

ELIZABETH WARREN
MASSACHUSETTS

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BANKING, HOUSING, AND URBAN AFFAIRS
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United States Senate

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P: 617-565-3170

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P: 413-788-2690

www.warren.senate.gov

January 15, 2019

Mr. Brian T. Moynihan
Chief Executive Officer
Bank of America Corp.
100 North Tryon Street
Charlotte, NC 28255

Dear Mr. Moynihan,

I write today to seek information on how you intend to help meet the financial needs of federal government employees, contractors, and others workers and businesses who - through no fault of their own - face dire financial threats due to President Trump's government shutdown.

The shutdown is now in its 25th day - the longest in history - and over 800,000 federal workers have either been furloughed or forced to work without pay. In addition, hundreds of thousands of federal contract workers, businesses that are dependent on these workers, and large and small businesses in need of federal government services are also facing lost paychecks and profits - with some "on the brink of financial ruin."¹

These problems are now critical, with workers missing paychecks on January 11, 2019, and each day bringing new financial strains. Thousands of federal workers are in need of help with mortgages and monthly expenses;² they have been forced to enter "shutdown survival mode: opening new credit card accounts to pay off their bills, borrowing from relatives and eating the dregs of their pantries;" they are facing an inability to pay rent and child support, relying on food pantries and other charitable assistance, and "[f]inancial fears that once seemed implausible — overdraft fees, missed mortgage payments, lowered credit ratings — are now consuming many."³

In a letter to financial institutions sent on January 11, 2019, the FDIC, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Consumer Financial Protection Bureau "encourage[d] financial

¹ New York Times, "Federal Shutdown's Uneven Toll: Some Americans are Devastated, Others Oblivious," Julie Bosman, Patricia Cohen, and Julie Turkewitz, January 11, 2019, <https://www.nytimes.com/2019/01/11/business/federal-shutdown-divide.html>; New York Times, "Farm Country Stood by Trump. But the Shutdown is Pushing it to Breaking Point," Jack Healy and Tyler Pager, January 10, 2019, <https://www.nytimes.com/2019/01/10/us/farmers-trump-administration.html>.

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institutions to work with customers affected by the federal government shutdown.” Noting that “affected borrowers may face a temporary hardship in making payments on financial obligations such as mortgages, student loans, car loans, credit cards, and other debt,” the regulators asked banks and lenders to “consider prudent workout arrangements that increase the potential for creditworthy borrowers to meet their obligations. ... [T]hese efforts may include extending new credit, waiving fees, easing credit card limits, allowing customers to defer or skip payments, modify terms on existing loans, and delaying the submission of delinquency notices to credit bureaus.”⁴

I agree with these regulators, and was pleased to see many credit unions and banks that serve federal employees act quickly to help them. They are providing payroll advances and low-interest loans, allowing delayed payments on loans, and providing access to additional financial counseling services. In Massachusetts, Hanscom Federal Credit Union is offering a “LifeLine loan to members who are federal employees and affected by a shutdown ... [and] will also waive penalties for early withdrawals on term share certificates, and [allow] some members will be able to skip loan payments at no charge.”⁵ Thousands of workers are taking advantage of these important services.⁶

But small banks and credit unions should not be the only financial services providers assisting federal workers during the shutdown. Your company and other large banks also have responsibilities - to your customers, and to the regulators that have asked you to provide assistance - and that's why I am pleased that Bank of America Corp. and other large retail banks have taken actions to assist customers in need.

US Bancorp “announced a new low-rate, quick loan product designed to help customers who are federal employees needing special assistance during the U.S. government shutdown.”⁷ Chase is “encourag[ing] customers affected by the U.S. government shutdown to call if they need help with their Chase mortgages, credit card accounts or car loans,” and “[s]ince December 24, ... has been automatically waiving or refunding overdraft and monthly service fees on Chase checking and savings accounts if an employee’s salary from an affected federal agency was direct-deposited into the account.”⁸ Wells Fargo announced that “[t]he bank will work with individuals and business banking customers whose income is disrupted as a result of the shutdown,” and that “customers may qualify for forbearance or other payment assistance programs based on their individual circumstances.”⁹ Bank of America announced that “[o]ur Client Assistance Program

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⁸ Chase, “Customers Affected by Government Shutdown Should Call Chase If They Need Help with Their Loans,” press release, January 10, 2019, <https://media.chase.com/news/customers-affected-by-government-shutdown>

