September 19, 2022

Via Email

The Honorable Michael S. Barr
Vice Chair for Supervision
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Priorities for Supervision and Regulation

Dear Vice Chair for Supervision Barr,

Congratulations on your inaugural speech as Vice Chair for Supervision of the Federal Reserve Board at the Brookings Institution ("Speech") that broadly outlined an ambitious but realistic set of priorities and goals for your term. We appreciated it in substance, tone and direction and welcomed your values-based agenda[1] and your emphasis on having the right set of regulations to achieve the goals of making the banking system safer and fairer. As you recognize, safety and fairness should always be the overarching goals of supervision and regulation. Unfortunately, those goals were too often ignored or subordinated to other interests during the last administration when dangerous deregulations were implemented.

That must be addressed and doing so starts with ensuring we have a safe and strong financial system that can support the real economy, sustainable growth, and jobs in good times and bad (whether those bad times are of the banks own making or not). That will mean prioritizing taxpayers and hardworking Americans through safeguards against bailouts and financial crises over baseless claims of over-regulation. It also requires prioritizing financial inclusion and consumer protection over profit maximization. That is, values must serve as the foundation and framework for implementing the right supervisory programs and regulations rather than a singular focus on the level of supervision and regulation. As you said during the question-and-answer ("Q&A") session after the Speech:

> I'm not sure I'd put it as too much and not enough [regulation] as "do you have the appropriate level of regulation addressing the right goal" [and] "have you tailored what you're trying to do to achieve an aim that's achievable in a way that makes sense" ….Innovation is absolutely critical. But for innovation to be successful it needs guardrails,

[1] *See* Better Markets, Dennis Kelleher, *Federal Reserve's Vice Chair for Supervision Outlines Values-Based Agenda to Protect Financial Consumers and Stability While Promoting Innovation & Economic Growth* (September 7, 2022), https://bettermarkets.org/newsroom/federal-reserves-vice-chair-for-supervision-outlines-values-based-agenda-to-protect-financial-consumers-and-stability-while-promoting-innovation-economic-growth/.

and those guardrails have to be clear and they have to protect consumers and they have to protect the safety of the financial system.

We agree with this, but believe such success requires gatekeepers and guard dogs in addition to guardrails, what we call the "three Gs."[2]

We wanted to share with you our thoughts on the priorities you laid out in the Speech that we hope will be helpful to achieving your goals of making the financial system safer and fairer.

Capital and Stress Tests

Because an appropriate capital cushion in terms of quantity and quality is key to preventing bank failures, contagion, and crashes, we start with capital. You outlined three principles for an effective and robust capital framework:

(1) an evolving nature that incorporates new and emerging risks, i.e., is forward-looking;
(2) being risk-focused based on different activities while including backstops; and
(3) using a "tailored" approach to level of requirements.

You again stated your intention to conduct a holistic review of the current capital framework around these three principles that is evidence-based and data-driven. Importantly, during the Q&A session you added that the assessment will be based around the critical question "is capital strong enough" and will assess that question without prejudging it, i.e., no implicit goal of staying capital neutral.

We agree with the first two principles (an evolving framework that is risk-focused) as well as the necessity of a holistic review. In fact, the principles and the holistic review are complementary. That is, for a capital framework to be evolving and risk-focused, it must rely on objective, data-driven assessments of current and emerging risks as well as benchmarks. There must also be support for the capital framework that is publicly detailed and, as important, benchmarked in a granular and robust way.

The holistic review of the capital framework should begin with an all-inclusive, 360-degree review of the 2020 pandemic-caused market and economic stress ("2020 pandemic"), the issues that led to such deep and broad financial market stress, and the facilities utilized and actions taken by the Federal Reserve to address the issues. Such an all-inclusive review would fulfill part of the first principle in evolving the capital framework by assessing and incorporating previously unseen or under-assessed and therefore un- or under-regulated risks. The 2020 pandemic was a live stress test of the post-Dodd Frank financial architecture, and it highlighted and exposed existing weaknesses in both the banking sector and how risks from the nonbank "shadow banking" financial sector spill over into the banking sector.[3] Of course, there are new and emerging risks that are not relevant to the 2020 pandemic that must be considered, such as risks from digital assets, FinTech, and cyber that must be studied and

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[2] See, e.g., Better Markets 2020 Annual Report at p. 7, available at https://bettermarkets.org/who-we-are/annual-reports/.

