

1717 LONGWORTH HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-1303  
(202) 225-5701  
(202) 225-1012 FAX  
TOLL FREE FROM IL (866) 822-5701

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-1303**

October 25, 2012

The Honorable Ben S. Bernanke  
Chairman  
The Federal Reserve System  
20<sup>th</sup> Street and Constitution, NW  
Washington, DC 20429

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

The Honorable Martin J. Gruenberg  
Acting Chairman  
Federal Deposit Insurance System  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

RE: Federal Reserve Docket No. R-1430; RIN No. 7100-AD87 and Docket No. R-1442; RIN No. 7100-AD87; FDIC RIN 3064-AD95, RIN 3064-AD96; OCC Docket ID OCC-2012-0008 and Docket ID OCC-2012-0009

Dear Chairman Bernanke, Comptroller Curry, and Acting Chairman Gruenberg:

I write to you to express my interest in the recent proposed rules to implement Basel III regulatory capital reforms. I appreciate your efforts to revise and strengthen capital adequacy standards for financial institutions. Properly-crafted standards will make the banking system more resilient and help deter another global financial crisis. However, I have heard from a number of smaller community banks in my district about potential unintended consequences of these proposals. With this in mind, I urge you to consider the impact of the proposed rule on smaller, less complex institutions.

As you know, in recent years the banking industry has been characterized by increased consolidation. Yet smaller local banks still play a critical role in many communities, especially in areas not served by larger banks. Their smaller asset size and scope of operations also mean that they differ from the largest banks in their business models, risk profiles, and consumer orientation. Community banks help to ensure that the economic and jobs recovery takes hold in all areas of the country.

Banking rules can promote safety and soundness while accounting for these differences. Without a vibrant community banking system, consumers will be left with fewer choices and communities and rural areas across the country could be deprived of the services on which their prosperity depends. As you work to finalize new capital adequacy standards, I urge you to craft these rules in a way that accounts for the needs of the diverse institutions in America's financial marketplace. Thank you for your consideration.

Sincerely,



DANIEL W. LIPINSKI  
Member of Congress

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