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Rebeca Romero Rainey, President and CEO

February 21, 2025

The Honorable Russell Vought  
Director  
Office of Management and Budget  
Executive Office of the President  
725 17th Street, NW  
Washington, D.C. 20503

Dear Director Vought:

On behalf of community banks with nearly 45,000 locations nationwide, the Independent Community Bankers of America (ICBA) thanks President Donald J. Trump and the Administration for taking steps to enhance and reform regulatory processes and eliminate red tape. In fact, our reform framework—ICBA’s “Repair, Reform, and Thrive” plan—is designed to empower community banks, enabling them to drive local economic growth and financial stability very much aligned with the President’s objectives.

We appreciate your commitment to ensuring that community banks, as the engines of economic development in communities of all sizes across the United States, remain strong and independent sources of critical capital and liquidity that foster economic growth and prosperity.

Community banks play a vital role in driving the U.S. economy by providing critical banking services and credit access to consumers, small businesses, and farmers across America. In accordance with Executive Order 14192, we respectfully request that you consider taking the following actions to bolster these objectives:

1. *Fast Track the repeal of burdensome regulations, rules, and guidance and reissue tiered and rightsized regulations that truly benefit the consumers intended to be protected while spurring economic growth.*

Due to the excessive regulations promulgated by agencies like the CFPB in recent years, community banks continue to expend significant compliance resources without any

corresponding benefit to the depositors, small businesses, or the communities the rules are intended to protect. For example, we ask that you:

- Revise and reissue the Small Business Lending Data Collection rule to ensure banks and their small business customers are not required to collect 81 separate and discretionary data points.
- Revise, reissue and expand exemptions in the Open Banking rule and increase oversight of third-party data recipients, among other needed revisions.

## *2. Ensure meaningful community bank representation in supervision and oversight.*

The preservation and protection of the community bank charter are essential to maintaining the backbone of local economies and ensuring financial access for underserved communities. Unfortunately, community banks face mounting challenges from regulatory agencies structured to serve larger, complex institutions.

Accordingly, to ensure that policy decisions reflect the community banking business model, we urge the Administration to:

- Reconstitute the Community Bank Advisory Councils (CBAC) to ensure policies and agency decisions are informed by the community bank perspective.
- Prioritize executive appointments with leaders who have direct experience in community banking.
- Include community bank and state banking regulatory agencies in discussions regarding the streamlining of regulatory processes and agency reforms.

## *3. Ensure a level playing field for supervision and regulatory oversight of institutions that pose the highest risk to economic stability.*

Unfortunately, recent actions addressing the CFPB's flawed structure have had the unintended effect of leaving non-bank financial service providers and Wall Street banks operating without supervision, while community banks continue to face ongoing consumer compliance scrutiny from their prudential regulators. The result of which only widens the already uneven supervisory playing field for community banks and adds risk to the financial system. We urge the Administration to:

- Strengthen compliance oversight of nonbanks.
- Resume consumer compliance examinations of large financial institutions supervised by the CFPB,
- Take appropriate steps to restore certainty so that community banks are not left vulnerable to civil liability.

Community banks are the backbone of America's local economies. By implementing these reforms, the Administration can reduce regulatory burdens, restore balance in financial

oversight, and strengthen the ability of community banks to support businesses, families, and rural communities across the nation. ICBA stands ready to collaborate in shaping a regulatory environment that fosters economic growth while maintaining financial stability.

We look forward to working with you to carry out the Administration's priorities for Making America Great Again, one Main Street at a time.

Sincerely,

/s/

Rebeca Romero Rainey  
President and CEO

Enc.: [Repair, Reform & Thrive Plan for Powering Local Economies](#)