

**Congress of the United States**  
**Washington, DC 20515**

March 28, 2016

The Honorable Janet Yellen  
Chair of the Fed  
Board of Governors of the Federal Reserve System  
Twentieth Street and Constitution Avenue, NW  
Washington, D.C. 20551

The Honorable Thomas J. Curry  
Comptroller of the Currency  
U.S. Department of the Treasury  
400 7<sup>th</sup> Street, SW  
Washington, D.C. 20219

The Honorable Martin J. Gruenberg  
Chairman  
Federal Deposit Insurance Corporation  
550 Seventeenth Street, NW  
Washington, D.C. 20429

The Honorable Deborah Matz  
Chairman  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314-3428

The Honorable Richard Cordray  
Director  
Bureau of Consumer Financial Protection  
1700 G Street, NW  
Washington, DC 20552

Ladies and Gentlemen:

The undersigned Members of Congress, representing a cross-section of rural, suburban and urban districts across this country, write to express our deep concern over the crushing impact that ever-expanding regulatory burdens are having on the ability of our nation's financial institutions, particularly community banks, to serve the economic needs of our growing economy. The aggregate weight of these new regulations is stifling the efforts of community lending institutions to serve the economic needs of the individuals, businesses and local communities that are the life blood of our nation.

While opinions differ on the necessity of various regulations, one concept of how regulations should be structured has been uniformly embraced – the need to “tailor” regulations so that they are the right “fit” for the institution involved. Rules must differentiate by business model, risk profile and also take into account whether the institution has the resources available to comply. Unfortunately, it is apparent from the current regulatory requirements that this is not the case. We should not be operating in a regulatory environment where a “best practice” for some is applied to all institutions regardless of size because the practical impact for banks of various sizes – community, mid-size, regional and the like – is consolidation or failure and as a result the communities they serve suffer. When, for example, community banks are subject to international capital rules designed for global banks, something is wrong with the way regulations are being applied. When regulators fail to fully grasp the compliance burdens of the many new mortgage rules to the point that financial institutions *exit the mortgage business*, it is abundantly clear that tailoring efforts have fallen short.

The failure to effectively calibrate the regulatory response to match the level of risk posed by the institutions has had a real impact on the ability of institutions to serve their communities.

So that we may better understand how the regulators are addressing our concerns and what obstacles exist that keep them from doing so, we respectfully ask that you provide us with the following information:

- Please identify specific major areas where regulators have taken action within your jurisdiction to tailor rules to the business model and risk of institutions or classes of institutions, outlining how you have done so.
- Please identify specific major areas where regulators lack the authority to tailor regulations to specific institutions or classes of institutions based on business model or risk, and where you believe additional authority would be helpful.
- Please identify specific major areas where regulators contemplate taking additional action to tailor regulations based on business model and risk, along with some thoughts with how you may do so.

The undersigned recognize that regulators have been tasked with substantial responsibilities to craft balanced regulations that address broad policy concerns while not creating unintended consequences. Given the urgency of this issue, we need to do more, and we look for your guidance in doing so.

Respectfully,



Scott Tipton  
Member of Congress



David Scott  
Member of Congress



Bruce Westerman  
Member of Congress



Steve Stivers  
Member of Congress



Blaine Luetkemeyer  
Member of Congress



Ed Royce  
Member of Congress



Filemon Vela  
Member of Congress



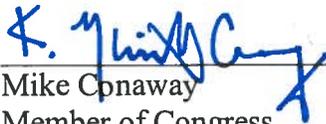
Mac Thornberry  
Member of Congress



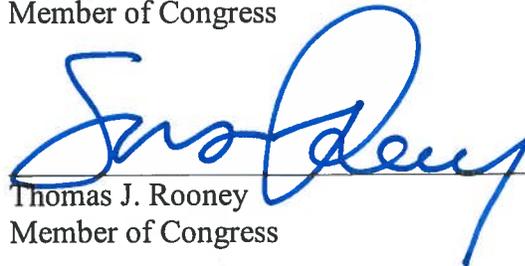
Rick Crawford  
Member of Congress



Mike Bost  
Member of Congress



Mike Conaway  
Member of Congress



Thomas J. Rooney  
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Mike Bishop  
Member of Congress



