

**Meeting Between Governor Kugler and Staff of the Federal Reserve Board and  
Representatives of Ally Financial, Citizens Financial Group, KeyCorp, M&T Bank,  
Regions Financial Corp., Zions Bancorporation, N.A., and the Bank Policy Institute  
March 8, 2024**

**Participants:** Governor Adriana D. Kugler and Kelley O'Mara (Federal Reserve Board)

Doug Timmerman and Russ Hutchison (Ally Financial); John Woods (Citizens Financial Group); Clark Khayat (KeyCorp); Daryl Bible (M&T Bank); John Turner (Regions Financial Corp.); Harris Simmons (Zions Bancorporation, N.A.); John Court, Francisco Covas, Tabitha Edgens, and Haelim Anderson (Bank Policy Institute)

**Summary:** Governor Kugler and staff of the Federal Reserve Board met with representatives of regional banking organizations that are Category IV firms, as well as representatives of the Bank Policy Institute, to discuss the agencies' notice of proposed rulemaking on long term debt requirements (LTD proposal). The representatives asserted that the Board has underestimated the costs of the LTD proposal on covered banks—both by undercounting the costs of issuance and by underestimating the amount of long-term debt that covered banks would need to issue. The representatives asserted that the LTD proposal is insufficiently tailored and would result in higher costs for Category IV firms than larger firms. The representatives also asserted that the proposed calibration was too high, the minimum denomination requirement unnecessary, and the two-tier issuance requirement insufficiently flexible. Finally, the representatives indicated that it was necessary for the Board to first finalize the agencies' Basel III endgame notice of proposed rulemaking because the risk-weights resulting from that rule are integral to understanding the impact of the LTD proposal.