

Arkansas Bankers Association  
Regulations H, Q, and Y  
Docket No. R-1442  
Regulatory Capital Rules

On September 19, 2012, members of the Arkansas Bankers Association met with Governor Elizabeth Duke to discuss the joint notice of proposed rulemaking on regulatory capital requirements. Some association members expressed concerns about whether the requirements would impose unnecessarily burdensome requirements on community banks. Concerns noted about the proposal by association members included the elimination of trust preferred securities from inclusion in additional tier 1 capital, increased risk-based capital charges for balloon mortgages, and higher capital allocations for certain lines of credit. Association members also expressed concern about the potential effects of the proposal's capital portfolio requirements on their banks' liquidity risk.