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Nevada Assembly

October 18, 2023

Mr. Martin J. Greenberg, Chairman
Federal Deposit Insurance Corporation
Division of Insurance and Research
550 17th Street, NW
Washington, DC 20429

RIN: 3064-AF29

Dear Chairman Greenberg and Members of the Board of Directors,

Las Vegas has been a hub for economic development and growth, serving as the pinnacle of the tourism and entertainment industry. The region employs countless businesses and has been home to countless families for generations. I am reaching out to you today on behalf of my constituents in the Historic West Side and North Las Vegas because I am troubled that a proposal moving forward to increase bank capital requirements could imperil our communities.

It is important to note that this proposed rule is not necessary for banks, which already have plenty of capital and liquidity in the event of a financial crisis. Various economic leaders within the Biden administration have stated as much, Treasury Secretary Janet Yellen, has said that "the American banking system is really safe and well-capitalized, it's resilient." Moreover, our current capital requirements are already significantly stronger than banks regulated by the European Union. Yet, despite the clear evidence that our country's banking industry is strong, this rule continues to move along.

This over-regulation of the banking sector would create economic obstacles for current and up-and-coming businesses in the region. Right now, these entrepreneurs rely on banks to provide them with the capital they need to fund various parts of their operations. This can include helping with stock shelves, expanding the total number of employees, and purchasing much-needed equipment. However, this may be severely disrupted by raising capital requirements, as it would lead banks to withhold loans from any borrower, they deem to be a risk to their portfolio. Doing so would leave critical businesses without the financial resources they need to grow and expand, limiting our economic development here in Las Vegas.

In addition, further raising capital requirements could shut out countless families in Las Vegas from entering the housing market. With banks strapped for cash and refusing to give out loans to any

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borrower who does not have enough money saved for a home's down payment, countless moderate and low-income residents would stand little to no chance of being able to purchase a house. This significant reduction in credit access would only add to the housing affordability crisis that we are currently experiencing here, where prices have continued to rise at a rate we've never seen before.

My constituents and I recognize the pivotal role that the Biden-Harris administration has played in helping lower costs for American families. This good work could be upended if we implement even higher capital requirements for banks, potentially limiting small business growth and harming first-time homebuyers. It is critical that you please vote down these rules before they are finalized.

Respectfully,



Shondra Summers-Armstrong
Assemblywoman, Nevada Assembly District 6