



Office of Thrift Supervision
Department of the Treasury

Director

1700 G Street, N.W., Washington, D.C. 20552 • (202) 906-6590

March 17, 1994

TO THE CHIEF EXECUTIVE OFFICER OF THE SAVINGS ASSOCIATION
ADDRESSED:

Attached for your information is a "Policy Statement on Discrimination in Lending" that was developed by the Interagency Task Force on Fair Lending. The Task Force is comprised of principals of the U.S. Department of Housing of Urban Development (HUD), U.S. Department of Justice (DOJ), Office of the Comptroller of the Currency (OCC), Office of Thrift Supervision (OTS), Board of Governors of the Federal Reserve System (FRB), Federal Deposit Insurance Corporation (FDIC), Federal Housing Finance Board (FHFB), Federal Trade Commission (FTC), National Credit Union Administration (NCUA), and the Office of Federal Housing Enterprise Oversight (OFHEO).

At a meeting on March 8, 1994, OTS, HUD, DOJ, OCC, FHFB, OFHEO, and the FRB adopted the policy statement. The participants in the Task Force meeting representing the FDIC, NCUA and FTC fully support the policy statement and agreed to seek approval of the policy statement from their agencies.

Once all the agencies have approved the document it will be published in the Federal Register as a Notice. The Notice will state that the agencies welcome comments about the application of the principles in the policy statement to specific policies and practices. The agencies also anticipate providing further clarification and elaboration on the application of these principles in the future.

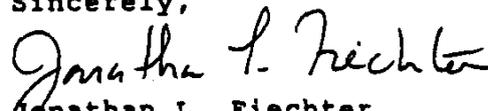
The policy statement applies to all lenders, including banks and thrifts, credit unions, mortgage brokers, finance companies, retailers, credit card issuers and any other persons or entities who extend credit of any type. The policy statement describes the Equal Credit Opportunity Act and Fair Housing Act and identifies specific discriminatory practices prohibited under these laws. It also describes overt discrimination, disparate treatment, and disparate impact.

I strongly encourage you to carefully consider the document and provide copies to your staff. The policy statement contains useful guidance that is fundamental to an understanding of the

fair lending laws and their relationship to your lending operations. As I indicated at a press conference immediately following the March 8 meeting, the objective of the policy statement is to further the process of providing more guidance and concrete examples of what is and is not illegal discrimination.

I am very interested in your comments on the policy statement and would like to know about issues you believe the agencies should address in the future.

Sincerely,


Jonathan L. Fiechter
Acting Director

Attachment