

United States Senate

WASHINGTON, DC 20510

January 18, 2018

The Honorable Donald J. Trump
President
United State of America
1600 Pennsylvania Ave., NW
Washington, DC 20220

Dear President Trump:

We write to you today to thank you for prioritizing and advocating for the interests of American taxpayers, workers, and businesses in your international discussions. We also would like to bring to your attention an issue where your leadership would significantly mitigate harm to U.S. stakeholders.

We ask that you take appropriate action to address the role of the Financial Stability Board (FSB) in the U.S. regulatory framework. Additionally, we ask that you formally clarify that the standards or rules developed by the FSB are advisory in nature, and not binding on the United States or U.S. businesses.

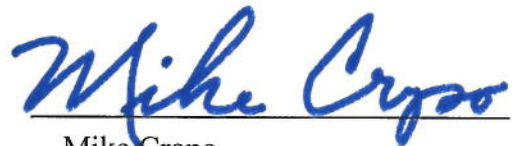
Since its creation, the FSB has morphed into a global regulatory body that operates with minimal oversight and without due process under U.S. law. The FSB specifically states that it enforces “member jurisdictions implementation of agreed commitments, standards and policy recommendations, through monitoring of implementation, peer review and disclosure.”¹ The FSB’s Peer Review mechanism is designed as a quasi-enforcement tool by attempting to pressure noncompliant countries into implementing the proposed standard. Moreover, additional pressure is placed on the U.S. and other countries to adopt FSB rules by making market access contingent on U.S. adoption of prescribed standards and policies.

We are concerned that the FSB has been driving a significant amount of U.S. policymaking regarding financial regulation. We strongly urge you to shift the emphasis from global standards imposed on U.S. entities to ensuring that our federal regulators take into account first and foremost the interest of U.S. affected entities and U.S. consumers.

Sincerely,



Tom Cotton
U.S. Senator




Mike Crapo
U.S. Senator

¹ “About the FSB.” *FSB*, www.fsb.org/about/.

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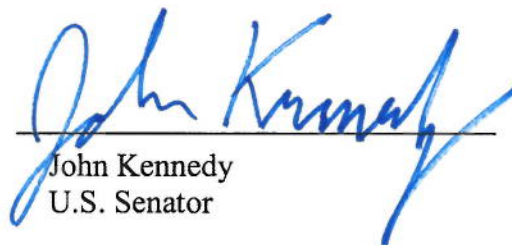
Pat Toomey
U.S. Senator



David Perdue
U.S. Senator



Thom Tillis
U.S. Senator



John Kennedy
U.S. Senator

CC:

Mike Pence, Vice President of the United States
Gary Cohn, Director, National Economic Council
Steven Mnuchin, U.S. Treasury Secretary
Jay Clayton, Chairman, Securities and Exchange Commission
Janet Yellen, Chair, Federal Reserve
Randal Quarles, Vice Chairman for Supervision, Federal Reserve
Jerome Powell, Governor, Federal Reserve
Christopher Giancarlo, Chairman, Commodity Futures Trading Commission
Martin Gruenberg, Chairman, Federal Deposit Insurance Corporation
Joseph Otting, Comptroller of the Currency
William Dudley, President, New York Federal Reserve Bank