BANKING

Sweeping capital and liquidity requirements were imposed on banks of all sizes in response to the 2008 financial crisis. Some of these regulations were required by the Dodd-Frank Act or implemented as part of international agreements such as the Basel III Accords. Many of these regulations did not account for existing rules, and many more have been layered on without a robust study of the cost and benefits to our financial system. To be clear, individual banks and our financial system should be built to withstand shocks, just as they did in March 2020, but policymakers must also recognize that poorly calibrated regulations will decrease the availability of credit and liquidity in our financial system.

The bipartisan Economic Growth, Regulatory Relief, and Consumer Protection Act (S. 2155—115th) improved the tailoring of regulations imposed on banks required under the Dodd-Frank Act and Basel III accords, and included myriad other reforms important to a strong financial system. The major reforms called for by this legislation were implemented by the end of 2019, providing more flexibility for financial institutions, especially regional banks, to lend to businesses and serve their communities.

The banking system received a major shock as a result of the economic crisis resulting from the COVID-19 pandemic, but has demonstrated resiliency in the face of a government-sanctioned shutdown of much of the American economy that no one foresaw or prepared for. Banks have maintained sufficient capital and liquidity and have served as an important countercyclical force in the face of economic headwinds.

In a speech in July 2020, Randy Quarles, vice-chairman for supervision of the Federal Reserve Board, noted, "Banks entered the current crisis in a much stronger position than they did in the global financial crisis. They are much better capitalized and more liquid than back in 2008. . . . A number of stress tests carried out recently in FSB jurisdictions have confirmed that banks are able to continue lending even in the face of this extreme shock."

The economic crisis from COVID-19 suggests that the capital and liquidity rules implemented since 2008 are more than robust, and that there is room for improvement to avoid pro-cyclical outcomes that restrict credit and liquidity during an economic downturn. Regulators have temporarily suspended or tweaked rules that would normally make it difficult for banks to provide credit, which raises the idea that some regulations should be permanently updated so banks can be even better positioned to respond to economic downturns.

FRB, OCC, AND FDIC: TAILOR SUPERVISORY REQUIREMENTS

The Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) should adhere to basic principles of transparency, accountability, and due process not just when writing regulations, but also when enforcing them. The supervisory process is relatively opaque, esoteric, and oftentimes subjective given the focus on individual firms, their relationship with customers, and how they engage with other market participants.

In general, supervisory requirements should reflect the risk that failure of a bank poses to its customers and the financial system, as is the case with regulatory requirements. Congress recently required federal banking regulators to tailor regulatory requirements for banks with more than $50 billion in assets. Regulators created new categories of risk-based indicators instead of applying the same rules to all banks with greater than $50 billion in assets when finalizing new rules in October 2019.

However, a similar holistic set of reforms has not been enacted for how these firms are supervised, including compliance with these rules.

ACTION: Federal banking regulators should tailor all supervisory requirements, including guidance, so it aligns with their updated framework for applying regulations to banks with greater than $50 billion in assets.

FRB: IMPROVE SUPERVISORY TRANSPARENCY AND ACCOUNTABILITY

Banks are subject to various supervisory requirements and expectations in addition to the regulations they must follow. The purpose of supervision is to implement regulations via cooperation between banks and their supervisor. Regulations provide general rules, but they are not necessarily tailored to particular banks. Guidance is oftentimes created to provide more clarity to banks, but if the law is misinterpreted by supervisors, then banks may find themselves subject to regulation stricter than is intended by Congress.

ACTION: The FRB should make its interpretations of law by Board staff, including FAQs and commentary, available in a user-friendly searchable database that is available to the public.

ACTION: The FRB should make significant supervisory guidance available for public comment consistent with the Administrative Procedure Act. If guidance documents are more than informational (i.e., they reflect a change in policy), then they should be subject to the transparency and due-process principles of the Administrative Procedure Act.

ACTION: The FRB should submit all supervisory guidance to Congress for purposes of review under the Congressional Review Act. This will provide Congress the opportunity to determine what guidance is “significant” and if Congress would like to exercise their statutory authority that the Board has exceeded its mandate.

FRB: IMPROVE SUPERVISORY PROCESSES

Banks, and the financial system, benefit from a framework wherein supervisors assist with interpreting regulations and implementing processes in line with their expectations. This interaction is generally confidential with the intention of instilling a relationship that promotes open and honest communication. This creates a challenge wherein supervisors can devise unfair expectations—including through the creation and application of guidance—with little to no accountability.

