

United States Senate

WASHINGTON, DC 20510

February 12, 2016

Comptroller Thomas Curry
Office of the Comptroller of the Currency
400 7th Street, SW
Washington, DC 20219

Chair Janet Yellen
Federal Reserve Board of Governors
20th St. and Constitution Avenue, NW
Washington, D.C. 20551

Chair Martin Gruenberg
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Chair Debbie Matz
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Dear Comptroller Curry, Chair Yellen, Chair Gruenberg, and Chair Matz:

We are writing to request an update on the status and next steps of the statutorily mandated interagency review of existing regulations to identify outdated, unnecessary, or unduly burdensome regulations required by the 1996 Economic Growth and Regulatory Paperwork Reductions Act.

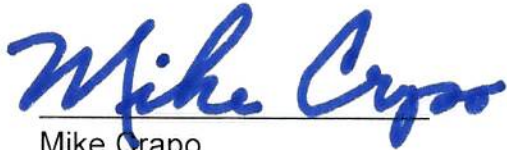
Crushed under an ever-increasing regulatory burden, community banks and credit unions are disappearing from America's financial landscape. We have lost more than 3,000 small banks and more than one-half of credit unions since 1990. In fact, 85% of banks with less than \$100 million in assets disappeared between 1985 and 2013. The vast majority of those small banks did not fail. On the contrary: the rates of failure, voluntary closure and overall attrition were lower for these institutions than any other size group. Not only is the nation losing small banks, our regulatory framework is discouraging the creation of new ones.

A similar review, completed in 2006, was criticized because the regulators subsequently failed to repeal or eliminate many substantive regulations. Since that review, we have lost close to 1,000 banking organizations. To ensure that the current review has a more successful outcome, it is critical that the regulators not only gather the necessary feedback, identify the most burdensome regulations, but actually take meaningful steps to create a regulatory environment in which traditional lending can thrive in all communities.

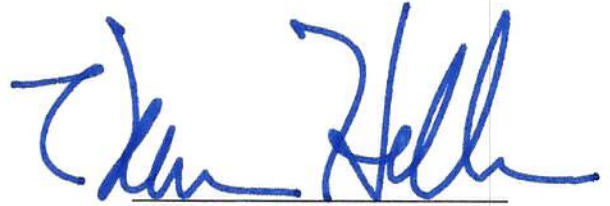
- What regulations were identified as outdated, unnecessary, or unduly burdensome?
- How do you intend to prioritize this list?
- What initiatives will the agencies take on these items to reduce the regulatory burden?
- What regulations were identified that Congress should review?

If regulators miss this opportunity to lift unnecessary regulatory burdens, many more small banks and credit unions will disappear. Local communities will lose the only banking presence they have ever known and, as a result, investment and job creation in these areas will suffer. For the sake of our economy, we must not squander an opportunity to make a lasting impact on our regulatory landscape.


Sincerely,



Mike Crapo
United States Senator



Dean Heller
United States Senator



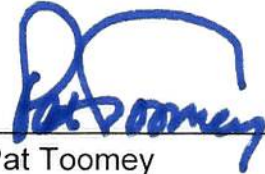
Jerry Moran
United States Senator



Tom Cotton
United States Senator




M. Michael Rounds
United States Senator



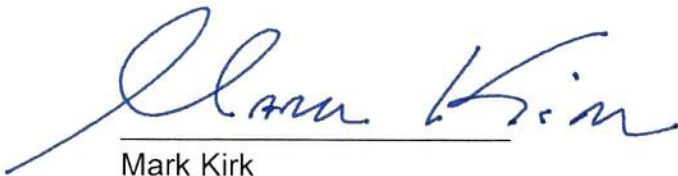
Pat Toomey
United States Senator



Ben Sasse
United States Senator



David Vitter
United States Senator



Mark Kirk
United States Senator