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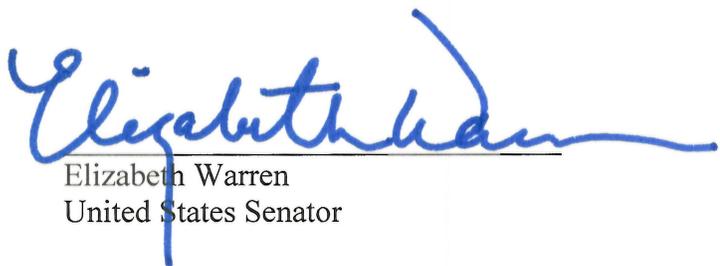
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4. How many individuals or businesses have taken advantage of this assistance to date?
5. What additional plans do you have to provide assistance if the shutdown continues?

Please do not hesitate to reach out to Bharat Ramamurti or Julie Siegel of my staff at 202-224-4543 with any questions or concerns.

Sincerely,



Elizabeth Warren
United States Senator

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January 15, 2019

Mr. Michael L. Corbat
Chief Executive Officer
Citigroup
388 Greenwich Street
New York, NY 10013

Dear Mr. Corbat,

I write today to seek information on how you intend to help meet the financial needs of federal government employees, contractors, and others workers and businesses who - through no fault of their own - face dire financial threats due to President Trump's government shutdown.

The shutdown is now in its 25th day - the longest in history - and over 800,000 federal workers have either been furloughed or forced to work without pay. In addition, hundreds of thousands of federal contract workers, businesses that are dependent on these workers, and large and small businesses in need of federal government services are also facing lost paychecks and profits - with some "on the brink of financial ruin."¹

These problems are now critical, with workers missing paychecks on January 11, 2019, and each day bringing new financial strains. Thousands of federal workers are in need of help with mortgages and monthly expenses;² they have been forced to enter "shutdown survival mode: opening new credit card accounts to pay off their bills, borrowing from relatives and eating the dregs of their pantries;" they are facing an inability to pay rent and child support, relying on food pantries and other charitable assistance, and "[f]inancial fears that once seemed implausible — overdraft fees, missed mortgage payments, lowered credit ratings — are now consuming many."³

In a letter to financial institutions sent on January 11, 2019, the FDIC, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Consumer Financial Protection Bureau "encourage[d] financial

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institutions to work with customers affected by the federal government shutdown.” Noting that “affected borrowers may face a temporary hardship in making payments on financial obligations such as mortgages, student loans, car loans, credit cards, and other debt,” the regulators asked banks and lenders to “consider prudent workout arrangements that increase the potential for creditworthy borrowers to meet their obligations. ... [T]hese efforts may include extending new credit, waiving fees, easing credit card limits, allowing customers to defer or skip payments, modify terms on existing loans, and delaying the submission of delinquency notices to credit bureaus.”⁴

I agree with these regulators, and was pleased to see many credit unions and banks that serve federal employees act quickly to help them. They are providing payroll advances and low-interest loans, allowing delayed payments on loans, and providing access to additional financial counseling services. In Massachusetts, Hanscom Federal Credit Union is offering a “LifeLine loan to members who are federal employees and affected by a shutdown ... [and] will also waive penalties for early withdrawals on term share certificates, and [allow] some members will be able to skip loan payments at no charge.”⁵ Thousands of workers are taking advantage of these important services.⁶

But small banks and credit unions should not be the only financial services providers assisting federal workers during the shutdown. Your company and other large banks also have responsibilities - to your customers, and to the regulators that have asked you to provide assistance - and that's why I am pleased that Citigroup and other large retail banks have taken actions to assist customers in need.

US Bancorp “announced a new low-rate, quick loan product designed to help customers who are federal employees needing special assistance during the U.S. government shutdown.”⁷ Chase is “encourag[ing] customers affected by the U.S. government shutdown to call if they need help with their Chase mortgages, credit card accounts or car loans,” and “[s]ince December 24, ... has been automatically waiving or refunding overdraft and monthly service fees on Chase checking and savings accounts if an employee’s salary from an affected federal agency was direct-deposited into the account.”⁸ Wells Fargo announced that “[t]he bank will work with individuals and business banking customers whose income is disrupted as a result of the shutdown,” and that “customers may qualify for forbearance or other payment assistance programs based on their individual circumstances.”⁹ Bank of America announced that “[o]ur Client Assistance Program is available to individuals affected by the shutdown for personalized financial assistance, tailored

