

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF THE TREASURY

### Office of the Comptroller of the Currency

#### 12 CFR Part 25

[Docket ID OCC–2019–0029]

### Community Reinvestment Act Regulations; Request for Public Input

**AGENCY:** Office of the Comptroller of the Currency (OCC), Treasury.

**ACTION:** Request for information.

**SUMMARY:** On January 9, 2020, the OCC and the Federal Deposit Insurance Corporation (the agencies) published a notice of proposed rulemaking that would amend their regulations implementing the Community Reinvestment Act (CRA). The OCC seeks public input with this request for information to assist in determining how the proposed rule might be revised to ensure that the final rule better achieves the statute’s purpose of encouraging banks to help serve their communities by making the framework more objective, transparent, consistent, and easy to understand. Specifically, this request for information seeks bank-specific data and information to supplement currently-available data and to inform potential revisions to modernize and strengthen the CRA regulatory framework.

**DATES:** Comments should be submitted by March 10, 2020.

**ADDRESSES:** You may submit comments to the OCC by any of the methods set forth below. Commenters are encouraged to submit comments through the Federal eRulemaking Portal or email, if possible. Please use the title “Community Reinvestment Act; Request for Information” to facilitate the organization and distribution of the comments. You may submit comments by any of the following methods:

- **Federal eRulemaking Portal—“Regulations.gov”:** Go to [www.regulations.gov](http://www.regulations.gov). Enter “Docket ID OCC–2019–0029” in the Search Box and

click “Search.” Click on “Comment Now” to submit public comments.

- Click on the “Help” tab on the *Regulations.gov* home page to get information on using *Regulations.gov*, including instructions for submitting public comments.

- **Email:** [rfi.cra@occ.treas.gov](mailto:rfi.cra@occ.treas.gov).
- **Mail:** Chief Counsel’s Office, Attention: RFI CRA Comment Processing, Office of the Comptroller of the Currency, 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

- **Hand Delivery/Courier:** 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

**Instructions:** You must include “OCC” as the agency name and “Docket ID OCC–2019–0029” in your comment.

In general, the OCC will enter all comments received into the docket and publish the comments on the *Regulations.gov* website without change, including any business or personal information that you provide such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure.

Respondents may designate information as confidential or request confidential treatment. The OCC will treat confidential commercial information submitted to the agency in accordance with 12 CFR 4.16 consistent with *Food Marketing Institute v. Argus Leader Media*, 139 S.Ct. 2356, 2363 (2019) and applicable guidance issued by the Department of Justice at <https://www.justice.gov/oip/step-step-guide-determining-if-commercial-or-financial-information-obtained-person-confidential>. The OCC may aggregate the information, use the aggregated information, and make the aggregated information public.

You may review comments and other related materials that pertain to this rulemaking action by any of the following methods:

- **Viewing Comments Electronically:** Go to [www.regulations.gov](http://www.regulations.gov). Enter “Docket ID OCC–2019–0029” in the Search box and click “Search.” Click on “Open Docket Folder” on the right side of the screen. Comments and supporting materials can be viewed and filtered by clicking on “View all documents and comments in this docket” and then using the filtering tools on the left side of the screen.

- Click on the “Help” tab on the *Regulations.gov* home page to get information on using *Regulations.gov*. The docket may be viewed after the close of the comment period in the same manner as during the comment period.

- **Viewing Comments Personally:** You may personally inspect comments at the OCC, 400 7th Street SW, Washington, DC 20219. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649–6700 or, for persons who are deaf or hearing impaired, TTY, (202) 649–5597. Upon arrival, visitors will be required to present valid government-issued photo identification and submit to security screening in order to inspect comments.

**FOR FURTHER INFORMATION CONTACT:** Ioan Voicu, Director, Compliance Risk Analysis Division, at (202) 649–5550; or Daniel Sufranski, Attorney, or Jean Xiao, Attorney, Chief Counsel’s Office, (202) 649–5490; Office of the Comptroller of the Currency, 400 7th Street SW, Washington, DC 20219. For persons who are deaf or hearing impaired, TTY users may contact (202) 649–5597.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

On January 9, 2020, the agencies issued a notice of proposed rulemaking that would make comprehensive changes to the CRA regulatory framework 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 the banks’ safe and sound operations. As the proposed rule describes, there is broad recognition that the CRA regulations should be improved both in design and in application. Accordingly, the agencies proposed to modernize and strengthen 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 proposed rule seeks to strengthen 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 transparent and objective method for measuring CRA

performance; and (4) providing for more transparent, consistent, and timely CRA-related data collection, recordkeeping, and reporting.

