

CSBS Urges OCC to Rescind Proposed True Lender Rule

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The OCC should withdraw its proposed True Lender Rule because, as outlined, it overreaches the federal agency's authority, CSBS said in a [comment letter](#) sent today.

The OCC's proposed rule raises both policy and legal concerns for state regulators. First, the OCC lacks the legal authority to establish the bright-line test it has proposed to determine when a national bank is a true lender. Second, the OCC should not attempt to insulate entities it does not regulate from otherwise applicable state laws.

"While encouraging innovation is an important policy priority, we believe a reasonable solution would balance these priorities with the significant policy interests and roles of other relevant stakeholders," the letter said.