BETTER MARKETS

SPECIAL REPORT

# One Year After Silicon Valley Bank's Failure, and the Banking System and Main Street Americans Are Still In Serious Danger


## What Regulators Must Do to Protect Main Street Americans from More Reckless Banks and Bankers, and the Failures and Bailouts They Cause

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## EXECUTIVE SUMMARY

Just one year ago, Silicon Valley Bank ("SVB"), Signature Bank ("Signature"), and First Republic Bank ("FRB") failed, caused a banking crisis, and got bailed out by taxpayers. These were three of the four largest bank failures in U.S. history, and directly cost Americans more than $30 billion in bailouts, but really cost much more due to contagion, credit contraction, and as much as 1% lost GDP.

Despite the acute fear of systemic risk that gripped the nation and spurred federal banking regulators to employ a systemic risk exception to protect the banking system from contagion, little has actually changed in the last year. Our financial system, economy, and the American people remain vulnerable to bank failures and contagion, as the ongoing crisis at New York Community Bancorp illustrates. Most importantly, policymakers need to act now with as much urgency to prevent the next crisis as they do when bailing out banks when a crisis hits. This regulatory failure is inexcusable: regulators bailed out the banks in 2023 with tens of billions of dollars in a matter of hours, but even now—more than a year later—there have been no concrete material changes specifically addressing the causes of the crash.

What happened, why it happened, and what to do about it are not mysteries (as detailed here and discussed below). First and foremost, these failures resulted from grossly deficient, if not reckless, conduct by bank management and their boards of directors. However, those risks are long-standing, well-known and ever-present which is why bank regulation, supervision, and regulators exist: because of the pressure to generate profits, the outsized compensation incentives to take risks, and the consequences of bank failures, independent and expert regulators are supposed to protect the public interest by making sure that bank boards, executives and staff follow the law and properly manage the risks they are taking.

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However, during the Trump administration, banking regulation and supervision were severely weakened. Regulation and supervision are meant to work in tandem to protect Main Street and American families from the dangerous activities of big banks and the inevitability of bank executives irresponsibly increasing risk which lead to large bonuses. However, between 2016 and 2020, dozens of deregulatory rulemakings were implemented, as detailed in Appendixes 1 and 2 in this document. These actions made the entire banking system more and more exposed to bankers' greed and recklessness. That laid the groundwork for the 2023 bank failures and the tremors still shaking the financial system. The 2023 failures were a warning, especially to regulators of the vulnerabilities that exist in the banking industry, and should be used as a roadmap of the urgent changes that are required to make the banking system safer, including:

- Improve and Strengthen Regulatory Capital Rules
- Increase and Enhance Resolution Planning
- Adopt Improved and Enforceable Corporate Governance and Risk Management Guidelines
- Hold Bank Executives Accountable
- Increase the Speed, Impact, and Visibility of Enforcement Actions
- Eliminate Ineffective and Toothless Supervisory Guidance

# Massive, Widespread Deregulation Implemented During the Trump Administration Led to the 2023 Bank Failures

Deregulation of the banking and financial industry during the Trump administration sowed the seeds that resulted in the failures of SVB, Signature, and FRB, as Better Markets detailed one year ago. Rules to protect everyday Americans against bankers' excessive risk taking and reckless, if not illegal, behavior to enrich themselves have been reduced or eliminated, leaving healthy banks and taxpayers to pick up the pieces and pay for the recovery efforts. Similarly, bank supervision teams have been weakened, slowed, and understaffed.

Reports from multiple federal agencies show that bank supervisors had identified problems at the now failed banks well in advance of the actual failures. However, during the Trump administration, bank supervisors were impaired by weakened tools and processes and again when they were not supported by their senior leadership to address the problems. Frankly, the deregulatory juggernaut lead by the Federal Reserve Board ("Fed") in Washington during the Trump administration sent a message to the entire banking supervisory system to go easy on the bankers and that was also true for supervision. Consequently, the risks grew. What's worse, the bank executives that directly caused the failures have not been held accountable—like after the catastrophic 2008 financial crisis ("2008 Crash"), they took big risks, got rich, crashed their banks, and still got to keep all the money their dangerous actions generated, leaving the American people to pay the bill and the price for their misconduct. This moral hazard—privatizing gains and socializing losses—is at the root of many of these problems yet indefensibly remains as strong today as in the past.

