

# The Charlotte Observer

## BB&T CEO on regulation: “Banks are overmanaged”

Matt Kaminer

June 6, 2017

Known for his concerns about regulation, BB&T CEO Kelly King told an audience in Charlotte Tuesday that banks today are “overmanaged.”

His remarks seemed to be in line with President Donald Trump’s push to roll back post-financial crisis reforms, but he said he didn’t want to comment on politics.

“Banks are micromanaged by supervisory bodies today, and I’m afraid that, in an attempt to reduce risk in the system, we have increased risk in the system,” King, CEO of the Winston-Salem-based bank since 2009, said at the Cato Institute Summit on Financial Regulation, held at the Ritz-Carlton hotel in uptown.

King, who is also the bank’s chairman, centered his comments around criticism of the Dodd-Frank Wall Street Reform and Consumer Protection Act, a significant financial reform passed by the Barack Obama administration to counteract the financial crisis of 2008.

“After eight years or so (of Dodd-Frank), we are now, very ironically, squeezing loans and deposits out of the banking system,” King said. “As we have dramatically increased regulations on capital and liquidity, we have seen loans and deposits leaving the system.”

“Let the banks run themselves again,” King added.

BB&T, which employs about 37,000 nationwide, is the third-largest bank by deposits in the Charlotte metro area, behind No. 1 Bank of America and No. 2 Wells Fargo.

King has a close tie to the Cato Institute, as his predecessor at BB&T, [John Allison](#), served as president of the Washington D.C.-based libertarian think tank from October 2012 to April 2015 following a 19-year tenure as the bank’s CEO.

Towards the end of his address, King shifted gears, bringing up a topic that he called “an elephant in the room.”

“The biggest dilemma of all is that we have a dysfunctional public school system in this country,” King said. “It is failing, and nobody’s talking about it.”

King cited a lack of literacy in both reading and math at the elementary school level as a factor that can eventually feed into an economic gap.

“We have an educational divide that leads to an economic divide,” King said. “If you can’t read, and you can’t do simple math, you can’t get a job.”

