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MEMORANDUM

May 25, 2011

To Our Clients and Friends

Re: OCC Proposal Implementing Dodd-Frank Act Preemption Provisions

The Comptroller of the Currency (“OCC”) today issued a proposal to implement provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) that affect national bank and Federal savings association preemption and the OCC’s visitorial authority, which become effective on July 21, 2011. The comment period closes on June 27, 2011.

The Dodd-Frank Act made several changes to national bank and Federal savings association preemption as well as visitorial powers of the OCC. In light of these changes, the OCC proposes to amend its rules to:

- Rescind its rule regarding preemption for national bank operating subsidiaries
- Apply national bank and national bank subsidiary preemption standards, as well as the visitorial standards applicable to national banks, to Federal savings associations and their subsidiaries
- Remove the current regulatory preemption standard of “obstruct, impair or condition” from OCC rules
- Revise the OCC’s visitorial powers rule to acknowledge that state attorneys general may bring enforcement actions in court against national banks to enforce non-preempted state laws

A copy of the OCC’s proposed rule can be found at our website 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.