



City of Norfolk

Virginia

Office of the City Council

October 20, 2023

To whom it may concern:

Families throughout Norfolk fear the impact of climate change and how it will affect their lives in the coming years, given that sea levels are rising faster than any other area on the East Coast. We regularly experience "sunny day flooding" because of rising tides, in addition to more intense and frequent rain events due to climate change.

We must act to address this climate crisis as it threatens the future of the region. However, I am worried that our ability to fight back against the impact of climate change would be severely hampered by a proposal to increase bank capital requirements. The proposal would hinder the progress of much needed clean energy projects throughout our state and the country.

If finalized, this regulation would all but force banks to significantly reduce the number of loans they give out. It would include developers in charge of clean energy projects that rely on banks for funding. Without this financial support, these projects are left on hold for months or even years. This would prevent the development of green energy initiatives, slowing down our transition away from fossil fuels and mitigating future flooding effects in our community.

What shocks me the most is that economists have agreed that the banking system is currently strong and prepared for any recession. Federal leaders such as Treasury Secretary Janet Yellen attest to this very notion, saying that "the American banking system is really safe and well-capitalized, it's resilient." As such, this makes raising capital requirements unnecessary.

The passage of key pieces of federal legislation has given us the power to take major action against climate change, with Virginia alone receiving millions of dollars in new money to reduce our carbon footprint. I ask that we reject this proposal to increase bank capital requirements so we can continue our progress towards a cleaner, more sustainable energy future and protect our community from the devastation of flooding.

Best regards,

Andria P. McClellan
Norfolk City Councilmember
andria.mcclellan@norfolk.gov
757-679-2883