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November 13, 2017

The Honorable Jeb Hensarling
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Hensarling and Ranking Member Waters:

On behalf of the more than 5,700 community banks represented by ICBA, I write to thank you for scheduling a markup for November 14. We are pleased to see many pro-growth, community bank regulatory relief measures from ICBA's Plan for Prosperity included in this markup. We strongly encourage all committee members to vote YES on the bills noted below:

The Securing Access to Affordable Mortgages Act (H.R. 3221), sponsored by Rep. David Kustoff, would exempt mortgage loans of less than \$250,000 held in portfolio from appraisal requirements that otherwise apply to "higher-risk" mortgages, as defined by regulation. Appraisal requirements have become more costly in recent years and turnaround times have increased significantly. Rural America is experiencing a shortage of licensed appraisers. Appraisal requirements deter community bank mortgage lending and reduce borrower choice. Portfolio lenders have every incentive to ensure that collateralized properties are accurately appraised. Community bank employees understand local real property values much better than licensed appraisers who operate from outside of the county or state where the property is located.

The Protecting Consumers' Access to Credit Act (H.R. 3299), sponsored by Rep. Patrick McHenry and Greg Meeks, would restore the "valid-when-made" doctrine, overturning the *Madden v. Midland Funding* case. H.R. 3299 will ensure continued access to credit by providing that a loan that is valid under federal law will remain valid when sold or reassigned to a third party.

The TRID Improvement Act (H.R. 3978), sponsored by Reps. French Hill and Ruben Kihuen, clarifies the disclosure of home owners' title insurance. The current disclosure of title insurance is often confusing for consumers.

The Corporate Governance Reform and Transparency Act (H.R. 4015), sponsored by Rep. Sean Duffy, would increase oversight of proxy advisory firms by requiring them to register with the SEC, disclose potential conflicts of interest, and make publicly available their methodologies

for formulating proxy recommendations and analyses. Proxy advisory firms, which advise institutional shareholders on their proxy votes on shareholder proposals and director slates, wield enormous influence over corporate governance and have become de facto standard setters for U.S. public companies. At the same time these firms offer consulting services to the same companies whose proxy ballots they evaluate and advise on, setting up potential conflicts of interest.

Taken together, the bills noted above allow community banks to better serve their local businesses and create new jobs. ICBA will continue to press lawmakers to enact these and other sensible measures into law.

Thank you again for bringing these bills before the committee.

Sincerely,

/s/

Camden R. Fine
President & CEO

CC: Members of the House Financial Services Committee

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