

March 8, 2017

The Honorable Heidi Heitkamp
SH-516 Senate Office Building
United States Senate
Washington, D.C. 20510

The Honorable Jerry Moran
521 Dirksen Senate Office Building
United States Senate
Washington, D.C. 20510

Dear Senators Heitkamp and Moran:

On behalf of the members of the American Bankers Association, I am writing to express our strong support for your legislation to provide greater flexibility to institutions chartered under the Home Owners Loan Act (HOLA).

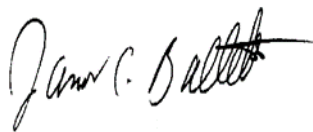
Your legislation would provide greater flexibility to institutions chartered under the HOLA. The legislation is the epitome of sensible regulatory relief. It will allow mutual and stock savings associations chartered under the Home Owners Loan Act to better serve the small business and commercial lending needs of their communities without having to go through lengthy and costly charter conversions.

We note that the proposal is modeled on an approach championed by Comptroller of the Currency Tom Curry in his home state of Massachusetts when he was the commissioner of banking there. 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 OCC 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.

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.

We look forward to working with you toward passage of this needed and important legislation.

Sincerely,



James C. Ballentine