



CBAI Supports Targeted Revisions and a Modernization of the Community Reinvestment Act (CRA)

In an October 9, 2026, comment letter to the OCC and FDIC, CBAI urged the regulators to revise and modernize the CRA in a manner that makes it reasonable and properly focused without increasing the regulator burden on community banks in recognition of their exemplary performance in serving their customers and communities – fairly and honestly.

CBAI expressed disappointment that this notice of proposed rulemaking was not jointly with the Federal Reserve. CBAI stated, “Constructive interagency dialogue, collaboration and productive cooperation between all of the regulators and the banking industry are the surest path to meaningful, lasting and beneficial change.”

Nonetheless, CBAI applauded the proposed definition of a “small bank” as having less than \$1 billion in assets and an “intermediate bank” as having assets of at least \$1 billion, but less than \$10 billion. Using these proposed thresholds almost 85% of CBAI members would be considered *small banks* and none would be considered *large banks*. In addition, CBAI urges the regulators to consider all banks under \$10 billion in assets to be within the *small banks* category.

CBAI also supported the exemption for banks under \$10 billion in assets from complex CRA data collection, maintenance, and reporting requirements as well as the ability to satisfy the public file and notice requirements by making these documents available on their websites. In addition, CBAI supported the creation of a joint regulator initiative for predetermining if a community development activity or service would qualify CRA credit, maintaining that list on their respective websites and that the list would be updated regularly.

CBAI expressed support for the regulators focusing lending and related services delivered within the geographic footprint of the bank because it is more consistent with the community bank business model. However, CBAI urged the regulators to grant full, or at least partial, credit for banks serving additional geographies and providing additional services if the bank chooses to dedicate the resources to track and report the benefits to low- and moderate-income individuals and communities.

CBAI looks forward to continuing to work closely with the federal banking regulators in revising and modernizing a clearly outdated Community Reinvestment Act.

[Read CBAI’s Comment Letter to the Regulators →](#)

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