November 8, 2013

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 & Ranking Member Waters:

On behalf of the 7,000 community banks represented by the Independent Community Bankers of America, I write to express our strong support for H.R. 3329, introduced by Reps. Blaine Luetkemeyer, Patrick Murphy, Tom Cotton, Mike Quigley, and Ann Kuster, which would direct the Federal Reserve to increase the qualifying asset threshold of the Small Bank Holding Company Policy Statement from $500 million to $1 billion and allow small savings and loan holding companies to be covered by its provisions. This legislation is a key priority for ICBA and a provision of our Plan for Prosperity: A Regulatory Relief Agenda to Empower Local Communities.

Revising the Policy Statement will make it easier for small bank and savings and loan holding companies to raise both debt and equity and downstream the proceeds to their subsidiary banks. The Policy Statement contains a number of safeguards to ensure that the debt is managed responsibly and subsidiary banks remain well capitalized. Increasing the eligibility threshold to $1 billion to account for inflation, industry consolidation, and asset growth will help an additional 515 bank and savings and loan holding companies[1] raise capital for additional consumer and small business lending, leading to job creation and community development.

ICBA is very pleased to see that H.R. 3329 was introduced with bipartisan support. The provisions of H.R. 3329 are contained in bipartisan Senate legislation as well. We look

[1] According to data compiled by SNL Financial.

forward to working with you to move this important legislation through the Financial Services Committee and to the House floor before year end.

Sincerely,

/s/

Camden R. Fine
President and CEO

CC: Representative Blaine Luetkemeyer
Representative Patrick Murphy
Representative Tom Cotton
Representative Mike Quigley
Representative Ann Kuster

INDEPENDENT COMMUNITY BANKERS of AMERICA The Nation's Voice for Community Banks.®
1615 L Street NW, Suite 900, Washington, DC 20036-5623 ■ 800-422-8439 ■ FAX: 202-659-1413 ■ Email: info@icba.org ■ Website: www.icba.org