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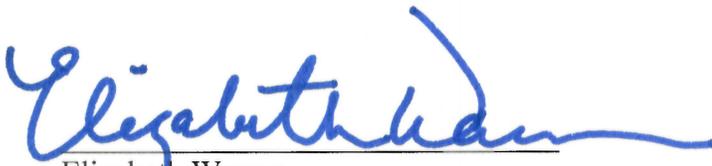
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I’m glad that you are taking some steps to help your customers but these announcements do not provide full details about the services that are actually available to affected workers and businesses. In order to assist me - and your customers - to understand the full suite of actions you are taking to assist those affected by the government shutdown, I ask that you provide answers to the following questions no later than January 21, 2019.

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4. How many individuals or businesses have taken advantage of this assistance to date?
5. What additional plans do you have to provide assistance if the shutdown continues?

Please do not hesitate to reach out to Bharat Ramamurti or Julie Siegel of my staff at 202-224-4543 with any questions or concerns.

Sincerely,



Elizabeth Warren
United States Senator

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January 15, 2019

Jamie Dimon
Chief Executive Officer and President
JPMorgan Chase & Co.
270 Park Avenue
New York, NY 10017

Dear Mr. Dimon,

I write today to seek information on how you intend to help meet the financial needs of federal government employees, contractors, and others workers and businesses who - through no fault of their own - face dire financial threats due to President Trump's government shutdown.

The shutdown is now in its 25th day - the longest in history - and over 800,000 federal workers have either been furloughed or forced to work without pay. In addition, hundreds of thousands of federal contract workers, businesses that are dependent on these workers, and large and small businesses in need of federal government services are also facing lost paychecks and profits - with some "on the brink of financial ruin."¹

These problems are now critical, with workers missing paychecks on January 11, 2019, and each day bringing new financial strains. Thousands of federal workers are in need of help with mortgages and monthly expenses;² they have been forced to enter "shutdown survival mode: opening new credit card accounts to pay off their bills, borrowing from relatives and eating the dregs of their pantries;" they are facing an inability to pay rent and child support, relying on food pantries and other charitable assistance, and "[f]inancial fears that once seemed implausible — overdraft fees, missed mortgage payments, lowered credit ratings — are now consuming many."³

In a letter to financial institutions sent on January 11, 2019, the FDIC, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Consumer Financial Protection Bureau "encourage[d] financial

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institutions to work with customers affected by the federal government shutdown.” Noting that “affected borrowers may face a temporary hardship in making payments on financial obligations such as mortgages, student loans, car loans, credit cards, and other debt,” the regulators asked banks and lenders to “consider prudent workout arrangements that increase the potential for creditworthy borrowers to meet their obligations. ... [T]hese efforts may include extending new credit, waiving fees, easing credit card limits, allowing customers to defer or skip payments, modify terms on existing loans, and delaying the submission of delinquency notices to credit bureaus.”⁴

I agree with these regulators, and was pleased to see many credit unions and banks that serve federal employees act quickly to help them. They are providing payroll advances and low-interest loans, allowing delayed payments on loans, and providing access to additional financial counseling services. In Massachusetts, Hanscom Federal Credit Union is offering a “LifeLine loan to members who are federal employees and affected by a shutdown ... [and] will also waive penalties for early withdrawals on term share certificates, and [allow] some members will be able to skip loan payments at no charge.”⁵ Thousands of workers are taking advantage of these important services.⁶

But small banks and credit unions should not be the only financial services providers assisting federal workers during the shutdown. Your company and other large banks also have responsibilities - to your customers, and to the regulators that have asked you to provide assistance - and that's why I am pleased that JPMorgan Chase & Co. and other large retail banks have taken actions to assist customers in need.

US Bancorp “announced a new low-rate, quick loan product designed to help customers who are federal employees needing special assistance during the U.S. government shutdown.”⁷ Chase is “encourag[ing] customers affected by the U.S. government shutdown to call if they need help with their Chase mortgages, credit card accounts or car loans,” and “[s]ince December 24, ... has been automatically waiving or refunding overdraft and monthly service fees on Chase checking and savings accounts if an employee’s salary from an affected federal agency was direct-deposited into the account.”⁸ Wells Fargo announced that “[t]he bank will work with individuals and business banking customers whose income is disrupted as a result of the shutdown,” and that “customers may qualify for forbearance or other payment assistance programs based on their individual circumstances.”⁹ Bank of America announced that “[o]ur Client Assistance Program

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5. What additional plans do you have to provide assistance if the shutdown continues?

