



## **New Rules Aim to Curtail Discrimination in Lending**

By: [Diane O'Neil](#)

The Office of the Comptroller of the Currency (the “OCC”) finalized [new rules](#), the Fair Access to Financial Services Rules (“Rules”), on Thursday which require large banks to make their financial services available to all persons on proportionally equal terms. The Rules are designed to end the practice of industry-wide exclusions from lending which has gained popularity in recent years, including for example, the decision of some major banks to deny loans to the oil and gas industry as a whole.

The Rules require any covered bank, banks with \$100 billion in total assets, to provide fair access to financial services based on individual risk-based assessments for each person seeking financial services from such bank. The OCC explains that the decision to provide financial services remains solely with the bank, but now under the Rules such bank must conduct and document an individualized risk-assessment of the potential borrower before they are permitted to deny financial services. Furthermore, the individual assessment must be based on “quantitative, impartial risk-based standards established in advance.”

The Rules take effect on April 1, 2021; however, with the upcoming change in administration and the anticipated shift in policy as a result, it is not clear if the Rules will survive the expected legal and congressional challenges ahead.

For additional information, please contact [Diane O'Neil](#).