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*President and CEO*

December 12, 2017

The Honorable French Hill  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable David Scott  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representatives Hill and Scott:

On behalf of the more than 5,700 community banks represented by ICBA, I write to express our strong support for the Community Bank Access to Capital Act of 2017 (H.R. 4562). By creating new capital options for community banks, H.R. 4562 will enhance community banks' viability and independence and help them to continue to serve their customers and communities. We are pleased these legislative changes encompass ICBA's Plan for Prosperity platform of capital reforms designed to support robust capital and lending levels in communities nationwide. H.R. 4562 contains four provisions:

- **Restoring the Original Intent of the Basel III Rule.** H.R. 4562 would exempt banks with assets of \$50 billion or less from Basel III capital rule. Basel III was originally intended to apply only to large, internationally active banks.
- **Relief from Redundant Attestation Mandate.** H.R. 4562 would provide an exemption from internal control attestation requirements for community banks with assets of less than \$1 billion. The current exemption applies to any company with market capitalization of \$75 million or less. Because extensive community bank internal control systems are monitored continually by bank examiners, they should not have to sustain the unnecessary and redundant annual expense of paying an outside audit firm for attestation work.
- **Additional Capital for Small Bank Holding Companies: Modernizing the Federal Reserve's Policy Statement.** H.R. 4562 would raise the qualifying asset threshold for the Federal Reserve's Small Bank Holding Company Policy Statement from \$1 billion to \$3 billion. The Policy Statement, a set of capital guidelines that have the force of law, makes it easier for small bank and thrift holding companies to raise additional capital by issuing debt.
- **Expand Private Securities Offerings.** H.R. 4562 would raise the limitation on non-accredited investors who may invest in a company's private offerings from 35 to 70.

Thank you for introducing the Community Bank Access to Capital Act. If enacted, H.R. 4562 will play a critical role in preserving a vibrant and competitive financial system that benefits consumers and businesses of all sizes.

We look forward to working with you to advance this important legislation

Sincerely,

/s/

Camden R. Fine  
President & CEO

CC: Members of the House Financial Services Committee

*The Nation's Voice for Community Banks.*<sup>®</sup>

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