Please do not hesitate to reach out to Bharat Ramamurti or Julie Siegel of my staff at 202-224-4543 with any questions or concerns.

Sincerely,



Elizabeth Warren
United States Senator

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January 15, 2019

Andy Cecere
President and Chief Executive Officer
U.S. Bancorp
800 Nicollet Mall
Minneapolis, MN 55402

Dear Mr. Cecere,

I write today to seek information on how you intend to help meet the financial needs of federal government employees, contractors, and others workers and businesses who - through no fault of their own - face dire financial threats due to President Trump's government shutdown.

The shutdown is now in its 25th day - the longest in history - and over 800,000 federal workers have either been furloughed or forced to work without pay. In addition, hundreds of thousands of federal contract workers, businesses that are dependent on these workers, and large and small businesses in need of federal government services are also facing lost paychecks and profits - with some "on the brink of financial ruin."¹

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⁶ WTOP, “Banks and Credit Unions Move to Help Federal Workers Hit by Shutdown,” January 2, 2019, <https://wtop.com/government/2019/01/banks-and-credit-unions-move-to-help-federal-workers-hit-by-shutdown/>.

⁷ U.S. Bank, “U.S. Bank Launches New Low-Rate, Quick Loan for Customers Needing Assistance During Federal Government Shutdown,” press release, January 11, 2019, <https://www.marketwatch.com/press-release/us-bank-launches-new-low-rate-quick-loan-for-customers-needing-assistance-during-federal-government-shutdown-2019-01-11>.

⁸ Chase, “Customers Affected by Government Shutdown Should Call Chase If They Need Help with Their Loans,” press release, January 10, 2019, <https://media.chase.com/news/customers-affected-by-government-shutdown>

⁹ Wells Fargo, “Government Shutdown Assistance,” <https://www.wellsfargo.com/help/government-shutdown/>.

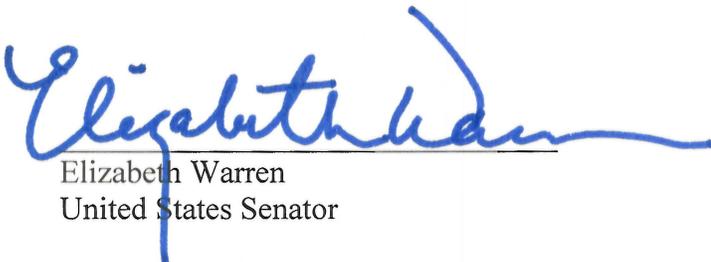
is available to individuals affected by the shutdown for personalized financial assistance, tailored to their specific situation and financial needs.”¹⁰ And Citi has announced that “customers [affected by the shutdown] may be able to get fee and interest adjustments, as well as short-term forbearance and repayment plans or loan modifications.”¹¹

I’m glad that you are taking some steps to help your customers but these announcements do not provide full details about the services that are actually available to affected workers and businesses. In order to assist me - and your customers - to understand the full suite of actions you are taking to assist those affected by the government shutdown, I ask that you provide answers to the following questions no later than January 21, 2019.

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4. How many individuals or businesses have taken advantage of this assistance to date?
5. What additional plans do you have to provide assistance if the shutdown continues?

Please do not hesitate to reach out to Bharat Ramamurti or Julie Siegel of my staff at 202-224-4543 with any questions or concerns.

Sincerely,



Elizabeth Warren
United States Senator

¹⁰Bank of America, “Bank of America Contacts Clients Affected by Government Shutdown,” press release, January 11, 2019, <https://www.businesswire.com/news/home/20190111005465/en/Bank-America-Contacts-Clients-Affected-Government-Shutdown>.

¹¹ PYMNTS, “Banks Help Gov’t Workers Impacted By Shutdown,” January 6, 2019, <https://www.pymnts.com/news/banking/2019/banks-help-government-employees-shutdown/>.

ELIZABETH WARREN
MASSACHUSETTS

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January 15, 2019

Mr. Timothy J. Sloan
Chief Executive Officer
Wells Fargo
420 Montgomery St.
San Francisco, CA 94104

Dear Mr. Sloan,

I write today to seek information on how you intend to help meet the financial needs of federal government employees, contractors, and others workers and businesses who - through no fault of their own - face dire financial threats due to President Trump's government shutdown.

