Request for Extension of Public Comment Period on the Notice of Proposed Rulemaking Relating to Community Reinvestment Act Regulations

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Robert E. Feldman, Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429
RIN 3064-AF22

Office of the Comptroller of the Currency
Chief Counsel's Office
400 7th Street, SW, Suite 3E-218
Washington, DC 20219
Docket ID OCC-2018-0008

Re: *Request for Extension of Public Comment Period on the Notice of Proposed Rulemaking Relating to Community Reinvestment Act Regulations.*

Dear Sir or Madam,

The Conference of State Bank Supervisors ("CSBS")[1] respectfully requests that the Federal Deposit Insurance Corporation (the "FDIC") and the Office of Comptroller of the Currency (the "OCC") (collectively, the "Agencies") extend the deadline for the comment period on the Notice of Proposed Rulemaking titled "Community Reinvestment Act Regulations" (the "proposed rule").

The proposed rule would fundamentally transform where and how banks are evaluated under the CRA. Indeed, the proposed rule likely amounts to the most significant reform of the CRA regulatory framework since it was first implemented many decades ago. As a result, the proposal raises very significant policy questions relating to how banks should serve in the communities in which they operate, how this role has changed with the evolution

of technology and the rise of interstate banking, and what role the CRA should play in the dual banking system. Since these questions call for serious deliberation and thorough consideration, CSBS believes the agencies should allow for sufficient time for stakeholders to formulate a response to the proposed rule.

CSBS and its members have a significant stake in how the CRA regulations are revised. State bank regulators supervise almost 70 percent of the banks that would be evaluated under the proposed general performance standards. Additionally, although these standards would be optional for small banks, multiple aspects of the proposed rule, including the proposed data collection requirements, would apply to small banks of which over 77 percent are state nonmember banks. Moreover, several states evaluate banks for compliance with state community reinvestment laws and assessing how the proposed rule interacts with these laws is obviously of importance to these states.

CSBS employs a rigorous policy development process designed to ensure that the policy positions it adopts truly reflect the perspectives and beliefs of state bank supervisors. This process requires extensive deliberation to foster consensus which may not be feasible under the 60-day deadline for submitting comments on the proposed rule. Notably, this deadline is actually shorter than the comment period afforded on the OCC's advance notice of proposed rulemaking on CRA reform which is concerning given that the proposed rule actually contains detailed, substantive provisions understanding the impact of which requires a more complex, lengthy assessment.

In sum, given the serious policy issues raised by the proposed rule and the significant stake of state bank regulators in how CRA regulations are revised, state bank regulators desire to provide thoughtful feedback on the proposed rule. Therefore, CSBS respectfully requests that the agencies extend the comment period on the proposed rule.

Sincerely,

John Ryan
President & CEO

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[1] CSBS is the nationwide organization of state banking and financial regulators from all 50 states, American Samoa, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands. CSBS supports the state banking agencies by serving as a forum for policy and supervisory process development, by facilitating regulatory coordination on a state-to-state and state-to-federal basis, and by facilitating state implementation of policy through training, educational programs, and exam resource development.

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