Community Reinvestment Act Modernization

Advance Notice of Proposed Rulemaking & Request for Comment
What is an ANPR?

– A “notice of inquiry” or a “request for comments.”

– Used to involve the interested public in a potential regulatory action at an early stage

– Preliminary step before issuing a Notice of Proposed Rulemaking
The Need for Change

• Support for CRA’s original intent, but the current approach is too complex, cumbersome, and outdated.

• Changes in the banking industry

• Regulatory burden and administration

• Timely performance evaluations and reports
An Improved CRA Regulatory Framework

– increase lending and services to people and in areas that need it most, including in low and moderate income areas;
– expand and clarify the types of activities eligible for CRA consideration;
– revisit how assessment areas are defined and used;
– establish metric-based thresholds for CRA ratings;
– make bank CRA performance more transparent;
– improve the timeliness of regulatory decisions related to CRA; and
– reduce the cost and burden related to CRA performance evaluations
Key Areas for Comment

• Changing the current *approach* to performance evaluations
• Developing *metrics*
• Updating how communities and *assessment areas* are defined
• Broadening the range of *qualifying activities* to better support the purposes of CRA
• Enhancing *recordkeeping* and *reporting*
• *Other comments and suggestions for other ways to improve the CRA regulatory framework.*
Next Steps

- ANPR published in the *Federal Register* on September 5, 2018

- Comments are due **on or before November 19, 2018**.
- Federal eRulemaking Portal (www.regulations.gov)
- Email (regs.comments@occ.treas.gov)
- All are encouraged to comments
- Comments are public and will be shared with FRB and FDIC
- Notice of Proposed Rulemaking (NPR)
thank you

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