[3] *See* Better Markets report, Dennis Kelleher and Phillip Basil, *The Increasing Dangers of the Unregulated "Shadow Banking" Financial Sector* (March 24, 2022), https://bettermarkets.org/wp-content/uploads/2022/03/BetterMarkets_Report_Dangers_of_the_Shadow_Banking_System_March2022.pdf

incorporated, but an all-inclusive review of the 2020 pandemic should be the basis to assess and address weaknesses in the current capital framework.

The first principle also highlights that the capital framework should be forward-looking, incorporating new and emerging risks. Stress tests and stress-based capital requirements are by their nature forward looking and so should be utilized to their fullest extent to capture this aspect. Similarly, stress tests and their associated capital requirements are key to achieving the second principle of ensuring the capital framework is risk-focused and that appropriate backstops are in place. To satisfy these principles and maximize the benefits of the stress tests, they must be designed and implemented to be strong, dynamic, and risk-focused.

During the Q&A session, you rightly noted that stress tests "are supposed to be stressful…and tough" and that you "want to make sure they are that way." Unfortunately, that is clearly no longer the case and that must change.[4] First, three key elements that were removed during the Trump era must be reinstated to increase the likelihood that banks have sufficient capital to withstand severe unexpected stress and to strongly incentivize banks to prioritize their risk management and consumer protection practices:

(1) The assumption that banks will make all planned capital distributions over the full nine quarter stress test timeframe,
(2) The assumption that banks' balance sheets can grow under stress, and
(3) The qualitative objection to bank capital plans based on significant deficiencies identified in supervisory examinations.

Second, the "stress" in the tests must be restored and expanded. Nearly two-thirds of the country's largest banks had stress capital buffers ("SCBs") this year that either decreased or remained the same as last year, including five of the eight largest, most complex, systemically important too-big-to-fail banks. Additionally, increases in SCBs for the other three systemically important banks were largely due to last year's reduction of reserves set aside for loan losses. Therefore, the scenarios must be more stressful and more dynamic, incorporating varying salient and emerging risks. This includes incorporating risks and second-order effects that are missed by the current design, as suggested by former Governor Daniel Tarullo.[5]

Additionally, as part of the second principle, the stress test can be used to set a very important capital requirement backstop to the risk-based framework – a stress-based leverage requirement. Not only could such a requirement serve as a backstop to risk-based requirements, but it also has the benefit of dynamic risk sensitivity on a bank-by-bank basis because it is based on the risk-sensitive losses of the stress test. Restoring a post-stress leverage requirement could be done relatively easily by re-proposing and finalizing the previously proposed -- but never finalized or implemented -- stress leverage buffer.

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[4] *See* Better Markets fact sheet, *The Federal Reserve's 2021 Stress Test Results: All Bark and No Bite* (June 28, 2021), https://www.bettermarkets.org/sites/default/files/documents/BetterMarkets_Fed_Stress_Test_FactSheet_07-28-21.pdf.

[5] *See* Daniel K. Tarullo, *Departing Thoughts* (April 4, 2017), Board of Governors of the Federal Reserve System, https://www.federalreserve.gov/newsevents/speech/tarullo20170404a.htm.

Finally, a focus on the risks of each of a bank's activities also can be achieved through the implementation of the reforms to the Basel III framework. Indeed, you announced your commitment to do so. And in a press release after the Speech, the federal banking agencies reaffirmed their commitment to implementing these reforms for "large banking organizations."[6] From the release it is unclear if the federal banking agencies intend to apply the reforms to all large banking organizations, but doing so would greatly enhance the safety and soundness of the system. Since these standards are fixed and not dynamic like those related to the stress tests, they must be implemented with conservatism as a principle. That is, without an ability to readily change these requirements, they must be conservative to account for unforeseen risks that may materialize, thereby in essence making them forward-looking and risk-sensitive.

