### PRESERVING TAX CUTS
ICBA will defend the 2017 tax cuts, including the 21 percent corporate rate, the individual rate, the deduction for pass-through income, current taxation of capital gains, and taxation of estates. ICBA will oppose changes to the taxation of “like kind” exchanges, limitations on IRA investments, and new taxes on Subchapter S business income.

» ICBA is leading a grassroots campaign against these tax increases on community banks.

### CLIMATE RISK REGULATION
ICBA is opposing proposals under consideration in the Administration, the agencies, and Congress to create new mandates regarding climate risk. Proposals include stress testing for the impact of weather events on bank-held assets, concentration limits, increased disclosures, and other mandates.

» In September, ICBA released a white paper titled: “Climate Change Regulation on Community Banks: Risks of Choking Off Credit to America’s Communities.”

### NEW BANK REPORTING OF ACCOUNT HOLDER DATA
ICBA is opposing an Administration proposal to require financial institutions to report annually to the IRS on account inflows and outflows.

### SMALL BUSINESS LOAN DATA COLLECTION RULE
The CFPB’s proposed rule would require banks to collect and report data on loan applications from small businesses, as required by the Dodd-Frank Act. The proposed rule would apply to banks that originate 25 or more small business loans per year. The proposal fails to recognize the customized nature of small business lending. ICBA is urging the Bureau to increase the exemption thresholds, collect only the statutorily-mandated data, and keep small business borrower information private.

» ICBA has published a summary of the proposed rule and will soon launch a grassroots toolkit to help bankers direct their feedback and comments to the CFPB (due January 6) and members of Congress.

### Real Results for Your Bank

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<th>Simplified Forgiveness and EIDL Fix</th>
<th>Accounting and Capital Relief</th>
<th>Second Draw PPP with Dedicated Funding for Community Bank PPP Loans</th>
<th>Delayed “Adverse Market Fee”</th>
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<td>Year-end 2020 legislation included simplified forgiveness for PPP loans of less than $150,000. EIDL Advance grants are no longer deducted from the forgiveness amount. The law also provides that a PPP lender is “held harmless” and must only pay agent fees when there is a contract.</td>
<td>Year-end 2020 pandemic relief legislation extended the suspension of troubled debt restructuring (TDR) classification through 2021. Implementation of current expected credit loss (CECL) is also delayed till 2022.</td>
<td>Year-end 2020 pandemic relief legislation created a second draw PPP with $15 billion (initial and second draw) set aside for loans issued by depository institutions with under $10 billion in assets.</td>
<td>In response to an ICBA grassroots and media campaign, the FHFA, Fannie Mae, and Freddie Mac first delayed and then rescinded a 50-basis point fee on refinanced mortgages set to go into effect December 1.</td>
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ICBA ANTI-CREDIT UNION “WAKE UP” CAMPAIGN

The mission of the campaign is to pursue legislative and regulatory changes to address the expansion of credit unions and to draw media and public attention to the industry’s aggressive and abusive exploitation of their tax exemption.

» ICBA took out full-page print and digital ads in regional editions of USA Today calling on Congress to investigate credit unions.

» ICBA wrote to the House Financial Services Committee to request that its hearing on the “Future of Banking” examine credit union-bank acquisitions.

SBA DIRECT LENDING

ICBA is opposing a provision of the Build Back Better Act that would authorize the SBA to issue direct 7(a) loans of less than $150,000. The proposal would sideline community bank lenders, reduce access to small business credit, and be prone to fraud.

» An ICBA witness testified in opposition to the proposal at a September House Small Business Committee hearing.

COMMUNITY BANK LEVERAGE RATIO

ICBA is urging the banking agencies to extend the 8.5 percent Community Bank Leverage Ratio (CBLR) till the end of 2022 to accommodate elevated deposit levels caused by stimulus payments.

INDUSTRIAL LOAN COMPANY LOOPHOLE

The industrial loan company (ILC) loophole allows commercial companies to own ILCs, contrary to the long-standing policy of separating banking and commerce, and escape holding company supervision. ICBA is promoting legislation that would close the ILC loophole, grandfather existing ILCs, and address pending applications.

» ICBA is supportive of draft legislation, the “Close the ILC Loophole Act,” and is working directly with the sponsor to improve it.

TAX INCENTIVES FOR COMMUNITY BANK LENDING

ICBA supports the ECORA Act (H.R. 1977/S. 2202) which would create a tax exclusion for interest on loans secured by agricultural land and residential mortgages in rural communities. ICBA has launched a grassroots campaign to promote cosponsorship of ECORA.

CANNABIS BANKING

ICBA supports legislation that would create a safe harbor from federal sanctions for financial institutions that serve cannabis-related businesses in states where cannabis is legal.

» The SAFE Banking Act (H.R. 1996) passed the House in April on a broad bipartisan vote and is currently before the Senate.

POSTAL BANKING

ICBA opposes proposals to allow the U.S. Postal Service (USPS) to offer financial products and services. Postal banking would distract the USPS from its core mission of delivering letters and packages, putting its financial condition and ultimately U.S. taxpayers at risk. Financial services are best provided in a competitive, private, and free marketplace that openly and efficiently benefits customers.

» ICBA launched a series of short pieces outlining our objections to postal banking.

HOUSING FINANCE

Trump-era amendments to the GSEs’ Preferred Stock Participating Agreements (PSPAs) included restrictions on the purchase of certain types of loans, with a disproportionate impact on smaller lenders. In response to ICBA’s concerns, FHFA recently suspended many of these provisions, including limits on the GSEs’ cash windows, multifamily lending, loans with higher risk characteristics, and second homes and investment properties. FHFA also issued a proposed rule to reduce the amount of capital the GSEs are required to hold from 4% to 3% of assets.

SUPPORT FOR AGRICULTURE

ICBA advocates for enhanced USDA guaranteed lending as well as direct federal assistance and other measures to support American agriculture.