

Overview of the Community Reinvestment Act (CRA) Advance Notice of Proposed Rulemaking (ANPR) issued by the Office of the Comptroller of the Currency (OCC)

On September 5, the OCC published in the Federal Register an [Advance Notice of Proposed Rulemaking](#) (ANPR) regarding the Community Reinvestment Act (CRA). The OCC is seeking public comment on the current regulatory framework for enforcing the CRA as well as reactions to several new approaches under consideration. Some of the changes OCC contemplates could have profound ramifications for low- and moderate-income communities and the CDFIs operating in these markets.

Reforming CRA Regulations

This ANPR is the initial step in a rulemaking process that will stretch into 2019 and perhaps beyond. The ANPR asks largely open-ended questions but the narrative and some of the questions offer clues to the approaches that OCC is considering on CRA reform. While the OCC issued the ANPR on its own, Comptroller Joseph M. Otting has suggested that the Federal Reserve and Federal Deposit Insurance Corporation (FDIC) will join OCC in reviewing responses to the ANPR. After conferring, the three bank regulators are likely to jointly issue a proposed rule. Comments from the public will also be solicited during this stage.

The “One Ratio” Metric

A key concept introduced in the ANPR is the idea of moving to a more metric-based approach of measuring the CRA activity of a bank. The OCC asks for public comment on the idea of creating “one ratio”, whereby the dollar value of a bank’s CRA activities is divided by an as-yet undetermined measure of the bank’s assets. A series of follow up questions probe whether certain activities might be weighted more heavily than others.

Redefining the Role of Assessment Areas

The ANPR asks whether and how assessment areas could be redefined to allow for banks to receive consideration for CRA activity in communities beyond their assessment areas.

Expanding CRA-Qualifying Activities

A set of the ANPR’s questions explore ways to achieve greater transparency and certainty regarding which activities “count” toward CRA obligations and whether new categories of activities should qualify for CRA consideration. Specifically, the ANPR asks whether community development investments should meet certain standards or whether there are categories of community development investments that must serve specified underserved populations or geographic areas in order to receive CRA consideration.

Recordkeeping and Reporting

The ANPR asks how regulatory reform might better support the tracking, monitoring, and comparison of CRA performance levels.

OCC ANPR Comment Deadline: November 19, 2018

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