As for the third principle regarding the "tailoring" of capital requirements based on size, complexity, and interconnectedness, this should only apply in a limited way and focus on smaller institutions. Substantial and substantially unwarranted "tailoring" was implemented during the prior administration, and some of that must be reversed. For example, there should be no opt-out allowed for the capital impact from accumulated other comprehensive income ("AOCI") for any bank holding company above $250 billion in assets and possibly for any bank holding company above $100 billion. Banks that are not officially classified as GSIBs but that are still large present significant risks to the banking system and to financial stability, and so they equally must be well-capitalized. Additionally, related to tailoring but not to capital, the unnecessary weakening of liquidity requirements for large banks with between $250 and $700 billion in assets should be reversed.[7]

Resolution

In the Speech you noted two efforts the Federal Reserve plans to undertake to enhance the review of resolution plans. First, the Federal Reserve will continue to work with the FDIC to perform "rigorous" reviews of the plans that will be followed up with a clear communication to banks of the deficiencies in their plans. (That is critical given the resolution plans were submitted more than 15 months ago and are now in indefinite suspension.) Second, the Federal Reserve and FDIC will be looking at the resolvability of other large banks outside of GSIBs.

While these are important efforts, more must be done to ensure the resolution process is achieving its goal of addressing the too-big-to-fail ("TBTF") problem[8] and eliminating or minimizing the collateral consequences to the financial system and the country of a large bank's failure. First, the submission of full resolution plans should return to a two-year cycle from the four to six-year cycle

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[6] *See* joint press release from the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, *Agencies reaffirm commitment to Basel III standards* (September 9, 2022), https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220909a.htm.
[7] *See* statements by Governor Lael Brainard objecting to a reduction of the liquidity coverage ratio for banks with assets of $250 billion to $700 billion (available at https://www.federalreserve.gov/newsevents/pressreleases/brainard-statement-20191010.htm) and a reduction of the net stable funding ratio for banks with assets of $250 billion to $700 billion and an outright elimination for almost all banks with assets between $100 to $250 billion (available at https://www.federalreserve.gov/newsevents/pressreleases/brainard-statement-20201020a.htm).
[8] *See* Better Markets policy brief by Dennis Kelleher and Frank Medina, *Ending Too-Big-to-Fail by Breathing Life into "Living Wills"* (January 2016), https://www.bettermarkets.org/sites/default/files/Breathing%20Life%20Into%20Living%20Wills_0.pdf.

currently required under the regulation as weakened under the former Vice Chair for Supervision. This would increase their timeliness and therefore relevancy. It is important to remember that in 2008 Bear Stearns was around $400 billion in assets when it required a Federal Reserve-brokered (and materially supported) fire sale and Lehman Brothers was around $640 billion at the time it collapsed. Had living wills been required for these firms, they would have been essentially useless if they were six years old as is provided for under the Federal Reserve's current rules for banks between $250 billion to $700 billion.[9] This reversal of submission timing could be proposed this year.

Second, many of the Federal Reserve's resolution plan expectations – particularly those for certain capital and liquidity needs, as well as for simpler bank structure – should be made part of legally binding rules, rather than only being articulated through non-binding "supervisory guidance,"[10] as is currently the case. That is, large banks should have to bear the costs associated with simplifying their possible resolution in advance by making them pre-capitalize and pre-fund certain material subsidiaries and affiliates. Currently, the guidance includes only an *expectation* of this, which is simply insufficient. These must be enforceable conditions and requirements. A binding rules-based approach is needed, which could be developed and proposed by mid-2023.

Bank Merger and Policy Review

The dramatic increase in TBTF banks should be a concern to everyone given the catastrophic threat they pose to the financial system and economy as well as to the livelihoods and standard of living of every American, all as proved by the 2008 crash.[11] If the pending acquisition applications submitted by U.S. Bancorp and TD Group US Holdings are approved, then in just over three years the seventh, eighth, ninth, and tenth largest bank holding companies will have been created through mergers and acquisitions. This trend must not continue without appropriate safeguards in place.

In the Speech you noted that "the advantages that firms seek to gain through mergers must be weighed against the risks that mergers can pose to competition, consumers, and financial stability." For mergers and acquisitions that involve or result in large bank holding companies, the factor of financial stability is of critical importance. The current assessment of the financial stability factor is grossly insufficient, only involving a simple analysis based on the factors utilized to compute the so-called GSIB surcharge score and subjective assessments that provide no support or justification.