Steve King  
Member of Congress



Robert Hurt  
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Brad Wenstrup  
Member of Congress



Brenda Lawrence  
Member of Congress



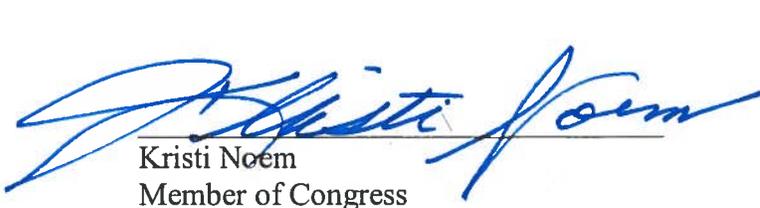
Glenn Grothman  
Member of Congress



Lynn Jenkins  
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David Rouzer  
Member of Congress



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Kristi Noem  
Member of Congress



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Daniel Webster  
Member of Congress



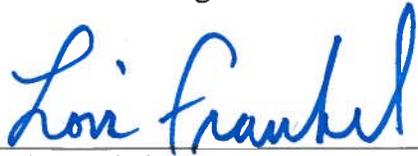
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Kevin Cramer  
Member of Congress



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Ron DeSantis  
Member of Congress



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Lois Frankel  
Member of Congress



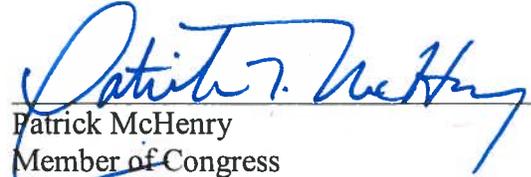
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Dan Newhouse  
Member of Congress



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Peter King  
Member of Congress



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Patrick McHenry  
Member of Congress



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Randy Hultgren  
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Tom Emmer  
Member of Congress



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Tom Rice  
Member of Congress



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Evan Jenkins  
Member of Congress



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Jim Renacci  
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Andy Harris, M.D.  
Member of Congress



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John Mica  
Member of Congress

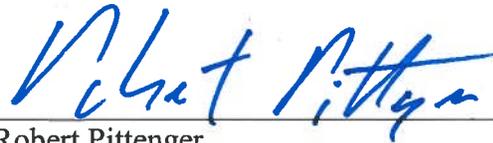


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Patrick E. Murphy  
Member of Congress



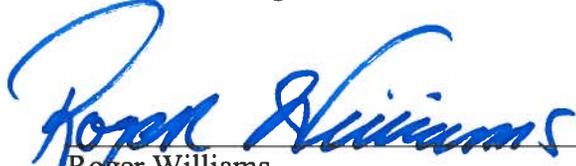
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Andy Barr  
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Roger Williams  
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Brian Babin  
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Erik Paulsen  
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Rodney Davis  
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Renee Ellmers  
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Gus Bilirakis  
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Mia Love  
Member of Congress



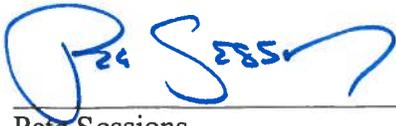
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Chuck Fleischmann  
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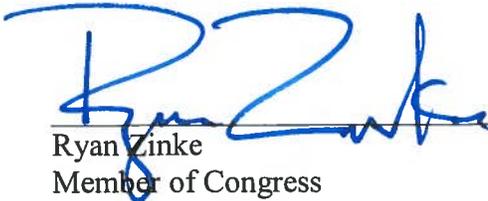
Bill Shuster  
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Collin Peterson  
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Ryan Zinke  
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Jason Smith  
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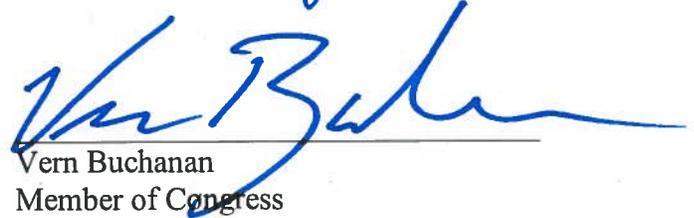
Dennis Ross  
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Sean Duffy  
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Mark Takai  
Member of Congress



