

AFL-CIO

LEGISLATIVE ALERT

March 6, 2018

Dear Senator:

On behalf of the AFL-CIO, I am writing to urge you to oppose the Economic Growth, Regulatory Relief and Consumer Protection Act (S.2155) scheduled for floor consideration this week. This bill will roll back important financial regulations put in place after the 2008 crisis to protect consumers from predatory lending and promote financial stability.

Proponents claim that S. 2155 will stimulate economic growth by unleashing the financial sector. There is no evidence, however, that financial regulations are stymying economic growth. In fact, banking sector profits are soaring.

What S. 2155 will do is hurt working people, and it will hit low-income and minority borrowers particularly hard by weakening protections against predatory, unaffordable mortgage lending applicable to manufactured housing loans and banks in rural areas. It also broadens exemptions from the mortgage affordability requirements created by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

S. 2155 will undermine the safety and soundness requirements that apply to mid-size banks that collectively hold around \$3.7 trillion in assets, and were the recipients of \$47 billion in bailouts during the last financial crisis. S. 2155 will also increase the threshold at which non-banks like asset managers and hedge funds are evaluated for systemic risk, from \$50 billion to \$250 billion, resulting in weakened oversight of these risky non-banks. Moreover, S. 2155 includes a new statutory requirement to tailor rules to individual banks that would give even the largest Wall Street megabanks new tools for pressuring the Federal Reserve to weaken regulations designed to make banks safer and more accountable.

For these reasons, we urge you to vote against the Economic Growth, Regulatory Relief and Consumer Protection Act (S.2155) and stand with the millions of Americans counting on strong and smart financial legislation and consumer protections.

Sincerely,



William Samuel, Director
Government Affairs Department

American Federation of Labor and Congress of Industrial Organizations

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