# Advocacy for Banking

## South Carolina Bankers School

A. O’Neil Rashley, Jr.

Senior Vice President and General Counsel

South Carolina Bankers Association

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# The Building Blocks of Bankers School

## YEAR 1: FOUNDATION
- Analyzing Bank Financial Performance
- Business Development and Customer Engagement
- Credit Portfolio Management
- Cybersecurity
- Driving Digital Transformation
- Economics/Money and Banking
- Leadership
- Marketing
- Navigating Your Success
- Sources of Non-Interest Income
- Tax Return Analysis
- Team Building
- Understanding CAMELS Ratings/ Working with Regulators

## YEAR 2: APPLICATION
- Asset/Liability Management
- Bank Investments
- Capital Planning/Strategic Thinking
- Commercial Lending OR Principles of Lending for Non-Lenders
- Deposit Products
- Economic Outlook
- Effective Communication
- Effective Negotiations
- Employment Law 101
- Intro to BankExec
- Treasury Management and the Fraud Pandemic
- Troubled Assets
- Understanding Bank Financial Statements
- Wealth Management

## YEAR 3: INTEGRATION
- BankExec
- Dynamic Presentation Skills
- Funding Alternatives
- Managing IRR and Liquidity in the Current Environment
- Political and Social Advocacy for Banking

# Integrating Advocacy with Your Banking Career

- South Carolina Bankers School “Non-Banking” Courses
  - 1st Year (Foundation) – Leadership; Navigating Your Success; Team Building
  - 2nd Year (Application) – Effective Communication; Effective Negotiation
  - 3rd Year (Integration) – Presentation Skills; Advocacy for Banking
- How does advocacy fit into your career as a banker?
- Advocacy opportunities are always present
  - Community and business interactions with customers and policymakers
  - Issue advocacy

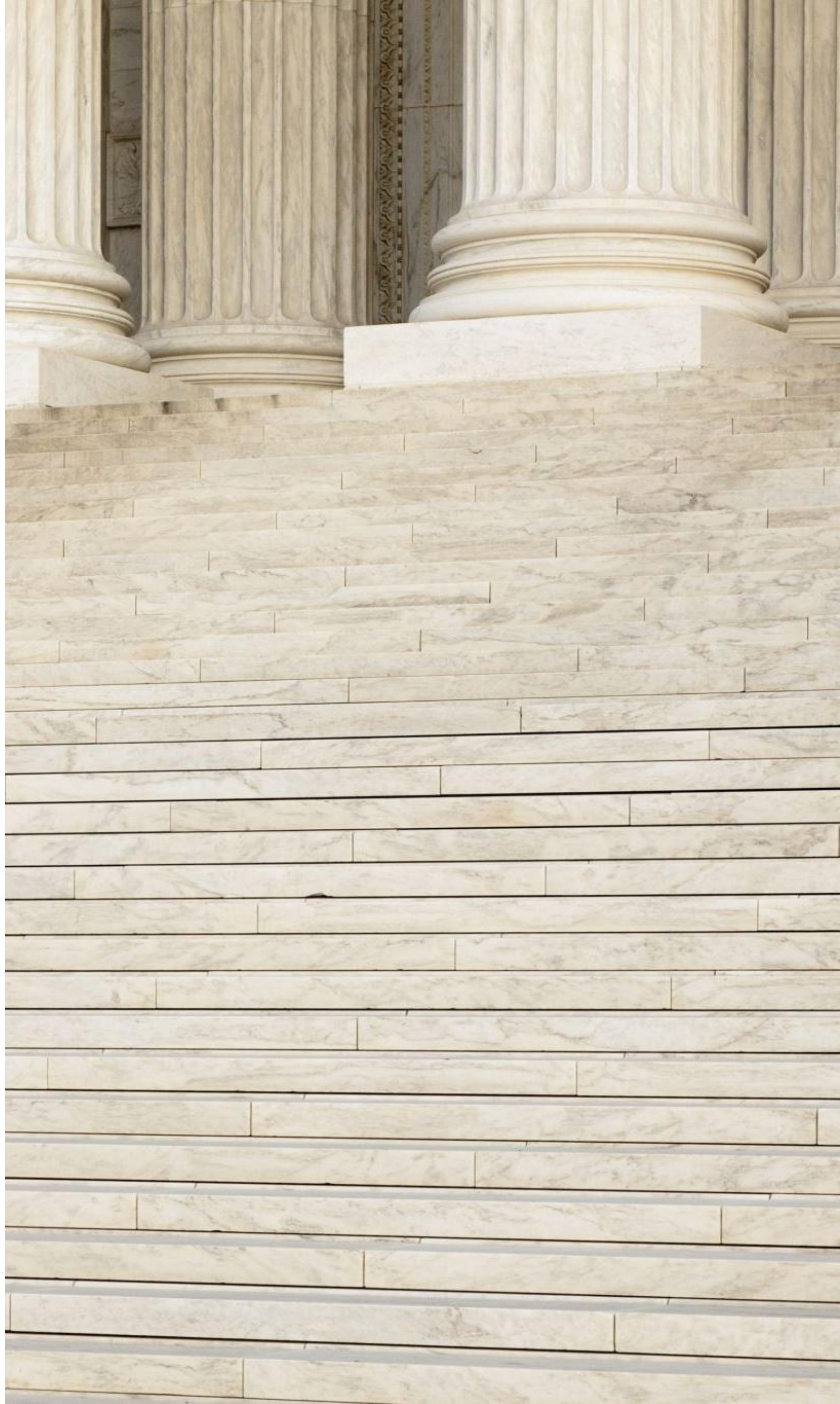
# Advocacy's Importance for Banking

- Sends positive messages about banking to your customers, your community, the media and policymakers
- Brings awareness to policymakers that their decisions can have a dramatic impact on not just banking, but also on the communities bankers serve.
- Sends strong messages about laws and regulations that affect banking
- Advocacy not only builds your reputation and your bank's reputation in the community, but also that of the banking industry.
- Advocacy is not just responsive – it also builds relationships for successful positioning with future issues.

# Types of Advocacy

# Opportunities for Bankers

- Trade Association Activities/Lobbying
- Political and Legislative
- Regulatory Commentary
- Grassroots Efforts
- Political Contributions
- Voting and Voter Education
- Social Media
- Legal Advocacy



# Dynamic Changes from 2024 to 2026 in Banking Policy

# Opportunities for Advocacy

# Banking Headlines in 2024

CFPB Targets Credit Card Fees, Junk fees

Basel III Endgame: More Capital, Less Small Business Lending

The CRA Regulatory Overhaul: Disincentivizing Lending To Small Businesses

FDIC Proposes Significant Increases In Deposit Insurance Assessments

ABA Calls For Significant Changes To SEC Climate Risk Disclosure Framework

CFPB Moves To Scrutinize Banks' Overdraft Programs

ABA, State Bankers Associations Tell House To Reject 'Self-Serving' Credit Union Legislation

Senate Hearing Rekindles Debate Over Durbin Amendment

Biden Signs Executive Order To Advance Digital Assets, Explore CBDC

Section 1071 Requirements Will Bring Major Challenges And Risks

# Banking Headlines in 2025

CFPB Abandons Credit Card Late Fee Rule

Federal Reserve is Revisiting Basel III Endgame, Powell says

Federal Banking Agencies Announce Intent to Rescind 2023 CRA Final Rule

FDIC's Hill Rethinks Deposit Insurance Fund Reserve Ratio

SEC Ends Defense of Climate-Related Disclosure Rules

Trump Signs Resolution Nullifying CFPB Overdraft Rule

Congress to Consider Removing Tax-exempt Status of Credit Unions as Part of Reform Legislation

Durbin, Marshall Push Credit Card Amendment

Senate Passes GENIUS Stablecoin Bill

CFPB to Reopen Rulemaking on the Section 1071 Small Business Loan Data Collection and Reporting Rule

# Banking Headlines in 2026

GENIUS Act Backlash: Banks Push to Kill Stablecoin Rewards

Proposed Rule Would Further Erode Legal Restrictions On Credit Union Membership

Trump Signs Executive Order To Curb De-banking Practices

Trump Orders Fed To Review Crypto Firms' Access To Master Accounts

Executive Order Pressures Lenders To Account For Citizenship Status In Risk-based Diligence

FDIC, OCC Finalize Rule To Remove Reputational Risk From Supervision

Regulators Release Proposals To Ease Bank Capital Requirements

ABA, Associations Reaffirm Support For Federal Preemption Of Illinois Interchange Law

