ICBA
INDEPENDENT COMMUNITY BANKERS of AMERICA®

November 12, 2013

The Honorable Tim Johnson
Chairman
Committee on Banking, Housing
and Urban Affairs
United States Senate
Washington, D.C. 20510

The Honorable Mike Crapo
Ranking Member
Committee on Banking, Housing
and Urban Affairs
United States Senate
Washington, D.C. 20510

Dear Chairman Johnson and Ranking Member Crapo:

On behalf of the nearly 7,000 community banks represented by the Independent Community Bankers of America, thank you for convening a hearing to consider the nomination of Vice Chair Janet Yellen to be Chairman of the Federal Reserve Board of Governors. Community bankers across the nation will follow this hearing and her nomination with great interest.

Vice Chair Yellen has a highly distinguished record of academic and government service, including service as Chair of President Clinton's Council of Economic Advisors, President and CEO of the Federal Reserve Bank of San Francisco, and her current role, Vice Chair of the Federal Reserve Board of Governors. To her credit, she recognized the housing bubble earlier than many. Vice Chair Yellen is eminently qualified to serve as Chairman of the Board of Governors.

In this week's confirmation hearing, we hope Vice Chair Yellen will express full support for the role of community banks in the national economy, linking herself to a growing number of regulators who have recognized the need for tiered regulation of the financial sector. If Vice Chair Yellen is confirmed, ICBA is committed to working with her to create a more sensible and sustainable regulatory system for community banks.

The burden of current and looming regulation, intended to address the abuses of larger banks, is disproportionate to the legal, compliance and technological resources of community banks and is threatening to further consolidate the industry. Such consolidation will harm consumers and small businesses, particularly in small towns and rural areas as well as underserved urban communities. The regulatory load should be rebalanced to account for the size, business model and risks posed by community banks.

We hope these issues are fully addressed in the hearing. Thank you for your consideration.

Sincerely,
/s/
Camden R. Fine
President and CEO

Cc: United States Senate Committee on Banking, Housing and Urban Affairs