

**Supporting Statement**  
**CRA Information Collection Survey**  
**OMB Control No. 1557-NEW**

**A. Justification**

**1. *Circumstances that make the collection necessary:***

On June 5, 2020, the OCC published a final rule in the Federal Register that makes comprehensive changes to the Community Reinvestment Act (CRA) regulatory framework designed to ensure that the CRA remains a relevant and powerful tool for encouraging banks to serve the needs of their communities, particularly low- or moderate-income (LMI) neighborhoods, consistent with banks' safe and sound operations.<sup>1</sup> As the final rule describes, the agency modernized and strengthened the CRA regulatory framework to better achieve the underlying statutory purpose of encouraging banks to help serve their communities by making the framework more objective, transparent, consistent, and easy to understand. To accomplish these goals, the final rule strengthened the CRA regulations in four key areas by (1) clarifying which activities qualify for CRA credit; (2) updating where activities count for CRA credit; (3) creating a more consistent and objective method for measuring CRA performance; and (4) providing for more timely and transparent CRA-related data collection, recordkeeping, and reporting.

The CRA final rule did not set banks' performance benchmarks, thresholds, and minimums that would incentivize banks to conduct more retail loans and community development loans, investments, and services because the OCC elected to collect and analyze bank-specific data and information and additional public comment through a notice of proposed rulemaking before finalizing the benchmarks, thresholds, and minimums.

The devastating health effects of COVID-19 and the local measures taken to control its spread have caused tremendous economic hardship in the United States at an unprecedented pace. Since February 2020, millions of jobs have been lost, and the unemployment rate has precipitously increased. The economic challenges experienced by communities across the United States, including LMI communities, as a result of the COVID-19 pandemic make it critical that implementation of the revised CRA framework, including the establishment of the benchmarks, thresholds, and minimums, not be delayed so that the full financial benefits of the new rule can reach these communities as soon as possible.

To gather the necessary data and information to finalize the CRA regulatory framework, the OCC plans to issue an Information Collection Survey as expeditiously as possible, given the severe and ongoing financial effects of COVID-19 on communities. Implementation of the final CRA rule is essential to the OCC's mission that includes providing fair access to financial services, and the agency notes that combatting the economic consequences of COVID-19 is an Administration priority. The timeframes required by the ordinary clearance process is likely to delay

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<sup>1</sup> 85 FR 34734 (June 5, 2020).

the use of the Information Collection Survey to develop and finalize the revised CRA regulatory framework and would likely have a negative impact on the economic recovery of the country from the pandemic. Therefore, the OCC is requesting emergency approval for this collection.

## **2. Use of the information:**

The OCC seeks information to assist it in determining the CRA evaluation measure benchmarks, retail lending distribution test thresholds, and CD minimums under the final rule that will correspond to the presumptive ratings. As discussed in the preamble to the final rule, the OCC analyzed currently available data to estimate how banks would have performed under the proposed rule's framework.<sup>2</sup> The final rule did not finalize the benchmarks, thresholds, or minimums as proposed. Instead, as explained in the preamble to the final rule, the OCC plans to issue a separate notice of proposed rulemaking to determine the benchmarks, thresholds, and minimums that will correspond to the presumptive ratings in the final rule.

The OCC now seeks information to assist in determining the CRA evaluation measure benchmarks, retail lending distribution test thresholds, and CD minimums under the final rule that will correspond to the presumptive ratings. The OCC analyzed currently available data to estimate how banks would have performed under the proposed rule's framework.<sup>3</sup> The final rule did not finalize the benchmarks, thresholds, or minimums as proposed. Instead, as explained in the preamble to the final rule, the OCC plans to issue a separate notice of proposed rulemaking to determine the benchmarks, thresholds, and minimums that will correspond to the presumptive ratings in the final rule.

This information collection seeks bank-specific data and information to supplement the agency's analyses and currently available data. Specifically, it requests four types of bank data or information: (1) retail domestic deposit and assessment area data; (2) qualifying activities data; (3) branch information; and (4) retail loan application and origination data. The data should contain information from January 1, 2017, to December 31, 2019.

The questions are appended as a supplementary document (instrument) under the IC titled "CRA Survey."

## **3. Consideration of the use of improved information technology:**

An institution may use any improved information technology that meets the requirements of the survey.

## **4. Efforts to identify duplication:**

The information required generally is not otherwise available to the public or the OCC.

## **5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

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<sup>2</sup> 85 FR 34734, 34773.

<sup>3</sup> 85 FR 34734, 34773.

There are no alternatives that would result in further lowering the burden on small institutions while still accomplishing the purpose of the survey.

**6. Consequences to the Federal program if the collection were conducted less frequently:**

This is a one-time collection.

**7. Special circumstances that would cause an information collection to be conducted in a manner inconsistent with 5 CFR part 1320:**

Not applicable.

**8. Efforts to consult with persons outside the agency:**

N/A.

**9. Payment or gift to respondents:**

None.

**10. Any assurance of confidentiality:**

The information is kept private to the extent permitted by law.

**11. Justification for questions of a sensitive nature:**

Not applicable.

**12. Burden estimate:**

Estimated Number of Respondents: 105.  
Estimated Burden Per Respondent: 1,390.47 hours.  
Total Estimated Burden: 146,000 hours.

**Cost of Hour Burden to Respondents:**

146,000 hours x \$115.19 = \$16,817,740.

To estimate wages the OCC reviewed May 2019 data for wages (by industry and occupation) from the U.S. Bureau of Labor Statistics (BLS) for credit intermediation and related activities excluding nondepository credit intermediaries (NAICS 5220A1). To estimate compensation costs associated with the rule, the OCC uses \$115.19 per hour, which is based on the average of the 90th percentile for six occupations adjusted for inflation (3.1 percent as of Q1 2020 according to the BLS), plus an additional 33.4 percent for benefits (based on the percent of total

compensation allocated to benefits as of Q4 2019 for NAICS 522: credit intermediation and related activities).

**13. Estimate of annualized costs to respondents (excluding the cost of hour burden in Items 12 and 14):**

None.

**14. Estimate of annualized costs to the Federal government:**

Not applicable.

**15. Change in burden:**

+ 146,000 hours.

The increase in burden is due to the fact that this is a new collection.

**16. Information regarding collections whose results are to be published for statistical use:**

Not applicable.

**17. Display of expiration date:**

Not applicable.

**18. Exceptions to certification statement:**

None.

**B. Collections of Information Employing Statistical Methods.**

Not applicable.