

**National Bankers Association Meeting with Agency Staff
Community Reinvestment Act NPR**

May 27, 2022

On May 27, 2022, staff from the Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) (collectively, “the agencies”) met virtually with members of the National Bankers Association (NBA) for a briefing on the Community Reinvestment Act (CRA) Notice of Proposed Rulemaking (NPR or proposal). The Agencies’ staffs discussed the goals and objectives of the NPR and made a presentation to NBA members summarizing the proposal. NBA members in attendance then had an opportunity to ask questions and provide views with respect to the proposal.

NBA members raised the following issues:

- Small- and medium-size member banks often experienced challenges and burdens with data collection and reporting, particularly with respect to the CRA and Community Development Financial Institution (CDFI) certifications.
- There could be opportunities for the agencies to collaborate with the CDFI Fund for standardized data collection and reporting.
- NBA inquired if the proposal could provide CDFI banks with preferential CRA treatment through mechanisms such as a presumption of a favorable CRA rating, or consideration of CDFI status as a “plus” factor. OCC and FDIC staffs noted that the issue of CRA ratings is directly addressed by the CRA statute.
- In comparison to the bank size categories under the current rule, NBA noted that the proposal would significantly increase the asset thresholds for small, intermediate, and large banks. NBA also acknowledged that the industry and other stakeholders may have different perspectives on where the bank asset thresholds should be set.
- NBA asked whether the proposal fulfills the mandate in section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), which requires the federal banking agencies to preserve and promote minority depository institutions (MDIs). OCC staff noted that the FIRREA requirements do not necessarily overlap with the CRA in mutually inclusive ways and observed that the proposal’s new CD definitions could potentially benefit MDIs by giving banks CRA credit for providing MDIs with access to capital. FDIC staff discussed how the proposal could specifically support MDIs and CDFIs through specific community development criteria that support loans, investments, services for MDIs and CDFIs; making support for MDIs and CDFIs an impact factor in community development qualitative review; and considering partnerships with MDIs and CDFIs under the Retail Services and Products Test.
- NBA suggested that the CRA rule should ensure that banks are encouraged to serve communities in ways that are consistent with the CRA statute.
- NBA also suggested that the CRA rule should emphasize qualifying activities while minimizing unnecessary burden.

Meeting Attendees:

Agencies:

Grovetta Gardineer, Senior Deputy Comptroller, OCC

Vonda Eanes, Director for CRA and Fair Lending Policy, OCC

Kevin Behne, Counsel, OCC

Pamela Freeman, Senior Community Development Analyst, FDIC

Richard Swartz, Counsel, FDIC
Amanda Roberts, Senior Community Development Analyst, Board

NBA:

Nicole Elam, President and CEO of NBA
Mitchell Doyle
Joe Quiroga
Alden McDonald
Fred L. Daniels Jr
Robert Cooper
Sydney King
Numerous other MBA members