

Congress of the United States
Washington, DC 20515

November 16, 2012

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

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

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

Dear Sirs,

We write to express concern about the recent proposal for Basel III capital requirements and its potential negative impact on community and regional banks in Virginia.

Since the Basel III capital requirements proposal was offered in June, we have heard from a number of community and regional banks across Virginia about the proposed requirements' effect on their banking model and the communities they serve. It is our understanding that the Basel III requirements were originally focused on systemically important financial institutions and not community or regional banks. Unfortunately, it appears that the current proposal for Basel III capital requirements would institute more of a "one size fits all" approach to capital standards that would disproportionately affect these banks. Additionally, banks in Virginia have expressed concern that the complexity of the capital requirements will impose significant costs associated with collecting and reporting the required information to comply with the proposed rules. Community and regional banks, which already have more limited resources in light of recent regulatory changes, will be hard-pressed to transition to these capital standards without eliminating key portions of their business that serve their communities.

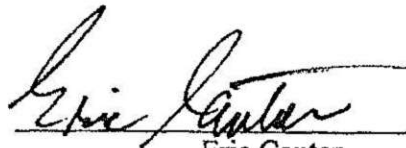
As you know, community and regional banks in Virginia are an essential source of credit for communities and small businesses across the Commonwealth. Especially as our economy struggles to sustain adequate levels of growth, we must ensure that the regulatory structure is not disproportionately impacting our small and mid-sized banks. While sufficient capital requirements are essential to a strong banking and financial system, they should be appropriately tailored to take into account the intricacies of the community banking model. I ask that you consider these concerns as you and your respective staffs review the comment letters to the proposed rulemaking.

Thank you for your consideration of these concerns. Please do not hesitate to contact us should you have any further questions.

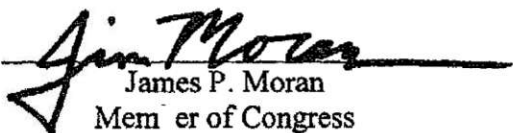
Sincerely,



Robert Hurt
Member of Congress



Eric Cantor
Member of Congress



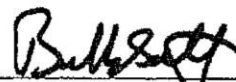
James P. Moran
Member of Congress



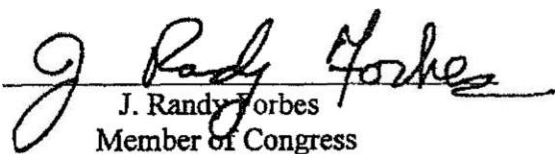
Frank Wolf
Member of Congress



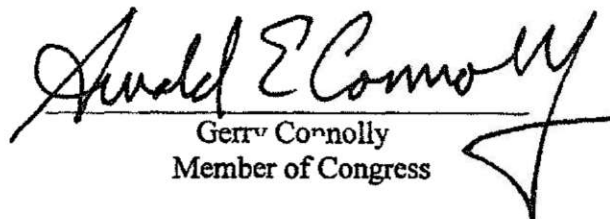
Bob Goodlatte
Member of Congress



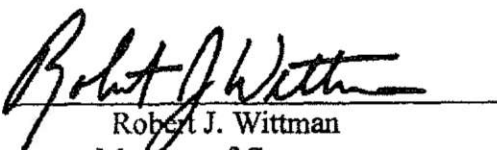
Robert C. "Bobby" Scott
Member of Congress



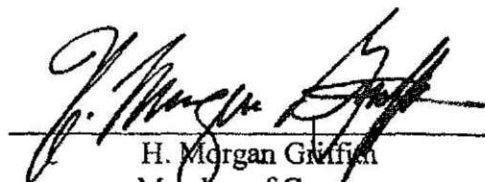
J. Randy Forbes
Member of Congress



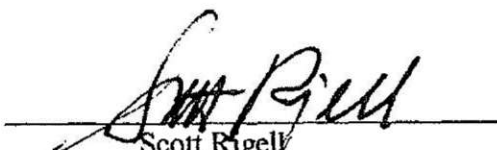
Gerry Connolly
Member of Congress



Robert J. Wittman
Member of Congress



H. Morgan Griffith
Member of Congress



Scott Rigell
Member of Congress