Communication could be further improved by providing more granularity in the information provided by supervisors to banks. Matters Requiring Attention (MRAs) are communications intended to provide an informal early warning to banks about the need to correct an issue. Matters Requiring Immediate Attention (MRIAs) are more significant and require immediate remediation. These formal communications are serious and should be used accordingly. Overuse of these formal communications can obfuscate compliance priorities.

ACTION: The FRB should affirm that guidance is not binding for supervisory purposes and that guidance may not be the basis for an enforcement action, consistent with the September 2018 interagency statement on guidance.

ACTION: The FRB should provide more granularity in its communications regarding supervisory expectations, recognizing that not every matter rises to the level of an MRA, so supervised firms can better understand where to focus their compliance resources.

ACTION: The FRB should clarify the importance of MRAs, especially given their effect on a firm's supervisory rating, by limiting their use to violations of law, regulation, and material safety and soundness issues.

ACTION: The FRB should publicly commit to a regular review of its supervisory communication and guidance documents to ensure it is appropriate for covered firms and reflects current expectations.

FRB: TAILOR COMPOSITION OF SUPERVISORY PORTFOLIOS

The FRB should be more transparent about the makeup of its supervisory portfolios. The FRB has created a number of portfolios that are intended to capture institutions with similar structures and risk profiles, which generally receive similar supervisory treatment and are compared against each other through horizontal reviews. The composition of these portfolios can be arbitrary, however, because they are not determined through specific criteria that are developed via a transparent process. This can lead to situations where smaller, less complex banks are supervised like financial institutions that are relatively riskier.

ACTION: The composition of supervisory portfolios should use the criteria finalized by the FRB in October 2019 for the purposes of tailoring regulatory requirements.

FRB: REFORM THE LARGE INSTITUTION SUPERVISION COORDINATION COMMITTEE

The Large Institution Supervision Coordination Committee (LISCC) was created by the FRB in the midst of the 2008 financial crisis to address perceived gaps in supervision at banks that at the time posed the most risk to the U.S. financial system. However, the FRB never used rulemaking, subject to the APA, and instead made arbitrary decisions to determine which firms should be subject to heightened regulatory and supervisory requirements that entail significant costs.

ACTION: The FRB should enhance the transparency and accountability of LISCC by (1) establishing specific criteria for firms to be subject to enhanced regulation, (2) establishing a formal mechanism or "off ramp" from enhanced regulation, and (3) subjecting all LISCC regulatory requirements to notice and comment rulemaking and cost-benefit analyses.

ACTION: The FRB should publish the Program Manual for LISCC to provide more transparency to the public about the approach used by supervisors for identifying risks and pursuing appropriate remedies.

FRB: IMPROVE TRANSPARENCY FOR THE COMPREHENSIVE CAPITAL ANALYSIS REVIEW

The FRB's annual Comprehensive Capital Analysis and Review (CCAR) is an intensive assessment of the capital adequacy of the largest U.S. bank holding companies and U.S. intermediate holding companies of foreign banking organizations and the practices that these firms use to assess their capital needs.

Additional transparency in the stress testing program would allow experts to perform a substantially more informed assessment of the relationship between stress testing and small business lending, for example. Specifically, greater transparency with respect to the economic scenarios and the FRB's models would allow for a more detailed exploration of any underlying causality. A complete and accurate understanding of such a relationship is essential if the FRB is to adequately balance the costs and benefits flowing from its regulatory and supervisory choices—choices including stress test applicability, scenario design, and model development.

ACTION: The FRB should revert to using CCAR to determine capital distributions by banks instead of arbitrarily imposing restrictions outside of the pre-established framework.

ACTION: The FRB should implement due-process reforms, including the opportunity for notice and comment, for changes to stress tests that would materially affect the availability of capital at financial institutions; require them to eliminate or significantly modify business lines; or would otherwise significantly limit the type or prices of products and services available to the market.

ACTION: The FRB should provide more transparency on the models and scenarios underlying the CCAR stress test.

