

June 22, 2017

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, D.C. 20510

The Honorable Charles E. Schumer  
Minority Leader  
United States Senate  
Washington, D.C. 20510

Dear Leader McConnell and Leader Schumer:

The undersigned organizations, representing 52 State Bankers Associations, reaching across the banking industry from all states in the country, write to express our strong support for promptly enacting bipartisan regulatory relief legislation that will promote economic growth. This will allow financial institutions to better provide credit to consumers, small businesses, and communities from coast to coast and drive economic expansion, job growth, and overall prosperity.

Regulation is a fact of life for banks, and appropriately tailored regulation promotes stability and consumer confidence in the financial system. However, the cumulative weight of thousands of pages of new regulations and guidance has overwhelmed many of America's financial institutions. It is of the utmost importance that our member banks are able to provide products and services to consumers that are affordable and help grow communities.

It is encouraging to see lawmakers of both parties, the House of Representatives, and the Treasury Department lay the foundation for changes—regulatory calibrations that can kick-start our economy while maintaining a financial system that is safe, sound, and resilient. The opportunity to act now moves to the Senate, and we appreciate Chairman Crapo and Ranking Member Brown for starting the process by holding a series of hearings in the Banking Committee to move discussions forward.

While no single piece of legislation is perfect, there are areas where bipartisan agreement is possible. To highlight just a few, the TAILOR Act would empower regulators to mold their actions to the business model and risk profile of the institution. Legislation that would unlock mortgage credit, whereby treating any loan held in portfolio as a “qualified mortgage,” would make home ownership more accessible without harming safety and soundness. Replacing arbitrary asset thresholds with more holistic, analytical means of evaluating and regulating systemic risk has received bipartisan support in both the House and Senate. Refining liquidity and capital requirements will help banks better serve their customers, clients, and communities, and by encouraging banks to hold municipal bonds and accept municipal deposits, can help rebuild our infrastructure. Additionally, the recent Treasury report highlighted important recommendations to consider on stress testing and the Volcker rule. There are many other ways in which the Senate could provide meaningful relief, and we hope that you will find agreement on these important issues.

We urge the Senate not to allow partisanship to stand in the way of promptly passing much-needed reforms, and we stand ready to work with you in support of the financial needs of America's communities.

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: The Honorable Michael Crapo  
Chairman, Senate Committee on Banking, Housing and Urban Affairs

The Honorable Sherrod Brown  
Ranking Member, Senate Committee on Banking, Housing and Urban Affairs

Members of the United States Senate