# Visual Memorandum: A New Cut – Federal Reserve and U.S. Banking Agencies Propose Tailored Regulatory Framework

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The move away from a one-size-fits-all regulatory framework based on asset size continues.

On October 31, the Federal Reserve proposed a rule to implement Section 401 of the Economic Growth, Regulatory Relief and Consumer Protection Act, tailoring enhanced prudential standards for firms with $100 billion or more in total consolidated assets, and the three U.S. banking agencies proposed corresponding tailoring of their Basel III capital and liquidity rules.

Overall, the proposals would:

- for U.S. GSIBs, leave existing requirements virtually unchanged; and
- make meaningful changes to requirements applicable to U.S. regional banks that have $100 billion or more but less than $700 billion in total consolidated assets and less than $75 billion in cross-jurisdictional activity and weighted short-term wholesale funding.

Our **latest visual memorandum** describes the proposed tailored regulatory framework in detail, focusing not only on changes to the enhanced prudential standards and capital and liquidity rules but also on firms' reporting obligations and the further tailoring proposals that are yet to come – e.g., with respect to resolution planning and capital planning requirements.