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### Inadequate Capital Requirements and Resolution Planning Exacerbated the Bank Failures

The Fed's deregulatory actions weakened and reduced capital for many banks, weakened stress tests, decreased liquidity requirements, and exempted large banks from crucial supervisory requirements. All those actions contributed in some way to the bank failures. Most clearly, SVB, Signature and FRB failed because these institutions did not have enough capital to absorb losses resulting from the unreasonable risks management choose to take. In the case of SVB, for example, the market and depositors quickly realized that the bank did not have enough capital to cover losses incurred from selling unhedged securities at a loss. Over the course of a matter of hours, uninsured depositors realized what was happening and pulled deposits out of the bank at the fastest rate in history. This all could have been avoided with a larger capital cushion, hedges, or other appropriate management actions.

At the same time, resolution planning was ineffective and, in some cases, nonexistent notwithstanding the requirement in the Dodd-Frank Act that systemic banks be resolvable in an orderly fashion that did not cause contagion or require bailouts. For more than the last decade, banks that present a systemic threat should have been focusing on developing frameworks that would effectively break up or continue their operations without the need for a systemic risk exception or other type of bailout. However, SVB and FRB had only filed resolution plans a few months ahead of their failures and the Federal Deposit Insurance Corporation ("FDIC") had not yet reviewed them before the banks failed. Signature's first resolution plan filing was scheduled for June 2023, after it failed.

In addition to submitting numerous comment letters and participating in the rulemaking process throughout 2017-2020, Better Markets repeatedly detailed the risks and dangers of the deregulation being implemented at the Fed and at the other agencies. For example, these risks were spelled out as early April 10, 2018, in a law review article entitled "Financial Reform Is Working, But Deregulation That Incentivizes One-Way Bets Is Sowing the Seeds of Another Catastrophic Crash," in a presentation on "Stress Tests as a Policy Tool" at a Federal Reserve Conference in Boston, Massachusetts on July 9, 2019, in a Fact Sheet on Aug. 28, 2019, that highlighted "The Key Changes That Seriously Weaken The Volcker Rule," in a presentation on Sept. 16, 2019, to the Financial Stability Board at the Federal Reserve Bank of New York entitled "The Too Big To Fail Problem Is Alive, Well and Getting Worse," and in a White Paper issued in December of 2020, entitled "Federal Reserve Actions Under the Trump Administration Have Significantly Weakened Post-Crisis Banking Protection Rules."

### Deregulatory Actions Targeted and Weakened Bank Supervision, And Were a Catalyst for the Bank Failures

Numerous postmortem studies of the failures of SVB, Signature, and FRB agree on the critical conclusion that bank supervisors who were on the ground assessing the condition and risk of each of the three banks were severely disadvantaged by the deregulatory actions referenced earlier. Even though these supervisors correctly identified weaknesses at the now failed institutions—in some cases years before their failure—they were burdened by the demands to find even more evidence, hampered by a lack of support from layers of management both in the field and in Washington, DC, or hesitant to bring forward concerns because of the messages their superiors were sending.

The key directive that limited the effectiveness of bank supervision—innocuously if not misleadingly entitled "Agencies Issue Statement Reaffirming the Role of Supervisory Guidance"—was issued jointly by the Fed, the FDIC, the Office of the Comptroller of the Currency ("OCC"), the Consumer Financial Protection Bureau ("CFPB") and the National Credit Union Administration ("NCUA") on September 11, 2018. Rather than "reaffirming the role of supervisory guidance" this directive was effectively announcing its demise. In short, the directive said that supervisors could not use guidance to rein in a bank's risky conduct even if it threatened safety and soundness or financial stability unless it also broke a specific law or rule. It dramatically shifted the balance of power from the supervisors to the bankers.

Moreover, bank supervisors knew that the most senior leadership of the Fed would not back them up on concerns related to bank risks. Indeed, the Fed senior leadership insisted that supervisors go easy on the banks. To do otherwise would not just be unwise or unfruitful, but a career limiting decision for bank supervisors, which the Fed's Vice Chairman for Supervision and Regulation personally made clear. His message was not only delivered in person, but also on the front page of the Wall Street Journal.

The Federal Reserve's postmortem report describes how weakened supervision directly led to the failure of SVB:

> [Federal Reserve supervisory staff] repeatedly mentioned changes in expectations and practices, including pressure to reduce burden on firms, meet a higher burden of proof for a supervisory conclusion, and demonstrate due process when considering supervisory actions. There was no formal or specific policy that required this, but staff felt a shift in culture and expectations from internal discussions and observed behavior that changed how supervision was executed. As a result, staff approached supervisory messages, particularly supervisory findings and enforcement actions, with a need to accumulate more evidence than in the past, which contributed to delays and in some cases led staff not to take action.