You recognized the need to improve this process, noting that you are "working with Federal Reserve staff to assess how we are performing merger analysis and where we can do better" and

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[9] During the 2008 Financial Crisis, there were financial institutions that were even smaller than Bear Stearns and Lehman Brothers whose deterioration led to government-brokered takeovers by larger too-big-to-fail institutions and caused significant damage to the banking and financial system. *See* Arthur E. Wilmarth Jr., *Raising SIFI threshold to $250B ignores lessons of past crises* (February 7, 2018), American Banker, https://www.americanbanker.com/opinion/raising-sifi-threshold-to-250b-ignores-lessons-of-past-crises.

[10] *See* Better Markets comment letter to Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration, and Bureau of Consumer Financial Protection regarding the proposed rule to codify the role of supervisory guidance in the supervisory process (January 4, 2021), https://www.bettermarkets.org/sites/default/files/Better%20Markets%20Comment%20Letter%20on%20Notice%20of%20Proposed%20Rulemaking%20-%20Role%20of%20Supervisory%20Guidance.pdf.

[11] *See* Better Markets report, *The Cost of the Crisis: $20 Trillion and Counting* (July 2015), https://bettermarkets.org/sites/default/files/Better%20Markets%20-%20Cost%20of%20the%20Crisis.pdf.

indicated that some of the considerations "might relate to resolvability." Indeed, the review for larger resulting institutions – at least for mergers or acquisitions that result in an entity of $250 billion or greater – must result in the requirement for submission and review of a resolution plan that covers the post-merger/ post-acquisition entity.[12] Such a plan would provide great insight into the complexity of the merged entity and its operations and allow for a thorough assessment of the implications of its failure on financial stability. After all, that is exactly the purpose of the resolution plan requirements, and would greatly mitigate the TBTF problem, rampant moral hazard, and the risk of taxpayer bailouts.

Financial Risks from Climate Change

As you point out in the Speech, "the Federal Reserve's mandate in this area [of climate related financial risks] is important but narrow, focused on our supervisory responsibilities and our role in promoting a safe and stable financial system." Nonetheless, there is much to be done within that mandate.

Risks arising from climate change must be identified, assessed, and addressed by banks. This begins through two complementary efforts that were included in the Speech. First, the Federal Reserve should join the OCC and the FDIC and begin the process of formally integrating climate risks into its supervisory assessment process. You stated that the Federal Reserve will be working to provide its own version of guidance, which we would expect to be published for comment this year and include the recommendations we shared in our comment letters to the OCC and FDIC.[13] However, more importantly, banks' ability to manage risks from climate change must also be included in formal assessments and ratings. There is no indication from the federal banking agencies, including the Speech and the Q&A session, that there is an intention to incorporate climate risks into the assessment and ratings process, which is a key incentive for banks to fully consider their climate-related risks. This must be done as soon as possible.

Second, climate risk scenario analyses should be run by both the Federal Reserve and the banks themselves to understand where the U.S. banking system stands regarding climate risks. We are encouraged by your intention to launch a "pilot" scenario analysis exercise next year that will include, as you stated, "a handful of the very largest financial institutions in the country" and expect an expansion to include all large institutions in the following year. We would hope that the timing and scope of such a pilot would be accelerated and expanded given the threat posed to financial stability.

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[12] *See* Better Markets letter to Jerome H. Powell as Chair of the Board of Governors of the Federal Reserve System and Michael J. Hsu as Acting Comptroller of the Currency of the Office of the Comptroller of the Currency regarding TD Group US Holdings' Pending Application to Acquire First Horizon Corporation:
Addressing the Ongoing Too-Big-To-Fail Problem (August 11, 2022), https://bettermarkets.org/wp-content/uploads/2022/08/Better_Markets_Letter_TD_-First_Horizon_Merger.pdf.

[13] *See* Better Markets comment letter to the Office of the Comptroller of the Currency regarding their proposed principles for climate risk management (February 14, 2022), https://bettermarkets.org/wp-content/uploads/2022/02/Better_Markets_Comment_Letter_OCC_Principles_for_Climate_Related_Financial_Risk_Management.pdf; *also see* Better Markets comment letter to the Federal Deposit Insurance Corporation regarding their proposed principles for climate risk management (June 3, 2022), https://bettermarkets.org/wp-content/uploads/2022/06/Better_Markets_Comment_Letter_Principles_for_Climate_Related_Financial_Risk_Management_for_Large_Financial_Institutions.pdf.

