

May 20, 2015

Dear Senator Crapo:

We, the undersigned trade organizations, who represent our nation's banks and credit unions, write today in support of your amendment to the Financial Regulatory Improvement Act that would prohibit the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Consumer Financial Protection Bureau, or the National Credit Union Administration from implementing or participating in the "Operation Choke Point" initiative of the Department of Justice.

Credit unions and banks are committed to maintaining their ability to serve their members and customers, while also strictly adhering to all laws and regulations that govern those services. We support and have a long history of partnering with the federal government in fighting fraud and ensuring the integrity of financial markets; nevertheless, we are concerned that Operation Choke Point's broad enforcement tactics could negatively impact consumers and the economy. Operation Choke Point activities have resulted in some financial institutions suspending access to financial services for certain legal businesses.

Your amendment would in no way inhibit the enforcement of anti-fraud laws. All of the requirements of the Bank Secrecy Act and other anti-fraud statutes would continue in force and effect as they did before the initiation of Operation Choke Point. Banks and credit unions have a long history of partnership with law enforcement agencies and in complying with the law. The amendment would prevent the financial regulators from pressuring a depository financial institution into terminating a specific member/customer account or to otherwise discourage a depository institution, such as a bank or credit union, from entering into or maintaining a financial services relationship with legitimate member/customer without material reason under the Department of Justice's "Operation Choke Point" initiative. We strongly believe that before a law enforcement agency or regulator requires that a relationship be terminated with a credit union member or bank customer, the law enforcement agency or regulator must have and provide to the credit union or bank a material reason clearly related to a specific violation of the law.

We support your amendment and would urge its adoption.

Sincerely,

Credit Union National Association

Independent Community Bankers of America

National Association of Federal Credit Unions