Cooperative Credit Union Association, Inc.
S. 2155 Community Bank/Bank Benefits

Systemically Important Financial Institutions. Immediately raises threshold from $50 billion to $100 billion, and regulators will look at the next asset tier over the next 18 months to see if any of those institutions should be considered SIFIs.

Community Bank Capital Simplification. Simplifies capital calculations for community banks with less than $10 billion in assets. Federal banking agencies are required to establish a community bank leverage ratio of tangible equity to average consolidated assets of not less than8 percent and not more than 10 percent. Banks with less than $10 billion in total consolidated assets who maintain tangible equity in an amount that exceeds the community bank leverage ratio will be deemed to be well capitalized and in compliance with risk-based capital and leverage requirements. Therefore, these banks will be able to avoid portions of BASEL III requirements.

Exam Cycle. Raise eligibility for the 18-month exam cycle for well capitalized, well managed, banks from $1 billion to banks with $3 billion in assets.

Reciprocal Deposits. Help smaller banks raise stable funding by providing an exception for reciprocal deposits from FDIC restrictions on acceptance of brokered deposits.

Volcker Exemption. Exempt banks with less than $10 billion in assets from Volcker Rule requirements and eliminates the Volcker naming rights restrictions for all asset managers and funds affiliated with banks.

Short Form Call Reports. Raise eligibility for Short Form Call Reports, which reduces reporting requirements, from $1 billion to banks with $5 billion in assets.

HOLA Flexibility. Federal savings associations with $20 billion or less in consolidated assets may elect to operate and be regulated like national banks without changing their charters.

Fed Small Bank Holding Company Policy. Raise eligibility for use of the Fed's Small Bank Holding Company Policy Statement from $1 billion to banks with $3 billion in assets.

Insurance Regulatory Policy. Increase transparency and coordination between the NAIC and the regulatory bodies to encourage harmonization and a robust insurance market.

HVCRE Loan Capital Treatment. Definitions pertaining to high volatility commercial real estate (HVCRE) loans, which require larger capital allocations, are clarified so that only those acquisition, development, or construction loans with increased risk are subject to a higher risk weight.

Federal Savings Associations. Institutions with assets of $20 billion or less can elect to operate with national bank powers.

Employee Compensation Plans. Relieves certain disclosure burdens for issuers that offer securities to employees through compensation plans.