
OCC BULLETIN 2014-22

Subject: OTS Integration
Date: May 21, 2014

To: Chief Executive Officers of All National
Banks and Federal Savings Associations,
Federal Branches and Agencies, Department and
Division Heads, All Examining Personnel, and
Other Interested Parties

Transmittal Letter - See OCC 2015-28.

Description: Notice of Proposed Rulemaking - Licensing Rules

Summary

The Office of the Comptroller of the Currency (OCC) has issued a Notice of Proposed Rulemaking (NPRM) to integrate its rules for national banks and federal savings associations relating to policies and procedures for corporate activities and transactions (licensing rules). The NPRM revises some of these rules to eliminate unnecessary requirements or further the safe and sound operation of the institutions the OCC supervises and makes other technical and conforming changes. This integration would create, to a large extent, filing parity for national banks and federal savings associations for all activities and transactions addressed in the OCC's licensing rules. As part of this rulemaking, the OCC also is proposing amendments to update its rules for the agency's organization and function.

This NPRM will be published in the *Federal Register* shortly. Comments on this proposal are due 60 days after the proposal is published in the *Federal Register*.¹ A section-by-section overview of this proposal is included in this bulletin.

Highlights

- The rules covered by this NPRM include the OCC's rules on articles of association, bylaws, and charters; chartering procedures; conversions; branching; operating subsidiaries; service corporations; business combinations; changes in capital; changes in asset size; capital distributions; change of control; fiduciary powers; bank service companies; investments in premises; pass-through investments; main office and home office relocations; management interlocks of depository institutions; and voluntary liquidations.
- The NPRM would integrate these licensing rules by moving the licensing rules for federal savings associations into 12 CFR 5 and deleting the corresponding provisions found in parts 100 through 199.
 - For many rules, the proposal incorporates the licensing provisions for federal savings associations into the existing national bank rule.
 - In other cases, the proposal includes separate rules for national banks and federal savings associations in part 5 because the rules do not apply to both charters, are better organized as separate rules, or are difficult to integrate because of their differences and complexity.
 - In the case of rules in 12 CFR 5 that would continue to apply only to national banks, the proposal revises some to be consistent with the changes proposed for federal savings associations and makes other technical changes.
- The NPRM also proposes substantive changes to the OCC's licensing rules to eliminate unnecessary requirements, promote fairness in supervision, and further the safe and sound operation of the institutions the OCC supervises.
- Furthermore, the proposal would make various conforming and technical changes to the OCC's rules and update the description of the OCC's supervisory structure in 12 CFR 4.

Note for Community Banks

The OCC rules proposed to be integrated by this rule apply to all national banks and federal savings associations, including community institutions. We have included in this bulletin a section-by-section overview of the changes proposed so that community institutions can readily identify provisions that affect them or are of special interest. The preamble of the NPRM also includes a separate summary, by charter type, of the significant changes that would result from this NPRM for national banks and federal savings associations, as well as a redesignation table that indicates changes in the numbering of the rules as proposed.

Background

With a few exceptions, the OCC currently has one set of rules applicable to national banks and another set applicable to federal savings associations or, when appropriate, to all savings associations. The OCC is reviewing its rules to determine whether it is appropriate to integrate them into a single set of rules for both national banks and savings associations, where legally permissible and consistent with underlying statutes applicable to each type of institution. The key objectives of this review are to reduce regulatory duplication, promote fairness in supervision, eliminate unnecessary burden consistent with safety and soundness, and create efficiencies for both national banks and federal savings associations, as well as for the OCC. Based on this review, the OCC expects to publish a series of rulemakings, each focused on a specific category or categories of bank and savings association regulations. This NPRM is the second in this series.² To minimize the potential for overlap and confusion going forward, and to afford the OCC the benefit of public comment through the EGRPRA process, one potential way to streamline and reduce burden for all of our rules, the OCC does not intend to publish further integration-specific proposals until the Agencies have completed the EGRPRA notice process. However, consistent with the practice since the OCC assumed supervisory oversight of federal savings associations, the OCC will continue to evaluate whether to integrate rules as they are otherwise revised.

Further Information

Please contact Heidi M. Thomas, Special Counsel, Legislative and Regulatory Activities Division, (202) 649-5490; Kevin Corcoran, Assistant Director, or Richard Cleva, Senior Counsel, Bank Activities and Structure Division, (202) 649-5500; or Stephen Lybarger, Deputy Comptroller for Licensing, 202-649-6319.

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¹ The OCC is participating in an interagency review of regulations to identify rules that are outdated, unnecessary, or unduly burdensome, pursuant to section 2222 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA). The first EGRPRA notice will request comments on the agencies' licensing rules, among others. To ensure that the OCC's final licensing rules take account of all comments we receive, the OCC will consider comments received on both this NPRM and this first EGRPRA notice when finalizing its licensing integration rule.

² The OCC issued its first integration rulemaking based on this review on May 13, 2014. This final rule integrated certain rules originally issued jointly with the other federal banking agencies by the OCC with respect to national banks and by the former Office of Thrift Supervision (OTS) with respect to savings associations. See 79 FR 28393 (May 16, 2014).

Related Links

- [Section-by-Section Overview of the OCC Proposed Rule for Licensing Integration \(PDF\)](#)
- [Integration of National Bank and Federal Savings Association Regulations: Licensing Rules \(PDF\)](#)