Written Statement of Graham Steele
"Regulatory Overreach: The Price Tag on American Prosperity"
Before the Subcommittee on Financial Institutions
Committee on Financial Services
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Good morning Chairman Barr, Ranking Member Foster, and members of the subcommittee. Thank you for inviting me to testify today. My name is Graham Steele and I am an academic fellow at the Rock Center for Corporate Governance at Stanford Law School[1] and a fellow at the Roosevelt Institute. From November 2021 until January 2024, I served as the Assistant Secretary for Financial Institutions at the U.S. Department of the Treasury and from 2015 to 2017, I was the Minority Chief Counsel for the Senate Committee on Banking, Housing & Urban Affairs.

Building a more just economy and society begins with a stable financial foundation. As I observed while I was at the Treasury Department, the failures of Silicon Valley Bank (SVB) and other banks and crypto firms once again demonstrated that strong regulation and consumer protection are vital to ensuring that our financial system can serve as a source of stability and equitable growth.[2] Appropriate regulation helps to preserve banks' viability and competitiveness, enabling them to weather disruptions resulting from declines in asset values due to factors like changing interest rates. This instills confidence in customers and depositors, even during times of economic uncertainty and financial stress.

Unfortunately, the Trump Administration's agenda is focused on giving financial companies greater flexibility to take risks, extract wealth from working people, and enrich their executives and shareholders through bonuses and payouts. President Trump vowed to do "a big number on Dodd-Frank" during his first term[3] and stacked his first administration full of Wall Street executives who adhered to a financial industry–friendly ideology. The agenda for a second term is clearly more of the same, with some economic chaos thrown into the mix.

[1] Affiliation is provided for identification purposes only. Further details on background and expertise are available here: https://law.stanford.edu/graham-steele/.
[2] *See* Graham Steele, Assistant Sec'y for Fin. Insts., U.S. Dep't of the Treasury, Remarks at the Americans for Financial Reform Education Fund (July 25, 2023), https://home.treasury.gov/news/press-releases/jy1648.
[3] *See* Graham Steele, The End of Banking History? Finishing the Unfinished Business of Financial Reform 6, Roosevelt Institute (Aug. 2024), https://rooseveltinstitute.org/wp-content/uploads/2024/07/RI_Banking-Unfinished-Business-Financial-Reform_Brief_082024.pdf..

After the election, JPMorgan CEO Jamie Dimon said that bankers were "dancing in the street."[4] The plan is to gut the agencies that oversee the financial system and the authorities those agencies use to rein in financial excesses—sometimes dramatically, at other times in the manner of a death-by-a-thousand-cuts. But this agenda is short-sighted and self-defeating. Weakening oversight of the financial system, raising costs for working people, engaging in erratic protectionist trade policies, and assaulting the independence of agencies, including the Federal Reserve, will only create financial instability, increase the risks of a recession, and dimmish the U.S.'s global economic standing.

In the remainder of my testimony, I will discuss the deregulation of Wall Street and the financial sector that occurred during President-elect Trump's first term and the legislative and regulatory agenda for the second Trump administration. I will also discuss how Wall Street deregulation harms working people and communities and offer some brief suggestions on areas that warrant this subcommittee's attention because they would help Main Street—instead of Wall Street.

I. The First Trump Administration: Wall Street Deregulation and its Consequences

During the first Trump administration, Wall Street got its way and is poised to do so again—and that should be very concerning to the public.

In 2017, following directives from both the White House and Treasury Department, the banking agencies began weakening the more stringent post-Global Financial Crisis approach to financial regulation in several respects.[5] The 2018 Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) rolled back important provisions of the Dodd-Frank Act's financial reforms. The ensuing regulatory changes, some of which were consistent with EGRRCPA and some of which went beyond the law's mandates, were known as "tailoring."

