



FEDERAL RESERVE BANK OF MINNEAPOLIS

Pursuing an economy that works for all of us

Neel Kashkari
President

February 13, 2024

Sent via email

Dear Ninth District State Banking Associations,

Federal Reserve Supervisors are committed to supporting the safety and soundness of the U.S. banking system, promoting a stable financial system, and ensuring the banks it supervises comply with consumer-oriented laws and regulations. As such, I appreciate your acknowledgement that bankers understand that they work in a heavily regulated industry.

The Federal Reserve is also committed to balancing its supervisory and regulatory responsibilities while acknowledging the burden that regulatory compliance can place on supervised institutions. The Federal Reserve welcomes feedback, such as yours, from banking industry participants on how regulations impact their ability to serve their customers and to effectively allocate credit throughout their communities.

As new regulations are being developed due to requirements in new or existing laws, it is paramount that regulators hear from banks and all stakeholders that could be affected by a new regulation. I encourage you to utilize the public comment process to express your views. In addition to the public comment process, pursuant to our internal procedures, I will also provide the Board of Governors with the concerns you have expressed in your letter given they are directly responsible for regulation. Your input will be a part of the public record given Regulation II is still open for comment.

Thank you for reaching out to me regarding your concerns.

Sincerely,

Neel Kashkari

CC: Joe Witt, Minnesota Bankers Association
Rose Oswald Poels, Wisconsin Bankers Association
Karl Adam, South Dakota Bankers Association
Rann Paynter, Michigan Bankers Association
Rick Clayburgh, North Dakota Bankers Association
Sam Sill, Montana Bankers Association