

ABA SUPPORT FOR REGULATORY REFORM

For More Than a Year, ABA Has Called for Regulatory Improvements

- Oct. 21, 2008** ***New Regulatory Structure Needed***
“There should be a regulatory structure that provides a mechanism to oversee and address systemic risk. This should include a method to handle the failure of non-bank institutions that threaten systemic risk.”

[Testimony](#) before the House Financial Services Committee
- March 17, 2009** ***Systemic Risk Regulator Should Identify and Correct Systemic Problems***
“The ABA strongly supports the creation of a systemic regulator. In retrospect, it is inexplicable that we have not had a regulator that has the explicit mandate and the needed authority to anticipate, identify, and correct, where appropriate, systemic problems.”

[Testimony](#) before the House Financial Services Committee
- April 14, 2009** ***Method is Needed to Resolve Systemically Significant Financial Firms***
“The ABA strongly supports the creation of a mechanism for resolving systemically significant financial firms. The need for such a mechanism has been amply demonstrated in recent months, especially by the difficulties encountered in handling Lehman Brothers and AIG.”

[Letter](#) to Treasury regarding resolution authority proposal
- May 28, 2009** ***Firms Not Currently Subject to Effective Supervision Need Regulation***
“The ABA also supports regulation of those institutions and financial products that are capable of doing significant harm to the economy, consumers, and businesses, but which are currently not subject to effective regulation...The ABA strongly supports the creation of a mechanism to address failures of systemically important institutions.”

[Letter](#) to Treasury outlining ABA positions on regulatory restructuring
- July 15, 2009** ***Three-Part Plan Constitutes Major Reform***
“ABA believes there are three areas that should be the primary focus of reform: the creation of a systemic oversight regulator; the creation of a mechanism for resolving troubled systematically important institutions; and filling gaps in the regulation of the shadow banking system. Indeed, legislation focusing on these three areas would constitute the most significant financial reform package since the 1930s and would address the major causes of the crisis and the weaknesses in responding to the crisis that have been identified.”

[Testimony](#) before the House Financial Services Committee
- October 13, 2009** ***ABA Details Plan to End Too-Big-To-Fail***
“Since last fall, in testimony before Congress and elsewhere, ABA has supported regulatory reform, including the creation of a process for systemic resolution. A key component of that resolution process is to end the perception of too-big-to-fail.”

[Letter](#) to Treasury outlining ABA proposal for systemic resolution process
- October 29, 2009** ***Consensus Forming on Three-Part Plan Advocated by ABA***
“Over a year ago, ABA first testified before this committee on changes that are needed, advocating for creation of a systemic oversight body, a strong mechanism for resolving troubled systemically important firms, and filling gaps in the less regulated shadow banking industry. Since that first hearing, a consensus has been building in support of reform in these areas.”

[Testimony](#) before the House Financial Services Committee