National Taxpayers Union

March 5, 2018

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National Taxpayers Union Vote Alert

NTU urges all Senators to vote "YES" on S. 2155, the "Economic Growth, Regulatory Relief, and Consumer Protection Act." This bipartisan legislation would deliver much-needed regulatory relief to community banks burdened by costly provisions within the Dodd-Frank Wall Street Reform and Consumer Protection Act.

A well-functioning financial services industry is vital to continued American prosperity. Yet since the enactment of Dodd-Frank in 2010, federal agencies have issued thousands of new regulations, weighing down American banks with higher compliance costs, fewer services offered, and higher fees on consumers. According to data from the FDIC, since 2010 more than 2,300 community banks have either merged or closed their doors completely -- a rate of nearly one per day. Fewer banks, especially in rural communities, limits access to capital for entrepreneurs to open or expand businesses, or families to get a mortgage to buy a home.

Under this common-sense legislation, there is relief for community banks from the Volcker Rule, which has hindered how smaller institutions participate in market making activities. There is also relief for larger community banks, including easing of stress testing and altering the asset requirement of SIFIs to more accurately reflect the true risks they pose. Further, this legislation changes the Federal Reserve's Small Bank Holding Company Policy Statement to boost capital at community banks. If enacted, banks will be able to spend fewer resources complying with onerous rules and more time doing what they do best: making loans and expanding access to capital.

While there is much more work ahead to create a better financial services system, S. 2155 is a strong first step in facilitating important reforms to the ill-conceived Dodd-Frank legislation.

Roll call votes on S. 2155 will be included in our annual Rating of Congress and a "YES" vote will be considered the pro-taxpayer position.

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