

July 21, 2025

The Honorable French Hill
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

Re: Support for Markup Legislation

Dear Chairman Hill and Ranking Member Waters:

On behalf of ICBA and the nearly 45,000 community bank locations we represent, I write to thank you for scheduling a markup on Tuesday, July 22 and to share our views on several bills that will be considered. ICBA urges members of the committee to vote YES on the following bills.

The FDIC Board Accountability Act (Rep. Bill Huizenga) - H.R. 3446

This bill would reform and strengthen the FDIC Board by requiring the appointment of a member with experience in small depository institutions.

In 2015, Congress reformed the Federal Reserve Board of Governors by requiring the appointment of an individual with community banking experience, a position ultimately filled by Governor Michelle Bowman, who has been an exemplary advocate for our industry and for tiered regulation. We strongly support a similar requirement for the FDIC Board and expect that it would yield a similar benefit in promoting appropriately tiered regulation.

Another provision of the bill, 12-year term limits for Board members would ensure fresh perspectives are brought to industry regulation.

The Tailored Regulatory Updates for Supervisory Testing Act of 2025 (TRUST Act of 2025, Reps. Tim Moore and Ritchie Torres) - H.R. 4478

This bill raises the consolidated asset threshold from \$3 billion to \$6 billion for banks to qualify for an 18-month examination cycle. A higher threshold for well capitalized and well managed banks that pose no systemic risk is safe and sensible reform that would allow more community banks to direct more resources toward serving their customers and communities.

The Supervisory Modifications for Appropriate Risk-based Testing Act of 2025 (SMART Act of 2025, Reps. William Timmons and Bill Foster) - H.R. 4437

This bill provides well-managed and well-capitalized financial institutions under \$6 billion in assets with regulatory relief, such as alternating limited-scope examinations and a combined safety-and-soundness exam and consumer compliance exam. As with the TRUST Act, we believe these exam reforms are safe and would provide significant relief.

The Bringing the Discount Window into the 21st Century Act, Rep. De La Cruz - H.R. 3390

This bill would modernize Federal Reserve's discount window lending programs. It seeks to address potential issues like stigma surrounding its use and operational inefficiencies, ultimately improving its effectiveness as a tool for managing liquidity risk and supporting the stability of the financial system.

Enactment of the above bills would go a long way toward reforming our financial regulatory system in a way that strengthens community bank so that they can better serve their local communities.

Thank you for your consideration.

Sincerely,

/s/

Rebeca Romero Rainey
President & CEO

CC: Member of the House Committee on Financial Services