Trump Calls For Congress To Enact 10% Credit Card Interest Rate Cap

# Policy Impacts For Potential 2024 Election Outcomes In The Finance Industry

| President | House | Senate | Likelihood | Policy impacts |
|---|---|---|---|---|
| R | D | R | High ●●●●● | Continuation of Trump-era tax cuts, paired with executive deregulation efforts and decreased corporate tax rates |
| D | D | R | High ●●●●● | Bipartisan legislative efforts to back Biden's Build Back Better agenda, includes subsidies to encourage manufacturing growth and green energy expansion |
| R | R | R | Medium ●●●●● | Large scale industry deregulation, decreased corporate tax rates, baseline tariffs on all US imports. Emphasis on vehicle and energy deregulation and manufacturing |
| D | R | R | Medium ●●●●● | Continued strong enforcement of antitrust laws. Bipartisan deals to secure clean energy initiatives with deal on tax cuts. Cut down on junk fees |
| R | R | D | Low ●●●●● | Executive actions on industry deregulation and increasing tariffs on US imports. Continued high levels of oil and gas extraction |
| D | R | D | Low ●●●●● | Tax bracket restructuring once Trump-era tax cuts expire. Bipartisan legislative deals to fund American industries. Increased regulatory efforts to advance green energy developments |
| R | D | D | Very Low ●●●●● | Partisan gridlock on legislative efforts to decrease corporate tax rates or mandatory government programs. Executive orders on tariffs and deregulation |
| D | D | D | Very Low ●●●●● | Building upon the "clean energy economy" framework, investing in clean energy supply chains. Raise corporate tax rates and taxes on the wealthiest Americans. Banking regulation via Dodd Frank |

# Most Likely Scenario (Democrats win House): Policy Impacts on Finance Industry



| POTUS | SENATE | HOUSE | LIKELIHOOD | LIKELIHOOD ANALYSIS |
|---|---|---|---|---|
| R | R | D | High ●●●●● | The president's party has lost ground in each of the last three midterm elections, and Democrats would need to flip just five seats to take the House |

| POLICY PRIORITIES | KEY INDUSTRY IMPACTS |
|---|---|
| **Protecting consumer finance:** Democrats seek to restore CFPB authorities and strengthen consumer protections, arguing the GOP has favored large banks and corporations over consumers | **Protecting consumer finance:** Banks, lenders, and fintech firms face continued uncertainty around CFPB funding, enforcement priorities, and consumer protection requirements |
| **Expanding capital access:** Republicans continue efforts to ease regulations on local banks and markets, while Democrats seek stronger investor protections and corporate accountability | **Expanding capital access:** Reduced regulatory burdens and incentives for community banks could improve capital access for smaller and local businesses |
| **Digital assets:** Both parties pursue stablecoin and digital-asset tax reforms to define regulatory jurisdiction, modernize tax treatment, and support broader integration of digital assets | **Digital assets:** Clearer rules could broaden participation by financial institutions and payment providers while reducing regulatory uncertainty for crypto firms |

# Medium Likely Scenario (Democrats Sweep Congress): Policy Impacts on Finance Industry



| POTUS | SENATE | HOUSE | LIKELIHOOD | LIKELIHOOD ANALYSIS |
|---|---|---|---|---|
| R | D | D | Medium ●●●●● | Democrats have recruited their ideal Senate candidate in several swing states, including Sherrod Brown in Ohio and Mary Peltola in Alaska, and have strong funding numbers in Texas |

| POLICY PRIORITIES | KEY INDUSTRY IMPACTS |
|---|---|
| **Financial consolidation:** Press regulators to toughen bank-merger review and restore stricter oversight of large banks, arguing that consolidation limits consumer choice and increases systemic risk | **Financial consolidation:** Banks pursuing mergers, especially large institutions, could face longer approval timelines, tougher competition, and closer scrutiny |
| **Payment ecosystem:** Reforms to payment networks to increase competition and reduce fees, attributing the current credit card fee structures to high costs for consumers and small businesses | **Payment ecosystem:** Card issuers, payment networks, and institutions could face pressure on interchange revenue and rewards programs as lawmakers seek to lower transaction costs |
| **Reframing taxes:** Revisit portions of the OBBBA, prioritizing middle-income tax relief over corporate and high-income tax benefits | **Reframing taxes:** Large corporations could face increased scrutiny of OBBBA tax benefits and renewed debate over corporate tax preferences |

# Less Likely Scenario (GOP Retains Trifecta): Policy Impacts on Finance



| POTUS | SENATE | HOUSE | LIKELIHOOD | LIKELIHOOD ANALYSIS |
|---|---|---|---|---|
| R | R | R | Low | The Senate map is favorable for Republicans, and redistricting in several Republican-led states could help the GOP maintain control if President Trump remains popular with his base |

| POLICY PRIORITIES | KEY INDUSTRY IMPACTS |
|---|---|
| **Codifying deregulation:** Continued efforts to make Trump-era tax and financial regulatory changes permanent, reducing reliance on agency discretion and limiting potential future reversals | **Codifying deregulation:** Banks, fintechs, and financial institutions could benefit from greater policy certainty if tax and regulatory changes are codified into law rather than left to agency discretion |
| **Digital assets:** Encourage broader adoption of digital assets across the financial system with crypto market structure legislation, while limiting Democratic-backed ethics restrictions | **Digital assets:** Clearer rules for stablecoins and reduced regulatory obligations could accelerate participation among consumers and institutions |
| **Fiscal restraint:** Reduce domestic spending to address long-term debt concerns while preserving tax relief and prioritizing defense or national-security investments | **Fiscal restraint:** Program cuts could reshape markets that rely on federal support, while defense, AI, and advanced technology priorities attract a larger share of public and private investment |

# Political and Legislative Advocacy

# South Carolina's Congressional Delegation

Sen. Lindsey Graham (R) - *deceased*

Sen. Tim Scott (R)

*Senate Banking – Chairman*

Rep. Nancy Mace (R)

1st District

Rep. Joe Wilson (R)

2nd District

Rep. Sheri Biggs (R)

3rd District

Rep. William Timmons (R)

4th District

*House Financial Services*

Rep. Ralph Norman (R)

5th District

*House Financial Services*

Rep. Jim Clyburn (D)

6th District

Rep. Russell Fry (R)

7th District

*House Judiciary & House Oversight*

# Political and Legislative Advocacy in Action – The Dodd-Frank Act *("Elections have Consequences")*

- 2008 – 2009 - Troubled Asset Relief Program/Capital Purchase Program *(Bush/Obama)*
- 2010 – 2013 - Dodd-Frank legislation and regulations passed *(Obama)*
  - 2010 – The Durbin amendment (Interchange fees) passed *(Obama)*
- 2018 – Economic Growth, Regulatory Relief, and Consumer Protection Act (S2155) adjusts much of Dodd-Frank *(Trump)*
  - Attempts to repeal the Durbin amendment *(Trump)*
- 2023 – CFPB Announces Section 1071 final rule with 81 data points *(Biden)*
- 2025 - CFPB to Reopen Rulemaking on the Section 1071 Small Business Loan Data Collection and Reporting Rule *(Trump)*
- *New president and regulators in 2028.*

# Recent Federal Legislative Advocacy

# Future Issues and Opportunities

- "One Big Beautiful Bill"
  - Access to Credit for our Rural Economy (ACRE)
  - Corporate tax rates from 2017 preserved
  - No new bank taxation
- Credit union taxation – Heightened discussion this time through the budget reconciliation bill.
- CFPB overdraft fee cap rule – Overturned by Congress through the Congressional Review Act.
- Credit Card Competition Act - applies Durbin Amendment-like provisions to credit cards
- GENIUS Act and CLARITY Act – Stablecoins as deposits, not just payment mechanisms
- Credit card rate caps – real proposals from members of both parties
- Main Street Capital Access Act – Community bank reforms on tailored regulations, indexing asset thresholds, fairness in supervision, and incentivizing bank formation.
- Many of these issues involved years of advocacy before they were successful.

# South Carolina Political System

- General Assembly
  - 46 Senators and 124 House Members
  - Districts divided equally by population
- Statewide Constitutional Officers
  - Governor
    - Reviews all passed bills for approval or veto
    - Appoints members to the State Board of Financial Institutions
  - State Treasurer
    - Sits *ex officio* as chair of State Board of Financial Institutions
  - Attorney General
    - Regulates securities
  - Secretary of State
    - Handles corporate, UCC and charity filings

# State Issues in 2026

- Credit Unions Accepting Deposits from Cities and Counties
- Banning Interchange Fees from the Sales Tax Portion of a Transaction
- Financial Exploitation
  - Elders & Vulnerable Adults
  - Trusted Contacts
- Electronic Titles and Lien Releases
- Debanking as an Unfair Trade Practice

# State Political and Legislative Advocacy
# Credit Unions

- Field of membership bill (2017 - 2018)
  - Greatly expanded the field of membership for credit unions in SC
  - SCBA's relationship with General Assembly helped prevent the bill from moving quickly
  - Bankers' relationships with legislators demonstrated the impact on local banks, and on local communities,
  - Bill passed but was significantly amended and made harmless.
- These advocacy efforts paved the way for passage of SCBA's bill, the Banking Statutes Modernization Act (2019 - 2021)
- Credit unions buying banks (2022 – 2023)
  - 2022 – Senate Banking subcommittee holds hearing but doesn't move bill
  - 2023 - Defeated in a House subcommittee by a 4-3 vote
- Credit unions taking public deposits (2024 - 2026)

# New coalition says rural SC towns need more banking options. Banks will fight it.

State law doesn't allow local governments to use credit unions, with limited exception

BY: **JESSICA HOLDMAN** - OCTOBER 17, 2024 9:26 AM


Palmetto Citizens Federal Credit Union is in negotiations to buy this historic building in Whitmire. (Provided by Palmetto Citizens Federal Credit Union)

# Public Deposits in South Carolina

- State and local subdivision public deposits can be placed only in FDIC-insured financial institutions.
- Banks must collateralize deposit funds over $250K.
- Why not credit unions?
  - Collateralization/safety and soundness
  - Outside of credit unions' mission - serving low-to-moderate income consumers, and some small businesses.
- March 2024 - Issue arises of rural towns' access to financial institutions
  - Legislature adopts a budget proviso allowing towns of less than 5000 and with no bank branch within 10 miles to deposit their funds in credit unions.
- October 2025 - Credit unions want more.  SCBA receives a media call about public deposits and that a coalition was supporting expansion of the proviso to all cities.
- November 2025 – SCBA begins its advocacy efforts
- December 2025 - Two bills introduced that would allow all local subdivisions, no matter size or location, to place deposits in credit unions.

