



UNITED STATES HOUSE COMMITTEE ON
FINANCIAL SERVICES
CHAIRMAN FRENCH HILL

Main Street Capital Access (“Main Street”) Act

H.R. 6955, the Main Street Capital Access Act, revitalizes local bank formation and ensures that community lenders can focus on serving families, small businesses, and local economies, making life more affordable for Americans and empowering Main Street.

Why Is the Main Street Act Needed?

- The *Dodd-Frank Act* subjected many community and mid-sized banks to the same rules designed for the largest, most systemically important institutions, which has stifled local lending, constrained economic growth, accelerated industry consolidation, and pushed activity outside of the banking sector.
- Bank regulation and supervision were weaponized, leading to the debanking of law-abiding businesses and individuals.
- New bank formation has disappeared in the U.S. This lack of “de novo” or “new” bank activity, coupled with “banking deserts” that are common in rural areas, has led to higher costs for households and less access to capital and investment for small and medium-sized businesses.
- This bill will help community financial institutions better serve their customers and compete more effectively with larger institutions.

The Main Street Act Restores Regulatory Fairness, Transparency, and Right-Sizing:

- Brings common-sense tailoring back to bank regulation and prevents the U.S. from ending up with a banking system with only very large and very small banks.
- Stops debanking once and for all, prohibits the use of reputational risk in examinations, and focuses bank supervision on material risks related to safety and soundness.
- Restores fairness and transparency to bank supervision in a way that improves examinations, protects consumers, and preserves public confidence in banks.
- Indexes various asset-based thresholds for bank regulations.

The Main Street Act Promotes a Healthy, Growing, and Competitive Banking Industry:

- Lowers the significant barriers to entry for new banks by phasing in capital requirements.
- Provides predictability around regulatory approval process of mergers and acquisitions.
- Fixes the bank resolution framework for failed banks to promote competition and limit market concentration in the banking sector, while protecting depositors and the economy.

The Main Street Act Improves Access to Funding and Capital for Small to Mid-Sized Banks:

- Helps banks attract, retain, and enhance their funding sources to better serve American families and small businesses through greater use of deposits.
- Gives more community banks greater flexibility to issue debt and ensures access to critical liquidity in a timely and efficient manner.

Enacting the Main Street Act will keep community banks strong by cutting unnecessary red tape, expanding access to funding, promoting competition, and helping them make more loans to families and small businesses.