

**Meeting Between Governor Duke and the
Oregon, Washington, and Idaho Bankers Associations
September 18, 2012**

Participants: Governor Elizabeth Duke, Jennifer Gallagher, April Snyder, David Alexander, and Jon Hiratsuka (Federal Reserve staff)

Oregon, Washington and Idaho Bankers Associations: Kelly Anderson, Robert Aravich, Jeffrey Bailey, Beverly Batchelder, John Biestman, David Broadhead, Lori Chamberlain, Kevin Christiansen, Cara Coon, Morgan Dipo, James Ford, Brian Hawley, Thomas Hosea, William Hubel, Dawn Justice, Chris Karlin, Daniel Lee, James Lewis, Mark Literas, Carol Mangan, Wayne Mannie, Timothy Martinez, Trey Maust, Anthony Meeker, Johan Mehlum, Linda Navarro, Donald Pearson, Eric Pearson, James Pishue, Stephen Rice, Byron Richards, Mark Stevenson, Laura Stewart, Jeffrey Sumpter, Eric Thompson, Kathryn Trautman, Kenneth Trautman, Elizabeth Wilson, Jo Wright, Glen Simecek, Richard Harris, Dwight Prevo, and Lonnie Iholts

Summary: Members of the Oregon, Washington, and Idaho Bankers Associations met with Governor Duke to discuss the joint notice of proposed rulemaking on regulatory capital requirements (Docket No. R-1442), which implements certain provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms. Association members expressed concerns about the complexity of the proposed rule and the effect on banks' ability to raise capital. Association members also commented on specific aspects of the proposal, including the application of certain risk weights, particularly for mortgage assets, and uncertainty about the grandfathering of certain capital instruments. Overall, association members said the proposed new requirements would likely discourage bank lending, and they cautioned against a hasty implementation of the proposed rule without fully considering the consequences.