



WILLIAM A. LOVING, JR.
Chairman

JOHN H. BUHRMASTER
Chairman-Elect

JACK A. HARTINGS
Vice Chairman

NANCY A. RUYLE
Treasurer

TIMOTHY K. ZIMMERMAN
Secretary

JEFFREY L. GERHART
Immediate Past Chairman

CAMDEN R. FINE
President and CEO

February 24, 2014

United States Senate
Washington, D.C. 20515

Dear Senator:

On behalf of the Independent Community Bankers of America and nearly 7,000 community banks nationwide, we urge the Senate to help ensure appropriate and balanced representation on the Board of Governors of the Federal Reserve. In particular, it is critical to have a broad range of representation on the Federal Reserve Board including a member with a community banking background or community banking supervision experience. As you know, the Federal Reserve not only plays a key role in our economy by promoting employment and stable prices, but is also an important regulatory body for the U.S. and global financial system, particularly since the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Community banks play a critical role in the nation's economy, particularly with respect to small businesses and rural communities. These banks and the communities they serve have vital interests at stake in the economic, banking, and payment system issues that come before the Board. Federal Reserve Governor Elizabeth Duke, a former community banker, stepped down from the Board in August 2013. In addition, Governor Sarah Bloom Raskin, former Maryland commissioner of financial regulation, has been nominated to serve as Deputy Secretary of the Treasury. These departures will leave the Board without sufficient community banking or supervision experience and perspective. As rulemakings and other policy matters come before the Board, it must consider how best to tier regulation so that regulatory objectives are met without disproportionately impacting community banks. Expertise is also required to ensure that regulations intended for the largest banks do not unintentionally sweep in community banks. The unexpected compliance problems associated with the recently-issued Volcker Rule vividly illustrated this risk.

ICBA urges you to use your duty to provide advice and consent with respect to Presidential appointments to ensure that the community bank perspectives are well represented on the Board of Governors of the Federal Reserve System. Appropriate representation on the Federal Reserve Board will help ensure the future prosperity of the community banking industry.

Thank you for your consideration.

Sincerely,

/s/

Camden R. Fine
President and CEO