

RESCINDED

OCC Bulletin 2010-27 | July 14, 2010

Transmittal – See OCC 2020-11

Community Reinvestment Act: Proposed Rulemaking and Hearings

The Office of the Comptroller of the Currency, along with the other federal bank and thrift regulatory agencies, recently published a notice of proposed rulemaking that would revise the Community Reinvestment Act (CRA) regulations. The agencies propose to revise the term, “community development,” to include loans, investments, and services by financial institutions that support, enable, or facilitate projects or activities that meet certain criteria and are conducted in designated target areas identified in plans approved by the United States Department of Housing and Urban Development under the Neighborhood Stabilization Program (NSP).

The NSP was established to provide emergency assistance for the redevelopment of abandoned and foreclosed properties in designated areas with high levels of foreclosures, subprime mortgage-related loans, and home loans in default or delinquent. The proposed rule would provide favorable CRA consideration to certain activities that, pursuant to the requirements of the NSP, benefit low-, moderate-, and middle-income individuals and geographies in designated target areas. Such consideration would include covered activities within an institution’s assessment area(s) and outside of its assessment area(s), as long as the institution has adequately addressed the community development needs of its assessment area(s). Under the proposal, favorable consideration would be available for two years after the last date appropriated funds for the NSP are required to be spent.

The agencies requested comment on this proposed rulemaking by July 26, 2010.

The agencies also published a notice announcing public hearings in four cities across the country in July and August. The purpose of the hearings is to seek a wide range of views on whether and how the agencies should revise their CRA regulations to better serve the goals of the CRA. The hearings will be held on July 19 in Arlington, Va.; on August 6 in Atlanta; on August 12 in Chicago; and on August 17 in Los Angeles. For information on the topics of the hearings, and details of how to request participation, please see the attached notice. The agencies also invite written comments on the CRA regulations from the public, regardless of whether commenters plan to testify at the hearings.

If you have questions about the proposed rulemaking or the upcoming hearings, please contact the Compliance Policy Division at (202) 649-5470 or the Community and Consumer Law Division at (202) 649-5470.

To

Chief Executive Officers of All
National Banks, Department and
Division Heads, and All
Examining Personnel

/signed/

Ann F. Jaedicke

Deputy Comptroller for Compliance Policy

Related Links

- [Notice of Proposed Rulemaking \(PDF\)](#)
- [Public Hearings, Request for Comment \(PDF\)](#)

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