

Proposal: 1813 (AG64) Reg H, Q, LL & YY-Regulatory Capital Rule: Amendments to LBOs and Banking Organizations

Description:

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Comment ID: 156572

From: Wendy Davis

Proposal: 1813 (AG64) Reg H, Q, LL & YY-Regulatory Capital Rule: Amendments to LBOs and Banking Organizations

Subject: R-1813 Regulatory Capital Rule: Amendments Applicable to Large Banking Organizations and to Banking

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Comments:

Federal Reserve Leaders,

Through my work as former Rome City Commissioner and as a member of the Georgia Steering Committee of Rural Voices USA, I have always advocated for equity in all aspects of policy-making, especially when it comes to economic equity. Today, I am writing to voice my disapproval of increasing capital requirements on banks, given the strain it would place on underserved communities.

Rural communities often face unique challenges in accessing financial services, and the unintended consequences of this proposal would disproportionately affect them. Higher capital requirements could lead banks to become less willing to lend to individuals and businesses in rural areas. As rural communities often struggle with limited access to credit, such a policy could further exacerbate this problem, hindering economic growth and development. Additionally, small businesses play a pivotal role as the life force of countless rural communities. I am concerned that higher capital requirements may discourage banks from extending loans to these enterprises, stifling entrepreneurship and job creation in rural areas.

This proposal would exacerbate the existing disparities in access to financial resources, hinder economic growth and curb the progress that the Federal Reserve has made to battle inflation. While financial stability is important, I believe that any regulatory changes in the financial sector must carefully consider their impact on rural communities to ensure that the pursuit of equity remains at the forefront of policy decisions.

Thank you for taking the time to hear my concerns,  
Wendy Davis  
Two-term Rome City Commissioner