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May 6, 2013

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

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

Dear Chairman Hensarling and Ranking Member Waters:

On behalf of the 7,000 community banks represented by ICBA, I write to thank you for scheduling a markup of the SEC Regulatory Accountability Act (H.R. 1062), introduced by Rep. Scott Garrett, which would require the Securities and Exchange Commission to apply a cost-benefit test to new rulemakings. Rigorous and quantitative justification of all new rules issued by the financial regulatory agencies, including the SEC, is a component of ICBA's Plan for Prosperity: A Regulatory Relief Agenda to Empower Local Communities.

H.R. 1062 requires the SEC to propose or adopt new rules only after a reasoned determination by the agency's Chief Economist that the benefits of a new rule justify the costs. The bill also requires the SEC to consider whether any new rule is warranted by the significance of the problem, and to assess alternatives to the new rulemaking, such as modifying an existing regulation. H.R. 1062 would also require the SEC to periodically review regulations that are already in effect to determine whether they are outmoded, ineffective, insufficient, or excessively burdensome and modify, streamline, expand, or repeal them as appropriate.

In this difficult economic environment, H.R. 1062 would offer welcome relief by putting a reasonable check on new SEC regulations and ensuring that they do not jeopardize community banks' viability by imposing costs that outweigh any benefit. Community banks are struggling under an unwieldy, costly regulatory burden that inhibits their ability to raise capital, lend to small businesses and consumers, and support job creation.

Thank you again for scheduling committee consideration of H.R. 1062. ICBA strongly supports the bill and will work to advance it into law.

Sincerely,

/s/

Camden R. Fine
President & CEO

CC: Members of the House Financial Services Committee