Similar reports from both the United States Government Accountability Office ("GAO") and the Fed's Office of Inspector General ("OIG") support the Fed's findings. The GAO stated that regulators, "identified liquidity and management risks at SVB and Signature—key drivers of the banks' failures. However, neither regulator's actions resulted in management sufficiently mitigating the risks that contributed to the banks' failures." The OIG found that the supervisory approach did not evolve as SVB increased in size and complexity. At the same time, Fed staff assigned to oversee SVB did not have the time or skill to conduct the required supervision.

### Deregulatory Actions Contributed to Inadequate Corporate Governance and Board Oversight

At the very beginning of the Trump administration, Chair Powell sent a message to everyone in the Fed system with an innocuously and misleadingly entitled proposal that significantly changed how supervisors reviewed the conduct of banks and, importantly, how they communicated deficiencies with management and the Board—key issues at SVB. Powell's August 2017 proposal fundamentally changed the Fed's existing practice regarding the communication of critical supervisory findings to boards. Among the changes was the shift of most Matters Requiring Attention ("MRAs") and even more urgent Matters Requiring Immediate Attention ("MRIAs") now only being directed to senior management for corrective action, not to boards, who would be left in the dark. Removing supervisory direct access to boards dramatically reduced the authority of supervisors and the power of MRAs and even MRIAs. It also deprived boards of information they needed to discharge their oversight duties and would make boards even more dependent on senior management for the availability and quality of key information.

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Better Markets strenuously objected to this proposal in a detailed comment letter dated Feb. 15, 2018. It pointed out that the proposal failed to disclose material information about or the basis for these significant changes, set supervisory expectations too low, and enabled management to keep boards in the dark about key supervisory issues, which would prevent boards from discharging their management oversight duties. Weak boards and dominating management restricting information to boards were key problems in the 2008 Crash and often enabled a culture and practice of excessive risk taking, if not illegal conduct.

These concerns materialized when SVB's board of directors did not receive adequate information from management about risks at Silicon Valley Bank and in turn did not hold management accountable for effectively managing the firm's risks. Once again, the Fed's postmortem report summarizes how ineffective and inadequate SVB's board oversight was and how it contributed to the bank's ultimate failure:

> [SVB] was a highly vulnerable firm in ways that both its board of directors and senior management did not fully appreciate. These vulnerabilities—foundational and widespread managerial weaknesses, a highly concentrated business model, and a reliance on uninsured deposits—left [SVB] acutely exposed to the specific combination of rising interest rates and slowing activity in the technology sector that materialized in 2022 and early 2023.

## Financial Regulators Must Implement New Rules and Make Changes to Strengthen the Banking System, Increase Accountability, and Protect All Americans from Another Banking Crisis

While several rules to strengthen large banks' capital requirements, resolution planning, corporate governance, and the merger process have been proposed, many in the last year, few changes have been made to actually strengthen the banking system. And, with the delays and opposition from the banking industry and its allies, it is unclear what changes will be made and when they will be implemented.

Those discussed below are key and should be done ASAP, but no matter when they get done the regulators should have taken action sooner. For example, we advocated for the agencies to adopt interim final rules in the immediate aftermath of the bank failures last year. As we said then, the rulemaking process greatly empowers the financial industry, results in endless delays, and almost certainly leads to much weaker rules and sometimes no rules at all. Interim final rules are a much better way to go, and there is longstanding precedent for such action to address well-known, well-documented, and objectively proven regulatory weaknesses. Regulators need to act with the will and courage to prevent crashes as quickly and decisively as they respond to them once they happen. In this case, that means adopting interim final rules to address the well-documented key regulatory failings.

As stated above, policymakers act at the speed of light to do whatever it takes to stop a crisis, including shoveling tens of billions of dollars in bailouts to the banks, but then take years to consider what to do in response to prevent such a crisis from happening again. That asymmetrical response favors the industry, which uses that time to deploy an army of lobbyists, lawyers, and influence peddlers to defeat changes proposed to strengthen the banking system, reduce the risk to the American people, and prevent future bailouts. Why? Because banks and bankers want to be too-bit-to-fail and get bailed out rather than going bankrupt like every other business in America. They also want to keep the compensation their high-risk activities generated even if they caused the bank to fail and need bailouts by taxpayers. Until that asymmetrical cycle is broken, this is going to happen over and over. That's why the following changes need to be adopted and implemented ASAP.

