



## CBAI's Greg Ohlendorf Testifies Before House Financial Services Subcommittee

Greg Ohlendorf testified Monday in Chicago before a House Financial Services Subcommittee on behalf of the Community Bankers Association of Illinois (CBAI) and the Independent Community Bankers of America (ICBA). The Hearing entitled "Commercial Real Estate: A Chicago Perspective on Current Market Challenges and Possible Responses" examined the causes of and solutions to the turmoil in the Commercial Real Estate (CRE) market. The Subcommittee members questioning the three separate panels of bankers, regulators and real estate industry professionals were Chairman Dennis Moore (D-Kansas) and Ranking Member Judy Biggert (R-Illinois). Joining the Subcommittee members were Luis Gutierrez (D-Illinois), Melissa Bean (D-Illinois) and Bill Foster (D-Illinois).



**Subcommittee members and colleagues meet prior to the press conference. Pictured left to right – Representatives Biggert, Moore, Bean, Kathleen Lydon – Biggert's Chief of Staff, Gutierrez and Foster**



**Final Preparations for the press conference**



**Subcommittee press conference  
Pictured left to right – Representatives Bean, Biggert, Moore, Gutierrez and Foster**

Congresswoman Judy Biggert called for this hearing to be held in Chicago. CBAI's David Schroeder, Vice President of Federal Governmental Relations, worked closely with her office. CBAI thanks Subcommittee Ranking Member Judy Biggert and Chairman Dennis Moore for scheduling this important hearing and for CBAI's participation.



**Subcommittee press conference**  
**Pictured left to right – Representatives Bean, Moore, Biggert, Gutierrez and Foster**



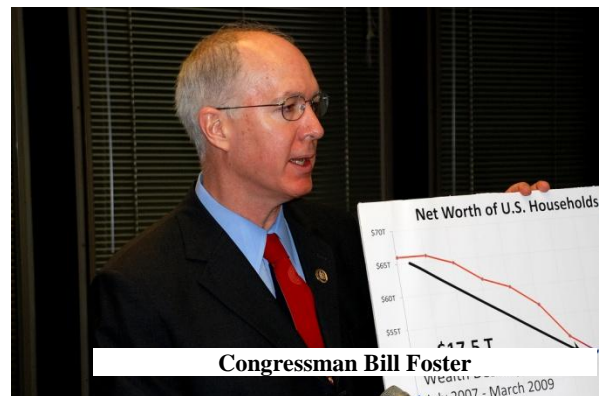
**Congresswoman Judy Biggert**



**Congressman Luis Gutierrez**



**Congresswoman Melissa Bean**



**Congressman Bill Foster**

Greg Ohlendorf is the President and CEO of First Community Bank and Trust in Beecher, Illinois. FCB&T is a \$150 million asset community bank that specializes in small business lending including commercial real estate (CRE). Ohlendorf stated in his testimony, "My bank and all community banks face serious challenges that can hinder our ability to make small business and CRE loans. Community banks now confront the toughest regulatory climate in more than two decades. The banking regulatory agencies have moved the pendulum too far in the direction of overregulation at the expense of lending. Our country needs to return to a more balanced regulatory environment that promotes lending and economic recovery as well as bank safety and soundness."



**CBAI member Greg Ohlendorf listens to opening remarks**

In his testimony, Ohlendorf encouraged lawmakers to support the following specific proposals to improve the commercial lending environment and address the problems related to CRE.

1. A legislative proposal to amortize CRE loan losses over a 10 year period for regulatory capital purposes. This proposal will not misrepresent banks' GAAP financial statements and was successfully used during the agriculture crisis in the 1980's.
2. A legislative proposal to implement the Administration's \$30B Small Business Lending Fund. A properly designed program will encourage additional small business lending, fuel job creation, and help create economic stability.
3. A regulatory proposal to include the entire amount of the Allowance for Loan and Lease Losses (ALLL) as part of a banks' risk based capital. This would favorably impact 45% of Illinois banks and encourage banks to reserve more and recognize the loss-absorbing abilities of the entire ALLL amount.



**Subcommittee hearing in the courtroom of the Chief Justice of the United States District Court for the Northern District of Illinois. CBAI member Greg Ohlendorf is seated at the far left end of the witness table.**

CBAI thanks Greg Ohlendorf of First Community Bank and Trust for **getting involved and making a difference!**

Please [click here](#) to view Greg Ohlendorf's testimony.