These changes sought to minimize banks' so-called "regulatory burden" and discarded some of the painful lessons learned during the Global Financial Crisis of 2007-09 about potential sources of financial risks and the importance of robust regulation.[6] In the words of former Federal Reserve Governor Dan Tarullo, this approach resulted in a

[4] Theron Mohamed, *Jamie Dimon Says Bankers are 'Dancing in the Street' Because They Expect Trump to Cut Regulation*, Business Insider (Nov. 15, 2024), https://www.businessinsider.com/jamie-dimon-jpmorgan-trump-deregulation-banks-musk-vivek-policy-election-2024-11.
[5] *See* Graham S. Steele, *The Tailors of Wall Street*, 93 U. COLO. L. REV. 993, 1032 (2022). In particular, the Treasury Department drafted a report that included 101 unique recommendations for how the bank regulatory and supervisory processes could be "tailored." *See id.*
[6] *See id.*, at 1032-52.

"kind of low-intensity deregulation, consisting of an accumulation of non-headline-grabbing changes and an opaque relaxation of supervisory rigor."[7]

The "tailoring" approach made the U.S. financial system less resilient and less capable of supporting the Main Street economy. When President Biden took office in 2021, there was a long to-do list to reverse the banker-friendly deregulatory policies instituted by his predecessor and, during my time serving at the Treasury Department, we were forced to deal with the consequences of the deregulation that occurred during the first Trump Administration.

In 2023, the US experienced three of the four largest bank failures by assets in the nation's history, caused by a run by uninsured depositors at large regional banks beginning with SVB.[8] All three of the banks that failed in 2023—SVB, Signature Bank, and First Republic Bank—were beneficiaries of tailoring, including less stringent capital, liquidity, stress testing, and resolution planning requirements.[9]

More appropriate prudential regulations and tighter limits on crypto-related activities could have helped prevent the stress created in 2023. Despite the flawed premise of tailoring that banks of this size could not threaten to undermine financial stability, the Treasury, Federal Reserve (Fed), and Federal Deposit Insurance Corporation (FDIC) were forced into using a systemic risk exception to guarantee uninsured depositors in two of the three failed banks.

Trump administration regulators also loosened oversight of financial technology (fintech) companies and their partnerships with banks. In their words, they "prioritized establishing a regulatory approach that encourages, rather than stifles, innovation."[10] They sought to "remove regulatory hurdles to innovative partnerships" between banks and fintech companies.[11] In 2022, Treasury raised questions about the compliance standards at many fintech partner banks and the banking agencies' oversight of these bank-fintech partnerships.[12] Last year, the bankruptcy of the fintech Synapse left thousands of people without access to their money for an extended period. Synapse's

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[7] Daniel K. Tarullo, Taking the Stress Out of Stress Testing 3 (May 21, 2019), https://ourfinancialsecurity.org/wp-content/uploads/2019/05/Tarullo-AFRTalk.pdf.
[8] *See* Graham Steele, *Remember the Silicon Valley Bank Disaster?*, Wash. Monthly (Mar. 15, 2024), https://washingtonmonthly.com/2024/03/15/remember-the-silicon-valley-bank-diaster/.
[9] *See* Steele, Remarks at the Americans for Financial Reform Education Fund, *supra* note 2.
[10] Steele, The End of Banking History, *supra* note 3, at 7 (quoting Jelena McWilliams, Chairman, Fed. Deposit Ins. Corp., *Brokered Deposits in the Fintech Age*, Speech at Brookings Inst. (2019)).
[11] *Id.*
[12] *See* U.S. DEP'T OF THE TREASURY, ASSESSING THE IMPACT OF NEW ENTRANT NON-BANK FIRMS ON COMPETITION IN CONSUMER FINANCE MARKETS (Nov. 2022), https://home.treasury.gov/system/files/136/Assessing-the-Impact-of-New-Entrant-Nonbank-Firms.pdf.

bankruptcy coincided with a spate of enforcement actions against fintech partner banks.[13]

II. The Second Trump Administration: Accomplishments, Agenda & Outlook

Turning from the past to the present and future, there are several concerning trends woven throughout the agenda early in the second Trump Administration that would have sweeping and profound implications for consumer protection, safety and soundness, and financial stability. This agenda stands in stark contrast to, and largely ignores, much of what has happened in the financial system in the past five years. At the same time, this agenda also ignores many of the troubling things this administration is presently doing to the financial industry and the financial regulatory agencies with insufficient oversight from Congress.