### 1 – Improve and Strengthen Regulatory Capital Rules

The biggest threat to Main Street families, the financial system, and the economy is the country's largest, most dangerous megabanks that do not have enough capital. If SVB, Signature, and FRB had had more capital ahead of their failures it is almost certain that they would not have failed and required a systemic risk exception or bailouts.

There are two current proposed rules (here and here), which among other things would revise capital measures and definitions for large banks to more accurately reflect the risk at these banks and ***shift the burden of that risk to the banks*** as well as their shareholders and away from the public. The changes would improve the consistency, transparency, comprehensiveness, and risk-sensitivity of capital ratio calculations for these large banks. It would not affect capital ratio calculations for smaller, less complex, banking organizations.

## 2 – Increase and Enhance Resolution Planning

The failures, contagion, chaos, costs, and bailouts of SVB, Signature, and FRB did not have to happen, should not have happened, and would not have happened if they had current, workable resolution plans. Such planning, especially for large banks, is critically important to prevent those banks from endangering the entire financial system and the American public and making the already unacceptable too-big-to-fail problem even worse.

There are three current proposed rules related to resolution plans for large banks and living wills for domestic and foreign firms. The 2023 bank failures clearly showed that the current resolution planning process is a failure. Large banks must be held accountable for preparing and maintaining robust resolution plans, with enough information to prevent a default or a GSIB (global systemically important bank) takeover, as occurred with JPMorgan's acquisition of FRB.

Furthermore, banking regulators must strengthen their own capabilities to engage frequently and constructively with banks throughout the resolution planning process. The transparency of resolution plans and living wills must also be dramatically increased. Currently, the public versions of these documents are sparsely populated and generally provide less information than already-public 10-K or quarterly Call reports. By increasing public disclosure, financial market participants and the American public will have the information required to exert appropriate market discipline on firms and independently assess the regulators' determination of plan credibility.

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## 3 – Adopt Improved and Enforceable Corporate Governance and Risk Management Guidelines

Unlike most other corporations, the consequences of large banks being poorly run can be catastrophic to innocent, hardworking Americans. To avoid that, bank boards of directors are charged with ensuring that banks have robust risk management and internal control frameworks, and effectively overseeing senior management. Unfortunately, those bank boards all failed miserably in 2008, as did the bank boards involved in the 2023 banking crisis. This failure led to banking crises, contagion, and bailouts. Such mismanagement, recklessness, negligence, and ignorance can no longer be tolerated.

The FDIC's current proposal represents a crucial step towards better protecting the financial system from banking collapses and their fallout by raising the standards and expectations for board and management structures at large banks to align with the dangers they pose to the American people. The proposal has several strengths, including greater expectations for both the board and management, as well as the enforceability of these requirements.

The Fed should also revisit the unwise guidance that Chair Powell pushed in 2017 to reduce board reporting and oversight of management, which resulted in broad and unenforceable guidance for only the largest banks in 2021. To illustrate, the Fed's postmortem report for SVB details the stream of 54 supervisory findings issued to the bank between 2019 and its failure, including 31 MRAs and MRIAs that remained unresolved at the end of 2022, prior to the bank's failure. Clearly, the board and senior management failed in their governance and risk management duties and must be held accountable.

The fact that it is virtually certain that the bank's board members and management are not going to be held accountable proves that this generic, weak guidance is grossly inadequate, and that the Fed should immediately propose and finalize meaningful rules that it can enforce. Only then will boards and management start living up to the most basic, minimal standards.

### 4 – Hold Bank Executives Accountable

One of the most egregious aspects of the 2023 crisis is that the executives who are responsible for the bad decisions, mistakes, and greed that led to the bank failures have not been held accountable. Instead, healthy banks that were not responsible for the failures have been stuck with the bill through higher FDIC insurance assessments, which will likely be passed on to bank customers in the form of higher fees. Even worse, in addition to the failed banks not being held responsible for the cost of the failures, executives at these institutions such as SVB's CEO were seen vacationing in Hawaii at their multimillion dollar waterfront homes immediately after the failure, after cashing out millions of dollars of stock just weeks before. It has become all too routine for financial executives and traders to walk away unscathed with pockets full of bonuses and other compensation packages.

