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Comptroller Voices Concern over Lending Study

WASHINGTON, D.C. -- The OCC expressed concern today about the implications of a study on lending practices conducted by the Fair Housing Council, which tested 72 Washington-area mortgage lending institutions to determine whether minorities were subject to illegal discrimination in the pre-application process.

"I am troubled by the implications of the information reported today, " said Comptroller of the Currency Eugene A. Ludwig. "At the OCC we have zero tolerance for lending discrimination in the national banking system. I look forward to having the opportunity to review the Council's complete findings."

The OCC is the first federal bank regulatory agency to implement a testing program, and in 1996, issued a report on the results of its own pilot program to assess the use of testers to identify fair lending violations at national banks. "We consider, on a case-by-case basis, the use of matched pair tests to supplement our fair lending program, " added Comptroller Ludwig.

The OCC also issued interim guidelines on self-assessments in OCC Bulletin 95-51, and encouraged national banks to develop their own self-testing programs. For more information on the OCC's fair-lending programs, visit the agency's Internet site at <http://www.occ.treas.gov>.

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The OCC charters, regulates and examines approximately 2,800 national banks and 66 federal branches of foreign banks in the U.S., accounting for more than half the nation's banking assets. Its mission is to ensure a safe and sound and competitive national banking system that supports the citizens, communities and economy of the United States.