THE ECONOMIC GROWTH, REGULATORY RELIEF & Consumer Protection Act

This bill provides targeted and much needed regulatory relief specifically for community banks and credit unions that are a significant source of capital in rural and underserved communities, helping businesses start and grow, enabling farmers to get loans, and supporting families as they achieve the American Dream of homeownership.

Main Street Regulatory Relief

Community banks, credit unions, and regional banks do not pose the same risk as Wall Street banks, which is why this bill tailors regulation appropriately. Specifically, it:

- **Expands the number of banks eligible for an 18-month examination cycle;** this will apply to banks under $3 billion in total consolidated assets.
- **Cuts reporting requirements** for depository institutions with less than $5 billion in total consolidated assets.
- **Exempts community banks** with less than $10 billion in assets from complicated global capital standards, known as Basel III, as long as the bank is highly capitalized.
- Allows banks with under $3 billion in total consolidated assets to use the Small Bank Company Policy Holding Statement, **allowing them to operate with higher levels of debt.**
- Allows banks with minimal trading activities and less than $10 billion to be exempt from the Volcker rule, **saving community banks time and money from a rule meant for Wall Street banks.**
- Raises the threshold for systemically important financial institutions from $50 billion to $100 billion in total consolidated assets, requires stress tests for all banks above $100 billion and **allows the Federal Reserve the ability to apply and tailor regulations** for banks in between $100 billion and $250 billion.

Mortgage Credit & Housing

This legislation acknowledges that homeownership is a key to the American dream. That's why this bill makes it easier for small financial institutions to lend to families, while keeping key consumer protections in place. Specifically, it:

- Allows financial institutions with less than $10 billion in total consolidated assets to offer "qualified mortgages" if held in portfolio with consumer protections, under certain circumstances, **giving them the ability to offer more financing options.**
- Allows small financial institutions to opt out of certain escrow requirements in order to **lower closing costs for consumers.**
- **Reduces paperwork requirements for rural housing authorities** that support fewer than 550 households.

At the same time, S.2155 continues to hold Wall Street banks accountable in order to continue protecting consumers and ensuring the safety and soundness of our financial system.

Consumer Protections

This bill also increases protection for consumers who fall victim to fraud and tough financial times. Specifically, it:

- **Provides consumers free credit freezes** and unfreezes and allows them to set year-long fraud alerts.
- Allows parents to **turn on and off credit reporting** for their minor children.
- **Prevents credit bureaus from placing negative information on veterans' credit scores** for one year, due to delays in Choice Program payments.
- Provides **free credit monitoring for all active-duty service members**.
- **Prevents mortgage companies from kicking tenants out** of their rentals immediately if the landlord is foreclosed upon.
- Encourages banks to report suspicious behavior to help **prevent seniors from getting scammed.**