A. "Tailoring" Redux

The legislation the Subcommittee considers today marks a return to the discredited tailoring approach. Many of the proposals would weaken supervision and regulation for banks of all sizes, un-learning the lessons of the Global Financial Crisis of 2007-09 and the regional bank stress in 2023. They would also obstruct the longstanding bank supervision process by implementing longer examination cycles and constraining the use of the CAMELS bank rating system.

The *TAILOR Act* directs banking agencies to further tailor their rules in various ways. There are many relevant factors, including underlying economic conditions, that can play a role in determining whether stress or failure of a bank or group of banks can threaten the broader banking system or financial stability.[14] The shifting nature of risk and panic is consistent with the "too many to fail" problem, where "panics can be caused by herding and by contagion," as experienced during the failures of small depository institutions during the savings and loan crises of the 1980s and 1990s.[15] These dynamics can lead to

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[13] For a list of fintech partner bank enforcement actions in 2024, see Appendix 1.

[14] *See* FED. RSRV. SYS., ORD. NO. 2012-2, CAPITAL ONE FINANCIAL CORPORATION: ORDER APPROVING THE ACQUISITION OF A SAVINGS ASSOCIATION AND NONBANKING SUBSIDIARIES 32 (2012), https://www.federalreserve.gov/newsevents/pressreleases/files/order20120214.pdf ("Measures of a financial institution's size on a pro forma basis could either understate or overstate risks to financial stability posed by the financial institution. For instance, a relatively small institution that operates in a critical market for which there is no substitute provider, or that could transmit its financial distress to other financial organizations through multiple channels, could present significant risks to the stability of the [U.S. financial system].").

[15] Stanley Fischer, Vice Chairman, Bd. of Governors of the Fed. Rsrv. Sys., Financial Reform: How Far Are We? 20 (July 10, 2014), http://www.federalreserve.gov/newsevents/speech/fischer20140710a.pdf. For an extensive discussion of the "too many to fail" phenomenon in the community banking context, see Jeremy C. Kress & Matthew C. Turk, *Too Many to Fail: Against Community Bank Deregulation*, 115 NW. U. L. REV. 647 (2020).

spillover risks, as the failure of one bank leads to deposit or liability runs at banks that markets perceive as having similar business models or exposures.

During the Global Financial Crisis, the failure of the $32 billion thrift IndyMac due to a combination of aggressive growth, poor mortgage underwriting, concentrated real estate exposures, and reliance on brokered deposits set off a cascade of distress at other regional banks and thrifts with similar business profiles—contagion that was only contained by bailouts, and emergency mergers. The 2023 banking stress was a similar type of classic bank run, causing stress among regional and midsize banks.

While the *TAILOR Act* offers general guidance to agencies that may appear reasonable on its face, the message implicit in the tailoring metaphor is that agencies should prioritize "cutting back on rules like excess cloth and crafting rules to fit banks like bespoke garments."[16]

The *FIRM Act* curtails the use of reputational risk in bank supervision and the *CAMELS Rating Modernization Act* directs agencies to review and revise the CAMELS rating system to use a "transparent methodology that is limited to … objective criteria" limiting the role played by factors such as an institution's management. Reputational risk is just one factor in examination and supervision and is very rarely the sole basis upon which an agency would expect a bank to correct its behavior. It is most commonly used in relation to consumer compliance and deterring banks from engaging in predatory practices, compliance with anti-money laundering requirements and preventing banks from doing business with entities engaged in illicit activities, and the risks of environmental damage as a result of agricultural or oil & gas lending. A bank's managerial character and capacity has long been a foundational basis for evaluating whether a bank is worthy of receiving a charter or federal deposit insurance.

