
Joint Release

**Board of Governors of the Federal Reserve
System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency**

For immediate release

March 17, 2020

Federal Banking Agencies Provide Banks Additional Flexibility to Support Households and Businesses

The federal bank regulatory agencies today announced two actions to support the U.S. economy and allow banks to continue lending to households and businesses. They are:

- A statement encouraging banks to use their resources to support households and businesses; and
- A technical change to phase in, as intended, the automatic distribution restrictions gradually if a firm's capital levels decline.

The statement notes that banks have more than doubled their capital and liquidity levels over the past decade and are now substantially safer and stronger than they were previously. As a result, the agencies are encouraging banks to use that strength to support households and businesses. The statement is substantially similar to one issued by the Federal Reserve Board earlier this week.

The technical change is an interim final rule that, if a bank's capital declines by a certain amount, phases in the agencies' automatic distribution restrictions gradually, as intended. Like the statement, the interim final rule facilitates the use of firms' capital buffers to promote lending activity to households and businesses.

Attachments:

[Statement to encourage banks to support households and businesses](#)

[Interim final rule on technical changes to automatic distribution restrictions](#)

Media Contacts:

FDIC	David Barr	(202) 898-6992
Federal Reserve	Eric Kollig	(202) 452-2955
OCC	Bryan Hubbard	(202) 649-6747

FDIC: PR-30-2020