PALMETTO
# PUBLIC DEPOSITS
COALITION

## Coalition Supporters

Municipal Association of South Carolina

CAROLINAS CREDIT UNION LEAGUE

# How The Coalition Conveyed Its Message

- Hired a top-tier PR company with political ties
- Palmetto Public Deposits Coalition website
- Social media channels
- Favorable articles and op-eds placed in newspapers
- Materials sent to all legislators
- Hired five contract lobbyists, along with two staff lobbyists
- Press conference in front of the Governor’s office
- Television news articles

Rochelle Dean
Dec 4, 2024

# ABC Columbia-New Bill To Be Introduced Aims At Reducing Risk To Taxpayers

# Rule #1 of Advocacy – You Better Have Your Facts Right

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**PUBLIC DEPOSITS**
COALITION

# Setting the Record Straight

**The Truth About Public Deposits At Credit Unions**

| Myth | Fact |
|---|---|
| Public entities already have the ability to deposit funds into credit unions. | While state law allows credit unions to accept public deposits, **public entities are not permitted to make those deposits.** |
| There is one local bank in every community in South Carolina. | Banks are leaving South Carolina in record numbers, **resulting in over 80% of state funds being held in out-of-state banks.** In many parts of rural South Carolina, the only financial institution is a credit union. |
| There is **no difference** between credit unions and banks. | Credit unions are member-owned, so they don't have to share profits with shareholders. **That is why credit unions offer higher interest rates on deposits and lower interest rates on loans. Also, because credit unions are not-for-profit,** they offer financial services at lower costs than banks. |
| Credit unions **do not** have deposit insurance. | **Credit Unions do offer deposit insurance for up to $250,000 per individual per financial institution through the National Credit Union Administration (NCUA).** This is the same amount the banks offer through Federal Deposit Insurance Corporation (FDIC). |
| Credit unions **do not** pay taxes. | **Credit unions do pay local property taxes, payroll taxes, and personal property taxes.** |

# What the Public Deposits Coalition Was Telling Legislators

Banks are leaving South Carolina in record numbers

There are small towns with credit unions but no banks

Over 80% of deposits are held by out-of-state banks

Banks are taking deposits out of the state

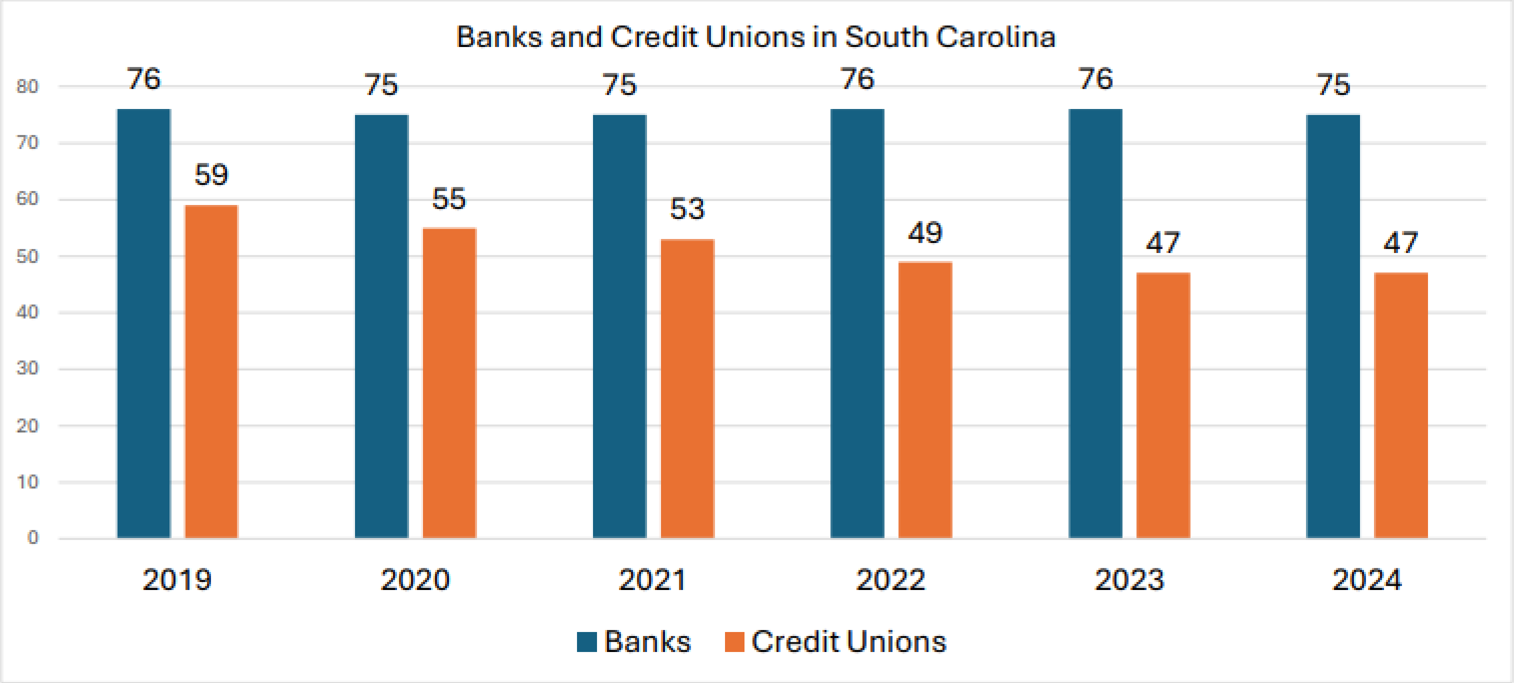
S Corp banks avoid paying taxes

Credit unions are “not-for-profit” entities

Credit unions do pay taxes

# Misinformation is Still Information

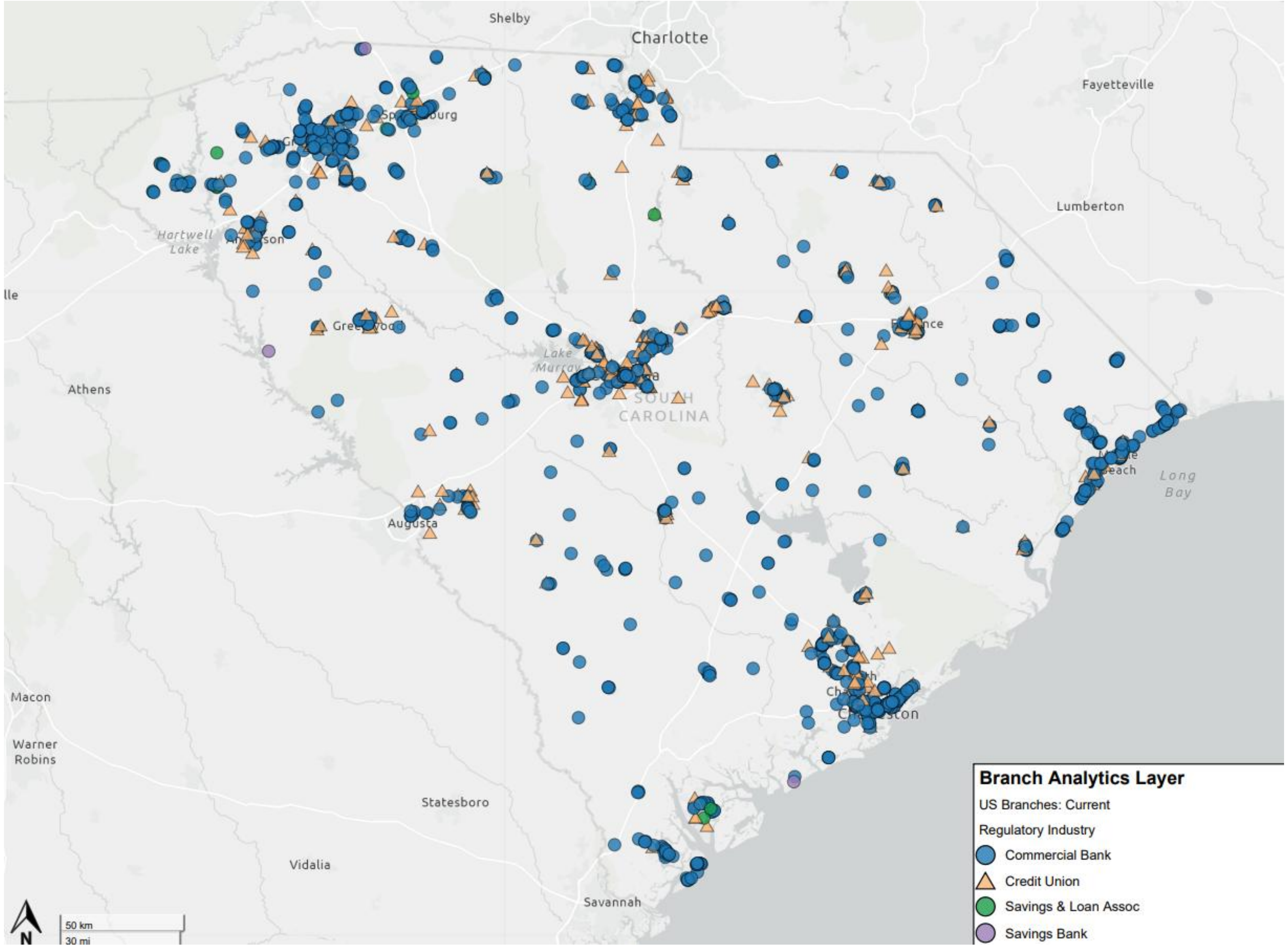
“Banks are leaving South Carolina in record numbers”




