



INDEPENDENT COMMUNITY  
BANKERS *of* AMERICA®

April 20, 2015

JACK A. HARTINGS  
*Chairman*  
REBECA ROMERO RAINES  
*Chairman-Elect*  
R. SCOTT HEITKAMP  
*Vice Chairman*  
PRESTON KENNEDY  
*Treasurer*  
J. MICHAEL ELLENBURG  
*Secretary*  
JOHN H. BUHMASTER  
*Immediate Past Chairman*  
CAMDEN R. FINE  
President and CEO

The Honorable Robert Pittenger  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Pittenger:

On behalf of the more than 6,000 community banks represented by ICBA, I write to thank you for introducing the Right to Lend Act (H.R. 1766), which would repeal Section 1071 of the Dodd-Frank Act. Relief from the small business loan application data collection requirements of Section 1071 is an important component of ICBA's Plan for Prosperity and we are glad to see this reform advanced in legislation.

Under Section 1071, a financial institution must inquire of any applicant for business credit whether the applicant is a small business or women-owned or minority-owned business and must maintain a record of the response to this inquiry separate from the application. In addition, these records are to be kept separate from the underwriting process if feasible. In other words, the requirement compels the bank to create a separate bureaucracy within the bank that cannot be integrated with lending operations. When this mandate is not feasible, such as in organizations that are too small to accommodate firewall structures, Section 1071 requires additional notice requirements. The cost of these new requirements will be disproportionately high for community banks that do not have the scale to spread compliance costs over a large asset base.

An additional concern is that data collected by community banks and subsequently made public by the CFPB could compromise the privacy of applicants in small communities where an applicant's identity may be easily deduced, despite the suppression of personally identifying information.

For these reasons, ICBA strongly supports H.R. 1766. Thank you again for introducing this legislation. We look forward to working with you to advance it into law.

Sincerely,

/s/

Camden R. Fine  
President & CEO

CC: Members of the House Financial Services Committee

***The Nation's Voice for Community Banks.®***

WASHINGTON, DC ■ SAUK CENTRE, MN ■ NEWPORT BEACH, CA ■ TAMPA, FL ■ MEMPHIS, TN

1615 L Street NW, Suite 900, Washington, DC 20036-5623 | 800-422-8439 | FAX: 202-659-1413 | Email: [info@icba.org](mailto:info@icba.org) | Website: [www.icba.org](http://www.icba.org)