

January 10, 2025

President-Elect Donald J. Trump
Campaign Headquarters
725 5th Avenue
New York, NY 10022

Dear President-Elect Trump:

We are reaching out to offer our congratulations once again on your election victory and to take this opportunity to highlight an important issue for your administration as you prepare for your second term in office. The American Bankers Association (ABA) represents banks of all sizes and business models across every community in the United States, and through our alliance with 52 state bankers associations, we serve as the collective voice of the banking industry. Together, ABA and these state associations are committed to fostering a highly competitive, resilient, and safe financial services industry to ensure the strength of America's banks and thereby the communities and the consumers they serve.

For the past several years, the federal banking agencies, the Consumer Financial Protection Bureau (CFPB), and the capital markets regulators have pursued an aggressive and misguided regulatory agenda, upending longstanding, tested banking practices with questionable and unnecessary policy actions that undermine our members' ability to provide capital and credit to Main Street. A new, commonsense approach to financial regulation is urgently needed, and that process can begin quickly by announcing an immediate regulatory pause and review.

From the CFPB's campaign against highly regulated, well-disclosed bank fees, which negatively impacts basic banking services like deposit accounts and credit cards, to the banking agencies' attempt to create a restrictive capital regime that would harm manufacturing, agriculture, and local governments, and M&A guidance designed to freeze and disincentivize transactions, over-regulation has created headwinds for banks, their customers, and our economy.

ABA and our member banks have participated in good faith in the regulatory process, offering data-driven feedback through comment letters and hundreds of banker meetings in an effort to shape reasonable, economically grounded regulatory outcomes. But all too often, the input from 4,500 banks was ignored, and in some cases, regulators made decisions to overshoot their legal authority altogether. This has led ABA and some state associations to file an unprecedented seven lawsuits challenging statutory overreach and process failures.

To ensure that the incoming teams in each of these agencies has the time and opportunity to review years of rulemaking, guidance, and other policy actions that have the effect of constraining market participants, we respectfully request that on January 20, your administration will direct all financial regulators – including independent agencies – to halt work on all open regulatory actions and to extend effective dates for final regulations until such time as new personnel are able to assess each action and determine next steps. This review should also include agency guidance, which is often treated as binding on stakeholders, but without a transparent notice-and-comment process, and pending agency litigation, which may reflect the past administration's policy priorities. Guidance should be reviewed to ensure compliance with joint agency rules and statements, which clarify that, unlike laws or regulations, supervisory guidance does not have the force and effect of law.

In addition to the individual agency reviews, we recommend the Secretary of the Treasury initiate a comprehensive review of the current regulatory rulebook, paying particular attention to changes enacted over the last four years, to assess the cumulative impact of these rules and how they are suppressing access to capital and credit across the country. Unfortunately, those who most need that access are often the most affected.

Banks play a critical role in fueling the American economy, and we appreciate your commitment to reducing burdensome regulations and promoting policies that will create economic growth. The process of amending or withdrawing agency actions can be slow, but these are steps you can take on day one to prevent further harmful regulations from taking root. We would welcome the opportunity to meet with you and your team to discuss the counterproductive regulatory obstacles facing our members, and we look forward to working together so banks of all sizes can focus on the important work they do serving their customers, clients, communities, and the American economy.

Respectfully,

American Bankers Association
Alabama Bankers Association
Alaska Bankers Association
Arizona Bankers Association
Arkansas Bankers Association
California Bankers Association
Colorado Bankers Association
Connecticut Bankers Association
DC Bankers Association
Delaware Bankers Association
Florida Bankers Association
Georgia Bankers Association
Hawaii Bankers Association
Idaho Bankers Association
Illinois Bankers Association
Indiana Bankers Association
Iowa Bankers Association
Kansas Bankers Association
Kentucky Bankers Association
Louisiana Bankers Association
Maine Bankers Association
Maryland Bankers Association
Massachusetts Bankers Association
Michigan Bankers Association
Minnesota Bankers Association
Mississippi Bankers Association
Missouri Bankers Association
Montana Bankers Association

Nebraska Bankers Association
Nevada Bankers Association
New Hampshire Bankers Association
New Jersey Bankers Association
New Mexico Bankers Association
New York Bankers Association
North Carolina Bankers Association
North Dakota Bankers Association
Ohio Bankers League
Oklahoma Bankers Association
Oregon Bankers Association
Pennsylvania Bankers Association
Puerto Rico Bankers Association
Rhode Island Bankers Association
South Carolina Bankers Association
South Dakota Bankers Association
Tennessee Bankers Association
Texas Bankers Association
Utah Bankers Association
Vermont Bankers Association
Virginia Bankers Association
Washington Bankers Association
West Virginia Bankers Association
Wisconsin Bankers Association
Wyoming Bankers Association

cc: Scott Bessent
Nominee for Secretary of the Treasury