Since 2019, there is only one less bank; however, there are 12 less credit unions – a 20% reduction.

Sources – FDIC and Credit Union National Association (CUNA)

“In many rural parts of South Carolina, the only financial institution is a credit union.”



“Credit unions are not-for-profit”

| | 2025 Net Income |
|---|---|
| Founders Federal Credit Union | $65,122,205 |
| SRP Federal Credit Union | $28,463,019 |
| Allsouth Federal Credit Union | $26,523,128 |
| S.C. State Federal Credit Union | $26,133,538 |
| SAFE Federal Credit Union | $26,111,518 |
| Palmetto Citizens Federal Credit Union | $20,951,881 |
| South Carolina Federal Credit Union | $19,728,842 |
| Rev Federal Credit Union | $6,448,565 |

## *The Truth Banks Won't Tell: Credit Unions Pay Taxes*

Banks continue to communicate to lawmakers that credit unions do not pay taxes, which is **factually incorrect**. Credit Unions across the state substantially contribute to state and federal tax revenue. **Credit unions paid $38.1 million in direct state taxes in 2023**, including FICA, personal income, property, and sales taxes, among others.

Moreover, as many as **nine of South Carolina's largest commercial banks** are incorporated as "S Corporations" (S-corps), which allows the bank to **avoid paying corporate income tax in South Carolina** by passing their profits to shareholders.

It is important that lawmakers hear the truth about credit unions and their positive impact in communities across South Carolina. The Palmetto Public Deposits Coalition is committed to expanding financial services and improving convenience for local governments regarding banking taxpayer dollars.

*"For municipalities, there is no practical difference between a bank and a credit union. Both pay local property taxes, and neither is subject to business license fees. By allowing access to credit unions, we can ensure that our local governments have equal footing in choosing the most convenient and effective financial partner for their needs."*

- *Goose Creek Mayor and Municipal Association of South Carolina President Greg Habib*


🚨 President Trump is fighting back against woke banks! Will South Carolina join him?

➡️ Big banks want to keep their monopoly on OUR tax dollars—shutting out local credit unions that share our values.

🟢 S.60 levels the playing field, letting credit unions compete and keeping money where it belongs—in our communities and helping South Carolina!

📞 Call Senator [redacted] at [redacted] and tell him to SUPPORT the South Carolina Financial Freedom Act!


PALMETTO Banker

SOUTH CAROLINA
BANKERS ASSOCIATION

Issue Three 2024

HOW Can Taxes Become a Competitive Weapon?

BANKS ≠ CREDIT UNIONS

# HOW Can Taxes Become a Competitive Weapon?

Congress established credit unions more than 90 years ago to provide basic consumer financial services to those of modest means connected through some common bond. In light of their statutory mission and not-for-profit structure, Congress exempted credit unions from federal income taxes and limited their activities. Today, there are 47 credit unions doing business in South Carolina. Most of these have stuck to their initial mission and still provide financial services to their customers of modest means that are still connected through a common bond.

Although all 47 South Carolina credit unions have a state and federal income tax exemption, the largest of them, all over $1 billion in assets, use this tax subsidy as a competitive tool to expand well beyond their original mission and common bond membership. Allowing them to accept public deposits is a perfect example of this. How does accepting the deposits of a local subdivision square with credit unions' mission of providing services to those of modest means? It doesn't.

There are 18 financial institutions with over $1 billion in assets headquartered in SC, nine of which are credit unions. These nine companies seek to change South Carolina's laws to allow them to accept public deposits. The South Carolina Bankers Association and all of our members are adamantly opposed to any legislation that would favor these nine companies over our entire industry.

**Let me share some facts:**

1. **These nine large companies collectively had a net income of $184 million in 2024, but didn't pay a cent of state and federal income taxes – unlike all other businesses that make a profit.**

2. **The banking industry, as a whole, paid over $55 million in taxes to the South Carolina General Fund in 2023–2024 according to the South Carolina Department of Revenue. Our industry is one of the largest corporate contributors to state revenue every year.**

3. **These nine companies indicate they invest in their communities. How does anyone know? Banks are required to report their support of their communities in compliance with the Community Reinvestment Act – but these nine highly profitable companies do not have to report any community investment or activity.**

Some smaller, rural municipalities in South Carolina don't have a bank or credit union presence. Last year the General Assembly adopted a temporary law that would allow a credit union to accept municipal deposits if they opened an office or had an existing office in any rural town that did not have a bank branch within 10 miles. The General Assembly made sure to limit this to their concern of banking access for rural towns, and SCBA did not object to that discussion.

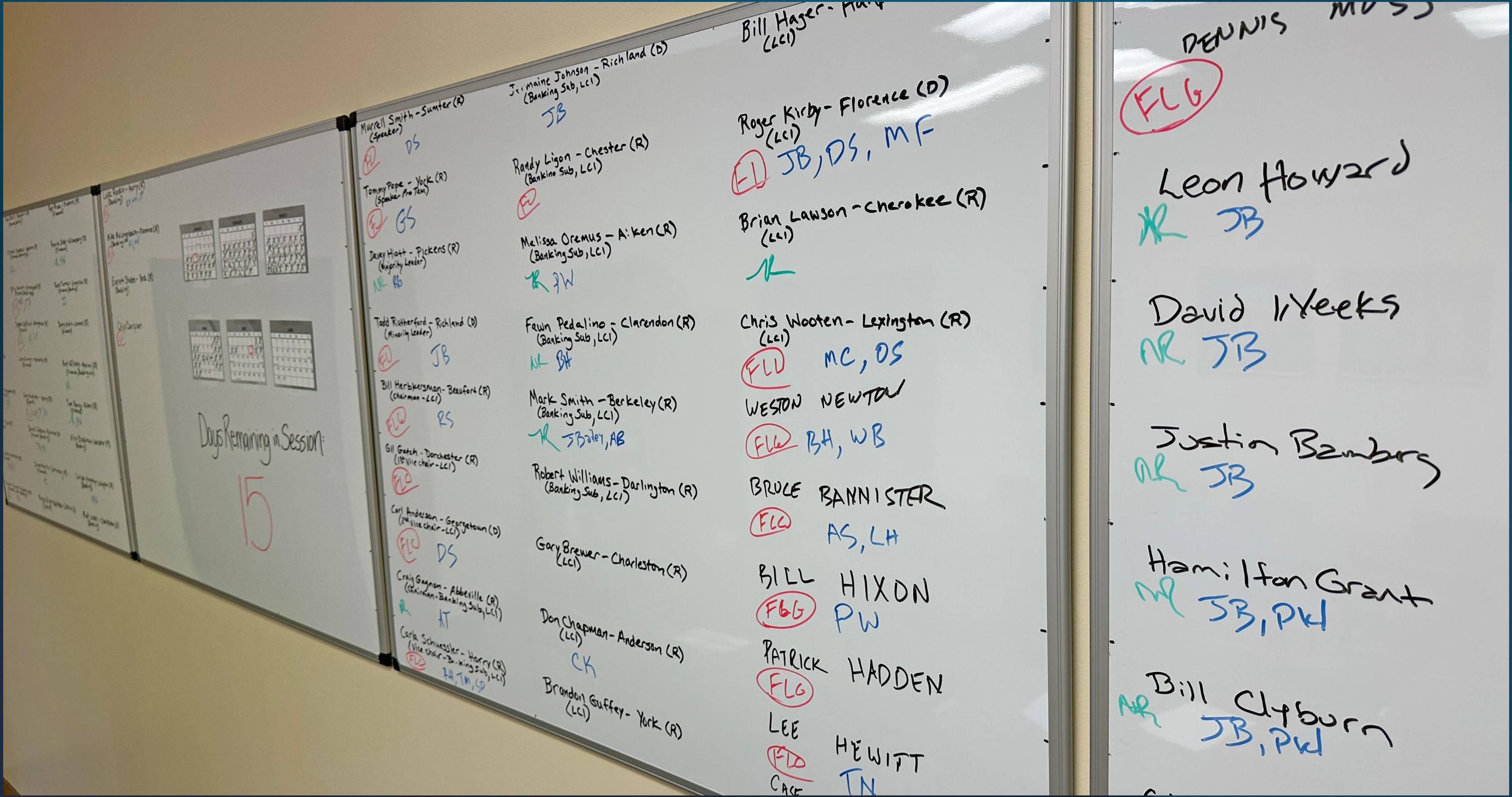
But these nine companies never wanted to serve small, rural towns; instead, they've formed the Palmetto Public Deposits Coalition to get the business of much larger political subdivisions that don't have any banking access problem. This coalition is pushing a narrative that banks have lost touch and do not serve their communities. Nothing is farther from the truth. All banks doing business in South Carolina work hard to serve their communities. All of them use deposits to deploy funding and financing that is critical to South Carolina's communities – all while bearing the costs of doing this business, costs these companies do not pay.

