

May 9, 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

The Honorable Kevin McCarthy  
Majority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Steny H. Hoyer  
Democratic Whip  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Steve J. Scalise  
Majority Whip  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Speaker Ryan, Majority Leader McCarthy, Majority Whip Scalise, Democratic Leader Pelosi, and Democratic Whip Hoyer:

The undersigned state banking associations representing our nation's nearly 5,700 community banks respectfully urge you to take up and pass S. 2155, the Economic Growth, Regulatory Relief and Consumer Protection Act, as quickly as possible. S. 2155 is a rare bipartisan opening for real, impactful community bank regulatory relief that will strengthen economic growth, job creation, safety and soundness, and consumer protection.

S. 2155 bears the unmistakable stamp of numerous community bank regulatory relief bills that have advanced in the House in the 115<sup>th</sup> Congress and in prior Congresses. Years of hearings, debate, and deliberation in the House prompted the Senate to craft, debate, and ultimately pass S. 2155. Key provisions of S. 2155 replicate House bills, many of which have bipartisan support.

House passed provisions in S. 2155 include:

- Automatic “qualified mortgage” (QM) status for community bank mortgages held in portfolio. (H.R. 2226. Passed House Financial Services Committee 55-0 and passed House on voice vote.)
- Escrow relief for community bank mortgages held in portfolio. (H.R. 3971. Passed House on broad bipartisan vote.)
- Relief from new Home Mortgage Disclosure Act (HMDA) data collection and reporting for lenders that originate fewer than 500 mortgages annually. (H.R. 2954. Passed House on bipartisan vote.)
- Relief from Basel III capital rules for community banks with a high leverage ratio. Basel III is intended for large, internationally active banks. (Similar to “off ramp” provision of the Choice Act, H.R. 10.)

- Create “short form” call report for use in first and third quarters of each year by well-rated banks with assets of less than \$5 billion. (H.R. 4725. Passed House Financial Services Committee 55-0 and passed House on a voice vote.)
- Volcker Rule exemption for banks with assets of less than \$10 billion. (H.R. 4790. Passed House 300-104.)
- Easing restrictions on reciprocal deposits to keep deposits in the community. (H.R. 2403. Bipartisan sponsorship.)
- Appraisal requirement exemption in areas with a scarcity of licensed appraisers. (H.R. 3221. Passed House Financial Services Committee 32-26.)

We will continue to aggressively advocate for needed community bank regulatory relief measures that are not included in S. 2155. However, S. 2155 has passed a critical test in the Senate. This bill represents the best and most realistic opportunity to enact meaningful regulatory relief for community banks in the 115th Congress. The time for endless debate and deliberation is over. **We urge you to seize this unique opportunity to immediately pass community bank regulatory relief that can be signed into law by the President.**

Thank you for your consideration.

Sincerely,

Alabama Bankers Association, Inc.  
Arkansas Community Bankers  
Arizona Bankers Association  
Community Bankers of Washington  
California Community Banking Network  
Independent Bankers of Colorado  
Florida Bankers Association  
Community Bankers Association of Georgia  
Community Bankers of Iowa  
Idaho Bankers Association  
Community Bankers Association of Illinois  
Indiana Bankers Association  
Community Bankers Association of Kansas  
Bluegrass Community Bankers Association  
Louisiana Bankers Association  
Massachusetts Bankers Association, Inc.  
Maryland Bankers Association  
Maine Bankers Association  
Community Bankers of Michigan  
Independent Community Bankers of Minnesota  
Missouri Independent Bankers Association  
Mississippi Bankers Association  
Montana Independent Bankers  
North Carolina Bankers Association  
Independent Community Banks of North Dakota

Nebraska Independent Community Bankers  
New Hampshire Bankers Association  
New Jersey Bankers Association  
Independent Community Bankers Association of New Mexico  
Independent Bankers Association of New York State  
Community Bankers Association of Ohio  
Community Bankers Association of Oklahoma  
Oregon Bankers Association  
Pennsylvania Association of Community Bankers  
Independent Banks of South Carolina  
Independent Community Bankers of South Dakota  
Tennessee Bankers Association  
Independent Bankers Association of Texas  
Virginia Association of Community Banks  
Vermont Bankers Association, Inc.  
Wisconsin Bankers Association  
Community Bankers of West Virginia  
Wyoming Bankers Association

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