

JOHN R. CURTIS  
THIRD DISTRICT, UTAH



HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C. 20515

March 22, 2020

Shane Kuhaneck  
Acting Technical Director  
Financial Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, Connecticut 06856-5116

Dear Mr. Kuhaneck:

Small and medium-sized business owners in my district have brought to my attention that because of certain regulations, and in particular the troubled debt restructuring (TDR) and current expected credit loss (CECL), community banks are unable to allow flexibility with their small and medium-sized business partners who are experiencing hardships due to COVID-19.

In many cases, small and medium-sized business owners have been working with community depository institutions for years, where they have developed a mutual trust and sense of community. These depository institutions want to assist their customers but are concerned that modifications to loans for small and medium-sized businesses will result in those loans being classified as TDR.

Additionally, due to COVID-19, banks, credit unions, and other depository institutions are anticipating higher credit loss allowances. I urge you to temporarily suspend implementation of CECL for impacted banks to give these community lenders flexibility and help support businesses impacted by COVID-19.

Relaxing these two federal government restrictions will allow local depository institutions in my state to work together during our current crisis and in return strengthen my state's economy and help us weather this uncertainty.

Sincerely,

John R. Curtis



Member of Congress

cc: Jelena Williams, Chairman of Federal Deposit Insurance Corporation