

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

Description:

Comment ID: 156622

From: City of Aliquippa, Dwan B. Walker, Mayor

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

Comments:

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Aliquippa is where I grew up, went to school, raised my family, and have been granted the opportunity to serve as mayor for the last 12 years. It has been a long journey to get to this chapter in my life, having worked tirelessly to support my family and my community. Since becoming mayor, I have continued to do the same, supporting constituents in any way I can to help make things easier for them. The comment I sent to you today now discusses the many concerns and worries I have over how implementing higher capital requirements would impact the financial futures of my community.

One of the key ways in which our community is able to grow economically is through the investment and development of infrastructure projects. As you are aware, much of the country is undergoing a major infrastructure renewal thanks to the efforts from the Biden administration. Our town is no different, where we are working on many projects that will not only rely on public sector funding from the government to complete, but also from the private sector as well. Specifically, many of these initiatives are dependent on banks for access to loans to help fund the initial startup costs. This system has successfully worked for decades to not only get projects moving along, but also ensures that workers and employees are paid on time for their hard work.

However, it remains unclear as to whether this quick access to credit and lending services will continue to be available if this new regulation is put into place. This is because higher capital requirements would compel banks to reduce their lending options to any borrower they view as a risk to their greater portfolio. As a result, it would leave developers with hardly any options from which they can borrow money for new infrastructure development. For a town like Aliquippa, where we rely on these projects to help move our economy forward through good paying jobs, it would create severe financial consequences for our communities at a time where cost of living expenses remain high.

Thanks to the hard work of the Biden administration, Pennsylvania is expected to receive \$1.6 billion in federal infrastructure funding to help rebuild our aging buildings, roads, and more. A major slice of this will go directly towards Aliquippa, something we are extremely grateful for. To help make sure we can continue working with banks to fully complete these improvements on time, please reconsider this proposed regulation.

sincerely,
Mayor Dwan B Walker
City of Aliquippa