

DEPARTMENT OF THE TREASURY

Office of Thrift Supervision

12 CFR Parts 545, 556, 560, 563, 566, 571, 590

[No. 96-87]

RIN 1550-AA94

Lending and Investment

AGENCY: Office of Thrift Supervision, Treasury.

ACTION: Final rule.

SUMMARY: The Office of Thrift Supervision (OTS or Office) is today issuing a final rule updating, reorganizing, and substantially streamlining its lending and investment regulations and policy statements. These amendments are being made pursuant to the Regulatory Reinvention Initiative of the Vice President's National Performance Review (Reinvention Initiative) and section 303 of the Community Development and Regulatory Improvement Act of 1994 (CDRIA), which requires OTS and the other federal banking agencies to review, streamline, and modify regulations and policies to improve efficiency,

reduce unnecessary costs, and remove inconsistent, outmoded, and duplicative requirements.

EFFECTIVE DATE: [Insert date 30 days from date of publication in the Federal Register.]

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SUPPLEMENTARY INFORMATION:

TABLE OF CONTENTS

- I. Background
- II. Summary of Comments and Description of the Final Rule
 - A. General Discussion of the Comments

 - B. Section-by-Section Analysis
 - 1. Existing Lending and Investment Sections

2. New Part 560 -- Lending and Investment

- III. Disposition of Existing Lending and Investment Regulations
- IV. Administrative Procedure Act
- V. Paperwork Reduction Act of 1995
- VI. Executive Order 12866
- VII. Regulatory Flexibility Act Analysis
- VIII. Unfunded Mandates Act of 1995
- IX. Effective Date

I. Background

In a comprehensive review of its regulations, beginning in the spring of 1995, pursuant to section 303 of the CDRIA¹ and the Administration's Reinvention Initiative, OTS identified its *lending and investment regulations* as an important area for updating and streamlining. Lending and investment are key areas of thrift operations and these regulations had not been comprehensively reviewed in a number of years. Each lending and investment regulation was reviewed to determine whether it was current and understandable; could be eliminated without endangering safety and soundness,

¹ 12 U.S.C. 4803(a)(1).

ATTACHMENT IS AVAILABLE UPON REQUEST

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