

April 25, 2018

The Honorable Paul D. Ryan  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Nancy Pelosi  
Democratic Leader  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Speaker Ryan and Democratic Leader Pelosi:

On behalf of the 12,000 community financial institutions represented by the Independent Community Bankers of America (ICBA) and the Credit Union National Association (CUNA), we urge you to schedule floor consideration of the Economic Growth, Regulatory Relief and Consumer Protection Act (S. 2155) at the earliest opportunity. As this letter demonstrates, S. 2155 is a rare instance of agreement between our two trade associations. While we have our policy differences, we do agree that expeditious enactment of S. 2155 is an imperative for the community lenders we represent.

As you know, S. 2155 passed the Senate in March by a decisive margin of 67 to 31. This unusually strong bipartisan support is the result of painstaking compromise and consensus building by a core group of bipartisan Senators led by Banking Committee Chairman Mike Crapo. These Senators were committed to crafting a bill that would strengthen access to credit, spur local economic growth, preserve the safety and soundness of our financial system, and ensure robust consumer protections. This effort was aimed at producing a bill that can pass both houses of Congress and be signed into law by the President.

The bill that the Senate produced, frankly, would not have been possible without the earlier action on the part of the House, which passed H.R. 10, the Financial CHOICE Act introduced by House Financial Services Committee Chairman Jeb Hensarling. Several provisions of H.R. 10 are included in S. 2155. To be sure, years of deliberation, hearings, markups, and floor votes in the House inspired and prompted the Senate to craft and consider S. 2155. This is effectively a bicameral bill; the House deserves as much credit for S. 2155 as the Senate.

The bill would promote access to community bank and credit union mortgage credit by providing automatic “qualified mortgage” status for mortgages held in portfolio by financial institutions with assets of less than \$10 billion. These same institutions would be exempt from costly escrow requirements that discourage lending, provided they make 1,000 or fewer first lien mortgages on principle residences. In addition, S. 2155 would provide TILA-RESPA (TRID) relief, an appraisal exemption for portfolio mortgages of less than \$400,000 in rural areas when a licensed appraiser cannot be found, and an exemption from new HMDA reporting requirements for low-volume mortgage lenders. Long-standing, detailed HMDA reporting would still be required of nearly all mortgage lenders.

Taken together, the provisions of S. 2155 would create tiered regulatory relief for community financial institutions, allowing them to dedicate more resources to serving agricultural and Main Street customers. The bill would also deter industry consolidation, thereby promoting a healthy and robust financial services marketplace to the benefit of individual customers and small businesses across the nation.

The provisions of S. 2155 were inspired by House-passed legislation and carefully selected and balanced to meet the 60-vote threshold in the Senate. S. 2155 has met and exceeded that goal. Now, we ask the House to take up and pass S. 2155 so that it can become law.

On behalf of the America's community banks and credit unions, thank you for your consideration.

Sincerely,

/s/  
Camden R. Fine  
President & CEO  
Independent Community Bankers of America

/s/  
Jim Nussle  
President & CEO  
Credit Union National Association

CC: Members of the U.S. House of Representatives