CONGRESS: ENACT THE FINANCIAL INSTITUTIONS EXAMINATION FAIRNESS AND REFORM ACT

The supervisory process can be difficult for lenders, especially smaller institutions, to navigate. Many banks and credit unions can only afford to have one or two individuals devoted to compliance. Therefore, the supervisory process can be intimidating, especially for those who are not regularly subject to examinations or are not practiced in how to communicate with their regulator. This can lead to unnecessary confusion that makes it harder for regulated entities and supervisors to fulfill their responsibilities.

The Financial Institutions Examination Fairness and Reform Act (S. 2649–116th) would significantly reduce the burden of bank examination processes by requiring better communication between bank examiners and financial institutions and improving the appeals process for lenders. This would help create a fair and streamlined process to allow exams to be reviewed, mistakes corrected, and issues discovered to be remedied in an efficient manner.

ACTION: Congress should enact the Financial Institutions Examination Fairness and Reform Act (S. 2649–116th)

CONGRESS: END POLITICAL BIAS IN SUPERVISION AND PREVENT AN "OPERATION CHOKE POINT"

Financial institution regulators have used their authority to discourage banks and credit unions from providing banking services to entire categories of lawful businesses and industries solely because those businesses and industries were politically disfavored. This left financial institutions with little choice but to terminate longstanding relationships with customers because of explicit or implicit threats from their regulator, causing confusion and dismay in many industries. Markets function best when there are clear rules to inform how supervision and enforcement should be undertaken.

In recent years, reports of coercive activity by financial institution regulators have abated, which is at least partly attributable to oversight by Congress. However, banks and credit unions, and their customers, would still benefit from new legal protections to prevent problems from occurring in the future.

In 2017, the House of Representatives favorably reported legislation 395-2, the Financial Institution Customer Protection Act (H.R. 2706–115th), which specifies that a federal banking agency may not request or order a depository institution to terminate a customer account unless 1) the agency has a valid reason for doing so and 2) that reason is not based solely on reputation risk.

ACTION: Enact legislation, such as the Financial Institution Customer Protection Act, that would prohibit federal banking agencies from formally or informally requesting or ordering a bank or credit union to terminate a customer relationship solely on the basis of so-called "reputation risk."

CONGRESS: TAILOR REGULATION FOR BANKS AND CREDIT UNIONS

Regulations for banks and credit unions are frequently not appropriate for their size and complexity. Policymakers have taken great strides in recent years to tailor some of the requirements imposed under the Dodd-Frank Act and Basel III Accords, but myriad regulations remain, or may be proposed in the future, that should be made to account for the size and complexity of banks and credit unions. The federal regulators for banks and credit unions can make many of these changes voluntarily, but Congress should make its intent clear that a one-size-fits-all approach is not appropriate.

ACTION: This recommendation can be accomplished by enacting the Taking Account of Institutions with Low Operational Risk (TAILOR) Act (H.R. 741–116th).

CONGRESS: AMEND THE COLLINS AMENDMENT

Section 171 of the Dodd-Frank act (also known as the "Collins Amendment") was intended to ensure that leverage and risk-based capital requirements instituted after the 2008 financial crisis are no less than those already in place before the law was signed in 2010. Over the past decade, banking organizations have built extremely resilient balance sheets in preparation for the possibility of another recession, but now may not be able to provide services that their customers need exactly when they need it most. During the COVID-19 economic downturn, the ability of banks to accept a significant inflow of deposits from their customers, seeking a safe place to store their funds, has been constrained. Section 171 of Dodd-Frank restricts the FRB's ability to address this issue.

ACTION: Congress should amend Section 171 of the Dodd-Frank Act to temporarily exclude low-risk assets, such as treasuries, from the denominator of the leverage ratio.

FRB: UPDATE GSIB SURCHARGE

The Financial Stability Board, in consultation with the Basel Committee on Banking Supervision, identifies Global Systemically Important Banks (GSIBs) based on a methodology that has been agreed to as an international standard by national supervisors. As part of this agreement, local supervisors have agreed to implement a capital surcharge ("GSIB surcharge") over and above the minimum risk-based capital requirements and other capital buffers. "Gold-plating" of the internationally agreed upon standard (i.e. implementing stricter rules than agreed to internationally) has made it harder for banks to lend to small businesses. The FRB has instituted a comparatively higher GSIB surcharge, which makes it difficult for these banks to compete abroad and lend to small businesses at home.

ACTION: This recommendation can be enacted by having the FRB revise its calculation of the GSIB surcharge to, for example, use the Method 1 approach or simply provide an inflation adjustment to Method 2.

