

STATE OF NEVADA



OFFICE OF THE  
SECRETARY OF STATE

October 26, 2023

Chairman Martin J. Gruenberg  
Federal Deposit Insurance Corporation  
Division of Finance  
3501 North Fairfax Drive  
Building E, 5th floor  
Arlington, VA 22226

Dear Chairman Gruenberg,


Since being elected to serve the people of Nevada as Secretary of State, it is my duty and responsibility to promote and encourage the development of new business opportunities throughout the Silver State. We have done that from Day 1, helping streamline business filings and making it easier for folks to start their own companies.

I am writing today to comment on the recent proposal that seeks to raise capital requirements for banks. If we move forward with this regulation, I am deeply concerned that it would undo much of the good work that we have done so far to support our small businesses. This is because the rule would all but force banks to significantly decrease their loan and banking services. Without access to this credit, small businesses would have few alternatives for the immediate funding they need to pay for countless expenses that come with starting up. With over 40% of Nevada's workers employed by small businesses, this would create a credit crunch that would financially squeeze our economy.

It is also important to take into account how communities of color will be harmed by this regulation. I am deeply grateful to be the first Latino to hold this office and hold a responsibility to ensure the nearly 900,000 Latinos living in Nevada have access to the same economic opportunities over their neighbors. That being said, even though Nevada's small businesses population consists of many Latino owners, the reality is that they have long faced financial struggles. This can be seen by studies that show 3 in 10 Latino businesses find it difficult to obtain enough funding to finance their everyday operations, a number that could worsen due to higher capital requirements.

Nevada's business community has continued to set milestones thanks in part to the work of the Biden administration. This is especially true for Latino owned businesses across the country, which have received \$3 billion in lending to grow their business. We can carry on with this progress by voting against increased capital requirement efforts that would curb this development.

Sincerely,

  
Francisco V. Aguilar  
Secretary of State, Nevada