Innovation, Access, and Consumer Protection

One major focus of the Speech was fairness in the financial system, which you summarized through three elements: (1) financial capability, (2) financial access, and (3) consumer protection. Regarding financial capability, we support your focus on transparency in the cost of services. Too often consumers are caught under piles of fees and interest charges simply because they did not have enough information to make informed decisions. Indeed, as you said, "the Federal Reserve has a role to play in ensuring banks disclose the costs and explain the conditions on the services they provide."

While that is a necessary goal and must be achieved, the federal banking agencies should be doing more. Fees charged by banks for various financial services and other factors that prevent ready access to financial services, such as required charges when a customer fails to maintain minimum deposits levels for checking accounts, have been shown to affect low-income households and communities of color disproportionately.[14] The federal banking agencies should investigate such wealth-extracting practices to determine whether they are the result of legitimate business needs and work with the CFPB and other regulators to design rules that make banking fairer and accessible to all Americans.

The second element – financial access – is the key to achieving the American Dream as well as less ambitious financial goals, such as simply meeting day-to-day needs. We agree with your statement that the Federal Reserve should be "promoting access to low-cost and safe banking services for low- and moderate-income consumers, such as through local Bank On initiatives."

However, there are other ways to increasing financial inclusion, particularly through technological solutions. As you pointed out, there are benefits that can be achieved from these technologies but also risks that can arise from them. Nonetheless, usage of FinTech should be promoted for smaller, more community focused banks, in accordance with proper risk management practices. Such banks empirically have been shown to be better at providing credit to lower-income households, communities of color, and small businesses,[15] and advanced technologies could enhance that fact.

We have two thoughts here. First, while the usage of alternative sources of data and assessment methodologies in the determination of consumer creditworthiness has yet to have a long history, the Federal Reserve, along with the OCC and FDIC, should be promoting their usage. The banking regulatory agencies released a statement acknowledging the potential benefits, but they must go further and directly encourage smaller, community focused banks to use alternatives that have been shown to be effective while ensuring safety and soundness and compliance with rules and laws. Additionally, the

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[14] *See* Financial Health Network, *The FinHealth Spend Report 2021* (June 2021), https://s3.amazonaws.com/cfsi-innovation-files-2018/wp-content/uploads/2021/04/19180204/FinHealth_Spend_Report_2021.pdf.

[15] *See* Erik J. Mayer, *Big Banks, Household Credit Access, and Intergenerational Economic Mobility* (September 21, 2020), Southern Methodist University, https://www.communitybanking.org/~/media/files/communitybanking/2020/session3_paper1_mayer.pdf; *also see* Michael Neal, *To Significantly Increase Access to Capital for Communities of Color, We Need to Support Black Banks and All CDFIs* (July 31, 2020), Urban Institute https://www.urban.org/urban-wire/significantly-increase-access-capital-communities-color-we-need-support-black-banks-and-all-cdfis; *also see* Carlos Cordova, Joey Samowitz, and Thomas F. Siems, *Community Banks Play Outsized Role in PPP Lending* (December 11, 2020), https://www.csbs.org/newsroom/community-banks-play-outsized-role-ppp-lending.

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Federal Reserve should independently study alternative credit assessment methodologies and their efficacy and publish the findings for public consideration.

Second, healthy partnerships between smaller, community focused banks and FinTech firms should be promoted more generally. This would allow these smaller banks to compete against larger banks and to more efficiently and effectively provide banking products and services to more individuals in lower-income communities and economically marginalized communities of color. Importantly, gains in efficiency for more "straightforward" clients and day-to-day operations would allow staff to focus their additional time on better serving clients with limited or no bank engagement, less robust credit histories, and new or expanding small businesses.

As for innovation in the financial system, we fully support your intention of following the principle of "same risk, same activity, same regulation, regardless of the technology used for the activity." The presence and materiality of cyrptocurrencies have been rapidly increasing, and the banking system must be sufficiently protected from the unique risks they could introduce.[16] The banking agencies should finalize the work they have begun to create a robust oversight framework that is appropriate to the unique risks posed by these assets.[17] Capital requirements must be considered as soon as possible given the likely event that cryptocurrencies eventually end up on bank balance sheets.

