

**SCHWARTZ & BALLEN LLP**  
1990 M STREET, N.W. • SUITE 500  
WASHINGTON, DC 20036-3465  
[WWW.SCHWARTZANDBALLEN.COM](http://WWW.SCHWARTZANDBALLEN.COM)

TELEPHONE  
(202) 776-0700

FACSIMILE  
(202) 776-0720

**MEMORANDUM**

July 21, 2011

To Our Clients and Friends

Re: OCC Implements Dodd-Frank Act Preemption Provisions

The Comptroller of the Currency (“OCC”) has issued a rule implementing provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) that address national bank and Federal savings association preemption and the OCC’s visitorial authority. The rule took effect today.

The OCC’s rule implements several provisions of the Dodd-Frank Act which affect national bank and Federal savings association preemption and OCC visitorial powers. The rule:

- Eliminates preemption for operating subsidiaries of national banks and Federal savings associations
- Applies national bank preemption standards to Federal savings associations
- Applies visitorial standards applicable to national banks to Federal savings associations and their subsidiaries
- Eliminates the current OCC preemption standard of “obstruct, impair or condition”
- Revises the OCC’s visitorial powers rule to acknowledge that a state attorney general court action in court against a national bank is not an exercise of visitorial powers

A copy of the OCC’s rule can be found on our web site at <http://www.schwartzandballen.com/news.html>.

If you have any questions, please call Gilbert Schwartz, Robert Ballen, Tom Fox, Heidi Wicker, or Lauren Bianchini at (202) 776-0700.