RELEASE
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OCC Seeks Comments on Modernizing Community Reinvestment Act Regulations

WASHINGTON—The Office of the Comptroller of the Currency today released an Advanced Notice of Proposed Rulemaking (ANPR) seeking comment on the best ways to modernize the regulatory framework implementing the Community Reinvestment Act (CRA).

“As a long-time banker, I have seen firsthand the benefit of CRA investment and how it makes communities vibrant. I applaud the effort of community development practitioners and bankers who work together to make an important difference in our nation’s neighborhoods,” said Comptroller of the Currency Joseph M. Otting. “I have also seen how limitations in the current CRA regulation can fail to provide consideration to a bank that wants to lend and invest in a community with a need for capital, including many low- and moderate-income areas. Unfortunately, the operation of the current CRA regulation can result in restricted resources. It is time for a national discussion on how we can make the CRA work better.”

The CRA was enacted in 1977 to encourage insured depository institutions to help meet the credit needs of their communities, including low- and moderate-income (LMI) neighborhoods, consistent with the safe and sound operation of such banks. In recent years, feedback has mounted that the CRA needs reform, including [feedback](#) gathered by the Department of the Treasury in 2017 and 2018, Treasury [recommendations](#) published in April 2018, and [feedback](#) gathered by federal banking agencies in their decennial review of regulations under the Economic Growth and Regulatory Paperwork Reduction Act.

Through this ANPR, the OCC seeks stakeholder comment on ways to modernize the regulations that implement the CRA, in order to better achieve the statute’s original purpose, increase lending and investment where it is needed most, and reduce the burden associated with reporting and assessing CRA performance.

The ANPR solicits comment on a number of questions regarding improvements to the CRA regulations related to

- increasing lending and services to people and in areas that need it most, including in LMI areas;
- clarifying and expanding the types of activities eligible for CRA consideration;
- revisiting how assessment areas are defined and used;
- establishing metric-based thresholds for CRA ratings;
- making bank CRA performance more transparent;
- improving the timeliness of regulatory decisions related to CRA; and
- reducing the cost and burden related to evaluating performance under the CRA.

“Stakeholders of all kinds have spoken up, calling the current regulatory framework for the CRA outdated, complex, and cumbersome,” Comptroller Otting said. “Many have complained of the difficulty of getting capital to critical areas, significant administrative burden, lack of CRA consideration for important development activities, and failure to adapt to advances in banking such as interstate branching and digitization of services.”

“We are issuing today’s ANPR to provide an open opportunity for all stakeholders to provide their comments on how to improve our approach to the CRA so that insured depository institutions continue to meet the credit needs of their communities, including those in LMI neighborhoods, consistent with the safe and sound operation of these institutions,” the Comptroller said.

Comments received regarding this ANPR may inform the development of more specific policy proposals or future rulemakings.

Comments on this ANPR will be accepted for 75 days after publication in the *Federal Register*.

Related Link:

- [Advance Notice of Proposed Rule \(PDF\)](#)

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