

Congress of the United States  
Washington, DC 20515

October 22, 2012

The Honorable Ben S. Bernanke  
Chairman  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20551

The Honorable Thomas J. 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 Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

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

We support your efforts to improve capital standards for banking institutions to ensure that every bank—whether large or small—has a sufficient financial buffer to absorb losses. Following the financial crisis, banks across Maryland increased the capital they hold, and we fully appreciate that the failure to set appropriate minimum capital levels and evaluate properly the quality of a bank's capital puts not only the bank at risk, but also its customers and the local economies in which the bank operates.

However, we have heard concerns from many community banks in Maryland that the complex capital rules the Federal Reserve, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation proposed in June 2012 will unnecessarily hamper bank lending and have a negative impact on Maryland's economy. Specifically, community banks inform us that the proposed Basel III and Standardized Approach standards will require them to increase their capital and liquidity holdings dramatically on mortgage and small business loans, which will result in fewer and more costly home and business loans for Marylanders.

As you continue to work on capital standards to strengthen our banking system, we strongly encourage you to avoid needless complexity and consider the impact any new framework will have on traditional depository institutions that provide credit to consumers and small businesses in our communities. We look forward to working with you on this as the process advances.

Sincerely,



Barbara A. Mikulski  
United States Senator



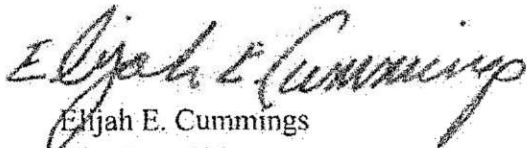
Benjamin L. Cardin  
United States Senator



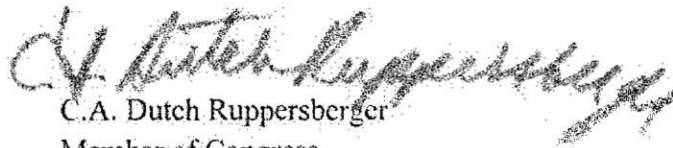
Henry H. Hoyer  
Member of Congress



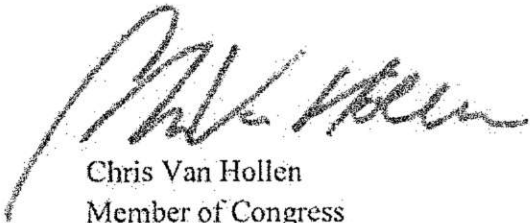
Roscoe G. Bartlett  
Member of Congress



Elijah E. Cummings  
Member of Congress



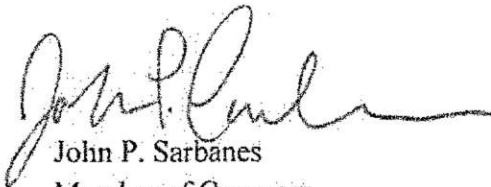
C.A. Dutch Ruppersberger  
Member of Congress



Chris Van Hollen  
Member of Congress



Donna F. Edwards  
Member of Congress



John P. Sarbanes  
Member of Congress



Andy Harris  
Member of Congress