Association of Vermont Credit Unions | CBA | Cooperative Credit Union Association | The Credit Union League of Connecticut | Maine Bankers Association | Maine Credit Union League | Massachusetts Bankers Association | NH Bankers Association | RIBA | VBA Vermont Bankers Association, Inc.

April 17, 2018

The Honorable James Langevin
2077 Rayburn House Office Building
Washington, DC 20515

BY EMAIL ONLY

Dear Congressman Langevin:

On behalf of our 625 member credit unions and banks throughout New England representing more than 140,000 employees, we ask that you support S. 2155, the *Economic Growth, Regulatory Relief, and Consumer Protection Act*. This legislation, which was passed by the Senate on a 67-31 bipartisan vote is vital legislation which provides targeted regulatory relief to local credit unions and banks throughout New England.

We believe that S. 2155 addresses some of the unintended consequences of the Dodd Frank Act (DFA) that make it more difficult for our members to grow and service their customers. Specifically, the legislation will provide:

- Qualified Mortgage Safe Harbor: For credit unions and community banks that hold mortgage loans in their portfolios, this will provide consumers more access to credit and reduce costs for self-employed borrowers.

- Credit Union Residential Loans: Exempts 1-to-4 non-owner occupied loans from being counted as member business loans under the Federal Credit Union Act. These loans would be considered mortgages, freeing up valuable additional small business lending capacity for credit unions to further lend to small businesses.

- Charter Flexibility for Mutual Banks: With the historic success of mutual savings banks, cooperative banks and savings and loan associations throughout New England, this provision has been championed by the Comptroller of the Currency to provide enhanced charter flexibility for mutual institutions at the federal level.

- Higher SIFI Threshold: Many mid-sized and regional banks, including several with headquarters in New England, are subject to these SIFI rules despite operating much like a traditional community bank. The DFA indiscriminately applies unnecessary regulatory burden and imposes substantial costs without added benefit. Even former House Financial Services Chairman Barney Frank (D-MA) and Federal Reserve Chairman Janet Yellen have commented that the arbitrary SIFI threshold is too low and should be raised.

- Volcker Flexibility: While designed for large investment banks, certain prudent investments and strategies long recognized by federal/state regulators are now prohibited or restricted by the Volcker Rule. As a result, this needlessly impacts an institution's ability to diversify earnings and pay for increased compliance costs.

- Expanded Exam Cycle for Well-Rated Institutions: Increasing the asset threshold from $1 billion to $3 billion for 18 month exams reduces significant real and opportunity costs to better service consumers and local communities.

We believe that by reducing the regulatory burden on traditional credit unions and banks, S. 2155 will help our members better serve their customers and maintain strong consumer protections without compromising safety and soundness. While no bill is perfect, we respectfully ask that you support swift passage of S. 2155 when it comes to the House floor.

Thank you for considering our views on this important legislation.

Sincerely,

Joseph G. Bergeron
President & CEO
Association of Vermont Credit Unions

Lindsey R. Pinkham
President & CEO
Connecticut Bankers Association

Paul Gentile
President & CEO
Cooperative Credit Union Association

Jill Nowacki
President & CEO
The Credit Union League of Connecticut

Christopher W. Pinkham
President & CEO
Maine Bankers Association

Todd Mason
President & CEO
Maine Credit Union League

Daniel J. Forte
President & CEO
Massachusetts Bankers Association

Christiana L. Thornton
President & CEO
New Hampshire Bankers Association

Patricia A. Octeau
Executive Director
Rhode Island Bankers Association

Christopher D'Elia
President & Treasurer
Vermont Bankers Association