

**BLAINE LUETKEMEYER**

MEMBER OF CONGRESS  
3RD DISTRICT, MISSOURI

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**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

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October 15, 2018

The Honorable Joseph Otting  
Comptroller  
Office of the Comptroller of the Currency  
400 7<sup>th</sup> Street, SW  
Washington, D.C. 20219

Dear Comptroller Otting:

I write to express my deep concern over information that was made available last Friday. As you know, newly-unsealed documents linking Federal Deposit Insurance Corporation (FDIC) and Office of the Comptroller of the Currency (OCC) staff to Operation Choke Point were released as part of a motion for summary judgment in the case of *Advance America et al. v. Federal Deposit Insurance Corporation*. While I have long understood the connection between financial regulatory agency staff and this abusive initiative, this new information gives more insight into disturbing trends within the OCC.

Over the course of more than five years, OCC officials have denied any sort of knowledge of or participation in Operation Choke Point. Such denials were made by the most senior staff of your agency, including Deputy Comptroller for Compliance Policy Grovetta Gardineer and by your predecessor, then-Comptroller Thomas Curry. The evidence released on Friday proves that not to be the case. On the contrary, it seems OCC staff made the conscious decision, in conjunction with leadership at the FDIC, to use “moral suasion” to “suggest strongly that [banks] re-evaluate payday lending.”<sup>1</sup> Despite his earlier assertions, Comptroller Curry was undoubtedly aware that payday lenders had been specifically targeted, not based on evidence of wrongdoing but rather on a personal determination that a certain industry or product were distasteful. This decision appears to have been coordinated with FDIC Director for the Division of Depositor and Consumer Protection Mark Pearce.

Simply put, the evidence proves that your predecessor and the senior staff at the OCC and the FDIC, many of whom remain in place today, fostered a culture where political opinion and personal belief trumped the agencies’ missions to protect customers of and promote safety and soundness in the banking system.

As a former examiner, I find it appalling that senior regulators would not only allow but encourage this type of irresponsible behavior. Licensed, legally-operating U.S. businesses have lost access to the financial services space and been forced to close their doors. This has gone on

<sup>1</sup> Plaintiffs’ Statement of Undisputed Material Facts, *Advance America, Cash Advance Centers, Inc., et al., v. Federal Deposit Insurance Corporation, et al.*, Civil Action 14-953-TNM (United States District Court for the District of Columbia October 12, 2018) [Doc. #199-2]

for too long and has eroded the trust Congress and the American people have in federal financial regulators including the OCC. I had many conversations with your predecessor about this initiative, few if any of which proved to be productive. I ask you to do what he consistently declined to do and investigate this matter and take immediate and firm action against any member of your staff who has abused the power vested in them.

I appreciate your leadership on this important issue and look forward to swift action on your part to restore the integrity of the OCC.

Sincerely,



Blaine Luetkemeyer  
Chairman  
Subcommittee on Financial Institutions and Consumer Credit  
House Financial Services Committee