

State Regulators Support Uniform, Transparent CRA Modernization

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State regulators today encouraged the Federal Reserve, FDIC and OCC to work together to create a uniform and consistent Community Reinvestment Act framework.

Adopting inconsistent federal CRA regulations would result in multiple practical and legal problems for banks and state regulators alike, CSBS said in a [comment letter](#) responding to the Federal Reserve's proposed modernization of the rules.

While state regulators are largely supportive of the changes the Federal Reserve is proposing, they made a number of recommendations, including that the Fed:

- Publish a list of community development activities that qualify for CRA credit;
- Exempt small banks from new data collection requirements and allow for existing data collections to be better used for purposes of CRA;
- Provide credit for activities that benefit Indian country and low to moderate income, underserved and distressed areas through physical branches and other means even if these activities occur outside a bank's defined assessment area; and
- Provide more clarity on the inclusion of non-branch delivery channels in CRA evaluations.

CSBS and state regulators look forward to working with the Federal Reserve as it continues the CRA modernization effort, the letter said.