Sound management and reputational considerations are fundamental part of the banking business. These factors may not be precisely quantifiable in the way a bank's capital ratio can be calculated, but we have seen time and again that public perception and confidence and sound management affect the stability of banks and the entire banking system—from the failure of Riggs Bank in the 2000s, to the Global Financial Crisis, to the failures of SVB, Signature Bank, and Credit Suisse in 2023.

The irony is that these bills cannot make the underlying risks go away. Instead, they just require banking agencies to ignore reality and experience.

The *TRUST Act* and *SMART Act* would lengthen the time between examination cycles for banks below $10 billion in assets. Again, experience tells us how this could go wrong.

[16] Steele, *The Tailors of Wall Street*, *supra* note 5, at 996.

Some of that banks that experienced stress in 2023 were below this regulatory threshold and were only saved by the invocation of systemic risk determination or the arrangement of mergers. Further, as the Appendix illustrates, many fintech partner banks are also below the thresholds contained in the legislation. These risks will be exacerbated by the FDIC's decision to abandon its proposal to strengthen restrictions on banks' reliance on brokered deposits, which are more volatile than traditional deposits and are increasingly being sourced from fintech and crypto companies. The crypto bank Silvergate, whose failure precipitated runs on SVB and Signature, grew extremely quickly by sourcing crypto deposits and only barely exceeded the $10 billion threshold before it failed. These bills would make it harder for supervisors to catch and address emerging risks at banks like Silvergate.

These bills also exempt banks that are well capitalized and well managed, meaning that weakening the Management criteria as required by the *CAMELS Rating Modernization Act* would, in turn, allow more banks to take advantage of the examination exemptions.

The substantive impact of the proposed legislation—individually and collectively—would make the bank supervision process more rote and less effective. This would increase the likelihood of "too many to fail"-type bank runs, panics, and financial crises. It is unfortunate that Congress would consider such changes just two years after the failures of SVB, Signature, and First Republic.

B. Weakening Consumer Protections

On Wednesday, the Committee will consider an appropriations package that would substantially reduce the Consumer Financial Protection Bureau's (CFPB) statutory funding. By any measure the CFPB is a worthwhile investment that provides immense value to the American people. Since its inception, the CFPB has returned over $20 billion to consumers through enforcement actions.[17] It also saves people money through the millions of complaints that it processes each year on behalf of harmed consumers.

It is difficult to quantify the value provided by preventing predatory and illegal practices, but it is clear the CFPB's rules deliver significant benefits to American consumers. For example, the CFPB rule to limit credit card penalty fees—bringing them from $32 down to $8—would have saved roughly 45 million Americans more than $10 billion in late fees annually. The CFPB's rule limiting bank account overdraft fees to $5 would have saved the estimated 23 million households who pay overdraft fees an additional $5 billion per year. By putting $15 billion per year in the pockets of working

[17] *See* Opening Statement of Director Rohit Chopra before the House Financial Services Committee, Consumer Fin. Protection Bureau, June 13, 2024, https://www.consumerfinance.gov/about-us/newsroom/opening-statement-of-director-rohit-chopra-before-the-house-financial-services-committee/.

people instead of the coffers of big banks, these two rules alone would have delivered savings almost 20 times the size of the CFPB's annual budget.

After a campaign about lowering costs for working people and capping credit card interest rates, the Trump Administration and the Congress have instead raised costs on consumers by repealing the CFPB's attempts to lower credit card late fees and bank overdraft fees. Meanwhile, the Acting Director of the CFPB is attempting to all but eliminate, or "delete" in the words of Elon Musk, the CFPB in violation of a U.S. Federal District Court order.

What the Trump Administration is doing would take us back to the years before the Global Financial Crisis, when mortgages, student loans, and credit cards were full of hidden tricks, traps, and fees. Gutting the CFPB also means that small banks are still subject to examinations by their primary banking agency, but big banks and their nonbank competitors—including Big Tech firms—are not.

