

AFR Americans for Financial Reform

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-230 U.S. Capitol
Washington, D.C. 20510

Dear Majority Leader McConnell,

As you consider Senate debate on S 2155, we ask that you accord it full floor consideration as a separate bill, including an open amendment process.

S. 2155, the “Economic Growth, Regulatory Relief, and Consumer Protection Act,” would be the first major banking bill considered by the full Senate following passage in 2010 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. That measure responded to the financial crash of 2008. The Senate considered this 2010 measure in countless hearings, committee votes, floor debate and floor votes that spanned nearly a year. S. 2155 should at least be afforded full consideration of amendments.

To date, Senate Banking Committee Chair Crapo has pledged an open process. He began consideration with a public invitation for ideas on promoting economic growth through revision of banking law. He held several hearings. He explained that this led to S 2155. During the committee vote on S. 2155, he entertained numerous amendments. Some amendments came from the bill’s sponsors. In each case, Chair Crapo noted that the amendments might have merit, but because some bill co-sponsors didn’t serve on the committee, full consideration would be deferred to a later time. Senate floor consideration is that time.

This bill contains substantive, controversial provisions that deserve vigorous public debate, with supporters and dissenters allowed to voice their concerns. This bill is not merely a set of technical amendments. The financial crash of 2008 cost millions of Americans their homes, jobs and savings. Americans deserve robust Senate consideration of any relaxation of these 2010 reforms, with a chance for amendments.

For example, the bill raises from \$50 billion to \$250 billion the firm asset threshold where regulators will apply enhanced supervision. Had regulators applied this enhanced supervision of firms in this range in the early 2000s, it might have prevented the reckless mortgage-making of the likes of CountryWide, which held about \$200 billion in assets.

The bill also weakens the Volcker rule restrictions on proprietary trading. It limits publication of data that is crucial to preventing discrimination and expanding access to credit. It weakens consumer protections in the mortgage market, and reduces safeguards for vulnerable consumers in the mobile home market.

Numerous organizations, including those signing this letter, oppose these changes. Bank regulators and scholars have also registered opposition. These concerns should be aired, and bill sponsors should be allowed to respond to them, and where appropriate, adopt amendments.

We believe the Leader will well serve the public interest with full floor consideration of S. 2155.

We appreciate your consideration of this important matter.

Sincerely,

Americans for Financial Reform
Allied Progress
Center For Popular Democracy Action
Center for Responsible Lending
Communications Workers of America (CWA)
Consumer Action
Consumer Federation of America
NAACP
National Community Reinvestment Coalition
National Association of Consumer Advocates
National Consumer Law Center (on behalf of its low-income clients)
National Fair Housing Alliance
Prosperity Now
Public Citizen
The Rootstrikers Project at Demand Progress
Tennessee Citizen Action
Woodstock Institute
20/20 Vision