

**Crapo Statement at OCC Hearing  
June 14, 2018**

WASHINGTON – U.S. Senator Mike Crapo (R-Idaho), Chairman of the U.S. Senate Committee on Banking, Housing and Urban Affairs, delivered the following remarks at a hearing to receive an update from the Comptroller of the Currency.

The text of Chairman Crapo's remarks, as prepared, is below.

"Today, we will hear from Comptroller of the Currency Joseph Otting.

"Since being sworn in last November, Comptroller Otting has been focused on right-sizing regulations and furthering the mission of the OCC.

"Recently, the OCC, along with four other regulators, issued a proposal to make revisions to the Volcker Rule.

"In May, the OCC issued a bulletin related to short-term, small dollar lending.

"The OCC has also been looking at modifying and modernizing how regulators apply the Community Reinvestment Act.

"Comptroller Otting has also identified reviewing compliance with anti-money laundering laws as a priority of the OCC's.

"In addition, the Comptroller has said he expects the OCC to announce in July a final decision on a specialty bank charter for fintech companies.

"I look forward to hearing more about some of these important initiatives today.

"In addition, the OCC will need to implement a number of provisions from S. 2155, the bipartisan economic growth legislation that President Trump signed into law on May 24th.

"Among the provisions that the OCC will need to write rules to implement are:

- The community bank leverage ratio, which exempts highly capitalized banks from the international Basel III risk-based capital requirements;
- The exemption from appraisal requirements for banks in rural areas that suffer from shortages of qualified appraisers;
- The requirement that certain acquisition, development, and construction loans not be subject to punitive capital requirements;

- Reduced reporting requirements and extended exam cycles for certain small banks;
- The requirement to promulgate regulations to remove central bank deposits from the denominator of the supplementary leverage ratio for certain banks;
- The exemption from stress testing for certain financial institutions, including the immediate exemption for financial companies with less than \$100 billion in assets; and
- The provision permitting certain federal savings associations to elect to operate with the same powers and duties as national banks without going through the onerous charter conversion process.

“These provisions, and others in the legislation, right-size regulations for community banks, credit unions, midsize banks, and regional banks, making it easier for consumers and small businesses to get mortgages and obtain credit.

“Absent excessive regulatory burden, local banks and credit unions will be able to focus more on lending, in turn propelling economic growth and creating jobs.

“I look forward to engaging with the OCC, and with other agencies charged with implementing S. 2155, over the coming months to ensure that their interpretations are consistent with the intent of the members of Congress that voted for the legislation and with this Committee’s goal of promoting economic growth.

“Our economy is strengthening, and the positive effects of the banking bill and tax reform are just starting to be felt.

“Layered together, these policies and others are creating conditions in our country that enable growth.

“I look forward to building on this momentum moving forward.”

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