



What ICBA Stands for in Financial Reform

ICBA is fighting for reforms to hold Wall Street accountable and against new burdens for Main Street community banks. The following are ICBA's core principles on regulatory reform.

- **End too-big-to-fail.** We stand for the elimination of too-big-to-fail by downsizing the largest institutions, increasing regulation of high risk activities, and a resolution process for systemically dangerous firms prefunded by the firms that create the most risk.
- **Reform FDIC assessments.** We stand for expanding the FDIC assessment base to reflect the true risk to the system by basing assessments on assets minus tangible capital, not domestic deposits. Large, high-risk firms must shoulder their fair share.
- **Establish inclusive, risk-focused consumer protection.** We stand for expanding consumer-protection rules, examination and enforcement to cover the “shadow” financial industry—mortgage companies, payday lenders, check cashers, etc.—that is the true source of consumer abuse and systemic risk.
- **Balance rules, examination and enforcement.** We stand for balancing consumer protection with safety and soundness in rule-writing, examination and enforcement.
- **Ensure securitization without unnecessary risk retention.** We stand for the continued use of securitization—without unnecessary risk-retention requirements—as a major source of funding for community lending. Risk retention would make securitization impractical.
- **Keep the Federal Reserve connected to community banks and Main Street.** We stand for preserving the Federal Reserve’s authority over state member banks. Without this authority, the Fed would become the central bank of Wall Street, not the United States.
- **Preserve state lending limits for state banks.** We stand for preserving the ability of state regulators, who are best able to judge the unique circumstances of their state economies, to determine lending limits for the banks they regulate.
- **Separate banking and commerce.** We stand for separating banking and commerce by closing the industrial-loan-corporation loophole allowing commercial ownership of banks.
- **Level playing field.** We stand for a level playing field that does not exempt Farm Credit System institutions from systemic-risk resolution authority, consumer protections and, along with Farmer Mac, risk-retention requirements.
- **Maintain diversity and choice.** We stand for a diverse, adaptable regulatory system consisting of multiple regulators and offering institutions a choice of charters.