

July 31, 2014

The Honorable Angus King
188 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator King:

On behalf of the members of the American Bankers Association (ABA), I am writing to thank you, along with Senators Tester, Warner and Fischer for introducing S. 2698, the Regulatory Easement for Lending Institutions that Enable a Vibrant Economy Act of 2014 (RELIEVE Act).

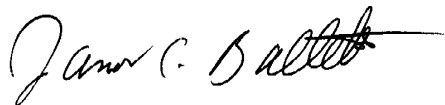
Regulatory burdens on the banking industry have grown dramatically in recent years, stretching the resources of banks, particularly community banks, across the country and hindering their ability to help local businesses grow and create jobs. Less capital means that less credit can be extended to businesses; especially small businesses that serve as our nation's job creators. In fact, every dollar our members spend on compliance translates into \$10 less we can lend to borrowers.

The RELIEVE Act contains helpful provisions that ABA supports to ease regulatory burdens. It would help small bank and thrift holding companies raise more capital by raising the threshold for the Federal Reserve's Small Bank Holding Company Policy Statement from \$500 million to small bank and savings and loan holding companies with less than \$1 billion in consolidated assets.

Additionally, it would increase the availability of credit in rural communities by defining "rural" more broadly for purposes of the qualified mortgage rules and increase the annual mortgage origination limit from 500 to 1,000 per year.

We appreciate your leadership on this issue and for introducing the RELIEVE Act.

Sincerely,



James C. Ballentine