

March 26, 2015

Dear Members of Congress:

On behalf of the more than 1,100 community bankers, state bankers associations, and industry leaders who assembled in Washington this week for the American Bankers Association's Government Relations Summit, we wanted to personally thank you and your staff for your willingness to meet and discuss key policy issues in this critical year.

Following their meetings on Capitol Hill, our bankers were virtually unanimous in expressing a sense of optimism that targeted, practical regulatory relief measures can be enacted. Bankers and state bankers association executives also reported that members of Congress from both sides of the aisle expressed concern about the heavy toll excessive regulation has taken on community bank customers, and that many members appear willing to work together to craft bipartisan solutions. ABA, the 53 state bankers associations and bankers are deeply committed to working with you and your colleagues as you approach this important task.

Recent studies have documented the many ways in which well-meaning but ultimately ill-fitting rules have harmed smaller banks and, most importantly, the customers and communities they serve. It is critical that we turn back the tide so that America's hometown banks can continue financing their customers' dreams – whether that dream is buying a home or growing a small business. We likewise believe Congress can do more to promote tailored regulation that can significantly reduce the impediments that impact thousands of community institutions from best serving their customers. We understand such bills are currently being considered for introduction.

Several bipartisan bills have already been introduced in both the House and Senate that provide incremental relief. Two in particular – the American Jobs and Community Revitalization Act (H.R. 1389) and the Community Lending Enhancement and Regulatory Relief Act (H.R. 1233 and similar legislation S. 812) -- seek to address multiple issues, from streamlining privacy notice mailings and Call Report filings to providing more flexibility in mortgage lending rules and extending examination cycles for highly rated community banks.

We urge you to give these and other bills your attention and support. Enacting these relief measures will help move our nation's banking supervision policy away from counterproductive, one-size-fits-all rules to more effective tailored regulation, which matches a bank's business model and risk profile, and allows for greater access to financial products and services for America's consumers and small businesses.

Community banks' regulatory burden has spawned from many different laws and has accumulated over time, and we realize regulatory relief may require a similarly incremental approach. What's most important is that Congress begin the work of tailoring rules for hometown banks, which so many consumers, businesses and communities across America rely on to grow and prosper. The American Bankers Association, state bankers associations and thousands of bankers across the country are committed to working with you toward that goal.

Sincerely,

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