**II. Request for Information**

The OCC gives notice that it seeks public input to assist in determining how the proposed rule should be revised to ensure that the final rule better achieves the statute’s purpose of encouraging banks to help serve their communities by making the framework more objective, consistent, and transparent. As discussed in the proposed rule, the agencies analyzed currently-available historical data to determine the empirical benchmarks and thresholds that would be used in the general performance standards in § 25.12 of the proposed rule. Specifically, the agencies reviewed the available Home Mortgage Disclosure Act (HMDA) data on home mortgages to LMI borrowers, Call Report data on the on-balance sheet value of home mortgages, consumer loans, small business and small farm loans, and credit bureau data on the outstanding balances of consumer loans. The agencies analyzed these sources together, collected additional information about community development investments from historical performance evaluations, and made some assumptions to estimate what banks’ average CRA evaluation measures would have been from 2011–2017 under the proposed rule’s framework.

This request for information seeks bank-specific data and information to supplement the agencies’ analyses and currently-available data. Specifically, it requests four types of bank data or information: (1) Retail domestic deposit activities; (2) qualifying activity data; (3)

data on retail loans originated and sold within 90 days; and (4) other retail loan data. This data should reflect the past three years. Responses to this request are informed by a review of the proposed rule.

Respondents may answer all or some of the requests for information below. All information should be in a comma delimited file, and dollar values should be in 1,000s. Standard Federal Information Processing Standards (FIPS) codes should be used for geographic data, and the following codes should be used, unless otherwise instructed:

- –99—Information not available
- –98—Not applicable (e.g., geographic area is not part of a facility-based assessment area)
- –9999—Not part of a metropolitan statistical area

The OCC is particularly interested in receiving information and supporting data on the following topics and questions:

*Retail Domestic Deposit Activities*

As discussed in the proposed rule, a bank’s main office and deposit-taking facility locations and retail domestic deposit data would be required to determine its assessment area delineations, its ratings, and the benchmarks associated with ratings in §§ 25.08 and 25.11 of the proposed rule. The following data will supplement existing data and assist the OCC in, among other things, making potential revisions to the proposed thresholds in § 25.12.

*Questions and Requests Regarding Retail Domestic Deposit Activities*

1. What are the bank’s total amount of retail domestic deposits received, by county for each quarter-end? As

discussed in § 25.03 of the proposed rule, retail domestic deposits would include deposits by individuals, partnerships, and corporations, as reported on Schedule RC–E, item 1, of the Call Report other than a deposit that is obtained, directly or indirectly, from or through the mediation or assistance of a deposit broker as that term is defined in section 29 of the Federal Deposit Insurance Act (12 U.S.C. 1831f(g)). The county should be assigned based on the accountholder’s physical address, not the location of the branch that accepted the deposit.

2. Assign and provide a unique numerical identification (ID) to each facility-based assessment area, as defined in the proposed rule. As discussed in § 25.08 of the proposed rule, a bank’s main office, branches, and non-branch deposit-taking facilities, as well as the surrounding geographies in which the bank has originated or purchased a substantial portion of its loans, would be included in the facility-based assessment area. Facility based assessment areas would be comprised of one of the following that include one or more of the bank’s main office, branches, and non-branch deposit-taking facilities: (1) A whole metropolitan statistical area (MSA); (2) the whole nonmetropolitan area of a state; (3) one or more whole, contiguous metropolitan divisions (MD) in a single MSA; or (4) one or more whole, contiguous counties or county equivalents in a single MSA or nonmetropolitan area.

3. For the data above, provide county, MD/MSA, and State standard FIPS Codes.

4. Are there burdens associated with collecting or reporting the data described in this section?

TABLE 1, COLUMNS 1–6—DEPOSIT AND ASSESSMENT AREA ID DATA BY COUNTY, QUARTER

	Data field	Comments
Column 1 .....	County .....	FIPS code.
Column 2 .....	MD/MSA .....	FIPS code.
Column 3 .....	State .....	FIPS code.
Column 4 .....	Facility-based Assessment Area Number .....	Numeric indicator, created by Bank, that uniquely identifies each facility-based assessment area. Use code –98 if a county is not in a facility-based assessment area.
Column 5 .....	Quarter-end/Year .....	Specify date of data snapshot, e.g., as reported on Q4 call report. Q1YYYY: Jan1–March30 Q2YYYY: April 1–June 30 Q3YYYY: July1–Sept 30 Q4YYYY: Oct1–Dec 31.
Column 6 .....	Quarter-end Total Retail Domestic Deposits received from the county.	\$ value of retail domestic deposits in the county. County should be assigned based on depositor/business physical address (not location of the branch that holds the deposit).

