



**Community Bankers  
Association of Illinois**  
One Mission. **Community Banks.**

## **CBAI Supports Lowering the CBLR and Extending the Cure Period**

In a comment letter to the OCC, FDIC and the Federal Reserve dated January 30, 2026, CBAI expressed its support for lowering the Community Bank Leverage Ratio (CBLR) from 9% to 8% and for extending the period of time community banks can remain within the CBLR framework while not meeting the qualifying criteria from two to four quarters.

CBAI supports this Proposal because it provides for a simple measure of capital adequacy by removing the regulatory burden of having to calculate and report risk-based capital ratios. Incorporating this decrease in the capital requirement, as well as the extension of the grace period for returning to compliance, will result in meaningful regulatory relief for effectively all community banks while maintaining capital levels that support their safety and soundness.

[Read CBAI Comment Letter to the Regulators »](#)

**Community Bankers Association of Illinois (CBAI)**

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