



**Community Bankers Association of Illinois**  
*Department of Governmental Relations*

**U.S. House Approves Financial Reform Measure**

Earlier today, the House of Representatives passed HR 4173, the Wall Street Reform and Consumer Protection Act. Thanks to the lobbying efforts of the nation's community banks, ICBA, CBAI and other community banking associations, two troubling amendments were defeated: 1) the mortgage cramdown proposal, and 2) the proposal to remove the community bank exemption from the provisions of Sarbanes-Oxley (SOX).

This is a major victory for community banks! HR 4173 contains important provisions that ICBA and CBAI have long-advocated: 1) a revised FDIC assessment method so that giant banks will finally pay their fair share of assessments saving community banks billions of dollars, and 2) the creation of a systemic-risk fund that giant banks must fund, and a resolution process for giant banks that get into financial trouble and are considered a threat to our nation's financial and economic stability.

The bill will now go to the U.S. Senate for further deliberations. ICBA and CBAI will continue to work diligently to preserve the positive aspects of the measure and improve other aspects such as the Consumer Financial Protection Agency provisions. Our thanks are extended to all community bankers who participated in grassroots lobbying on this extremely important issue.

Despite the opposition of the big banks and their national and state trade associations, the momentum is with the community banking profession that did not take excessive risks or cause our extraordinary economic crisis. There is much more work ahead of us. We will keep you informed.