*Total Qualifying Activities*

As discussed in the proposed rule and this request for information, the dollar value of a bank's qualifying activities would be required to determine a bank's ratings and to set the benchmarks associated with ratings in § 25.12. The following data will supplement existing data and assist the OCC in, among other things, making potential revisions to the appropriate thresholds in the proposed rule.

*Questions and Requests Regarding Total Qualifying Activities*

5. Calculate and report the sum, at the county level, of all quarter-end balances

for each type of qualifying loan or community development (CD) investment held on the balance sheet. Calculate and report the sum of the associated dollar value, at the county level, for other CD investments (*i.e.*, monetary and in-kind donations) and CD services made or provided in each quarter. Exclude from the calculation any loans that were sold within 90 days of origination by the bank. Qualifying activity would mean an activity that meets the criteria in § 25.04 of the proposed rule. Qualifying activities would include qualifying loans, CD investments, and CD services. Qualifying loan means a retail loan, as

defined in § 25.03, that meets the criteria in § 25.04(b) or a CD loan, as defined in § 25.03, that meets the criteria in § 25.04(c). CD investments are defined in § 25.03, which would include a requirement that the investment meets the criteria in § 25.04(c). CD services are defined in § 25.03, which would include a requirement that the service meets the criteria in § 25.04(c).

6. Are there burdens associated with collecting or reporting the data described in this section?

TABLE 1, COLUMNS 7–21—THE QUARTER-END DOLLAR VALUE OF EACH QUALIFYING ACTIVITY BY COUNTY, QUARTER

	Data field	Comments
Column 7 .....	Quarter-end, county-level sum of balances of qualifying home mortgages.	
Column 8 .....	Quarter-end, county-level sum of balances of qualifying auto loans.	
Column 9 .....	Quarter-end, county-level sum of balances of qualifying credit cards.	
Column 10 .....	Quarter-end, county-level sum of balances of other revolving lines of credit.	
Column 11 .....	Quarter-end, county-level sum of balances of qualifying other consumer loans.	Qualifying loans that are not credit cards or other revolving lines of credit, auto loans, or home mortgages.
Column 12 .....	Quarter-end, county-level sum of balances of qualifying small loans to businesses in LMI census tracts.	
Column 13 .....	Quarter-end, county-level sum of balances of qualifying small loans to farms in LMI census tracts.	
Column 14 .....	Quarter-end, county-level sum of balances of qualifying small loans to small businesses in non-LMI census tracts.	
Column 15 .....	Quarter-end, county-level sum of balances of qualifying small loans to small farms in non-LMI census tracts.	
Column 16 .....	Quarter-end, county-level sum of balances of qualifying CD loans.	
Column 17 .....	Quarter-end, county-level sum of balances of qualifying CD investments held on balance sheet, excluding mortgage-backed securities and municipal bonds.	
Column 18 .....	Quarter-end, county-level sum of balances of qualifying mortgage backed securities.	
Column 19 .....	Quarter-end, county-level sum of balances of qualifying municipal revenue bonds.	
Column 20 .....	County-level sum of qualifying services performed during the quarter.	
Column 21 .....	County-level sum of qualifying monetary or in-kind donations not included in CD Investments held on balance sheet that were extended during the quarter.	

**Note:** Only calculate the dollar value of qualifying loans not sold within 90 days of origination. When determining whether a loan is a qualifying loan, if borrower income is not available, use the income level of the census tract associated with the loan (*e.g.*, if the loan is in a low or moderate-income tract, assume that the borrower has low or moderate income); and in the data description add an explanatory note indicating for what types of loans this assumption was used.

*Qualifying Retail Loans Originated and Sold Within 90 Days*

As discussed in the proposed rule, the value of a bank's qualifying activities would be required to determine a bank's ratings and to set the benchmarks associated with ratings in § 25.12. Retail loans originated and sold within 90 days that are qualifying activities would be valued at 25 percent of their origination value under § 25.06(d)(2). The following data will supplement

existing data and assist the OCC in, among other things, making potential revisions to the appropriate thresholds in proposed rule.

*Questions and Requests Regarding Qualifying Retail Loans Originated and Sold Within 90 Days*

7. Report all retail loans that are qualifying activities under § 25.04 and that are originated and sold within 90 days of origination.

8. Report the balance at origination of all retail loans reported in request 7.

9. Report the origination date of each retail loan reported in request 7.

10. Report the sell date of each retail loan reported in 7.

11. Instead of reporting the information in questions 7 through 10, report the aggregate balance at origination of all retail loans that are qualifying activities under § 25.04 and

that are originated and sold within 90 days of origination throughout the year.

