

Press Releases

October 31, 2000

OTS 00-91 - OTS Proposes Changes to Rules to Streamline Applications Processing

Office of Thrift Supervision

FOR RELEASE at 11:15 A.M. EST

For further information

Tuesday, October 31, 2000

Contact: William Fulwider

OTS 00-91

202/906-6913

OTS Proposes Changes To Rules To Streamline Applications Processing

SEATTLE, Wash., Oct. 31, 2000 - The Office of Thrift Supervision (OTS) announced today proposed changes to its applications processing rules that would help streamline the process, particularly in the early phases, and reduce the time and expense of handling applications.

The proposed changes, to be published in Thursday's Federal Register, are written in "plain language" to make them easier to understand and clarify for applicants what to expect from OTS and what OTS expects from them in processing an application. This should lead to more expeditious review and processing, OTS said.

The agency also is revising its forms and applications processing handbook to reflect the changes and to incorporate some technical requirements now contained in the existing rules. OTS said it will not issue a final rule until the forms and handbooks are completed.

"The changes proposed today evolve from our experience in dealing with a wide variety of applications in recent years and reflect practices we have been employing throughout the processing cycle," said Scott M. Albinson, managing director for supervision at OTS.

One new proposed provision would reflect the agency's current policy of treating detailed financial and business strategy information as confidential when requested.

Among the specific changes to the rules the agency believes will improve processing efficiency is one that prescribes a pre-filing meeting between an applicant seeking to organize a new thrift or acquire control of an existing thrift and OTS for the purpose of identifying any legal or policy issues. As a result of these meetings, to take place at least 30 days before the actual filing, applicants will be able to address substantive issues early in the application cycle, which should expedite the processing of complex applications. Applicants would file a draft business plan that would then become an integral part of the pre-filing discussions.

The agency also wants to allow itself more time if needed to review submissions made by an applicant in response to requests from OTS for more information following the formal

application filing. OTS proposes to have the leeway to extend the current 15-day response time by another 15 days, provided it notifies the applicant before the original period expires. The agency, however, is not planning to change the nominal 60-day period it now has, after deeming the application complete, to review the application and make a decision. OTS retains the authority to extend the review period 30 days for any reason and indefinitely if a significant issue of law or policy arises.

Another provision would allow OTS to declare certain long-pending applications withdrawn after two years if the applicant is not actively pursuing a final OTS determination for reasons within the applicant's control. The comment period on the proposal will continue through Jan. 2, 2001.

Applications Processing Proposed Rulemaking - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-91a.pdf>

###

The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents visit the OTS web page at www.ots.treas.gov.