H3221 and S60 have been introduced to benefit these companies and South Carolina's banks strongly oppose these bills. We hope that when the General Assembly reconvenes, our elected officials will ask why these nine companies that made $184 million in profits last year and paid $0 in state income taxes should be given expanded competitive powers against South Carolina's banks that paid $55 million to the General Fund. **These companies want all the benefits of banking, but do not want any of the burdens.**

**SC HEADQUARTERED BANKS AND CREDIT UNIONS**

| NAME | CITY | ASSETS |
|---|---|---|
| United Community Bank | Greenville | $27,656,514 |
| Founders Federal Credit Union | Lancaster | $4,763,530 |
| Southern First Bank | Greenville | $4,090,151 |
| South Carolina Federal Credit Union | North Charleston | $2,531,072 |
| Coastal States Bank | Hilton Head | $2,097,070 |
| Anderson Brothers Bank | Mullins | $1,970,198 |
| First Community Bank | Lexington | $1,957,057 |
| SRP Federal Credit Union | North Augusta | $1,875,467 |
| SAFE Federal Credit Union | Sumter | $1,851,352 |
| The Conway National Bank | Conway | $1,813,129 |
| South Atlantic Bank | Myrtle Beach | $1,784,242 |
| Security Federal Bank | Aiken | $1,546,414 |
| Bank of Travelers Rest | Travelers Rest | $1,494,224 |
| Sharonview Federal Credit Union | Fort Mill | $1,411,954 |
| Allsouth Federal Credit Union | Columbia | $1,363,447 |
| Palmetto Citizens Federal Credit Union | Columbia | $1,352,540 |
| S.C. State Federal Credit Union | Columbia | $1,339,060 |
| Rev Federal Credit Union | Charleston | $1,111,667 |

*Credit Union financial information–https://mapping.ncua.gov/ResearchCreditUnion*
*Bank financial information–https://cdr.ffiec.gov/public/ManageFacsimiles.aspx*
*All values are in thousands. Assets as of 12/31/24.*


Murrell Smith - Sumter (R)
(Speaker)
DS
Tommy Pope - York (R)
(Speaker Pro Tem)
GS
Todd Rutherford - Richland (D)
(Minority Leader)
JB
Bill Herbkersman - Beaufort (R)
(Chairman - LCI)
RS
Gil Gatch - Dorchester (R)
(1st Vice chair - LCI)
Carl Anderson - Georgetown (D)
(2nd Vice chair - LCI)
DS
Craig Gagnon - Abbeville (R)
AT
Jermaine Johnson - Richland (D)
(Banking Sub, LCI)
JB
Randy Ligon - Chester (R)
(Banking Sub, LCI)
Melissa Oremus - Aiken (R)
(Banking Sub, LCI)
Fawn Pedalino - Clarendon (R)
(Banking Sub, LCI)
Mark Smith - Berkeley (R)
(Banking Sub, LCI)
JBailey, AB
Robert Williams - Darlington (R)
(Banking Sub, LCI)
Gary Brewer - Charleston (R)
(LCI)
Don Chapman - Anderson (R)
(LCI)
CK
Brandon Guffey - York (R)
(LCI)
Bill Hager
(LCI)
Roger Kirby - Florence (D)
(LCI)
JB, DS, MF
Brian Lawson - Cherokee (R)
(LCI)
Chris Wooten - Lexington (R)
(LCI)
FLD
MC, DS
WESTON NEWTON
FLG
BH, WB
BRUCE BANNISTER
FLG
AS, LH
BILL HIXON
FLG
PW
PATRICK HADDEN
FLG
LEE HEWITT
TN
Days Remaining in Session:
15
DENNIS
FLG
Leon Howard
JB
David Weeks
JB
Justin Bamberg
JB
Hamilton Grant
JB, PW
Bill Clyburn
JB, PW

# Outcome of Banker Advocacy - Advantages and Opportunities Created

- Almost 200 banker contacts to 112 legislators
- Senate subcommittee held a hearing and refused to move the bill forward
- The House refuses to take the bill up.
- Chairman Herbkersman: "Y'all did it right."
- Advocacy created greater, more visible, exposure of banking industry with the legislature, particularly new members
- Advocacy strengthened banker/legislator relationships in community
- Bankers were actively engaged in advocacy.
- Opportunity – House's Economic Development Ad Hoc Committee
- 2026 session – Credit unions attempted to add the proposal to other unrelated bills.  Banker advocacy was needed numerous times.

URGENT: Contact Your Senator Today - Amend Guarantee Banking Act

PALMETTO
PUBLIC DEPOSITS
COALITION

## Last Chance to Pass Public Deposits!

The South Carolina Senate is expected to take up the **Guarantee Banking Act** this week, creating a critical opportunity to advance public deposits legislation before **Sine Die on Thursday**.

The Guarantee Banking Act is intended to ensure that South Carolina citizens and businesses are not unfairly denied access to banking and financial services. That same principle should apply to public entities and taxpayer dollars.

Current law limits counties, municipalities, school districts, and other public entities from depositing funds with credit unions, even when a credit union may be the best local option. Adding language on public deposits to the Guarantee Banking Act would ensure public entities have greater freedom to choose the financial institution that best serves their communities.

This proposal does **not** require anyone to use a credit union. It simply creates more **competition, choice, and local control** while helping prevent public entities from being effectively shut out of safe, trusted financial options.

With session ending Thursday, time is running out.

**Please contact your state senator today and urge them to support adding public deposits language to the Guarantee Banking Act.**

Click Here to Contact Your Senator

# AI - What is the Difference Between a Bank and a Credit Union?

The primary difference is that **banks are for-profit corporations** owned by shareholders, while **credit unions are not-for-profit cooperatives** owned by the members who use them.

**Quick Comparison**

**Profit Structure**: Banks serve investors. Credit unions serve members.

**Customer Status**: Bank users are customers. Credit union users are co-owners.

**Interest Rates**: Credit unions generally offer higher savings yields and lower loan rates.

**Fee Structure**: Banks tend to charge higher and more frequent fees.

**Eligibility**: Anyone can open a bank account. Credit unions require a common bond (employer, location, or group).

**Technology**: Large banks usually offer superior digital tools and mobile apps.

**ATM Networks**: Banks own large private networks. Credit unions share a massive cooperative network.

**Federal Insurance**: Banks use the **FDIC**. Credit unions use the **NCUA**. Both protect up to $250,000

**How to Choose**

**Pick a bank** if you want top-tier technology, nationwide branches, and international services.

**Pick a credit union** if you want lower loan rates, cheaper fees, and community-focused service.

# Regulatory Advocacy

# Bank policy in 2024: ‘the regulatory tsunami’

**The cumulative waves of regulatory actions threaten to swamp banks and their customers.**

# The "Tsunami" in 2025

- ~~New banking regulator proposals:~~
  - ~~Increase bank capital levels,~~
  - ~~Impose a new long-term debt requirement~~
  - ~~Make the resolution planning process more complex~~
- ~~CFPB's Section 1071 small business reporting requirements~~
  - ~~Far above and beyond what was outlined in Dodd-Frank~~.
- ~~CFPB's proposals on overdraft and NSF fees~~
- Fed's proposal to lower the cap on interchange fees
- ~~FDIC proposing significant changes to its corporate governance guidelines~~.
- ~~The new Community Reinvestment Act rule — A complex, 1,500-page final rule with significant new requirements that could fundamentally alter banks' business strategies.~~

