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*Joint Release*

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**Office of the Comptroller of the Currency**  
**Federal Deposit Insurance Corporation**  
**Federal Reserve Board**  
**Office of Thrift Supervision**

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**Federal Regulators to Hold Hearing in Albuquerque  
on Community Lending by Banks**

The federal financial supervisory agencies today announced details on a public hearing on the Community Reinvestment Act (CRA) to be held in Albuquerque, New Mexico, on September 9.

This fourth in a series of hearings will be held beginning at 9:00 a.m. at the Quality Hotel Four Seasons at 2500 Carlisle N.E., in Albuquerque. The hearing will conclude by noon.

The first hearing was held August 10 in Washington, D.C., the second hearing will be held on August 25 in San Antonio, Texas, and the third hearing will be held on September 8 in Los Angeles, California. Additional hearings are scheduled for New York City, New York; Henderson, North Carolina; and Chicago, Illinois.

The hearings are intended to help the agencies develop new regulations and standards for assessing a financial institution's performance under the CRA. The CRA, enacted in 1977, indicates that insured depository institutions have an affirmative obligation to help meet the credit needs of their entire communities, including low- and moderate-income neighborhoods. It requires the agencies to use their authority to encourage financial institutions to meet their CRA obligations, to assess the CRA performance of financial institutions, and to take CRA performance into account when deciding whether to allow institutions to expand their businesses.

On July 15, President Clinton asked the regulators to work together and consult with the public, community groups, and the banking and thrift industries to make the CRA more effective. The agencies' goal is to reform CRA regulations and supervision in order to improve performance, clarify standards, and make CRA performance assessments more objective.

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At the public hearing in Albuquerque, the presiding officials will be Comptroller of the Currency Eugene A. Ludwig; Director of Consumer and Community Affairs Griff Garwood of the Federal Reserve Board; Acting Chairman of the Federal Deposit Insurance Corporation Andrew Hove; and Acting Director of the Office of Thrift Supervision Jonathan Fiechter.

The four agencies are particularly interested in receiving comments on the following questions:

- In what specific ways can the CRA regulations be improved to provide increased performance, clarity and objectivity?
- In what specific ways, if any, have the existing 12 CRA assessment factors forced banks and thrifts to maintain unnecessary and unproductive CRA documentation? How should they be changed?
- What objective factors should be incorporated into the new CRA standards to focus community reinvestment activities on:
  - lending to low- and moderate-income individuals and neighborhoods, small businesses, and small farms;
  - investments in low- and moderate-income neighborhoods;
  - provision of banking services to residents of low- and moderate-income neighborhoods?
- In developing new CRA performance standards, should differences among banks and thrifts (location, corporate structure, product lines, etc.) be explicitly taken into account? If yes, how should these situations be incorporated into the new standards?

At a previous hearing, some witnesses described activities that certain financial institutions -- often in conjunction with members of their community -- undertook to help meet community credit needs. The hearing panel would like to know about specific examples of this type of successful collaboration. The panel is also interested in hearing views about the role the public could play in assessing CRA performance of banks and thrifts.

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The hearing is open to the general public. Those who wish to testify at this hearing should notify, by fax or mail, Barbara Cheseldine, Secretary to the Deputy Comptroller for Compliance Management, Compliance Management Division, Office of the Comptroller of the Currency (OCC), 250 E Street, S.W., Washington, D.C. 20219, (phone 202-874-5216 or fax 202-874-5221), no later than September 1, 1993.

If there are a large number of requests to testify, participants may be limited in the length of their oral testimony. If the agencies receive more requests for participation than can be accommodated in the time available they will select, at their discretion, those persons who will testify. Persons who wish to testify but are unable to notify the OCC by September 1 may be allowed to speak at the hearing if time permits after the scheduled witnesses have testified.

Requests to testify at the hearing should include the following information: the name, address, and business telephone number and fax number of the participant; the entity or entities that the participant represents; and a brief summary of the participant's remarks, including any specific issues that will be addressed.

Participants are encouraged to submit written statements to the OCC's Washington Office by 5:00 p.m. (EDT) on September 2. Alternatively, written statements may be submitted on September 9 in Albuquerque. Participants who submit written statements on September 9 should bring 200 copies with them to the hearing.

Persons who wish to provide written statements but not testify should submit their statements to the OCC's Washington Office by 2:00 p.m. (EDT) on September 9. The hearing record will close at noon (MDT) on September 9.

The hearing will be transcribed and copies of the transcript may be ordered from Miller Reporting Co., Inc. at (202) 546-6666.

To the extent available, the agencies will provide translators for witnesses who wish to present their testimony in a language other than English. Persons in need of other special arrangements (such as signers for the hearing-impaired) will also be accommodated. Requests for translators and other special arrangements should be made to the OCC's Washington Office by September 1, 1993.

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