

**Meeting Between Governor Kugler and Staff of the Federal Reserve Board and
Representatives of Regions Bank
November 28, 2023**

Participants: Adriana Kugler and Jasper Hoek (Federal Reserve Board)

John Turner, Elizabeth Taylor, and Jeff Swartz (Regions Bank)

Summary: Governor Kugler met with representatives of Regions Bank (Regions) to discuss Regions' business model and concerns about Board's notice of proposed rulemaking on Regulation II (Regulation II proposal), the agencies' Basel III endgame notice of proposed rulemaking (Basel III endgame proposal), and the agencies' notice of proposed rulemaking on long term debt requirements (LTD proposal). Regions representatives expressed concerns that the Regulation II proposal did not take a holistic approach to the costs involved in the debit card business and emphasized that interchange fees help pay for accounts for low-deposit customers. They also shared their view that the Basel III endgame and LTD proposals were not sufficiently tailored to different business models and stressed the need for analytical work to assess the potential impact on small business and mortgage lending. They noted that, while the impact of each individual proposal was incremental, the total impact would be significant.