Community Reinvestment Act Modernization

Advance Notice of Proposed Rulemaking & Request for Comment

What is an ANPR?

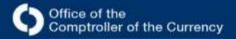- A "notice of inquiry" or a "request for comments."

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

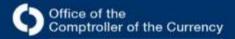- Preliminary step before issuing a Notice of Proposed Rulemaking

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- Support for CRA's original intent, but the current approach is too complex, cumbersome, and outdated.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 oter ways to improve the CRA regulatory framework.*

Next Steps

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

https://www.govinfo.gov/content/pkg/FR-2018-09-05/pdf/2018-19169.pdf

– 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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