12. What are the burdens associated with collecting or reporting the data described in this section? How do the

burdens differ if the data is collected at the loan level versus the aggregate level?

TABLE 2—FULL LIST OF QUALIFYING RETAIL LOANS ORIGINATED AND SOLD WITHIN 90 DAYS

	Data field	Comments
Column 1 .....	Loan ID.	
Column 2 .....	County .....	FIPS code.
Column 3 .....	MD/MSA .....	FIPS code.
Column 4 .....	State .....	FIPS code.
Column 5 .....	Facility-based Assessment Area Number .....	Numeric indicator, created by Bank, that uniquely identifies each facility-based assessment area. Use code -98 if a loan is not within a facility-based assessment area.
Column 6 .....	Loan type .....	Mortgage, Credit card, Auto, Other, etc.
Column 7 .....	Balance at origination for the qualifying retail loan .....	
Column 8 .....	Origination date of the qualifying retail loan .....	DDMMYYYY.
Column 9 .....	Sell date of the qualifying loan .....	DDMMYYYY.
Column 10 .....	Income assumption indicator .....	Yes or 1 if borrower income is based on tract income and No or 0 if actual borrower income is used.

**Note:** When determining whether a loan is a qualifying loan, if borrower income is not available, use the income level of the census tract associated with the loan (e.g., if the loan is in a low or moderate-income tract, assume that the borrower has low or moderate income) and add a flag indicating whether this assumption was used.

*Volume of Retail Loans by Census Tract*

As discussed in the proposed rule and this request for information, banks would be evaluated under retail lending distribution tests described in § 25.11 of the proposed rule. The following data will supplement existing data relevant to the proposed retail lending distribution tests.

*Questions and Requests Regarding Volume of Retail Loans by Census Tract*

12. Calculate the total number and dollar volume, at the census tract level, of all new retail loans originated for

each of the bank's retail loan product lines. Retail lending product line would be defined in § 25.03 to include home mortgage loans, small loans to businesses, small loans to farms, automobile loans, credit card loans, other revolving credit lines, and other consumer loans (as those terms would be defined in under the proposed rule).

13. For product lines other than small loans to businesses and small loans to farms, calculate the total number, at the census tract level, of all new retail loans originated for each retail loan product line to LMI individuals or families. For

the small loans to businesses and small loans to farms product lines, as defined in § 25.04, calculate, at the census tract level, the number of small loans originated to small businesses and to small farms, respectively.

14. Using the same set of unique assessment area IDs as in Table 1, identify each facility-based assessment area.

15. Report the Census Tract, County, MSA/MD, State.

16. Are there burdens associated with collecting or reporting the data described in this section?

TABLE 3—YEARLY VOLUME OF RETAIL LOAN ORIGINATIONS

	Data Field	Comments
Column 1 .....	Census Tract .....	FIPS code.
Column 2 .....	County .....	FIPS code.
Column 3 .....	MD/MSA .....	FIPS code.
Column 4 .....	State .....	FIPS code.
Column 5 .....	Facility-based Assessment Area Number .....	Numeric indicator, created by Bank, that uniquely identifies each facility-based assessment area. Use code -98 if a county is not in a facility-based assessment area.
Column 6 .....	Number of home mortgage loan originations in the tract to LMI individuals or families.	
Column 7 .....	Number of auto loan originations in the tract to LMI individuals or families.	
Column 8 .....	Number of credit card accounts in the tract to LMI individuals or families.	
Column 9 .....	Number of other revolving credit lines in the tract to LMI individuals or families.	
Column 10 .....	Number of other consumer loan originations in the tract to LMI individuals or families.	
Column 11 .....	Number of originations of small loans in the tract to small businesses.	
Column 12 .....	Number of originations of small loans in the tract to small farms.	
Column 13 .....	Number of home mortgage loan originations in the tract .....	
Column 14 .....	Number of auto loan originations in the tract .....	
Column 15 .....	Number of credit card accounts in the tract .....	
Column 16 .....	Number of other revolving credit lines in the tract .....	
Column 17 .....	Number of other consumer loan originations in the tract .....	

TABLE 3—YEARLY VOLUME OF RETAIL LOAN ORIGINATIONS—Continued

	Data Field	Comments
Column 18 .....	Number of originations of small loans to businesses in the tract.	
Column 19 .....	Number of originations of small loans to farms in the tract ....	
Column 20 .....	Dollar volume of home mortgage loan originations in the tract.	
Column 21 .....	Dollar volume of auto loan originations in the tract .....	
Column 22 .....	Dollar volume of credit card accounts in the tract .....	
Column 23 .....	Dollar volume of other revolving credit lines in the tract .....	
Column 24 .....	Dollar volume of other consumer loan originations in the tract.	
Column 25 .....	Dollar volume of originations of small loans to businesses in the tract.	
Column 26 .....	Dollar volume of originations of small loans to farms in the tract.	

