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CHANGES IN BANK REGULATION: THE ECONOMIC GROWTH, REGULATORY RELIEF, AND CONSUMER PROTECTION ACT

The EGRRCPA and associated agency rule-making provide significant regulatory relief for bank holding companies, banks, and other financial institutions. The authors discuss, in detail, these changes by size of institution. They then turn to the statute's medley of other amendments affecting financial regulatory matters, consumer financial services, and the securities laws.

By Dwight C. Smith and Randy Benjenk *

On May 24, 2018, the Economic Growth, Regulatory Relief, and Consumer Protection Act (“EGRRCPA”) became law.¹ EGRRCPA provides a variety of regulatory relief to insured depository institutions, their holding companies, and other institutions. Since then, in a series of releases and statements, the Federal Reserve Board (“FRB”), the Federal Deposit Insurance Corporation (“FDIC”), and the Office of the Comptroller of the Currency (“OCC”) (together, the “federal banking agencies”) and the Bureau of Consumer Financial Protection (“BCFP”) have begun to lay the groundwork for implementing the statute. A few items of regulatory relief might also be forthcoming in the substance of a bill popularly known as the JOBS Act 3.0 that was passed by the House of Representatives on July 17, 2018.²

This paper addresses primarily the impact of EGRRCPA and the agency proposals and statements on banks and bank holding companies.³ As proposals continue to emerge, we have not attempted to analyze them comprehensively and we do not, of course, cover any issuances after the date this was written in December 2018. Notable reforms for these institutions include:

- Banks and bank holding companies with \$10 billion or less in total consolidated assets are exempt from risk-based capital requirements if they maintain a

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convening in January 2019, the bill would have to be reintroduced.

- ³ Unless otherwise indicated, the term “bank” includes state savings banks, and federal and state savings associations. Similarly, the term “bank holding company” includes savings and loan holding companies.

¹ Pub. L. No. 115-174 (May 24, 2018).

² House Amendments to S. 488, the JOBS and Investor Confidence Act of 2018 (July 17, 2018). With a new Congress

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