

May 18, 2026

The Honorable John Thune
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Charles Schumer
Democratic Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Hakeem Jeffries
Democratic Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Support for Revised 21st Century ROAD to Housing Act

Dear Majority Leader Thune, Democratic Leader Schumer, Speaker Johnson, and Democratic Leader Jeffries:

On behalf of the Independent Community Bankers of America (ICBA), we write to thank you for your work in advancing the critical housing legislation to spur home construction nationwide and promote housing affordability. Community banks nationwide are eager to play a role in alleviating the housing crisis.

With this in mind, we urge your support for the recently released, revised House version of the 21st Century ROAD to Housing Act which includes in Title IX, “Strengthening Community Banks’ Role in Housing,” provisions that would enable community banks to better serve local families, small businesses, and underserved communities without compromising financial stability. The provisions of Title IX passed the House on February 9th, 2026 with an overwhelming bipartisan vote of 390 to 9 and form a critical component of housing legislation.

The provisions of Title IX, each bipartisan and ICBA-supported, include:

- The Community Bank Deposit Access Act (Section 901 - H.R. 5317) would allow custodial deposits to be held by community banks without being considered brokered deposits, provided they do not exceed 20 percent of total liabilities. Brokered deposits are subject to certain capital and interest-rate restrictions. This provision would help community banks maintain lower funding costs, expand lending opportunities, and serve their communities by attracting stable, low-cost funding.
- The Keeping Deposits Local Act (Section 902 - H.R. 3234) would raise the percentage threshold of reciprocal deposits that may be held by a bank without being considered brokered deposits. Reciprocal deposits are swapped among banks participating in a network and result in higher aggregate levels of deposit insurance coverage. Raising the percentage of reciprocal deposits allowed would assist banks approaching the current-law threshold and support lending needs.
- The TRUST Act (Section 903 - H.R. 4478) would provide well-managed and well-capitalized financial institutions with up to \$6 billion in assets to qualify for an 18-month exam cycle. These reforms provide exam relief without compromising safety and soundness and would allow more community

banks to direct more resources toward serving their communities.

- The Advancing the Mentor-Protégé Program for Small Financial Institutions Act (Section 908 - H.R. 3709) would establish a Treasury Financial Agent program enabling partnerships between Minority Depository Institutions (MDIs), rural community banks, and other financial institutions. This legislation reinforces and supports the critical role of MDIs and rural community banks as a lifeline in their communities, providing tailored financial products, and fostering greater economic growth.
- The American Access to Banking Act (Section 909 - H.R. 4544) would promote the formation of de novo community banks by streamlining the application process and provide for review of capital raising. A separate provision (Section 910), based on the Promoting New Bank Formation Act, would create a two-year pilot program to promote the creation of de novo banks, especially in rural areas, by providing more regulatory, capital and lending flexibility for these banks.
- The Rural Depositories Revitalization Study Act (Section 911 - H.R. 6536) would require the Federal banking agencies to study improving the growth, capital adequacy, and profitability of rural depository institutions.

These provisions would provide meaningful regulatory relief for community banks and strengthen them to provide more credit for housing, small businesses, families, and other purposes.

Thank you for your support for housing affordability and community banks. We urge swift consideration of the revised 21st Century ROAD to Housing Act.

Sincerely,

/s/

Rebeca Romero Rainey
President & CEO

CC: Members of the U.S. Senate
Members of the U.S. House of Representatives