# Regulatory Proposals Will Still Occur

# Comment Letters - Making Our Voices Heard with Regulators

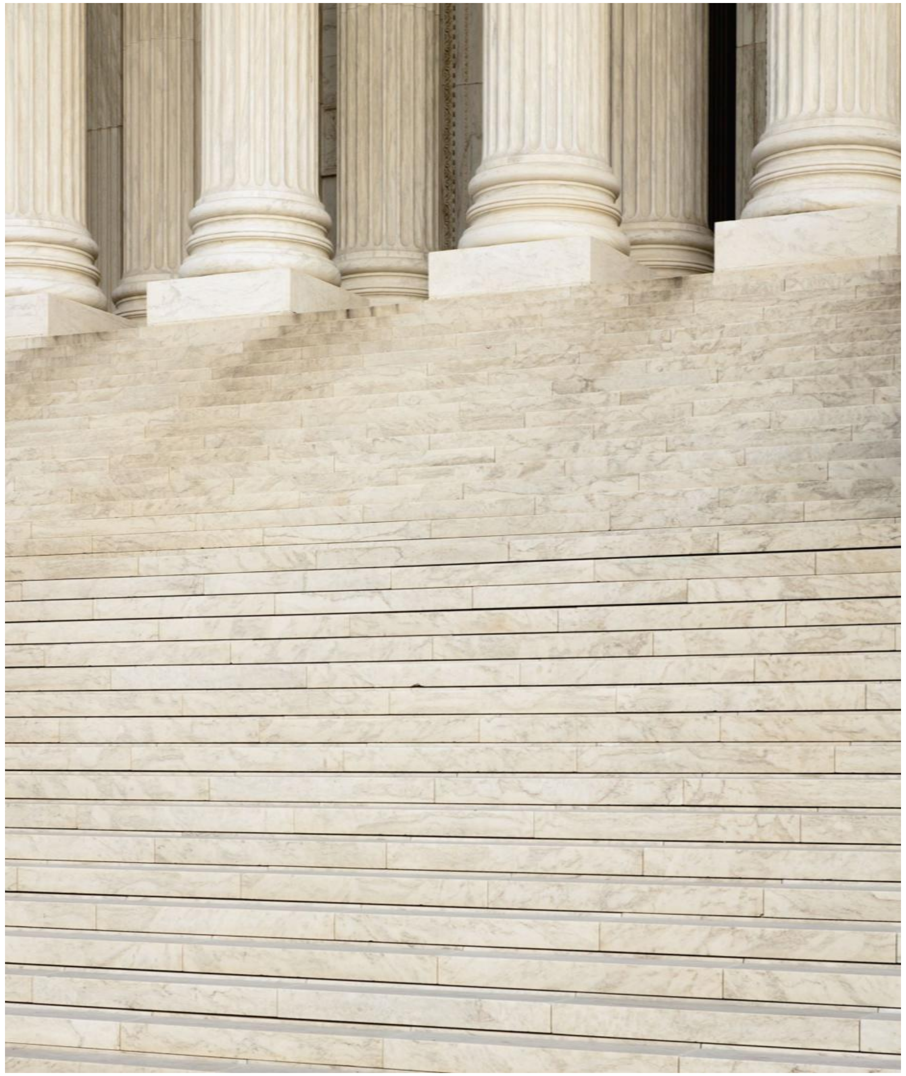
- FFIEC – CAMELS ratings proposals
- Community Reinvestment Act
- Section 1071 – CFPB Rule on Business Lending Data
- When commenting always show the impact the proposal would have on your customers and communities, as well as your bank.

# Banker Involvement in SCBA Advocacy

## Building Relationships with Policymakers

# Advocacy and Relationship Opportunities through SCBA

- Involvement helps foster positive relationships with all legislators in a bank's footprint
- Activity in SCBA committees
- State Legislative Reception
- Emerging Leaders Division visit to State House
- Emerging Leaders Division visits to state legislators
- Washington Trip in conjunction with the ABA Government Relations Summit
- Take Your Lawmaker to Work





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# Other Types of Advocacy

# Grassroots Efforts

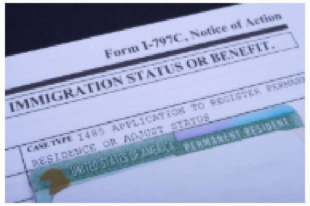
- Organized advocacy campaigns on a particular issue
- Communicating with a particular group and asking them to contact their local, state or federal officials regarding a certain issue - often coordinated by organizations like SCBA or ABA
- Communications to policymakers
  - Letters, e-mails, phone calls, & electronic communications through social media
  - Comment letters on proposed regulations or legislation
- When communicating, always show the impact the proposal will have on your customers and the community.

## TOP STORIES

### ABA, ICBA join state associations in urging Senate to strengthen stablecoin yield provisions in Clarity Act

In a joint letter to Senate leaders, ABA, ICBA and 76 state associations representing thousands of community financial institutions across the U.S. expressed genuine concerns with the Clarity Act and urged targeted changes to provide greater certainty that payment stablecoins cannot function as substitutes for bank deposits. **Tell senators to close the payment of interest loophole**. **Read more.**

### OCC, FDIC release guidance on lending, undocumented workers




Lending to individuals who are not legally authorized to work in the U.S. may present elevated credit risk to financial institutions, the FDIC, OCC and NCUA said in joint guidance. ABA is forming a working group to discuss the guidance and related issues, **click here to join**. **Read more.**

CONFERENCE

Want to know how Annual Convention can position your bank to compete effectively? **Check out the advance program for details**.

### Take Action: Urge your representative to support the Main Street Capital Access Act


Congress is considering the Main Street Capital Access Act, legislation that would expand access to capital and support economic growth in communities across the country. Lawmakers need to hear from bankers. Contact your representative and urge support for the Main Street Capital Access Act. **Read more.**

The House is considering the Main Street Capital Access Act, a comprehensive package of reforms designed to modernize banking regulation, promote new bank formation, and increase access to capital in communities across the country.

This legislation includes critical provisions that will:

- **Encourage the creation of new banks and expand access to financial services**
- **Strengthen community investment by enhancing support for Community Development Financial Institutions and increasing capacity for affordable housing and local development projects**
- **Tailor bank regulation to better reflect risk, size, and complexity while reducing unnecessary burden**
- **Improve transparency and fairness in supervision and increase accountability for federal regulators**
- **Modernize key banking processes to ensure institutions can better serve customers and support economic growth**

These reforms will help banks of all sizes provide more capital, strengthen local economies, and better serve their communities.

**Urge your Member of Congress to support key provisions of the Main Street Capital Access Act.**

Your voice will help advance policies that expand access to credit, strengthen community investment, and support economic opportunity nationwide.

## Act Now!

Fill out the information below to generate a letter to your member(s) of Congress. You'll have the opportunity to review and edit the letter before it is sent.
Fields with an asterisk (*) are required.