Vern Buchanan  
Member of Congress



Denny Heck  
Member of Congress



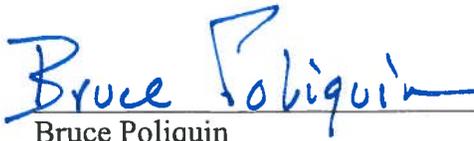
Mick Mulvaney  
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Scott DesJarlais  
Member of Congress



Carlos Curbelo  
Member of Congress



Bruce Poliquin  
Member of Congress



Ileana Ros-Lehtinen  
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Mimi Walters  
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Joe Wilson  
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Mario Diaz-Balart  
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Kenny Marchant  
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Tim Huelskamp  
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Brett Guthrie  
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Ann McLane Kuster  
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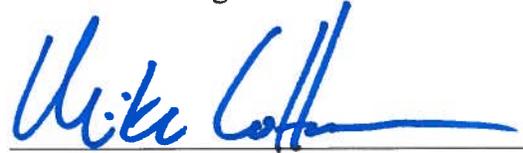
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Keith Rothfus

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Jeff Duncan

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Ann Wagner

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Rich Nugent

Rich Nugent  
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Gwen Graham

Gwen Graham  
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George Holding

George Holding  
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Crescent Hardy

Crescent Hardy  
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Derek Kilmer

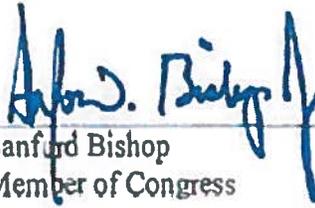
Derek Kilmer  
Member of Congress

Suzan DelBene

Suzan DelBene  
Member of Congress



Gary Palmer  
Member of Congress



Sanford Bishop  
Member of Congress



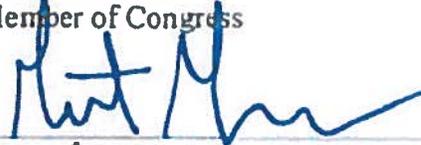
Cynthia Lummis  
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Richard Hudson  
Member of Congress



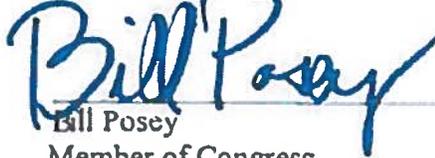
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Garret Graves  
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Dave Brat  
Member of Congress



Bill Posey  
Member of Congress



Trent Kelly  
Member of Congress



Adrian Smith  
Member of Congress



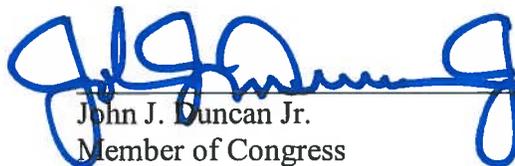
Lamar Smith  
Member of Congress



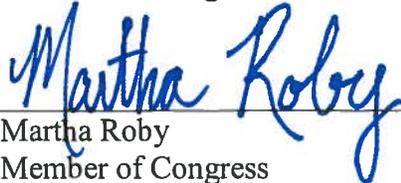
Greg Walden  
Member of Congress



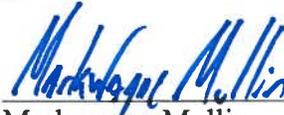
Barbara Comstock  
Member of Congress



John J. Duncan Jr.  
Member of Congress



Martha Roby  
Member of Congress



Markwayne Mullin  
Member of Congress

*Tulsi Gabbard*

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Tulsi Gabbard  
Member of Congress