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July 16, 2018

The Honorable Tom Graves
Chairman
Subcommittee on Financial Services and General Government
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Graves:

On behalf of the more than 5,700 community banks represented by ICBA, I write to offer my support for the community bank regulatory relief provisions of the House FY 2019 Financial Services and General Government Appropriations Act. Thank you for including the bills listed below, all of which have been thoroughly vetted and enjoy broad bipartisan support.

The Financial Institutions Customer Protection Act (H.R. 2706), introduced by Rep. Blaine Luetkemeyer, will help to curtail the abuses of Operation Choke Point by prohibiting the federal banking regulators from suggesting, requesting, or ordering a bank to terminate a customer relationship unless the regulator put the order in writing and specified a material reason for the action. This requirement would limit the opportunity for regulators to abuse their discretion and terminate long-standing banking relationships based on biased, unsubstantiated, or subjective notions of “reputational risk.”

The Financial Institutions Examination Fairness and Reform Act (H.R. 4545), introduced by Reps. Scott Tipton and Carolyn Maloney, would improve the oppressive examination environment for community banks by creating a workable appeals process. The current system, which grants examiners almost unfettered, unassailable authority, begs for checks and balances.

The TRID Improvement Act of 2018 (H.R. 5078), sponsored by Rep. French Hill, amends the Real Estate Settlement Procedures Act (RESPA) to require the CFPB to allow for the calculation of the discounted rate title insurance companies may provide to consumers. This change would more accurately disclose of title insurance premiums and discounts to homebuyers and reduce confusion among homebuyers.

The CFPB-IG Act (H.R. 957), sponsored by Reps. Steve Stivers and Tim Walz, would create a dedicated, independent, Senate confirmed inspector general (IG) for the Consumer Financial Protection

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Bureau (CFPB). The CFPB clearly warrants an independent and dedicated IG, which will greatly improve the agency's accountability.

Congressional Review of CFPB Rulemaking. ICBA supports the inclusion of provisions from the Financial Choice Act (H.R. 10) to enhance congressional review of CFPB rulemaking. We believe this review strengthens the agency's accountability and results in more balanced and effective rulemaking.

Thank you for including these important bills in the FY 2019 FSGG Act.

Sincerely,

/s/

Rebeca Romero Rainey
President & CEO

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