

## Press Releases

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November 24, 2006

### OTS 06-054 - OTS Publishes CRA Proposal

#### Office of Thrift Supervision

FOR RELEASE at 12:00 P.M. EDT

For further information

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OTS 06-054

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### OTS Publishes CRA Proposal

**WASHINGTON, D.C.** -- The Office of Thrift Supervision (OTS) announced that it published for comment today in the Federal Register a notice of proposed rulemaking (NPR) to revise its rule implementing the Community Reinvestment Act (CRA).

The OTS originally announced its intent to publish an NPR to revise its CRA rule on September 27, 2006 (see OTS 06-045). As noted in the agency's prior release, the NPR is being issued to solicit comment on whether the OTS should revise its CRA rule to align with the CRA rules of the other federal banking agencies: the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System.

The agency referenced several factors for the proposed realignment of its CRA regulations with those of the other banking agencies. In particular, the agency notes that a consistent CRA standard applied to the banking and thrift industries will facilitate objective evaluations of CRA performance; ensure accurate assessments of banks and thrifts that operate in the same market; and permit the public to make reasonable comparisons of bank and thrift CRA performance.

The NPR specifically solicits comment on whether the OTS should:

- Eliminate the option of alternative weights for lending, investment and service under the large, retail savings association test;
- Define small savings associations with assets between \$250 million and \$1 billion in assets as "intermediate small savings associations" and establish a new community development test for thrifts between \$250 million and \$1 billion in assets;
- Index the asset threshold for small and intermediate small associations annually based on changes to the Consumer Price Index (CPI); and
- Clarify the impact of a savings association's CRA rating if the OTS finds evidence of discrimination or other illegal credit practices.

The OTS strongly encourages institutions, community groups and other interested parties to submit comments on the NPR since the public comment process will be extremely important in the agency's final determination of the proposed rule changes. The NPR is open for comment for a period of 60 days from the date of its publication in the Federal Register.

A copy of the NPR is attached.

Notice of Proposed Rulemaking - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2006-54a.pdf>

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at [www.ots.treas.gov](http://www.ots.treas.gov).