The shutdown is now in its 25th day - the longest in history - and over 800,000 federal workers have either been furloughed or forced to work without pay. In addition, hundreds of thousands of federal contract workers, businesses that are dependent on these workers, and large and small businesses in need of federal government services are also facing lost paychecks and profits - with some "on the brink of financial ruin."¹

These problems are now critical, with workers missing paychecks on January 11, 2019, and each day bringing new financial strains. Thousands of federal workers are in need of help with mortgages and monthly expenses;² they have been forced to enter "shutdown survival mode: opening new credit card accounts to pay off their bills, borrowing from relatives and eating the dregs of their pantries;" they are facing an inability to pay rent and child support, relying on food pantries and other charitable assistance, and "[f]inancial fears that once seemed implausible — overdraft fees, missed mortgage payments, lowered credit ratings — are now consuming many."³

In a letter to financial institutions sent on January 11, 2019, the FDIC, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Consumer Financial Protection Bureau "encourage[d] financial

¹ New York Times, "Federal Shutdown's Uneven Toll: Some Americans are Devastated, Others Oblivious," Julie Bosman, Patricia Cohen, and Julie Turkewitz, January 11, 2019, <https://www.nytimes.com/2019/01/11/business/federal-shutdown-divide.html>; New York Times, "Farm Country Stood by Trump. But the Shutdown is Pushing it to Breaking Point," Jack Healy and Tyler Pager, January 10, 2019, <https://www.nytimes.com/2019/01/10/us/farmers-trump-administration.html>.

² Wall Street Journal, "Government Workers Idled by Shutdown Turn to Emergency Loans," Yuka Hayashi, January 12, 2019, <https://www.wsj.com/articles/government-workers-idled-by-shutdown-turn-to-emergency-loans-11547246027>.

³ New York Times, "As Government Shutdown Goes On, Workers Finances Fray: 'Nobody Signed Up for This'," Jan. 8, 2019, <https://www.nytimes.com/2019/01/08/us/paychecks-government-shutdown.html>.

institutions to work with customers affected by the federal government shutdown.” Noting that “affected borrowers may face a temporary hardship in making payments on financial obligations such as mortgages, student loans, car loans, credit cards, and other debt,” the regulators asked banks and lenders to “consider prudent workout arrangements that increase the potential for creditworthy borrowers to meet their obligations. ... [T]hese efforts may include extending new credit, waiving fees, easing credit card limits, allowing customers to defer or skip payments, modify terms on existing loans, and delaying the submission of delinquency notices to credit bureaus.”⁴

I agree with these regulators, and was pleased to see many credit unions and banks that serve federal employees act quickly to help them. They are providing payroll advances and low-interest loans, allowing delayed payments on loans, and providing access to additional financial counseling services. In Massachusetts, Hanscom Federal Credit Union is offering a “LifeLine loan to members who are federal employees and affected by a shutdown ... [and] will also waive penalties for early withdrawals on term share certificates, and [allow] some members will be able to skip loan payments at no charge.”⁵ Thousands of workers are taking advantage of these important services.⁶

But small banks and credit unions should not be the only financial services providers assisting federal workers during the shutdown. Your company and other large banks also have responsibilities - to your customers, and to the regulators that have asked you to provide assistance - and that's why I am pleased that Wells Fargo and other large retail banks have taken actions to assist customers in need.

US Bancorp “announced a new low-rate, quick loan product designed to help customers who are federal employees needing special assistance during the U.S. government shutdown.”⁷ Chase is “encourag[ing] customers affected by the U.S. government shutdown to call if they need help with their Chase mortgages, credit card accounts or car loans,” and “[s]ince December 24, ... has been automatically waiving or refunding overdraft and monthly service fees on Chase checking and savings accounts if an employee’s salary from an affected federal agency was direct-deposited into the account.”⁸ Wells Fargo announced that “[t]he bank will work with individuals and business banking customers whose income is disrupted as a result of the shutdown,” and that “customers may qualify for forbearance or other payment assistance programs based on their individual circumstances.”⁹ Bank of America announced that “[o]ur Client Assistance Program

⁴ FDIC, “Regulators Encourage Institutions to Work with Borrowers affected by the Government Shutdown,” January 11, 2019, <https://www.fdic.gov/news/news/financial/2019/fil19001.html>.

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