

April 28, 2017

The Honorable Jeb Hensarling
Chairman
House Committee on Financial Services
Washington, D.C. 20515

The Honorable Maxine Waters
Ranking Member
House Committee on Financial Services
Washington, D.C. 20515

Dear Chairman Hensarling and Ranking Member Waters:

Since the enactment of the Dodd-Frank Act, 1,917 banks—*24% of the industry*—have merged or closed their doors. Today, there are less than 6,000 banks in this country for the first time since 1890. While economic conditions and other factors certainly play a role in any bank's closure or merger, it would be shortsighted to believe that the influx of new regulations over the past decade have not contributed to this rapid decline in the number of banks serving their communities. In fact, the pace of consolidation jumped dramatically after the enactment of Dodd-Frank, from a decline of 14% six years before the law was enacted, compared with a decline of 24% after it.

Like any complex law, the Dodd-Frank Act is not perfect. Our member banks have seen a massive growth in their compliance operations and hours spent trying to understand the *25,000 pages* of proposed and final rules that have come from its passage. While this massive growth in both regulatory cost and complexity greatly damages banks' operating efficiencies, it also dramatically impedes their ability to serve their customers and communities. Any law as broad as Dodd-Frank – one that impacts nearly every consumer and marketplace in this country – must be re-examined and modified when necessary to limit the negative impact it has had on banks, particularly community banks, and the customers that they serve.

We applaud you for taking the first step in this process by introducing legislation, like H.R. 10, the Financial CHOICE Act, that provides the most comprehensive legislative framework to date for revising the Dodd-Frank Act. This measure, along with other bills introduced by members of your Committee, are vital to ensuring that communities are not left without a regulated financial institution to serve their needs.

As state bankers associations representing institutions of all sizes in every congressional district, we appreciate your steadfast efforts in advancing legislation that will help this nation's banking industry better serve its customers. We look forward to working with the House Financial Services Committee and members of the House of Representatives in passing much needed regulatory reforms that will help our member banks better serve the needs of their communities to foster economic growth.

Sincerely,

Alabama Bankers Association
Alaska Bankers Association
Arizona Bankers Association

Arkansas Bankers Association
California Bankers Association
Colorado Bankers Association
Connecticut Bankers Association
Delaware Bankers Association
Florida Bankers Association
Georgia Bankers Association
Hawaii Bankers Association
Idaho Bankers Association
Illinois Bankers Association
Illinois League of Financial Institutions
Indiana Bankers Association
Iowa Bankers Association
Kansas Bankers Association
Kentucky Bankers Association
Louisiana Bankers Association
Maine Bankers Association
Maryland Bankers Association
Massachusetts Bankers Association
Michigan Bankers Association
Minnesota Bankers Association
Mississippi Bankers Association
Missouri Bankers Association
Montana Bankers Association
Nebraska Bankers Association
Nevada Bankers Association
New Hampshire Bankers Association
New Jersey Bankers Association
New Mexico Bankers Association
New York Bankers Association
North Carolina Bankers Association
North Dakota Bankers Association
Ohio Bankers League
Oklahoma Bankers Association
Oregon Bankers Association
Pennsylvania Bankers Association
Puerto Rico Bankers Association
Rhode Island Bankers Association
South Carolina Bankers Association
South Dakota Bankers Association
Tennessee Bankers Association
Texas Bankers Association
Utah Bankers Association

Vermont Bankers Association
Virginia Bankers Association
Washington Bankers Association
West Virginia Bankers Association
Wisconsin Bankers Association
Wyoming Bankers Association

cc: Members of the House Committee on Financial Services