# Coats Introduces Bill to Help Hoosier Community Banks, Credit Unions

**Thursday, April 10, 2014**

**WASHINGTON, DC –** Senator Dan Coats (R-Ind.) today introduced the Community Financial Protection Act, legislation that would provide Hoosier community banks and credit unions with relief from crippling financial regulations enacted after the 2008 financial crisis.

The Coats bill would modify the way in which the Consumer Financial Protection Bureau (CFPB) requests information from financial institutions with less than $10 billion in assets. Under the Coats proposal, the CFPB must use publicly available information or seek the requested information from existing banking regulators.

The CFPB was created by the Dodd-Frank Wall Street Reform and Consumer Protection Act, which passed Congress in 2010.

“Hoosier community banks and credit unions play a key role in their local communities, and they are paying the price for mistakes made on Wall Street,” said Coats. “These Indiana businesses did not cause the financial crisis, but they are being treated as if they did by federal bureaucrats. My legislation will allow community financial institutions and credit unions to focus on what they want to do and do best – helping families and local employers.”

The Coats legislation is supported by the Indiana Bankers Association, the Indiana Credit Union League and the Credit Union National Association.

“The Indiana Bankers Association applauds the efforts of Sen. Dan Coats to maintain and grow a strong Indiana banking community through the introduction of the Community Financial Protection Act,” said S. Joe DeHaven, President and Chief Executive Officer of Indiana Bankers Association. “The Community Financial Protection Act is a solid step in the right direction to ensure that Hoosiers will have continued access to capital to invest in and build communities. The Indiana banking community welcomes and supports this measure.”

“We appreciate that Senator Coats recognizes the challenges that credit unions face in complying with the crushing regulatory burdens that have increased so much as a result of the financial crisis brought on not by credit unions or community banks but by large institutions,” said John McKenzie, President of the Indiana Credit Union League. “We appreciate and support Senator Coats' efforts to clarify that such reporting requirements need to flow instead through the reports that credit unions are already required to provide to their primary regulators. Senator Coats' bill would be a good first step to bringing a measure of relief from some of the burdens created for credit unions and community banks by the creation of the CFPB and the Dodd-Frank Act.”

Nationwide, community banks spent more than $250 million to comply with new regulations coming from Washington during the first quarter of 2013.

The Community Financial Protection Act would stipulate that:

- The CFPB must use current and existing publicly available information and data prior to requesting any information from the prudential regulator;

- If the CFPB does request information that is not currently publicly available, it must provide justification to the regulator as to why it needs that information;
- The prudential regulator has the authority to deny any request for information from the CFPB; and
- The CFPB can only request institution-specific information rather than industry-wide information.

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