



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

April 20, 2026
(Senate)

STATEMENT OF ADMINISTRATION POLICY

S.J. Res. 110 - Joint Resolution Providing for Congressional Disapproval of the Rule Submitted by the Department of the Treasury Relating to “Regulatory Capital Rule: Modifications to the Enhanced Supplementary Leverage Ratio Standards for U.S. Global Systemically Important Bank Holding Companies and their Subsidiary Depository Institutions; Total Loss-Absorbing Capacity and Long-Term Debt Requirements for U.S. Global Systemically Important Bank Holding Companies”

(Sen. Warren, D-MA)

The Administration strongly opposes passage of S.J. Res. 110, which would disapprove a rule submitted by the Department of the Treasury that aims for the supplementary leverage ratio requirement to be a backstop to risk-based tier 1 capital requirements for Global Systemically Important Banks (GSIBs) and covered depository institutions. The new rule makes it less likely that the supplementary leverage ratio will be a frequently binding constraint on banks’ Tier 1 capital because the ratio will act as a safety-net instead of a constraint on banks’ core capital.

The Trump Administration’s common-sense, prudent, and evidence-based rule modifies the enhanced supplementary leverage ratio to function properly as a backstop to risk-based requirements, rather than a primary and rigid constraint. Doing so reduces disincentives for banks to participate in low-risk, low-return activities, such as Treasury market intermediation and repo financing. The rule removes impediments to banks to support safe, low-risk financing activities, helping improve and maintain the depth, breadth, and liquidity of the U.S. Treasury market that is the envy of the world, even under stress conditions. The recalibration of the enhanced supplementary leverage ratio will generally enhance liquidity in financial markets, leading to smoother and increased economic activity, including lending to families and businesses, directly benefiting the American people with lower and less volatile rates for mortgages, and potentially car loans and small business loans. Facing fewer artificial barriers and red tape, banks and markets become more efficient and banks can compete on price and service, which will translate into lower and more predictable fees, better account terms, and more affordable banking products for American consumers.

For these reasons, if S.J. Res. 110 were presented to the President, his advisors would recommend that he veto it.

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