INDEPENDENT COMMUNITY BANKERS of AMERICA®

April 22, 2015

The Honorable Pat Toomey
United States Senate
Washington, D.C. 20510

The Honorable Joe Donnelly
United States Senate
Washington, D.C. 20510

Dear Senators Toomey and Donnelly:

On behalf of the more than 6,000 community banks represented by the Independent Community Bankers of America, I write to express our support for S. 970. We appreciate your efforts to advance a key reform outlined in ICBA's Plan for Prosperity regulatory relief platform.

S. 970 would allow a highly rated community bank with assets of less than $1 billion to use an 18-month exam cycle. Under current statute and agency guidance, banks with assets of less than $500 million and a CAMELS rating of 1 or 2 are eligible for an 18-month exam cycle. All other banks are subject to a 12-month exam cycle. Preparations for bank exams, and the exams themselves, distract bank management from serving their communities to their full potential. For this reason, ICBA continues to also support a 24-month exam cycle for highly rated community banks. Because examiners have more than sufficient information to monitor a community bank from offsite, we believe that this change would not compromise supervision, and would actually increase safety and soundness by allowing examiners to focus their limited resources on the true sources of risk.

Thank you for introducing this important legislation.

Sincerely,

/s/

Camden R. Fine
President & CEO

CC: Members of the Senate Banking Committee

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