C. Undermining Agency Independence

The *Congressional Banking Regulation Priorities and Accountability Act of 2025*, the *Banking Regulator International Reporting Act*, the *Guidance Clarity Act of 2025*, the *FDIC Board Accountability Act*, the *Federal Reserve Financial Accountability and Transparency Act*, the *Banking Regulator Accountability Act* impose assorted onerous reporting requirements on banking agencies, limit their ability to provide useful guidance to industry and the public, and remove the CFPB Director from the FDIC Board.

These are not the most pressing Executive Branch accountability issues of the day.

This Administration is currently running roughshod over traditional notions of agency independence and respect for the separation of powers. It has taken the legal position that removal protections that apply to agencies like the National Credit Union Administration (NCUA) are unconstitutional. As a result, the President has illegally attempted to remove Democratic appointees across all these agencies and failed to nominate any minority commissioners for existing vacancies.[18] The White House has issued Executive Orders attempting to place agencies under the thumb of the White House's Office of Management and Budget and the Treasury Department.[19] It has also issued an Executive Order seeking to disband the CFPB's Credit Union Advisory Council and the FDIC's Advisory Committee on Community Banking.[20]

[18] In some cases, the White House has nominated individuals for seats currently occupied by Democrats, forcing those Democrats out of the seats rather than allowing them to hold over in expired terms.
[19] *See* Ensuring Accountability for All Agencies, Exec. Order No. 14,215, 90 Fed. Reg. 10,447 (Feb. 18, 2025).
[20] *See* Commencing the Reduction of the Federal Bureaucracy, Exec. Order No. 14,217, 90 Fed. Reg. 10,577 (Feb. 19, 2025).

The Trump Administration is not alone in weakening agency independence. Through a series of administrative law decisions, conservative judges have diminished agencies' powers, reduced the independence of the leadership of financial regulatory agencies, and empowered industry to aggressively challenge agencies' actions.[21]

The way that Congress has designed independent banking agencies reflects a specific appreciation for the special nature of banking and a general respect for regulatory expertise.[22] Congress has balanced democratic accountability required by our constitutional system of government with the need to insulate policymaking from certain forms of short-term political pressures so that public policy is based on substantive expertise and objective empirical evidence that serves the public's long-term interests.[23] These concerns are particularly acute in the financial sector where the regulatory structure is balkanized, the subject matter is technical, and the closeness of agencies' communications with their regulated entities can exacerbate the risks of capture.[24]

Bank regulation, financial stability, and monetary policies should be based on sound economics not partisan politics. Hampering banking agencies' will undermine their ability to prevent or respond to crises, like the Global Financial Crisis or the 2023 bank failures, making such crises both more frequent and more severe. It would also introduce uncertainty and inconsistency in the meaning of regulations, guidance, and interpretive letters that could make engaging in the banking business more difficult, potentially calling into question interpretations like the banking agencies' expansion of banks' powers.

Contrast the picayune micromanagement required by these bills with the lack of Congressional oversight over the many illegal—and unconstitutional—actions taken by the Trump Administration.

Removing the CFPB Director from the FDIC Board is not the most urgent issue the Subcommittee could be focusing its legislative and oversight efforts on, as this Administration purges the NCUA and all other bipartisan commissions of Democratic members, the Acting CFPB Director purposefully violates a U.S. Federal District Court order, the President browbeats the Chair of the Federal Reserve Board in an attempt to exert political influence over monetary policy, and the President attempts to use the

[21] *See* Seila Law LLC v. Consumer Fin. Prot. Bureau, 140 S. Ct. 2183 (2020); *also* Collins v. Yellen, 141 S. Ct. 1761 (2020); *also* Loper Bright Enters. v. Raimondo, 144 S. Ct. 2244 (2024); *also* Corner Post, Inc. v. Bd. of Governors of the Fed. Rsrv. Sys., 144 S. Ct. 2440 (2024); *also* Sec. & Exch. Comm'n v. Jarkesy, 144 S. Ct. 2117 (2024).
[22] *See* Graham S. Steele, *Major Questions' Quiet Crisis*, 30 Geo. Mason L. Rev. 265, 305-06 (2024).
[23] *See id.*
[24] *See id.*

International Emergency Economic Powers Act (IEEPA) to impose sweeping and potentially illegal tariffs on U.S. consumers.

