

A Financial System That Creates Economic Opportunities

Banks and Credit Unions



THE EXECUTIVE BRANCH'S PLAN TO DELIVER SWIFT RELIEF TO BANKS AND CREDIT UNIONS THROUGH REGULATORY CHANGES

SUPPORTING COMMUNITY-FOCUSED BANKS AND CREDIT UNIONS

Community banks and credit unions are essential to driving opportunity and growth across America.

The report recommends helping community banks and credit unions by:

- Avoiding a one-size-fits all system by simplifying capital requirements for small and mid-sized banks and credit unions
- Tailoring regulation to reduce unnecessary regulatory burden and costs to smaller financial institutions
- Allowing community and regional banks to provide more options and opportunities for Americans, particularly in rural and underserved areas

Helping community banks and credit unions helps all Americans because increasing lending in our communities will:

- Stimulate job creation, especially through increased lending to small businesses
- Secure mortgage lending for more homeowners
- Modernize the Community Reinvestment Act to better align banks' participation and measure community impact

ESTABLISHING AN AMERICA FIRST INTERNATIONAL POLICY

U.S. banks need to be more competitive to maintain America's leadership position as the financial capital of the world.

The report recommends making U.S. banks more competitive by:

- Leveling the playing field for our community, mid-size and regional financial institutions to better diversify and strengthen our financial system
- Fixing "Too Big to Fail" to ensure taxpayer bailouts are a thing of the past
- Strengthen global banking standards for foreign banks to match those required in the United States
- Refining objectives and improving transparency in global standard-setting bodies, like the Basel Committee, to promote America's interests

Encouraging foreign investment in the U.S. banking system:

- Treat foreign banking organizations (FBOs) based on the size of their U.S. assets
- Discourage escalation of capital "ring-fencing" by U.S. and foreign financial institutions
- Greater recognition of home country regulations

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DEREGULATING TO PAVE THE WAY FOR OPTIONS AND INVESTMENT

Regulatory relief and reform will create better outcomes for Americans.

The current regulatory regime is holding back the American financial system:

- It's too hard for consumers to borrow money due to overly-burdensome regulations
- Community and mid-sized banks are not flourishing as they can no longer afford to offer their clients services and choice
- Regulatory overlap and redundancy have taken our eye off the ball in terms of balancing the need for a safe and sound financial system that is also strong for America
- Consumers have fewer choices to meet their financial needs

The robust review undertaken by the Department of the Treasury proposes a blueprint to recalibrate the financial system, which will:

- Break the cycle of low economic growth
- Ensure access to credit so consumers and businesses can again advance the economy
- Bring banks back to the business of banking by removing or refining existing regulations

We look forward to working with Congress, regulators, industry, consumer advocates and other experts to recalibrate the laws, regulations and guidance underpinning the U.S. financial system to achieve our chief goals of economic growth and job creation.