FRB, OCC, AND FDIC: IMPLEMENT A CECL CAPITAL OFFSET

The Financial Accounting Standards Board (FASB finalized Accounting Standards Update No. 2016-13, Financial Instruments–Credit Losses, Topic 326, Measurement of Credit Losses on Financial Instruments (also known as "Current Expected Credit Losses," or CECL), which requires companies subject to GAAP accounting to take into account the possibility of future credit losses. The FASB is overseen by the SEC and its Office of Chief Accountant.

Once implemented by banking regulators, CECL requires banks to increase their reserves, thus decreasing the amount of credit they can make available. The Chamber strongly believes in the independence of the FASB and the standard-setting process and also believes that banking regulators are uniquely positioned to mitigate any unintended consequences of CECL on lending activity.

The Treasury Department, at the direction of Congress, released a report in September 2020 regarding the impacts of CECL on credit availability and the financial system. However, the report failed to reach definitive conclusions, noting, "[an] assessment on the impact of CECL on financial institutions' regulatory capital is not feasible at this time, in light of the state of CECL implementation across financial institutions and current market dynamics." The report emphasized the need for further analysis of CECL and the possible need for amending regulatory capital requirements.

ACTION: The Chamber recommends that banking regulators implement a permanent capital offset to account for the increased reserving for loan losses that may be required under CECL.

ACTION: The SEC's Office of Chief Accountant should coordinate a roundtable with stakeholders to review if CECL is achieving its intended goals, assess possible unintended consequences, and consider the need for adjustments to the standard.

CONGRESS: MODERNIZE BROKERED DEPOSITS REGIME

The regulatory treatment of brokered deposits is intended to address deposit financing that is relatively risky. The underlying approach is that deposits received from a "deposit broker," or third party, are risky; however, the definition of "deposit broker" is overly broad and does not take into account the modern financial system. If deposits are treated as brokered then it increases the cost of financing for banks via heightened capital and liquidity requirements.

The regime for brokered deposits should recognize that a deep relationship between a bank and its customers is core to the "stickiness" of deposit financing. Consumers have new expectations for financial institutions to serve them via an omnichannel experience that was not contemplated when the brokered deposit regime was put in place nearly three decades ago.

ACTION: Congress should enact the Brokered Deposit Affiliate-Subsidiary Modernization Act of 2019 (S. 3111–116th), which would exclude affiliates and subsidiaries of an insured depository institution from certain limitations applicable to brokered deposits. It would also expand the definition of an employee of an insured depository institution, thereby exempting these individuals from treatment as a deposit broker.

ACTION: Congress should enact the Asset Growth Restriction Act of 2020 (S. 3962–116th), which would replace Section 29 of the Federal Deposit Insurance Act with limitations on asset growth at troubled banks, instead of limiting their deposit funding.

FDIC: MODERNIZE BROKERED DEPOSITS REGIME

The FDIC has been soliciting feedback on the regulatory treatment of certain relationships between insured depository institutions and third parties to determine if the funding from "brokered deposits" (i.e., via a "deposit broker") is riskier, or more akin to "hot money" than "core deposits." The FDIC's proposal is aimed at "modernizing brokered deposit regulations to reflect recent technological changes and innovations that have occurred."

ACTION: The FDIC should complete its reforms through its rulemaking titled "Unsafe and Unsound Banking Practices: Brokered Deposits Restrictions," which would, among other things, clarify the requirements for meeting certain exceptions to existing requirements under Section 29 of the Federal Deposit Insurance Act.

FRB, OCC, AND FDIC: AMEND LIQUIDITY COVERAGE RATIO TREATMENT OF COMMERCIAL PAPER

The volatility of financial markets in March of 2020 exposed liquidity issues in the market for commercial paper. Banks play a central role as intermediaries and liquidity providers for commercial paper, but they understandably withdrew from short-term markets when faced with uncertainty to maintain their own capital and liquidity and to comply with safety and soundness requirements such as the Liquidity Coverage Ratio (LCR).

The LCR requires a bank to hold enough high-quality, liquid assets to cover projected net cash outflows over a 30-day stress period. Expanding the definition of high-quality liquid assets (HQLA) to include the highest rated commercial paper will make it easier for banks to meet their regulatory requirements under the LCR so they can maintain liquidity in the market for commercial paper.

