



February 2, 2021

**Submitted Electronically**

Chief Counsel's Office,  
Attention: Comment Processing,  
Office of the Comptroller of the Currency,  
400 7<sup>th</sup> Street SW,  
Suit 3E-218,  
Washington, DC 20219

**Re: Community Reinvestment Act Regulations, RIN 1557-AE96**

Dear Ladies and Gentlemen,

The Wisconsin Bankers Association (WBA) is the largest financial trade association in Wisconsin, representing approximately 220 state and nationally chartered banks, savings and loan associations, and savings banks. WBA appreciates the opportunity to comment on the Office of the Comptroller of the Currency's proposed approach to determine the Community Reinvestment Act (CRA) evaluation measure benchmarks, retail lending distribution test thresholds, and community development minimums under the general performance standards.

Wisconsin banks are committed to ensuring the needs of their communities, including low-to-moderate-income (LMI) neighborhoods, are met, consistent with safe and sound operation. They support the vital role CRA plays in LMI communities, and have reported meaningful growth in loan activity and investments since the law's enactment. The CRA's objectives help banks better serve their communities and grow their core business. As such, Wisconsin banks are closely involved in supporting their local economies, but that service goes beyond one of regulation. Indeed, this commitment is a significant aspect of their business models.

Furthermore, as the COVID-19 pandemic persists, Wisconsin banks continue to aid and serve their communities. For example, through the Paycheck Protection Program, where they have been leaders in offering loans to affected small business customers.

**Background**

CRA remains as relevant as it has ever been, as banks work to address racial inequality and the economic consequences of the pandemic. Throughout, Wisconsin banks remain committed to CRA and its purpose. Despite this, the regulations have not been updated since 1990, and WBA has frequently heard from its membership regarding inconsistent application of CRA regulation.

As such, WBA supported modernization of OCC's CRA regulations when proposed early last year. However, as Wisconsin banks continue to work through the costs of implementation, they are reporting worrisome figures. WBA provided specific examples in previous comments, but Wisconsin banks are finding the actual costs, and difficulties, of implementation to be even higher, and more burdensome, than those estimates.

## **The Proposal**

On December 15, 2020, OCC published an information collection survey to gather data to set benchmarks within the framework of the CRA final rule. The information collection would have required banks to collect and report on certain data, including county deposits, qualifying activities, and retail loan applications, which, for covered Wisconsin banks, does not currently exist. The information collection would have retroactively applied the final rule's criteria to loans made prior to publication. As such, WBA supports OCC's recent decision to pause this information collection survey. Not only is, in many cases, collection of this information a near impossible task but, as discussed above, and in WBA's prior comments, banks are still working through the costs and burdens of implementation of processes to collect required information.

WBA again emphasizes the significance of the data collection burden. Not only the collection of information to meet regulatory requirements, but banks must also invest in new processes, systems, and technologies, including data security systems to maintain customer privacy. This is expensive, time consuming, and it requires banks to evaluate differing and highly complicated products. WBA is already hearing from its membership the impact that the recordkeeping and reporting requirements have had. The geocoding requirements for deposit accounts alone has presented an enormous task.

## **Conclusion**

WBA appreciates the opportunity to comment on OCC's proposal to reform the CRA regulatory framework. While we generally support the proposed approach to determine the CRA benchmarks, retail lending distribution thresholds, and community development minimums, WBA remains gravely concerned about the costs of implementation for data collection and reporting. As such, WBA encourages OCC to remain mindful of the operational challenges of implementation in accordance with its transparency and objectivity goals. Lastly, WBA urges all three banking agencies—the OCC, FDIC, and Federal Reserve—to develop a final CRA rule that is issued on an interagency basis. It is important that the agencies create a consistent examination across all financial institutions.

We appreciate your consideration of these comments.



Rose Oswald Poels  
President/CEO