

441 G St. N.W.
Washington, DC 20548

B-333019

March 3, 2021

The Honorable Sherrod Brown
Chairman
The Honorable Patrick J. Toomey
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate

The Honorable Maxine Waters
Chairwoman
The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
House of Representatives

Subject: *Department of the Treasury, Office of the Comptroller of the Currency:
Community Reinvestment Act Regulations*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of the Treasury, Office of the Comptroller of the Currency (OCC) entitled “Community Reinvestment Act Regulations” (RIN: 1557-AE34). We received the rule on May 22, 2020. It was published in the *Federal Register* as a final rule; temporary final rule on June 5, 2020.¹ 85 Fed. Reg. 34734. The effective date of this final rule is October 1, 2020.

According to OCC it is adopting a final rule to strengthen and modernize the Community Reinvestment Act (CRA). See *generally*, Pub. L. No. 95-128, title VIII, 91 Stat. 1147 (Oct. 12, 1977). OCC stated that this rule clarifies and expands the activities that qualify for CRA credit; updates where activities count for CRA credit; creates a more consistent and objective method for evaluating CRA performance; and provides for more timely and transparent CRA-related data collection, recordkeeping, and reporting.

Enclosed is our assessment of OCC’s compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the

¹ The due date for this major rule report was June 20, 2020. Due to a processing error on our part, we are delayed in our issuance of this report.

evaluation work relating to the subject matter of the rule, please contact Shari Brewster, Assistant General Counsel, at (202) 512-6398.

A handwritten signature in cursive script that reads "Shirley A. Jones". The signature is written in black ink and is positioned above the typed name.

Shirley A. Jones
Managing Associate General Counsel

Enclosure

cc: Mary Hoyle Gottlieb
Regulatory Specialist, Chief Counsel's Office
Department of the Treasury

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF THE TREASURY,
OFFICE OF THE COMPTROLLER OF THE CURRENCY
ENTITLED
“COMMUNITY REINVESTMENT ACT REGULATIONS”
(RIN: 1557-AE34)

(i) Cost-benefit analysis

In its submission to us the Department of the Treasury, Office of the Comptroller of the Currency (OCC) indicated that it did not prepare an analysis of the costs and benefits of this final rule.

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603-605, 607, and 609

OCC prepared a Final Regulatory Flexibility Analysis. The analysis included: (1) a statement of need for and objectives of the final rule; (2) significant issues raised by public comments on the Initial Regulatory Flexibility Analysis; (3) OCC’s response to the Chief Counsel for Advocacy of the Small Business Administration; (4) small entities affected by the final rule; (5) projected reporting, recordkeeping and other compliance requirements of the final rule; and (6) a description of steps taken to minimize the significant economic impact on small entities and alternatives considered.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

OCC determined that the final rule is likely to result in the expenditure by the private sector of \$154 million (\$100 million, adjusted annually for inflation) or more. OCC did not present its analysis of Unfunded Mandates Reform Act (UMRA) in this final rule. OCC stated that its UMRA analysis can be found in docket OCC-2018-0008 on www.regulations.gov.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On September 5, 2018, OCC issued an advance notice of proposed rulemaking and on January 9, 2020, it issued a notice of proposed rulemaking (NPRM). 83 Fed. Reg. 45053; 85 Fed. Reg. 1204. According to OCC, it received more than 7,500 comments on the NPRM. OCC stated that these comments came from a variety of stakeholders and interested parties, including the banking industry, community and other advocacy groups, Congress, state and local governments, academia, and the general public. OCC addresses comments broadly throughout the rule.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501-3520

According to OCC this final rule contains information collection requirements subject to the Act. OCC determined that this final rule revises certain information collection requirements previously cleared by the Office of Management and Budget (OMB) under OMB Control Numbers 1557-0160 and 3064-0092. OCC stated that it submitted the revised information collection to OMB for review. OCC stated further that OMB filed a comment in response to OCC's submission requesting that OCC resubmit the information collection requirements at the final rule stage.

Statutory authorization for the rule

OCC promulgated this rule under sections 21, 22, 26, 27, 30, 36, 93a, 161, 215, 215a, 481, 1462a, 1463, 1464, 1814, 1816, 1828, 1835a, 2901 through 2908, 3101 through 3111, and 5412 of title 12, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

As an independent regulatory agency, OCC is not subject to the Order.

Executive Order No. 13132 (Federalism)

As an independent regulatory agency, OCC is not subject to the Order.