ACTION: Federal banking regulators should amend the Liquidity Coverage Ratio to expand the definition of HQLA to include the highest rated commercial paper, especially in times of market stress.

FRB: MINIMIZE BURDEN OF FUNDAMENTAL REVIEW OF THE TRADING BOOK IMPLEMENTATION

The Fundamental Review of the Trading Book (FRTB), developed by the BCBS, is a capital framework that aims to address market risks for trading activities. The standard has not yet been implemented in the U.S., but a number of concerns have been expressed about what improper calibration would mean for our financial markets. Specifically, markets that rely on securitizations could be particularly disadvantaged given the capital increases that would be required. This would lead to more expensive financing in U.S. markets, including for mortgages, consumer debt like auto loans and credit cards, and debt financing for businesses.

The market volatility in the first quarter of 2020 underscored the value of a diversified business model. Banks that had the infrastructure to actively trade securities and commodities performed relatively well as the demand for their services spiked amid heightened market uncertainty.

ACTION: U.S. banking regulators should not gold plate regulations that implement the FRTB and should take every possible step, including a robust cost-benefit analysis, to ensure the standard does not impair market liquidity.

ACTION: The FRB should coordinate with its counterparts in other jurisdictions to ensure the FRTB is implemented consistently on a global basis.

CONGRESS: IMPROVE TRANSPARENCY IN IMPLEMENTATION OF GLOBAL STANDARDS

International standard-setting bodies such as the FSB and BCBS coordinate regulatory authorities from participating countries on matters important to global financial stability. Part of this work includes the development of regulatory and supervisory standards to be implemented by participating jurisdictions. These standards are not legally binding, and are not intended to replace jurisdictional norms, but have in fact disrupted the well-established policymaking process of jurisdictions and in some cases put them at a global disadvantage.

One major concern is when a jurisdiction's regulators use an international standard as a justification for implementing requirements that exceed those agreed to at the international standard-setting body. This practice, known as gold plating, puts that jurisdiction at a global disadvantage.

ACTION: Congress should enact legislation, such as the Transparency and Accountability for Business Standards Act (H.R. 3179–115th), to require federal banking regulators to justify the decision to implement a prudential standard that is substantively more stringent than the negotiated international standard.

CONGRESS: INCENTIVIZE SMALL BUSINESS LENDING BY COMMUNITY BANKS

Lending to small businesses by banks has decreased in recent years. According to data from the FDIC, small business lending by banks dropped over the last 15 years, and these loans now make up a smaller fraction of total bank assets.

The Access Business Credit Act of 2019 would modify the requirements for calculating taxable income to exclude the gross income interest received on small business loans of up to $5 million for banks with less than $50 billion in assets. This would lower the cost of funding for community banks to provide loans to small businesses, thus permitting them to expand their capacity to lend.

ACTION: Congress should enact the Access Business Credit Act of 2019 (H.R. 4805–116th).

CONGRESS: HARMONIZE RULEMAKING AND ENFORCEMENT FOR THE VOLCKER RULE

Section 619 of the Dodd-Frank Act, also known as the "Volcker Rule," is intended to reduce risks at financial institutions by prohibiting proprietary trading and severely restricting investment in covered funds such as private equity and venture capital. Section 619 vests rulemaking authority with five agencies—the FRB, FDIC, OCC, SEC, and CFTC—which severely complicates their ability to make reforms to the rule.

ACTION: Congress should enact legislation that consolidates rulemaking authority for Section 619 with the FRB as proposed by the Volcker Rule Regulatory Harmonization Act (H.R. 4790—115th).

CONGRESS: MODERNIZE ANTI-MONEY LAUNDERING REQUIREMENTS

Anti-money laundering laws are out of date, having not been updated since the 1970s. The laws require the production of massive amounts of filings, which makes it more difficult for law enforcement to detect crime while imposing unnecessary compliance burden on financial institutions required to report suspicious activity. Banks are required to fulfill "know your customer" requirements, monitor transactions, conduct due diligence, and report suspicious activity. This compliance activity, while important, requires significant resources. Fulfilling these requirements could be greatly simplified, and communication with law enforcement improved if customers were required to disclose information about their beneficial ownership.

