



INDEPENDENT COMMUNITY
BANKERS of AMERICA®

Timothy K. Zimmerman, *Chairman*
Preston L. Kennedy, *Chairman-Elect*
Noah W. Wilcox, *Vice Chairman*
Kathryn Underwood, *Treasurer*
Christopher Jordan, *Secretary*
R. Scott Heitkamp, *Immediate Past Chairman*
Rebeca Romero Rainey, *President and CEO*

June 5, 2018

The Honorable James M. Inhofe
United States Senate
Washington, D.C. 20510

Dear Senator Inhofe:

On behalf of the nearly 5,700 community banks represented by the Independent Community Bankers of America (ICBA), I write to thank you for your strong support for America's military banks and to ask for your assistance during Senate floor consideration of the 2019 National Defense Authorization Act. We urge your leadership in offering an amendment similar to that offered by Representative Steve Russell to the House version of the Act (H.R. 5515), which would promote competitive banking services on our nation's military bases to the benefit of servicemembers. As you know, the Russell amendment received bipartisan support in committee, had the support of both banks and credit unions, and was preserved during floor consideration and passage of H.R. 5515. We appreciate you being a champion of this issue in 2016 and ask for your leadership once again.

Under current law, banks on military bases pay rent for the use of facilities according to a "fair market value" which is determined separately by each facility. The process has not been fair or effective and has resulted in unreasonable rent increases that have driven many banks off military bases in recent years. Credit unions do not pay rent, according to a law passed over a decade ago, even though this decision is discretionary. As a result, many bases that were once served by both a bank and a credit union are now served only by a credit union. This is a disservice to our men and women in uniform who deserve a choice in financial institutions.

The intent of the Russell Amendment to H.R. 5515 is to require the Department of Defense to accept the value of services provided by all insured depository institutions as full payment for any lease, services, and utilities costs for the space they occupy on military installations. The amendment would effectively allow parity in this regard between banks and credit unions, promoting choice and competition for the benefit of servicemembers. We urge you to offer an amendment that expresses this intent. In order for this provision to become law, we and all American service members count on you to champion this critical issue in the Senate legislation.

Thank you for your consideration.

Sincerely,

/s/

Rebeca Romero Rainey
President & CEO

The Nation's Voice for Community Banks.®

WASHINGTON, DC
1615 L Street NW
Suite 900
Washington, DC 20036

SAUK CENTRE, MN
518 Lincoln Road
PO Box 267
Sauk Centre, MN 56378

866-843-4222
www.icba.org