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Rebeca Romero Rainey, President and CEO

December 14, 2023

The Honorable Jerry Moran  
United States Senate  
Washington, D.C. 20510

The Honorable Joe Manchin  
United States Senate  
Washington, D.C. 20510

Dear Senators Moran and Manchin:

On behalf of ICBA and the nearly 50,000 community bank locations we represent, I write to thank you for introducing the Fair Audits and Inspections for Regulators' Exams Act (the FAIR Exams Act) and to offer our support for your bill. Your bill would go a long way toward improving the sometimes-oppressive bank examination environment by creating a workable appeals process. In past Congresses, it has enjoyed strong bipartisan and bicameral support.

The FAIR Exams Act would create an Office of Independent Examination Review within the Federal Financial Institutions Examination Council (FFIEC) and give financial institutions a right to an expedited, independent review of an adverse examination determination before the Office's Director or before an independent administrative law judge. The Director would make a final decision that would be binding on the agency and the financial institution. Taking the appeals process out of the examining agencies is a positive step. While not completely independent of the agencies – the FFIEC is composed of each banking agency – we expect that this level of separation between the appeals process and the agencies will provide a measure of distance and insulation. The current system, which grants examiners almost unfettered, unassailable authority, must be reformed with the introduction of checks and balances.

Thank you again for introducing the FAIR Exams Act. We look forward to working with you to advance it into law.

Sincerely,

/s/

Rebeca Romero Rainey  
President & CEO