

January 29, 2018

The Honorable Paul Ryan
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Speaker Ryan and Minority Leader Pelosi:

On behalf of the members of the American Bankers Association, I am writing to express our strong support for H.R. 1426, the Federal Savings Association Charter Flexibility Act of 2017. This bipartisan legislation is scheduled for consideration on the January 29th suspension calendar.

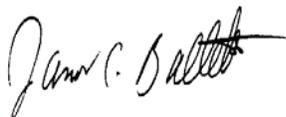
H.R. 1426, introduced by Representatives Keith Rothfus and Jim Himes would provide greater flexibility to institutions chartered under the Home Owners Loan Act (HOLA). The legislation will allow a federal savings association to elect to function as, and be regulated like, a national bank without having to change charters or governance structure. The Office of the Comptroller of the Currency regulates both national banks chartered under the National Bank Act and federal thrifts chartered under the Home Owners Loan Act, and thus has expertise in regulating both types of institutions.

The legislation is the epitome of sensible regulatory relief as it will allow mutual and stock savings associations chartered under the Home Owners Loan Act to better serve the small business and commercial lending needs of their communities, without having to go through lengthy and costly charter conversions.

ABA has long championed greater flexibility for HOLA chartered institutions to adapt their business models to changing demographics and changing needs in their communities. Federal saving associations have a long, proud history of being responsive to their communities' needs, and this legislation will help them to enhance and continue that record.

H.R. 1426 passed the House Financial Services Committee on January 18, 2017 by a unanimous 55-0 vote. ABA strongly supports H.R. 1426 and urges the House to pass this bipartisan reform legislation.

Sincerely,



James C. Ballentine

cc: Members of the U.S. House of Representatives