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 115th 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