Dated: December 13, 2019.

**Joseph M. Otting,**

*Comptroller of the Currency.*

[FR Doc. 2019-27290 Filed 1-9-20; 8:45 am]

**BILLING CODE 4810-33-P**

## SMALL BUSINESS ADMINISTRATION

### 13 CFR Parts 121, 124, 125, 126, 127, and 134

RIN 3245-AG94

#### Consolidation of Mentor Protégé Programs and Other Government Contracting Amendments; Extension of Comment Period

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Proposed rule; extension of comment period.

**SUMMARY:** The U.S. Small Business Administration (SBA) is extending the comment period for the proposed rule published in the **Federal Register** on November 8, 2019. The comment period is scheduled to close on January 17, 2020. SBA is extending the comment period an additional 21 days in response to the significant level of interest generated by the proposed rule and requests from multiple stakeholders for an extension. Given the scope of the proposed rule and the nature of the issues raised by the comments received to date, SBA believes that affected businesses need more time to review the proposal and prepare their comments.

**DATES:** The comment period for the proposed rule published on November 8, 2019 (84 FR 60846) is extended to February 7, 2020.

**ADDRESSES:** You may submit comments, identified by RIN 3245-AG94 by any of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

- *Mail, for paper, disk, or CD-ROM submissions:* Brenda Fernandez, U.S. Small Business Administration, Office of Policy, Planning and Liaison, 409 Third Street SW, 8th Floor, Washington, DC 20416.

- *Hand Delivery/Courier:* Brenda Fernandez, U.S. Small Business Administration, Office of Policy, Planning and Liaison, 409 Third Street SW, 8th Floor, Washington, DC 20416.

SBA will post all comments on <http://www.regulations.gov>. If you wish to submit confidential business information (CBI) as defined in the User Notice at <http://www.regulations.gov>, please submit the information to Brenda Fernandez, U.S. Small Business Administration, Office of Policy, Planning and Liaison, 409 Third Street SW, 8th Floor, Washington, DC 20416, or send an email to [brenda.fernandez@sba.gov](mailto:brenda.fernandez@sba.gov). Highlight the information that you consider to be CBI and explain why you believe SBA should hold this information as confidential. SBA will review the information and make the final determination of whether it will publish the information.

**FOR FURTHER INFORMATION CONTACT:** Brenda Fernandez, U.S. Small Business Administration, Office of Policy, Planning and Liaison, 409 Third Street SW, Washington, DC 20416; (202) 205-7337; [brenda.fernandez@sba.gov](mailto:brenda.fernandez@sba.gov).

**SUPPLEMENTARY INFORMATION:** In the rule published on November 8, 2019 (84 FR 60846), SBA proposed revisions to its regulations to remove duplicative functions within SBA, reduce unnecessary or excessive burdens on 8(a) Participants, and clarify SBA's intent in other related regulatory provisions to eliminate confusion among small businesses and procuring activities. Specifically, the rule would merge the 8(a) Business Development (BD) Mentor-Protégé Program and the All Small Mentor-Protégé Program. This

rule would also eliminate the requirement that 8(a) Participants seeking to be awarded an 8(a) contract as a joint venture submit the joint venture agreement to SBA for review and approval prior to contract award. In addition, except for orders and Blanket Purchase Agreements issued under the General Services Administration's Federal Supply Schedule Program, the rule would require a business concern to recertify its size and/or socioeconomic status for all set-aside orders under unrestricted multiple award contracts (MACs). The rule would also require a business concern to recertify its socioeconomic status for all set-aside orders where the required socioeconomic status for the order differs from that of the underlying set-aside MAC contract (e.g., HUBZone set-aside order against a small business set-aside MAC). Finally, except for orders or Blanket Purchase Agreements issued under any Federal Supply Schedule contract, the rule would permit size and/or socioeconomic protests at the order level for set-aside orders issued against unrestricted MACs, or for set-aside orders based on a different socioeconomic status from the underlying set-aside MAC.

Dated: January 3, 2020.

**Barbara E. Carson,**

*Deputy Associate Administrator, Office of Government Contracting and Business Development.*

[FR Doc. 2020-00169 Filed 1-9-20; 8:45 am]

**BILLING CODE P**