

Banking and Finance Law Daily Wrap Up, BANKING OPERATIONS **—ICBA urges OCC to pause approvals of national trust bank charter applications, (Jan. 29, 2026)**

Banking and Finance Law Daily Wrap Up

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ICBA is asking the OCC to delay decisions on any national trust charter applications until after the OCC finalizes its rule on permissible activities for national trusts.

In a letter dated Jan. 28, 2026, the Independent Community Bankers of America (ICBA) [urged](#) the Office of the Comptroller of the Currency (OCC) to delay approval or substantive consideration of any pending national trust bank charter applications until after the OCC has finalized the Notice of Proposed Rulemaking (NPRM) concerning the scope of permissible activities for national trust banks under the National Bank Act along with corresponding OCC regulations. Given the recent influx of national trust charter applications from non-traditional financial institutions, ICBA stressed that “it is essential from both a policy and legal standpoint that the OCC review public comments and finalize its regulatory framework before substantive approvals, including conditional approvals, proceed.”

In January 2026, the OCC issued an NPRM, in which the agency would revise its chartering regulation at 12 C.F.R. § 5.20 to clarify the scope of national trust bank activities by replacing references to “fiduciary activities” with “the operations of a trust company and activities related thereto.” The letter indicates the ICBA’s view that it would not be prudent to continue premature approval of individual applications while the governing regulatory framework “remains unsettled.”

ICBA highlighted several risks. ICBA argues that by finalizing the rule first, it can limit ambiguity and any future challenges or reinterpretation once the final rule is promulgated, which would undermine predictability for both applicants and the broader financial system. Additionally, ICBA asserts that approvals before finalization could yield inconsistent application of policy, including applications being evaluated under varying interpretations of permissible activities, which could create unequal treatment and competitive imbalances. ICBA also expressed that pausing charter approvals will help with both the legitimacy of the rule-making process, by ensuring a transparent notice and comment rulemaking process. Finally, ICBA reiterated its concerns about the potential expansion of trust charter powers without comprehensive regulatory clarity and sufficient public input. Wrote Michael Emancipator Senior Vice President, Regulatory Counsel, “Consideration of stakeholder feedback is a critical part of the process, which instills public trust.”

ICBA concluded by urging the OCC to delay the final disposition of all pending national trust charter applications until after the it finalizes and publishes the national trust activities rule.

Prior national trust approvals. In December 2025, the OCC issued conditional approval of five national trust bank charter applications. The ICBA, in addition to the American Bankers Association (ABA), issued a statement expressing concerns over the conditional approval of trust charters for entities engaged in nontraditional activities and in the fintech space. Stated ICBA in its press release, “the sudden influx of applications demonstrates nonbank fintechs are seeking the benefits of a U.S. bank charter without satisfying the full scope of U.S. bank regulations,” which threatens consumers and the financial system. The ABA’s statement stressed that “is critical that any chartered entity operates under a regulatory framework that appropriately addresses its activities and risks,” and continued, “Clear answers are needed to ensure the public and policymakers understand how these charters will be supervised and how risks will be mitigated” (see [Banking and Finance Law Daily](#), Dec. 15, 2025).

ICBA also sent its concerns in letters to the OCC in November 2025 over the Sony Bank, Inc. application for OCC approval to organize Connectia Trust National Association as a *de novo* national bank to engage in cryptocurrency-related activities (see [Banking and Finance Law Daily](#), Nov. 7, 2025), and over the Coinbase Global, Inc. application to organize Coinbase National Trust Company as a national trust bank (see [Banking and Finance Law Daily](#), Nov. 4, 2025).

ICBA argues that these applicants fail to meet the OCC's chartering standards and violate the legal framework governing national trust banks.

Companies: American Bankers Association; Coinbase Global, Inc.; Coinbase National Trust Company; Connectia Trust National Association; Independent Community Bankers of America; Sony Bank, Inc.

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