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It is imperative that bank executives be held responsible for the damage they caused. This includes the need to claw back compensation and prohibit compensation arrangements that encourage inappropriate risk taking. Regulators must strengthen those provisions and finalize related rules that inexcusably remain unimplemented—in violation of the Dodd-Frank law enacted in 2010! In addition, the Biden administration's recent call to broaden regulators' powers to punish reckless bank executives should be enacted as soon as possible. The Recovering Executive Compensation from Unaccountable Practices (RECOUP) Act would be a positive initial step in this effort. It must be accompanied by stronger provisions, however, such as those in the broadly bipartisan Failed Bank Executives Clawback Act from Senator Elizabeth Warren and others that would give federal bank regulators tools to hold executives of failed banks responsible for the costs that those failures impose on the rest of the banking system and the economy, and require the FDIC to act to prevent the unjust enrichment of bank executives.

### 5 – Increase the Speed, Impact, and Visibility of Enforcement Actions

While steps taken to strengthen banking supervision after the 2008 Crash did lead to some real improvements, key elements were later undermined by Trump administration appointees to banking regulators. While some of those improvements were rolled back in the Trump era, large bank supervision still fell short in several key areas, which if properly addressed, could enhance the effectiveness of large bank oversight, and make the financial system substantially safer.

First, boards of directors at the largest banks must be held accountable for their actions, or inactions, which lead to bank failure. At the same time, bank supervisors must evaluate whether boards of directors are successfully carrying out their responsibilities and to hold them accountable when they are not. Such evaluations should be a standard and prominent part of supervisors' periodic assessments of large banks and the overall supervisory assessment process.

Second, penalties for banks that are not well run or break the law must be made much more consequential, so that they actually provide an incentive for banks to change their behavior. Formal enforcement actions—those that must be publicly disclosed—are not used often enough. Most supervisory actions are confidential, informal, non-public, and legally non-binding agreements. That must change.

Third, supervisors' assessments should be made public to improve market discipline and provide the public with clear and transparent information related to the largest banks. Keeping supervisors' assessments of large banks confidential undermines these goals.

### 6 – Eliminate Ineffective and Toothless Supervisory Guidance

Supervisory guidance is a critical tool in bank regulation. It can inform the supervisory criticisms that regulators issue to get banks to identify and correct unsafe or potentially abusive practices in their early stages. However, the banks do not like this because the criticisms can lead to ratings downgrades and limitations on their plans for expansionary activities until the deficient practices are fixed.

On September 11, 2018, the Fed, FDIC, OCC, CFPB, and NCUA issued a joint statement that greatly limited supervisors' use of guidance to address a bank's risky conduct even if it threatened safety and soundness or financial stability unless it also broke a specific law or rule. Better Markets warned of the damaging nature of weakening the enforceability of supervisory guidance, but the rule was ultimately finalized nonetheless and regulatory agency heads toured the country to ensure that supervisors were indeed providing kinder, gentler, and less-aggressive supervision. The regulators must reverse this decision to restore the effectiveness and power of supervisory guidance.

## Conclusion

Despite the wise words of Winston Churchill, we are dangerously close to letting the 2023 banking crisis go to waste. While the bank failures have cost the entire banking industry and taxpayers dearly, there is still time to implement changes that will make the banking system safer for all Americans. We are well past the time for talking; banking regulators must promptly take meaningful action.

# APPENDIX 1

**Selected Reports, Fact Sheets, and Articles Detailing the Dangers of Deregulation Throughout the Trump Administration**

April 10, 2018 Law Review: "Financial Reform Is Working, But Deregulation That Incentivizes One-Way Bets Is Sowing the Seeds of Another Catastrophic Crash."

July 9, 2019 Federal Reserve Conference Presentation: "Stress Testing as a Policy Tool."

Aug. 28, 2019 Fact Sheet: "The Key Changes That Seriously Weaken The Volcker Rule."

Sept. 16, 2019 Presentation to the Financial Stability Board: "The Too Big To Fail Problem Is Alive, Well and Getting Worse."

June 24, 2020 White Paper: "No Financial Crash Yet Thanks to Dodd-Frank and Banking Reforms."

July 21, 2020 Special Report: "Ten Years of Dodd-Frank and Financial Reform: Obama's Successes, Trump's Rollbacks and Future Challenges."

Sept. 15, 2020 Special Report: "The Road to Recovery: Protecting Main Street from President Trump's Dangerous Deregulation of Wall Street."

Dec. 3, 2020 White Paper: "Federal Reserve Actions Under the Trump Administration Have Significantly Weakened Post-Crisis Banking Protection Rules."

June 28, 2021 Fact Sheet: The Fed's "2021 Stress Test Results: All Bank and No Bite."

Aug. 23, 2021 Special Report: "Should Federal Reserve Chairman Jay Powell Be Reappointed?"

