

ANDRÉ CARSON
7TH DISTRICT, INDIANA

COMMITTEE ON FINANCIAL SERVICES

SUBCOMMITTEE ON
CAPITAL MARKETS, AND
GOVERNMENT SPONSORED ENTERPRISES

SUBCOMMITTEE ON
INTERNATIONAL MONETARY POLICY
AND TRADE

Congress of the United States
House of Representatives
Washington, DC 20515-1407

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October 22, 2012

The Honorable Ben Bernanke
Chairman
The Federal Reserve System
20th Street and Constitution Ave, NW
Washington, DC 20429

The Honorable Tom Curry
Comptroller
Office of the Comptroller of the Currency
250 E Street, SW
Washington, DC 20219

The Honorable Marty Gruenberg
Acting Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Chairman Bernanke, Comptroller Curry and Acting Chairman Gruenberg:

I am writing regarding the proposed BASEL III capital rules and urging caution about applying them across the full spectrum of the banking industry. While we understand the concerns for an adequate and unified global capital rule imposed equally for those institutions that provide international financial transaction services to their customers, we are concerned about the applicability to the community banks in the United States.

Community banks rarely, if ever, provide services to customers on an international basis and do not have offices in other countries. Community bank channels to raise additional capital have diminished greatly since the beginning of the financial crisis. Many small, rural communities throughout the country rely heavily upon the continued viability of these community financial institutions. Indiana provides hundreds of such examples of this unique relationship. Anything that impairs the ability of these small, local institutions to continue providing access to capital seems to us to be counter to our goals of maintaining a broad and diverse universe of financial service providers.

For these reasons, we believe that community banks should not have BASEL III capital rules imposed upon them.

Sincerely,



André Carson

Member of Congress