Additionally, the rise of FinTech companies has altered the dynamics of the banking system and introduced competition that is broadly unregulated or partnerships that can create market distortions and increase risk. Their partnerships within the banking system could lead to regulatory arbitrage[18] or concentration risk within a single FinTech that is partnered with many banks. For cases in which special purpose bank charters have been granted, access to Federal Reserve master accounts and financial services also can introduce risks to Reserve Banks, the payments system, and the execution of monetary policy.[19] These risks must be very carefully studied and, if appropriate, regulations implemented and supervisory programs established.

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[16] Those material risks have been made painfully clear during the crypto volatility – referred to by several as "carnage" - during the early weeks of May 2022. *See* Better Markets comment letter to the Commodities Futures Trading Commission regarding the FTX request for amended DCO registration order (May 11, 2022), https://bettermarkets.org/wp-content/uploads/2022/05/BetterMarkets_Request_for_Comment_FTX_Request_for_Amended_DCO_Registration_Order.pdf.

[17] Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, *Joint Statement on Crypto-Asset Policy Sprint Initiative and Next Steps* (November 23, 2021), https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20211123a1.pdf.

[18] *See* Better Markets comment letter to the Board of Governors of the Federal Reserve System regarding their proposal to amend Regulation II (August 11, 2021), https://www.bettermarkets.org/sites/default/files/Better_Markets_Comment_Letter_Debit_Card_Interchange_Fees_and_Routing.pdf.

[19] *See* Better Markets comment letter to the Board of Governors of the Federal Reserve System regarding their proposed master account application assessment guidelines (April 22, 2022), https://bettermarkets.org/wp-content/uploads/2022/04/Better_Markets_Comment_Letter_Guidelines_For_Evaluating_Accounts_and_Services_Requests.pdf.

Community Reinvestment Act

Finally, in the Speech you recognized the importance of the Community Reinvestment Act (CRA) and the need to strengthen and modernize the rules that implement it. We share your strong support of the goals of the recent CRA proposal, and we submitted a comment letter outlining ways in which the proposal could be enhanced to more fully achieve those goals.[20] As a summary of our comments, the new rule must include the following:

1. The retail lending test framework must include measurable, statistical benchmarks and "backstop" metrics to ensure minimum standards and address limitations of the proposed framework.
2. The measurability within the community development lending and investment test framework must be increased through thresholds and a defined structure for qualitative portions of the assessment.
3. The assessment areas not associated with the location of physical facilities should be based on concentrations of deposits rather than only on concentrations of loans, as included in the proposal.
4. The rule must require the federal banking agencies to publish data annually for every bank (regardless of whether they are undergoing or have undergone a CRA-related examination) in an accessible, user-friendly interface that provides the public with visual analytical tools and an ability to subset and download data.

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[20] *See* Better Markets comment letter to the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation regarding their jointly proposed enhancements to the rules implementing the Community Reinvestment Act (August 5, 2022), https://bettermarkets.org/wp-content/uploads/2022/08/Better_Markets_Comment_Letter_Community_Reinvestment_Act.pdf.

Conclusion

The Fed has a substantial agenda over the coming years to implement a regulatory framework that achieves the goals of making the financial system safer and fairer. The right set of values-based actions will get supervision and regulation of the U.S. banking system back on the path to finishing the job started by Dodd-Frank to address the TBTF problem, help to promote greater resiliency of our financial system, address new and emerging risks, and promote a financial system and economy that works better for all Americans. As you and staff at the Fed work to implement the agenda and achieve the goals you outlined in the Speech, we hope that the actions we have discussed here and in our previous materials[21] are helpful.

Sincerely,

Dennis M. Kelleher
President and CEO

Phillip Basil
Director of Banking Policy

Tim P. Clark
Distinguished Senior Banking Adviser

Cc:
The Honorable Jerome H. Powell
Chair

Dr. Lael Brainard
Vice Chair

The Honorable Michelle W. Bowman
Governor

Dr. Lisa D. Cook
Governor

Dr. Philip N. Jefferson
Governor

Dr. Christopher J. Waller
Governor

Michael S. Gibson, Director, Division of Supervision and Regulation

[21] See, e.g., Better Markets letter to Vice Chair for Supervision Michael S. Barr, regarding an agenda for supervision and regulation (July 13, 2022), https://bettermarkets.org/wp-content/uploads/2022/07/Better_Markets_Memo_Fed_Barr_Agenda.pdf.