Office of the
Comptroller of the Currency

Community Reinvestment Act Fact Sheet

Facts about proposed changes to the Community Reinvestment Act Regulations

Community Reinvestment Act (CRA) regulations haven't been updated since 1995, but consumers bank differently today, and the banking industry has changed a lot.

- 94 percent of the stakeholders' comments on OCC's 2018 advanced proposal support change. 98 percent think it is applied inconsistently, and 88 percent say it is hard to understand.

- The OCC's goal is to strengthen the CRA by updating its rules. The proposed rules would encourage more investment, lending, and services in communities that need them most.

- The CRA proposal would improve the CRA regulation by:

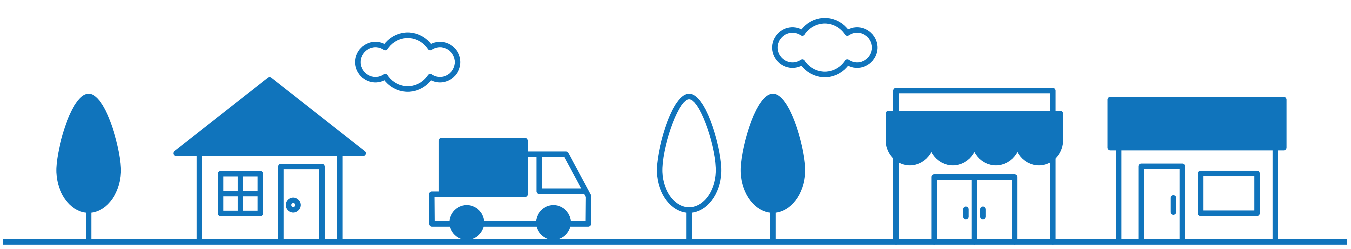
  1. **Clarifying** what counts for CRA credit
  2. Updating **where** bank activity counts
  3. **Evaluating** CRA performance more **objectively**
  4. Making CRA **reporting more transparent and timely**

- The proposed rules would expand the types of activities that count toward CRA credit. This expansion will encourage more capital, investment, lending, and services in LMI, rural, and distressed communities.

- The CRA proposal would provide clear standards for banks regarding what counts for CRA credit, removing the guesswork. Community advocates and banks will be able to plan activities without the risk of not receiving credit.

- The proposal creates a fair system for evaluating the way banks distribute retail loans in their assessment areas, and the impact CRA activities have on the community.

- The CRA proposed rule would encourage banks to better serve areas like rural communities, areas identified for aid, distressed areas, and Indian Country.



- New CRA rules would support small businesses. The proposed CRA rules would increase the eligible size for small business loans and encourage more economic development and job creation.

- Proposed CRA rules would compare each bank's results with a new standard. The rule considers the quality and quantity of a bank's CRA performance and avoids judging banks on a single metric.

- New CRA rules would support America's farmers. The proposed CRA rules would increase the eligible size for small farm loans, which encourages economic opportunity and helps U.S. agriculture survive.

- The proposed CRA rules would encourage banks to make long-term investments to support community development by evaluating on-book activities versus just new activity. This provides greater stability for community development.

- The new CRA rules would fight displacement and harmful gentrification by focusing lending, investment, and services on LMI individuals and communities.

- Bank branches are still important! The proposed CRA rules would help preserve branches, particularly in LMI areas, by providing more credit for branches and evaluating CRA activity around branches.

- To update the CRA, the OCC gathered feedback from stakeholders and held interagency discussions. The proposal reflects the years of feedback and months of agency discussions.

- The proposed CRA rules would preserve community voices and maintain a way for citizens to provide comments on their banks to regulators. Communities will always have a place to share concerns with bank examiners.

- Stakeholders are encouraged to read the proposal and submit their comments. The OCC hopes to issue the final rule in the first half of 2020.

- Visit www.occ.gov/cra for more information.