

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
GOVERNMENT AFFAIRS

1615 H STREET, N.W.
WASHINGTON, D.C. 20062-2000
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May 20, 2015

The Honorable Richard Shelby
Chairman
Committee on Banking, Housing,
and Urban Affairs
United States Senate
Washington, DC 20510

The Honorable Sherrod Brown
Ranking Member
Committee on Banking, Housing,
and Urban Affairs
United States Senate
Washington, DC 20510

Dear Chairman Shelby and Ranking Member Brown:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, welcomes the introduction and markup of the "Financial Regulatory Improvement Act of 2015." The Chamber believes this bill is an overdue effort that would remove unnecessary regulatory burdens that only inhibit the flow of capital to American businesses. This bill would also begin to address some of the unintended consequences of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), while fixing flaws in the financial regulatory structures left unaddressed by the Dodd-Frank Act. The Chamber hopes that the "Financial Regulatory Improvement Act of 2015" can be considered and passed on a bipartisan basis.

It is important that this bill be taken up now. The unforeseen consequences of the Dodd-Frank Act are starting to come to the fore, and are impacting the ability of Main Street businesses to raise the capital needed to operate on a daily basis and grow over the long term. Banks are now disincentivized from accepting business cash deposits, commercial lines of credit are being reduced, and normal market making activities have been absent when the corporate debt markets have undergone a lack of liquidity.

Following the passage of the Dodd-Frank Act in 2010, the Chamber has annually released our *Fix, Add, Replace Agenda*, as well as other proposals to ensure that American businesses have access to efficient and well regulated capital markets in order to grow and create jobs. The "Financial Regulatory Improvement Act of 2015" would address a number of these issues. For example, this bill would result in greater transparency and due process protections in the operations of the Financial Stability Oversight Council and rationalize the provision of privacy notices. This bill would also make it possible for banks that are not systemically important to avoid regulatory burdens and the associated compliance costs of mandatory SIFI designation. This would promote the flow of the capital that Main Street businesses need to operate and grow. The capital formation provisions also build upon the bipartisan success of the Jumpstart our Business Startups Act (JOBS Act).

No legislation is perfect, and as you prepare this bill for consideration by the full Senate the Chamber has revisions and additions that would further promote fulsome capital markets and economic growth. Despite these concerns, the “Financial Regulatory Improvement Act of 2015” is an important first step forward in correcting flaws in the financial regulatory architecture, and the Chamber looks forward to working with Members of the Senate in achieving these goals.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten". The signature is fluid and cursive, with a large initial "R" and a long, sweeping tail.

R. Bruce Josten

cc: Members of the Committee on Banking, Housing, and Urban Affairs