

Date: April 13, 2016

To: Members of the House of Representatives

From: James Ballentine, Executive Vice President, Congressional Relations & Political Affairs

Re: ABA Support for H.R. 3791 Scheduled for Consideration on April 14, 2016

On behalf of the members of the American Bankers Association (ABA), I am writing to express our support for H.R. 3791 that is slated for consideration before the House of Representatives on Thursday, April 14, 2016.

H.R. 3791, introduced by Representative Mia Love (R-UT), a member of the House Financial Services Committee, would provide needed regulatory relief for hundreds of community banks and thrifts by increasing the Federal Reserve's Small Bank Holding Company (BHC) threshold.

Under H.R. 3791, the BHC threshold would be increased from \$1 billion to \$5 billion. By doing so, more banks and thrifts will qualify for coverage under the BHC and will be exempt from certain capital and regulatory guidelines that do not provide materially more safety and soundness protection for these community banks.

This legislation facilitates the ability of community banks to issue debt and raise capital; thus increasing their involvement in promoting the growth of their local economies. This is important as regulators have proposed through other regulations to increase capital requirements for both community banks and larger institutions in the coming years.

We appreciate the leadership of Rep. Love on this issue and urge Congress to help community institutions by supporting H.R. 3791.