Speaking as a former Congressional staffer, it is disappointing to see Congress taking greater interest in the minutiae of the Fed's budget as the President threatens the Fed's independence and the Administration defies laws passed by Congress and orders issued by Federal courts.

We should be clear about the extent to which financial market participants bear responsibility for the current state of affairs. By pursuing deregulation at the expense of agency independence and making concessions to this administration's agenda, they are emboldening a President who is not known for his self-restraint. It is shortsighted to throw the baby of the trust, stability, and certainty provided by our banking laws out with the bathwater of specific banking regulations that they find inconvenient or overly burdensome.

D. "De-Banking"

Trump administration regulators, conservative state legislatures and executives, and conservative members of the U.S. Congress have all targeted companies and regulators that took it upon themselves to address the risks presented by, for example, the epidemic of gun violence, the proliferation of private prisons, and the devastating consequences of climate change.[25]

Members of the venture capital and cryptocurrency industries further stoked the controversy by accusing the U.S. government of "terrorizing" and attempting to "de-bank" certain disfavored individuals and industries.[26] The President himself accused

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[25] *See* Graham S. Steele, *Banks and ESG*, Rock Center for Corporate Governance at Stanford University Working Paper No. 259, at 15-24 (2024), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4992325.

[26] Erin Griffith & David Yaffe-Bellany, *How Crypto Insiders Turned 'Debanking' Into a Political Storm*, N.Y. Times (Dec. 10, 2024), https://www.nytimes.com/2024/12/10/technology/crypto-debanking-trump.html. In reality, concerns about the crypto industry stem from its persistent lack of compliance with anti-money laundering rules and the so-called "crypto winter" of 2022, when there were runs on at least seven different crypto assets that resulted in at least five crypto platforms declaring bankruptcy, with more than four million customers filing claims to recover their lost or frozen funds. This includes the scandalous bankruptcy and criminal fraud conviction of the cryptocurrency exchange FTX and its CEO Sam Bankman-Fried. Two of the three banks that failed in 2023, as well as Silvergate, were heavily concentrated in the crypto industry, meaning venture capital and crypto firms were among the beneficiaries of the systemic risk exception. As I said at the time, the banking agencies' resulting crypto activity guidance was a straightforward effort to "maintain the safety and soundness of banking institutions in the context of certain extremely volatile financial products," and was therefore a "well-founded response to the recent events in the crypto-asset markets." Graham Steele, Assistant Sec'y, Dep't of the Treasury, Remarks by Assistant Secretary for Financial Institutions Graham Steele at the Exchequer Club of Washington, D.C. (Feb. 15, 2023), https://home.treasury.gov/news/press-releases/jy1277.

banks of denying access to individuals who identify as conservative.[27] In what would have been a remarkable turn of events in any other administration but has become commonplace in this Administration, the Trump Organization sued Capital One Bank, alleging that the bank closed more than 300 of its bank accounts following the January 6, 2021, attack on the U.S. Capitol by supporters of President Trump—in effect, seeking to extort millions of dollars from a bank supervised and regulated by President Trump's own administration.[28]

H.R. 1181 is the latest example of this effort, targeting payment companies by requiring them to include firearms companies under the broader industry code for merchandise or sporting goods retailers.

If the members of the Subcommittee are genuinely concerned by instances of so-called "de-banking," then you will likely find the Trump Administration's actions over its first three months to be shocking.