First Name *

First Name

Last Name *

Last Name

Address *

Street Address, City, and State

Email *

Email

Title *

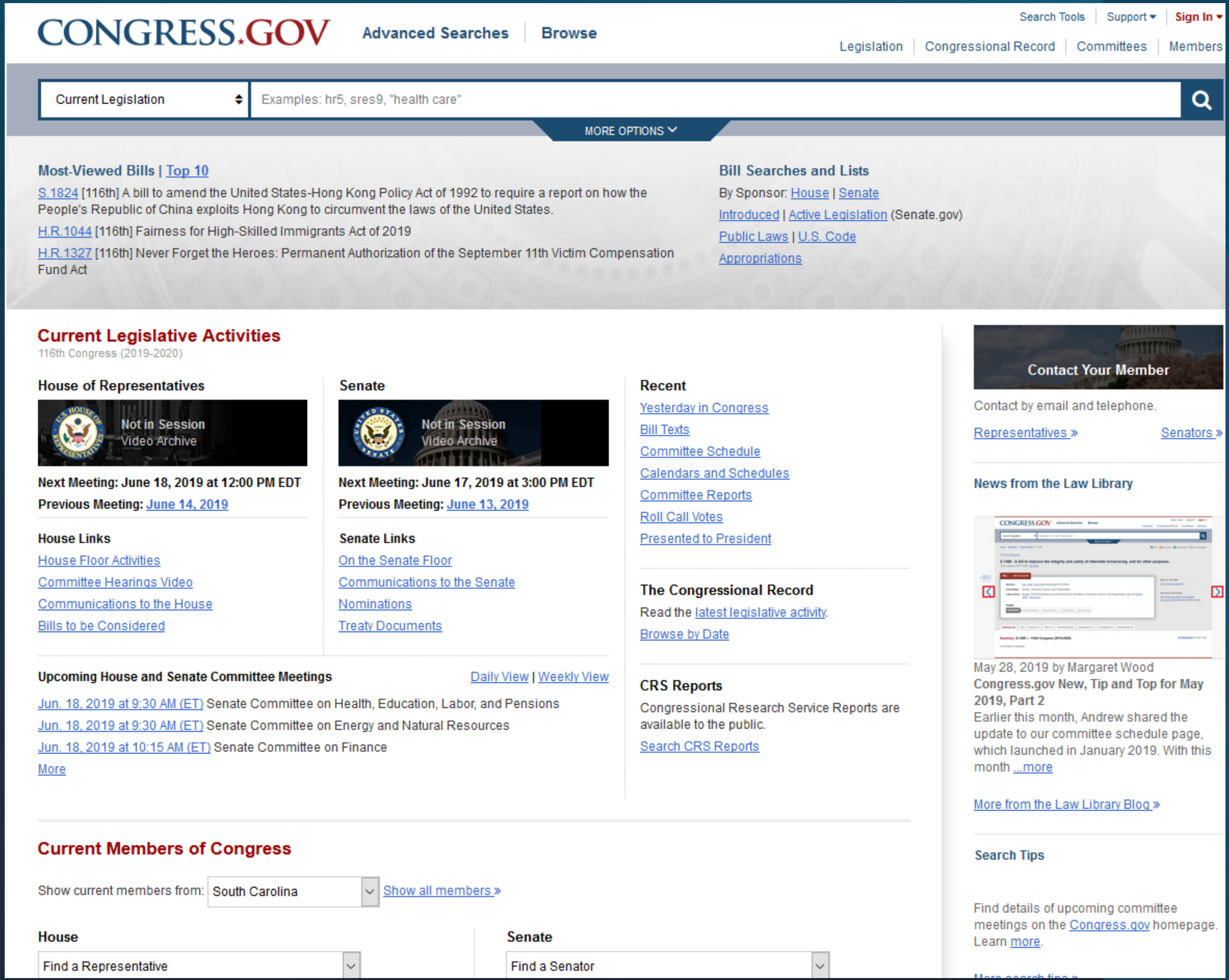
Bank Name *

Take Action

# Political Contributions

- Financial support builds political muscle for the banking industry
- Political Action Committees
  - Strong and active PACs greatly amplify banking's voice
  - Ability to support candidates for office who support banking
  - SCBA BankPAC – contributes to both federal and state candidates as well as ABA Bank PAC
  - Some banks may have PACs
- Individual contributions

# Legislative, Regulatory and Grassroots Resources


CONGRESS.GOV
Advanced Searches
Browse
Search Tools
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Sign In
Legislation
Congressional Record
Committees
Members
Current Legislation
Examples: hr5, sres9, "health care"
MORE OPTIONS
Most-Viewed Bills | Top 10
S.1824 [116th] A bill to amend the United States-Hong Kong Policy Act of 1992 to require a report on how the People's Republic of China exploits Hong Kong to circumvent the laws of the United States.
H.R.1044 [116th] Fairness for High-Skilled Immigrants Act of 2019
H.R.1327 [116th] Never Forget the Heroes: Permanent Authorization of the September 11th Victim Compensation Fund Act
Bill Searches and Lists
By Sponsor: House | Senate
Introduced | Active Legislation (Senate.gov)
Public Laws | U.S. Code
Appropriations
Current Legislative Activities
116th Congress (2019-2020)
House of Representatives
Not in Session
Video Archive
Next Meeting: June 18, 2019 at 12:00 PM EDT
Previous Meeting: June 14, 2019
House Links
House Floor Activities
Committee Hearings Video
Communications to the House
Bills to be Considered
Senate
Not in Session
Video Archive
Next Meeting: June 17, 2019 at 3:00 PM EDT
Previous Meeting: June 13, 2019
Senate Links
On the Senate Floor
Communications to the Senate
Nominations
Treaty Documents
Recent
Yesterday in Congress
Bill Texts
Committee Schedule
Calendars and Schedules
Committee Reports
Roll Call Votes
Presented to President
The Congressional Record
Read the latest legislative activity.
Browse by Date
CRS Reports
Congressional Research Service Reports are available to the public.
Search CRS Reports
Upcoming House and Senate Committee Meetings
Daily View | Weekly View
Jun. 18, 2019 at 9:30 AM (ET) Senate Committee on Health, Education, Labor, and Pensions
Jun. 18, 2019 at 9:30 AM (ET) Senate Committee on Energy and Natural Resources
Jun. 18, 2019 at 10:15 AM (ET) Senate Committee on Finance
More
Current Members of Congress
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News from the Law Library
May 28, 2019 by Margaret Wood
Congress.gov New, Tip and Top for May 2019, Part 2
Earlier this month, Andrew shared the update to our committee schedule page, which launched in January 2019. With this month ...more
More from the Law Library Blog »
Search Tips
Find details of upcoming committee meetings on the Congress.gov homepage. Learn more.

South Carolina Legislature
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Committee Postings and Reports
Legislative Council
Citizens' Interest
Publications
Staff Portal
Chamber Video
Senate (Audio Only)
House (Audio Only)
Video Schedule
Video Archives
How do I...
Legislation
Track Legislation
Multi-Criteria Search
Research
Legislative Manual
Student Connection
Visiting the State House
Archives
State Agency Websites
Media Links
SC.GOV
south carolina STATE LIBRARY
The 2nd regular session of the 124th South Carolina General Assembly
has adjourned pursuant to the provisions of S. 1325, the Sine Die Resolution.
Senate
Chamber Dashboard
Calendars
Committees
Journals
Roll Call Votes
Senators
Introduced Legislation
Redistricting
House of Representatives
Chamber Dashboard
Calendars
Committees
Journals
Roll Call Votes
Representatives
Introduced Legislation
Redistricting
South Carolina Law
Ratifications & Acts
Code of Laws
Code of Regulations
Constitution
State Register
Quick Search
Search for:
Full Site Search
Bill Number
Legislation
Budget
Code of Laws
More...
Find Your Legislators
Submit your address to find your Senators and Representatives
Address
City
, SC
Zip
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Legislative Voting Record
Senate
House
Bill
Choose a Legislator
Get Voting Record
Contact Your Legislator
E-mail your Legislator by selecting the name and clicking Contact Legislator
Choose a Legislator
Contact Legislator
Senate Meeting Schedule
Follow on Twitter
TODAY, June 29
•8:00 am
Test Meeting - please disregard
3rd Floor Conference Room, State House
Live Broadcast
Live Broadcast - Audio Only
More Info
House Meeting Schedule
Follow on Twitter
TODAY, June 29
•10:30 am
CANCELED
Law Enforcement and Criminal Justice Subcommittee of the Legislative Oversight Committee
Blatt Room 321
Thursday, July 7
•12:00 pm
Ad Hoc Committee
Blatt Room 110
Agenda Available
Live Broadcast
Live Broadcast - Audio Only
South Carolina Legislative Services Agency * 223 Blatt Building * 1105 Pendleton Street * Columbia, SC 29201
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Your Voice in Federal Decision-Making



## Make a difference. Submit your comments and let your voice be heard.

SEARCH for: Rules, Comments, Adjudications or Supporting Documents:

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## What's Trending

Sunscreen Drug Products for Over-the-Counter Human Use; Extension of Comment Period
Closing on Jun 27, 2019

Nondiscrimination in Health and Health Education Programs or Activities
Closing on Aug 13, 2019

Medicare Program: Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long Term Care...
Closing on Jun 24, 2019

Endangered and Threatened Wildlife and Plants; Removing the Gray Wolf (Canis lupus) from the List of Endangered and...
Closing on Jul 15, 2019

FR-6124-P-01 Housing and Community Development Act of 1980: Verification of Eligible Status
Closing on Jul 09, 2019

### Comments Due Soon

Today (88)
Next 3 Days (114)
Next 7 Days (185)
Next 15 Days (538)
Next 30 Days (821)
Next 90 Days (1,115)

### Newly Posted

Today (82)
Last 3 Days (82)
Last 7 Days (496)
Last 15 Days (1,070)
Last 30 Days (1,927)
Last 90 Days (6,150)

**Visit New Regulations.gov Site**

**Unable to submit a comment?**

Try disabling browser plugins and extensions (such as Grammarly) and retry.

**FAA Section 333**

**APIs for Developers**

**Browse by Category**

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URGENT: Ask your Senators to protect local lending **ACT NOW!** →

SECURE AMERICAN OPPORTUNITY
Powered by American Bankers Association

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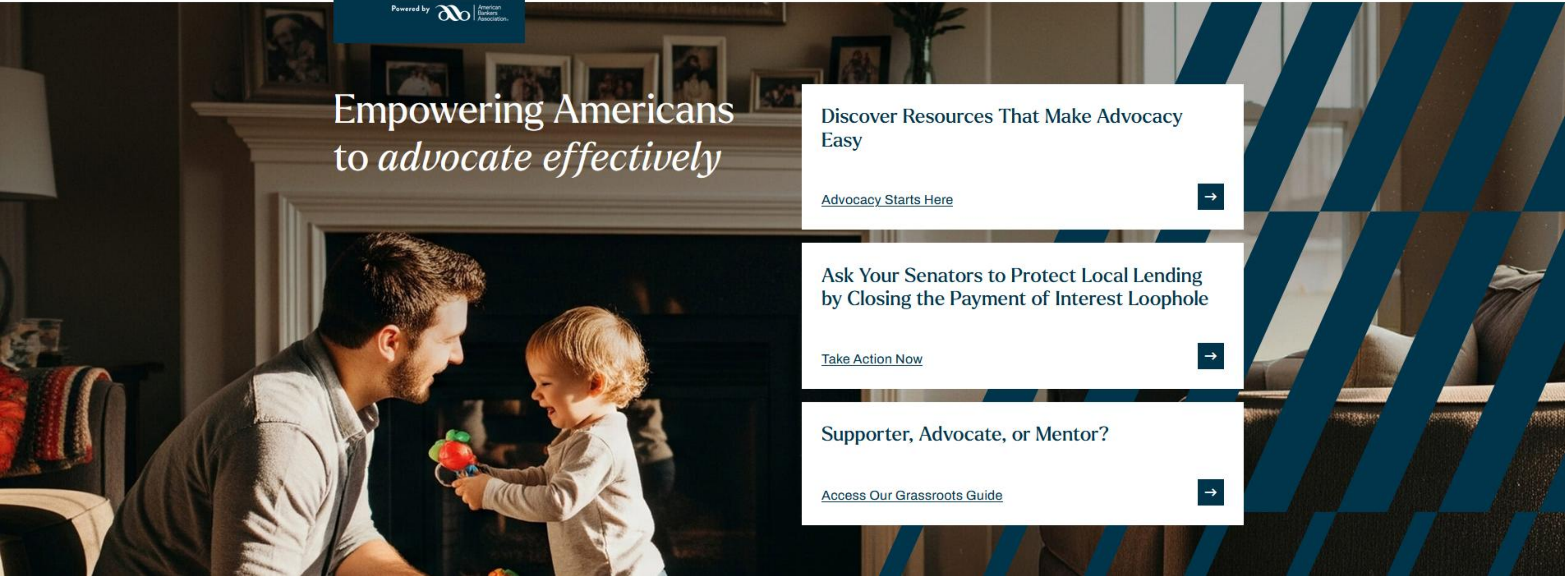


