

News Release 2021-76 | July 20, 2021

OCC Statement on Rescinding its 2020 Community Reinvestment Act Rule

WASHINGTON—The Office of the Comptroller of the Currency (OCC) today announced it will propose rescinding the Community Reinvestment Act (CRA) rule issued in May 2020 and is committed to working with the Federal Reserve (Board) and the Federal Deposit Insurance Corporation (FDIC) to put forward a joint rulemaking that strengthens and modernizes the CRA.

This decision follows the completion of a review initiated by Acting Comptroller of the Currency Michael Hsu shortly after he took office.

"To ensure fairness in the face of persistent and rising inequality and changes in banking, the CRA must be strengthened and modernized," said Acting Comptroller Hsu. "The disproportionate impacts of the pandemic on low and moderate income communities, the comments provided on the Board's Advanced Notice of Proposed Rulemaking, and our experience with implementation of the 2020 rule have highlighted the criticality of strengthening the CRA jointly with the Board and FDIC. While the OCC deserves credit for taking action to modernize the CRA through adoption of the 2020 rule, upon review I believe it was a false start. This is why we will propose rescinding it and facilitating an orderly transition to a new rule. I look forward to working with the other agencies to develop a joint Notice of Proposed Rulemaking and building on the ANPR proposed by the Board in September 2020."