U.S. Chamber of Commerce

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October 17, 2025

The Honorable Scott Bessent
The Secretary of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Secretary Bessent:

The U.S. Chamber of Commerce (the Chamber) commends the Department of the Treasury ("Treasury") for coordinating regulatory right-sizing across financial regulators and for working to "empower our nation's banks to finance the economy's pursuit of job growth, wealth creation, and prosperity for all Americans."[1] To build on this leadership, the Chamber urges Treasury to collaborate with federal banking regulators to index key regulatory thresholds that currently constrain banks' ability to support economic growth. Treasury's most urgent priority should be a comprehensive review of the 2019 tailoring framework established under the Economic Growth, Regulatory Relief, and Consumer Protection Act (the "Economic Growth Act") and an update—and indexing—of its fixed-dollar thresholds.

The stakes are high. In 2024, the Chamber launched its Growth and Opportunity Imperative, a policy agenda designed to support sustained GDP growth of 3% or more.[2] At that pace, the economy would double within a generation; at 2% growth, it would take more than a decade longer. Even modest increases in growth have significant fiscal implications: raising growth from 2% to 2.5% would reduce the federal deficit by $1.2 trillion over ten years. Policymakers should ensure regulatory structures allow banks to grow in step with the broader economy they serve. A recent Chamber survey found that 87% of businesses have been negatively affected by regulatory cost increases; 46% have delayed or canceled investments, 40% have reduced services to customers, and 49% have substituted or reduced the number of banks they use.[3]

The Economic Growth Act thresholds, established in 2019, have not kept pace with banking industry expansion, broader economic growth, or inflation. Regulators retain broad discretion to revisit these thresholds and the preamble to the 2019 rule

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[1] https://home.treasury.gov/news/press-releases/sb0045
[2] https://www.uschamber.com/assets/documents/Growth-and-Opportunity-Memo.pdf
[3] https://www.uschamber.com/assets/documents/CCMC_Survey-FinancialChallenges_Fall2023.pdf

explicitly acknowledges that thresholds should be reevaluated over time to reflect macroeconomic and industry-wide growth to support the rule's objectives.[4] When federal banking regulators enacted the Economic Growth Act thresholds, they noted no single fixed-dollar thresholds should be dispositive, yet these static thresholds have become blunt proxies for measuring risk.

Numerous other regulatory thresholds tied to asset size or other fixed-dollar metrics—whether established by statute or regulation—are outdated. Even when initially grounded in sound policy, fixed thresholds quickly lose relevance as the economy evolves, imposing artificial limits on growth, geographic reach, and sector expansion. Regulators have acknowledged and addressed isolated examples of static thresholds,[5] [6] but broader, system-wide review is overdue. Treasury should conduct an exhaustive review of all regulatory thresholds and determine appropriate updates -- examples include:

- Small Bank Holding Company Policy Statement: This allows bank holding companies that meet the qualitative requirements (qualifying small holding companies) to use higher levels of debt to finance acquisitions, with the goal of facilitating ownership transfers and the growth of community banks. In 2018, the Federal Reserve Board issued a rule increasing the threshold for bank holding companies that qualify from $1 billion to $3 billion.[7]

- Office of the Comptroller of the Currency (OCC) Heightened Standards: The OCC's heightened governance and risk management standards were established in 2014 at $50 billion in assets.[8]

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[4] Changes to Applicability Thresholds for Regulatory Capital and Liquidity Requirements, 84 Fed. Reg. 59,230 (November 1, 2019).

[5] Federal Deposit Insurance Corporation (July 15, 2025) statement on notice of proposed rulemaking Adjusting and Indexing Certain Regulatory Thresholds: *"The changes set forth in the proposal would help to provide a more durable framework preserving, in real terms, certain regulatory thresholds and thereby avoiding unintended and undesirable policy consequences."* Available at https://fdic.gov/news/press-releases/2025/fdic-proposes-regulatory-threshold-adjustments-and-indexing-reflect

[6] Bowman, M. W. (2025, June 6). Taking a Fresh Look at Supervision and Regulation. Board of Governors of the Federal Reserve System. *"Both regulators and legislators should consider whether the bank regulatory framework includes appropriate thresholds for defining distinct categories of institutions, and whether simple fixes—for example the indexing of thresholds to inflation or growth—could better ensure a sound, tailored approach that remains durable over time."*

[7] The statutory thresholds in section 163(b) (12 USC 5363) and section 604(e) (12 USC 1843(k)(6)(B)(ii)) of the Dodd-Frank Act, which requires acquisitions by financial holding companies (FHC) or bank holding companies (BHCs) of nonbank companies with assets over $10 billion to obtain FRB approval even if the transaction would otherwise be exempt from Bank Holding Company Act approval requirements. The $10 billion threshold has not changed since Dodd-Frank's original passage. https://www.federalregister.gov/documents/2018/08/30/2018-18756/small-bank-holding-company-and-savings-and-loan-holding-company-policy-statement-and-related

[8] https://www.federalregister.gov/documents/2014/09/11/2014-21224/occ-guidelines-establishing-heightened-standards-for-certain-large-insured-national-banks-insured

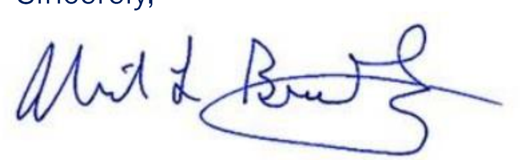
- Consumer Financial Protection Bureau (CFPB) Supervision: The Dodd-Frank Act, signed into law in 2010, establishes that banks with more than $10 billion in assets are subject to supervision by the CFPB.

- Suspicious Activity Reports (SARs) and Currency Transaction Reports (CTRs) thresholds: Reviewing the thresholds for SARs and CTRs would allow financial institutions to focus resources on investigating truly suspicious and high-risk activities rather than routine transactions. The CTR $10,000 threshold was established in 1972. The $5,000 threshold for SARs was last adjusted in 1996. [9]

- The U.S. GSIB surcharge: The GSIB surcharge was set nearly nine years ago, and the growth in the economy since 2015 has meant that GSIBs' measures of systemic risk have increased, even for firms whose share of domestic or global economic activity has not increased. The Federal Reserve Board noted the potential for this effect in the original 2015 G-SIB rule. While it did not provide a mechanism to automatically adjust for economic growth at that time, the Federal Reserve Board stated that it would periodically reevaluate the framework.[10]

The Chamber encourages Treasury to review the Economic Growth Act thresholds and other fixed-dollar thresholds that no longer reflect market conditions and economic realities. Indexing these thresholds will give banks the flexibility to grow and continue fueling investment, innovation, and opportunity.

Sincerely,



Neil Bradley
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US Chamber of Commerce

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[9] https://www.gao.gov/products/gao-25-106500#:~:text=What%20GAO%20Found,would%20have%20been%20about%20$72%2C880.
[10] https://www.federalreserve.gov/newsevents/speech/barr20240910a.htm