# Empowering Americans to *advocate effectively*

## Discover Resources That Make Advocacy Easy

Advocacy Starts Here →

## Ask Your Senators to Protect Local Lending by Closing the Payment of Interest Loophole

Take Action Now →

## Supporter, Advocate, or Mentor?

Access Our Grassroots Guide →

# TELLING YOUR STORY IS A KEY PART OF EFFECTIVE ADVOCACY

SECURE AMERICAN OPPORTUNITY
Powered by the American Bankers Association

**Your voice matters! Here are a few things you can do to make your story more effective and have maximum impact when speaking with lawmakers.**

## MAKE YOUR STORIES LOCAL AND PERSONAL

A story that takes place right in your community is always more compelling. Use examples from your bank (respecting all confidentialities) to talk about how a specific proposal will impact your customers and your ability to serve your community.

## YOU'RE THE EXPERT

You can speak better than anyone on how a regulation or law may affect your bank and your customers. Always remember that you're the one who interacts with your bank's processes and procedures and customers every day.

## GREAT STORIES HAVE GOOD VISUALS

Think about how you can add color and emotion to your stories. Use memorable analogies, stories, and quotes. Use visuals, such as infographics, whenever possible. Infographics can be fun and imaginative and can help tell the story of the statistic.

## BACK YOUR STORIES WITH DATA BUT BE SELECTIVE

One powerful statistic is better than three weak ones. All statistics aren't created equal, and a little can go a long way.

# Key Points for Successful Banking Advocacy

- Focus on being a successful banker first
- Stay informed on national, state and local banking issues
- Get involved locally
    - Social organizations, churches, schools, or political activities
- Get to know your elected officials
    - Yes, there is a time commitment – but it pays off
    - Not just those who support us, but also legislators who don’t usually vote for us, must hear from us - or they never will vote for us
    - “Crazy always calls us.”
    - Get lunch or a coffee; Invite them to your bank to let them see what banks and bankers do
    - Remember - You never know who they might be one day.

# Key Points for Successful Banking Advocacy

- Get involved with SCBA and ABA
- Participate in grassroots campaigns
- Submit comment letters on proposed regulations and legislation
- Don’t forget political contributions; participate in your bank’s PAC campaign
- Successful advocacy is ultimately about building relationships - with your customers, the community, the media and policymakers.

# Building Relationships

## You Never Know Where and How You'll Meet a Future Lawmaker

Asst. Co. Atty; State Rep

County Council; State Rep.

Small business owner; State Rep.

Local atty; State Sen.

ICU Nurse; Nurse Practitioner; Air Nat'l Guard

Local Prosecutor; Small Business Owner; State Sen.

Real Estate Developer; State Rep.

Director – State Human Affairs Commission

Local Atty; State Rep.

## So, what if they got their way?

## What if they told our story, their way, and we didn't?

- Credit unions
- Fintech
- Stablecoins
- Interchange
- Capital levels
- Section 1071 reporting requirements
- Interest rate caps

# Advocacy - Telling the Banking Story

- Advocacy may not always be top of mind, but it’s one of the most important things we can do to protect and advance banks and their customers and communities in South Carolina.
- Why? Because with advocacy we tell our story.
- But if we don’t tell our story, someone else will — and chances are, they won’t get it right.
- Opportunities for advocacy happen all the time
- The roles you have as banking leaders are critical in advocacy for the banking industry, our customers, and our communities.

# Where to Find Information

State Legislation and Regulations

- www.scstatehouse.gov

Federal Legislation

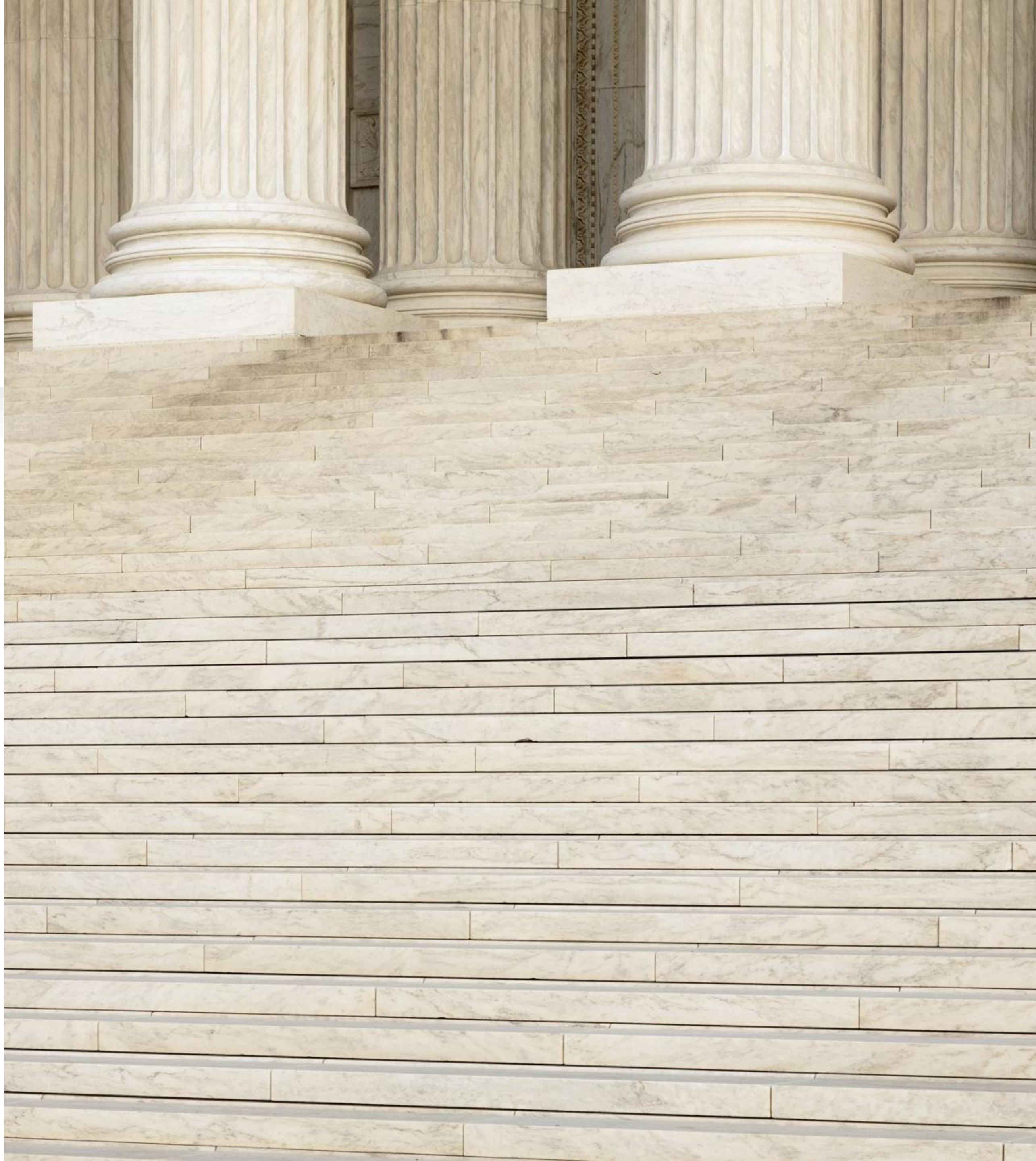
- www.congress.gov

Federal Regulations

- www.regulations.gov
- Also, regulators' websites

- American Bankers Association
  - https://www.aba.com/advocacy/political-engagement

- For additional information on advocacy and issues contact:
  - Neil Rashley, SCBA Senior Vice President and General Counsel
  - www.scbankers.org
  - nrashley@scbankers.org
  - (803) 779-0850



Thank you and congratulations!