The Anti-Money Laundering Act of 2020 is bipartisan legislation introduced by Sens. Crapo (R-ID) and Brown (D-OH) in June 2020. The legislation would improve coordination among agencies charged with administering anti-money laundering and counter-terrorist financing requirements. It would also modernize the Bank Secrecy Act so oversight and reporting are better aligned with the law's objectives.

ACTION: Congress should advance the Anti-Money Laundering Act of 2020.

FINCEN: IMPROVE EFFECTIVENESS OF THE BANK SECRECY ACT AND ANTI-MONEY LAUNDERING PROGRAMS

In September 2020, the Financial Crimes Enforcement Network (FinCEN) issued an Advanced Notice of Proposed Rulemaking (ANPR) to solicit public comment on a wide range of questions pertaining to potential regulatory amendments under the Bank Secrecy Act (BSA). The proposals under consideration are intended to provide financial institutions greater flexibility in the allocation of resources and greater alignment of priorities across industry and government, resulting in the enhanced effectiveness and efficiency of anti-money laundering (AML) programs.

ACTION: FinCEN should implement regulatory amendments to the Bank Secrecy Act that make it easier for financial institutions to assist law enforcement with preventing money laundering, terrorist financing, and other illicit activities.

CONGRESS: REMOVE BARRIERS FOR BANKS TO HIRE FORMERLY CONVICTED INDIVIDUALS

Section 19 of the Federal Deposit Insurance Act includes a number of restrictions for individuals convicted of a criminal offense involving dishonesty, breach of trust, or money laundering from participating in the affairs of a depository institution. Section 19 is intended to protect banks and their customers from unscrupulous actors, but its overly broad interpretation has prevented individuals with extremely minor criminal offenses and those who have committed offenses in the distant past from working at a bank.

In July 2020, the FDIC issued a rule that simplifies the process for hiring convicted individuals, and estimates that the reforms will reduce applications required under Section 19 by 30%. However, the statute prevents the FDIC from making other commonsense reforms.

The Fair Hiring in Banking Act (S. 3441–116th) would empower the FDIC to make further reforms. Importantly, the bipartisan legislation would replace the lifetime ban for certain offenses with an approach that recognizes our criminal justice system is intended to rehabilitate individuals and reintegrate them into all parts of our society. Specifically, it would allow individuals to be eligible for employment, subject to an FDIC application process, if they have met all sentencing requirements for at least seven years.

ACTION: Congress should enact the Fair Hiring in Banking Act (S. 3441—116th).

ENSURE ORDERED AND SEAMLESS LIBOR TRANSITION

The London Interbank Offered Rate (LIBOR) is the most widely used interest rate benchmark in the world. However, this rate, which is estimated to be referenced in nearly $400 trillion worth of contracts, is unlikely to be available beyond the end of 2021. Financial market participants will likely need to find alternatives, and policymakers have a responsibility to ensure a seamless transition.

The Alternative Reference Rates Committee is a group of private-market participants convened by the FRB and the New York Fed to help ensure a successful transition from U.S. dollar LIBOR to a more robust reference rate, its recommended alternative, the Secured Overnight Financing Rate (SOFR). The Chamber supports the efforts of state and federal policymakers and the Alternative Reference Rates Committee to prepare the financial system, and end-users, for a transition away from LIBOR by building liquidity in alternative risk-free rates and instituting fallback language in certain legacy cash instruments.

ACTION: Policymakers should ensure legacy contracts have an adequate pathway to transition away from LIBOR.

ACTION: The CFPB should clarify compliance with the Truth in Lending Act (Reg. Z), including 1) what constituents a “comparable index,” 2) the ability to rely on indices beyond SOFR, and 3) clarifying the bureau’s definition of “unavailable” in the event LIBOR is continued to be reported but becomes unreliable.

CONGRESS: OPPOSE A BANK TAX

Various forms of a special tax on banks have been proposed over the years. Some proposals are intended to raise revenue for unrelated programs while others have been designed to reshape or curtail the important role banks play in our financial system. These proposals are misguided and ignore how the cost of the tax would inevitably be borne by businesses and consumers that rely on banks to access credit, facilitate payments, and provide other important financial services.

The Chamber released a report in 2010 estimating that a 0.15% tax on covered liabilities imposed on banks with $50 billion or more in assets would decrease lending by $100 billion per year.

ACTION: Policymakers should OPPOSE any proposal that would directly single out banks in a new tax.