



NEWS RELEASE

Comptroller of the Currency
Administrator of National Banks

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OCC Guidance Clarifies that National Banks Should Act Promptly To Resolve Consumer Complaints Forwarded by State Agencies

WASHINGTON – The Office of the Comptroller of the Currency issued supplemental guidance today concerning how national banks and their operating subsidiaries should handle complaints forwarded by state authorities.

The guidance makes clear that the OCC expects national banks to take steps to resolve consumer complaints fairly and expeditiously regardless of the source of the complaint. The guidance also clarifies that the referral of a complaint for resolution does not constitute a “visitation” under Federal law and the OCC’s rules and that national banks should not cite the OCC’s exclusive visitorial powers as a justification for not addressing the complaint.

“We expect that the paramount concern of national banks and their subsidiaries is to do the right thing for their customers,” said Julie L. Williams, Chief Counsel and First Senior Deputy Comptroller. “While the OCC has certain exclusive regulatory, supervisory and enforcement authority over national banks, that does not mean that national banks cannot and should not accept information from state agencies, and other sources, and take appropriate actions to address their customers’ concerns.”

In most cases when a complaint is forwarded to a national bank, the institution can deal with the complaint directly without involving the OCC. However, if the state contact is an effort to direct the bank’s conduct, exercise authority over the bank, or take enforcement action against the bank, then the OCC asks national banks to bring the matter to the OCC’s attention.

The guidance also explains that if state officials forward a complaint and ask the bank to follow up with information about how the complaint was resolved, the institution should comply, provided that it can do so without compromising the customer's privacy interests.

The guidance also notes that the OCC has already asked state officials to bring to the OCC's attention any allegations that a national bank has engaged in illegal, predatory, unfair or deceptive practice, and provides information on how to do so. These procedures for referrals by states to the OCC, had previously been set forth in correspondence from the OCC to state officials.

"We respect the concerns that have been raised regarding collaboration between the OCC and the states in handling customer complaints," said Ms. Williams, "and we believe our action today reflects our commitment to work together with state agencies to ensure efficient handling and resolution of complaints raised by customers of national banks and their subsidiaries. We look forward to taking additional steps that will further improve that process."

Today's guidance supplements Advisory Letter 2002-9, which summarized principles that should be used in determining whether a state law applies to a national bank and described the nature of the OCC's exclusive visitorial powers to regulate and supervise national banks.

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The OCC charters, regulates and examines approximately 2,100 national banks and 52 federal branches of foreign banks in the U.S., accounting for more than 55 percent of 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.