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CAMDEN R. FINE
President and CEO

May 2, 2017

The Honorable Jerry Moran
United States Senate
Washington, D.C. 20510

The Honorable Jon Tester
United States Senate
Washington, D.C. 20510

Dear Senators Moran & Tester:

On behalf of the more than 5,800 community banks represented by ICBA, I write to thank you for sponsoring the Community Lending Enhancement and Regulatory Relief Act of 2017 (the "CLEAR Act," S. 1002), which advances priority provisions of ICBA's Plan for Prosperity. I would also like to recognize Senators Heidi Heitkamp and Thom Tillis as original cosponsors of S. 1002. We are pleased to offer our strong support for this important legislation.

Regulatory relief provisions of S. 1002 include:

- Providing any mortgage held in portfolio by a community bank with assets of less than \$10 billion is a "qualified mortgage" under the CFPB's ability-to-repay rules;
- Exempting any mortgage held in portfolio by an institution with assets of \$10 billion or less from escrow requirements;
- Providing relief for community banks with assets of \$1 billion or less from redundant internal control reporting and attestation requirements;
- Exempting banks with assets of less than \$10 billion from the Volcker Rule, and
- Providing a regulatory safe harbor for good-faith compliance with the the TILA-RESPA Integrated Disclosure rule.

These provisions promote tiered regulation of the banking sector by providing calibrated regulatory relief appropriate for the size, lower-risk profile, and traditional business model of community banks.

Community banks provide 60 percent of all small business loans under \$1 million, as well as customized mortgage and consumer loans suited to the unique characteristics of their local communities. They are serving a vital role in ensuring the economic recovery

The Nation's Voice for Community Banks.®

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is robust and broad based, reaching communities of all sizes and in every region of the country. The meaningful regulatory relief provided by S. 1002 will allow them to promote and support entrepreneurship, job creation, and economic growth in their communities.

Thank you again for sponsoring the CLEAR Relief Act. We look forward to working with you to advance and enact these reforms and additional regulatory relief measures from the ICBA's Plan for Prosperity platform.

Sincerely,

/s/

Camden R. Fine
President & CEO

CC: Members of the Senate Banking Committee

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