



INDEPENDENT COMMUNITY  
BANKERS of AMERICA®

September 20, 2016

United States Senate  
Washington, D.C. 20510

Dear Senator:

Community bankers across the country are outraged by the rampant consumer fraud perpetrated by thousands of Wells Fargo employees and targeting millions of Americans. Consumers entrust their hard-earned dollars to financial institutions with the expectation that they will be safeguarded. We trust that legal convictions and appropriate punishment—for the perpetrators as well as the senior executives who supervised them—will be swift and decisive. A strong law enforcement response will help to restore the trust of American consumers.

Community bankers work day-in and day-out to earn the trust of their customers and communities. Reputation is everything for community bankers in the communities where they have operated for generations. While a megabank's sprawling operation and transactions-based business model create incentives for employee abuse of consumers, community banks are built on a relationship model. Their incentive is to strengthen their reputation for fair dealing and build multi-generational relationships. The contrast could not be more stark.

We urge you to keep this in mind as you consider any legislative response to the massive fraud perpetrated by Wells Fargo. In the wake of the recent financial crisis, a raft of new, overreaching laws and regulations were enacted. While some of them contained appropriate accommodations for community banks, too many fell disproportionately hard on local institutions. Community bankers are still struggling to cope with a compliance burden that has resulted in the loss of more than 2,000 banks, dried up *de novo* charters and, more importantly, harmed their customers and communities. Community bankers are gravely concerned that the legislative and regulatory reaction to Wells Fargo will again fail to distinguish community banks from the too-big-to-manage behemoths. Costly, unnecessary new requirements would only hamper community banks' ability to serve their customers and drive further consolidation and concentration of our nation's financial resources.

What's needed instead is legislation that promotes real competition in financial services and gives consumers more choices. Such legislation is before Congress today and its momentum should not be stalled by the fraud at Wells Fargo. We urge the passage of targeted, urgently-needed regulatory relief for community banks before the close of the 114<sup>th</sup> Congress.

Fix what's wrong with American financial services by strengthening what's right with it—community banks.

Thank you for your consideration.

Sincerely,

/s/

Camden R. Fine  
President & CEO

REBECA ROMERO RAINEY  
*Chairman*

R. SCOTT HEITKAMP  
*Chairman-Elect*

TIMOTHY K. ZIMMERMAN  
*Vice Chairman*

DEREK B. WILLIAMS  
*Treasurer*

J. MICHAEL ELLENBURG  
*Secretary*

JACK A. HARTINGS  
*Immediate Past Chairman*

CAMDEN R. FINE  
*President and CEO*

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

WASHINGTON, DC ■ SAUK CENTRE, MN ■ IRVINE, 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)



INDEPENDENT COMMUNITY  
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September 20, 2016

U.S. House of Representatives  
Washington, D.C. 20515

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