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June 30, 2015

The Honorable Blaine Luetkemeyer
U.S. House of Representative
Washington, D.C. 20515

Dear Congressman Luetkemeyer:

On behalf of the more than 6,000 community banks in the U.S., I write to express our support for the Financial Institutions Customer Protection Act, which will help to curtail the abuses of Operation Choke Point.

Under your legislation, the three federal banking regulators, the Federal Deposit Insurance Corporation, the Federal Reserve, and the Office of the Comptroller of the Currency, would be prohibited from suggesting, requesting, or ordering a bank to terminate a customer relationship unless the regulator put the order in writing and specified a material reason for the action. This requirement would limit the opportunity for regulators to abuse their discretion and terminate long-standing banking relationships based on biased, unsubstantiated, or subjective notions of “reputational risk.” Another provision of your bill would require the federal banking agencies to issue a rule defining the term “reputational risk.” This provision would work in conjunction with the written order requirement to bring specificity to examinations and limit abuse of discretion. Finally, your legislation would amend the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) to ensure that those charged with interpreting the law are limited to the original intent of the statute.

The Financial Institutions Customer Protection Act would preserve the ability of banks to serve legal and legitimate business customers without undue pressure from law enforcement or examiners.

Thank you for introducing this important legislation.

Sincerely,

/s/

Camden R. Fine
President & CEO

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