

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

Description:

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Comment ID: 154727

From: Francesca Hong

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:

To whom it may concern:

As a small business owner I know how challenging it can be to maintain a business and be successful. I also have the honor of representing Downtown Madison in the legislature, which is home to a community of small businesses, many of which are owned and operated by minority entrepreneurs. These businesses are essential contributors to the local economy, providing jobs, services, and goods to our community while fostering economic diversity and resilience.

If the current proposal to increase capital requirements is adopted, it will create a disproportionate burden on minority-owned small businesses. As an Asian American business owner I know how diverse businesses often face greater challenges in accessing capital compared to their larger counterparts. They rely heavily on their retained earnings and lines of credit to fund operations, expand, and create employment opportunities in their communities.

Imposing higher capital requirements can lead to several adverse consequences for these businesses, including limited access to credit, reduced opportunities for expansion and higher operating costs. Additionally, these regulations can act as a disincentive for aspiring minority entrepreneurs, discouraging them from starting new businesses and contributing to our community.

I encourage you to oppose this proposal due to the potential consequences that raising capital requirements would have, especially given the unique challenges faced by small-business owners like myself.

Francesca Hong  
(She/Her/Hers)

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