Making Sense of SIFIs

Title I of the Dodd-Frank Act established a \$50B line for "too big to fail" banks (SIFIs), but many new financial stability rules are tailored for small, medium, and large banks.

	Regulatory Thre	eshold: \$1 Billion in Total Consolidated Assets (as of May 15, 2015)	
z	Large Community Banks	Volcker Rule	\checkmark
\$10 BILLION — \$1 BILLION		Enhanced Capital Standards	\checkmark
		Leverage Ratio	\checkmark
		Liquidity Coverage Ratio	N/A
		30-Day Liquidity Buffer	N/A
		Stress Testing	N/A
		Risk Management Committee	N/A
	< 500 Banks	Office of Financial Research Fees	N/A
	Regional Banks	Volcker Rule	\checkmark
- \$10 BILLION		Enhanced Capital Standards	\checkmark
		Leverage Ratio	\checkmark
		Liquidity Coverage Ratio	N/A
		30-Day Liquidity Buffer	N/A
200 BILLIUN —		Stress Testing: One Annual Internal Test	\checkmark
		Risk Management Committee (If Publicly Traded)	\checkmark
		Office of Financial Research Fees	N/A
	SIFI Desi	gnation Threshold: \$50 Billion in Total Consolidated Assets	
	Systemically Important Financial Institutions (SIFIs)	Volcker Rule	~
		Enhanced Capital Standards	\checkmark
		Leverage Ratio	\checkmark
		Liquidity Coverage Ratio of 70% + Monthly Reports	\checkmark
→Z200 BILLIUN		30-Day Liquidity Buffer	\checkmark
		Stress Testing: Two Annual Internal Tests + Fed-Run Tests	~
		Risk Management Committee + Risk Officer & Resolution Plan	√
	21 Banks	Office of Financial Research Fees	~
	<section-header><section-header>Gestings & Advanced approachesImage: Construction of the second seco</section-header></section-header>	Volcker Rule	\checkmark
		Enhanced Capital Standards	\checkmark
		Leverage Ratio + Supplementary Leverage Ratio	\checkmark
- \$250 BILLIUN		Liquidity Coverage Ratio of 100% + Daily Reports	~
		30-Day Liquidity Buffer	~
		Stress Testing: Two Annual Internal Tests + Fed-Run Tests	~
		Risk Management Committee + Risk Officer & Resolution Plan	~
		Office of Financial Research Fees	\checkmark
\$2.5 IKILLIUN —		Basel III Proposals: G-SIB Capital Surcharge, Total Loss Absorbing Capital, Net Stable Funding Ratio	~

Source: Federal Financial Institutions Examinations Council, "BHCPR Peer Group Average Reports"; Board of Governors of the Federal Reserve System, Regulations Q, VV, WW, and YY. © 2015 Third Way. Concept by Emily Liner, graphic by Clare Jackson. Free for re-use with attribution/link.

Bank Holding Company Size by Total Consolidated Assets



Degree of Rigor