

October 15, 2026

Dear Members of the U.S. Senate:

The American Bankers Association (ABA) supports S. 5452, the Tailoring and Indexing Enhanced Regulations (TIER) Act, led by Sen. Katie Britt (R-AL). This commonsense legislation would modernize outdated asset-based thresholds in federal banking law for mid-size and regional banks and keep regulation aligned with economic growth. Because many thresholds remain fixed despite decades of growth and changes in banking, institutions are pushed into regulatory categories Congress never intended. Requirements once tied to meaningful differences in size, complexity, or risk now discourage organic growth, dilute regulatory resources, and reduce capital available for community investment.

The TIER Act would make a one-time adjustment to key asset thresholds and then index them to nominal gross domestic product or the Consumer Price Index, as determined by the Federal Reserve. This important modernization effort would increase transparency, reduce arbitrary burdens on smaller banks, and help regulators focus on actual risk while maintaining appropriate safety and soundness standards. A modified version was included in the House-passed Main Street Capital Access Act, which received strong bipartisan support on July 21.

We urge all Senators to cosponsor and advance the TIER Act.

Sincerely,



Cc: Members of the U.S. Senate