Oct. 26, 2021 Op Ed: "Why Jay Powell has been a 'dangerous man' at the Fed."

March 24, 2022 Report: "The Increasing Dangers of the Unregulated 'Shadow Banking' Financial Sector."

July 13, 2022: An Agenda for the Incoming Federal Reserve Vice Chair for Supervision Michael S. Barr.

Aug. 11, 2022: "The Increasing Dangers of the Unregulated 'Shadow Banking' Financial Sector: Money Market Funds."

Dec. 22, 2022 Report: "Protecting our Economy by Strengthening the US Banking System Through Higher Capital Requirements."

January 17, 2023 Report: "Federal Reserve Policies and Systemic Instability: Decoupling Asset Pricing from Underlying Risks."

March 23, 2023 Report: "The Ongoing Use and Abuse of Cost-Benefit Analysis in Financial Regulation."

# APPENDIX 2

### The Federal Reserve Board Rulemaking During the Trump Administration

August 9, 2017: Proposed to amend the supervisory expectations for boards of directors at financial institutions. Better Markets' comment letter. Finalized on February 26, 2021.

December 7, 2017: Proposed a trio of changes to stress testing model disclosures. Better Markets' comment letter. Finalized separately on February 28, 2019 (here and here).

April 19, 2018: Proposed rule weakening capital requirements for large banks. Better Markets' comment letter.

April 25, 2018: Proposed rule undermining stress testing requirements. Better Markets' comment letter. Finalized on March 13, 2019.

July 17, 2018: Proposed rule weakening the "Volcker Rule" ban on proprietary trading. Better Markets' comment letter. Finalized on July 22, 2019.

November 21, 2018: Proposed rule exempting many large banks from crucial supervision requirements. Better Markets' comment letter. Finalized on November 1, 2019.

December 21, 2018: Proposed rule lowering capital requirements for many banks. Better Markets comment letter. Finalized on November 1, 2019.

January 8, 2019: Proposed rule unnecessarily reducing the frequency of stress tests. Better Markets' comment letter. Finalized here and here.

April 4, 2019: Proposed rule relating to total loss absorbing capacity of large banks. Better Markets' comment letter. Finalized on January 6, 2021.

March 15, 2019: Proposed rule lowering supervision requirements for foreign banks. Better Markets' comment letter. Finalized on November 1, 2019.

March 24, 2019: Proposed rule weakening capital requirements for large banks. Better Markets' comment letter. Finalized on November 1, 2019.

November 7, 2019: Proposed rule eliminating important margin requirements on inter-affiliate swaps. Better Markets comment letter. Finalized on July 1, 2020.

February 28, 2020: Proposed rule further weakening the "Volcker rule" ban on proprietary trading. Better Markets' comment letter. Finalized on July 31, 2020.

March 20, 2020: Interim final rule making it easier for banks to continue to pay dividends during the height of the Covid-19 pandemic. Better Markets' comment letter. Finalized on October 8, 2020.

March 23, 2020: Interim final rule once again bailing out money market funds. Better Markets' comment letter. Finalized on October 28, 2020.

May 11, 2020: Rule finalizing the decision to enable bank dividends during the Covid-19 pandemic. Better Markets' comment letter. Finalized on October 8, 2020.

July 16, 2020: Rule on "Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks." Interim final rule.

October 7, 2020: Proposed rule on "Amendments to Capital Planning and Stress Testing Requirements for Large Bank Holding Companies, Intermediate Holding Companies and Savings and Loan Holding Companies." Better Markets' comment letter. Finalized on February 3, 2021.

October 15, 2020: Proposed rule on "Rules Regarding Availability of Information." Better Markets' comment letter. Finalized on April 9, 2021.

November 5, 2020: Proposed rule on "Role of Supervisory Guidance." Better Markets' comment letter. Finalized on April 8, 2021.

January 12, 2021: Proposed rule on "Computer-Security Incident Notification Requirements for Banking Organizations and Their Bank Service Providers." Finalized on November 23, 2021.

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Better Markets fights for the economic security, opportunity, and prosperity of the American people by working to enact financial reform to prevent another financial crash and the diversion of trillions of taxpayer dollars to bailing out the financial system.

By being a counterweight to Wall Street's biggest financial firms through the policymaking and rulemaking process, Better Markets is supporting pragmatic rules and a strong banking and financial system that enables stability, growth, and broad-based prosperity. Better Markets also fights to refocus finance on the real economy, empower the buyside, and protect investors and consumers.

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