In his first days in office, President Trump issued an Executive Order establishing a policy of "protecting and promoting fair and open access to banking services for all law-abiding individual citizens and private-sector entities alike."[29] At the same time, this Administration has attempted to "de-bank" politically disfavored groups. The Environmental Protection Agency and the Department of Justice ordered Citibank to freeze the bank accounts of recipients of $20 billion in grants from the Biden Administration to make investments that will reduce the impacts of climate change pursuant to the Inflation Reduction Act of 2022.[30] The Social Security Administration also reportedly attempted to use its "Death Master File" to report groups of immigrants as deceased in an effort to deny them access to government benefits, bank accounts, and credit cards.[31] With respect to payments companies specifically, last week, the President issued a memo directing the Department of Justice, in consultation with the Treasury Department, to investigate and take "all appropriate actions to enforce the law" against

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[27] *See* Katherine Doherty, *Trump Tells BofA's Moynihan to Stop Blocking Conservatives*, Bloomberg (Jan. 23, 2025), https://www.bloomberg.com/news/articles/2025-01-23/trump-surprises-davos-alleges-top-us-banks-reject-conservatives.

[28] *See* Ben Protess, *Trump Organization Sues Capital One for Closing Its Accounts*, N.Y. Times (Mar. 7, 2025), https://www.nytimes.com/2025/03/07/us/politics/trump-organization-capital-one-lawsuit.html.

[29] Strengthening American Leadership in Digital Financial Technology, Exec. Order No. 14,178, § 1(a)(iii), 90 Fed. Reg. 8,647 (Jan. 23, 2025).

[30] *See* Lisa Friedman, Claire Brown & Charlie Savage, *Climate Groups Were Counting on $20 Billion. Trump Won't Let Them Access It.*, N.Y. Times (Mar. 4, 2025), https://www.nytimes.com/2025/03/04/climate/green-bank-climate-trump-freeze.html.

[31] *See* Alexandra Berzon, Hamed Aleaziz, Nicholas Nehamas, Ryan Mac, and Tara Siegel Bernard, *Social Security Lists Thousands of Migrants as Dead to Prompt Them to 'Self-Deport'*, N.Y. Times (Apr. 10. 2025), https://www.nytimes.com/2025/04/10/us/politics/migrants-deport-social-security-doge.html.

ActBlue, a payment platform that processes contributions to causes and organizations affiliated with the Democratic Party.[32]

These actions, including H.R. 1181, constitute the very sort of political targeting and weaponization of the banking system that "de-banking" opponents have decried for years. The Trump Administration's efforts, state laws targeting corporate environmental, social and governance (ESG) and diversity, equity and inclusion (DEI) practices, the introduction of so-called "messaging bills," and the general attempt to jawbone private financial actors into abandoning the incorporation of ESG and DEI-type principles into their business decisions are focused on influencing legitimate business decisions and exercises of supervisory and regulatory authority based upon partisan political motivations.[33]

At the same time, the President has issued Executive Orders seeking to punish corporations for pursuing DEI policies[34] and weaken financial antidiscrimination laws like the Equal Credit Opportunity Act (ECOA) by eliminating the use of the disparate impact theory[35]. The CFPB has voluntarily sought to vacate a judgment and refund a fine levied against a mortgage lender for ECOA claims related to discriminatory credit applications[36] arguing among other things that the lender had been punished for protected speech[37].

As members of the Subcommittee know well, the question of who is granted access to the U.S. banking system, and on what terms, has been a critical issue of economic and social policy throughout our nation's history. Without access to banking services, individuals, businesses, and communities are unable to fully participate in the economy. Marginalized groups have traditionally lacked access to credit on fair and affordable terms, while powerful groups enjoy ample access, and, often, favorable treatment. U.S. banking law has long sought to address these inequities through a variety of measures

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[32] *See* Presidential Memorandum, Investigation into Unlawful "Straw Donor" and Foreign Contributions in American Elections, Apr. 24, 2025, https://www.whitehouse.gov/presidential-actions/2025/04/investigation-into-unlawful-straw-donor-and-foreign-contributions-in-american-elections/.

[33] *See* Steele, *Banks and ESG*, *supra* note 25, at 28-38.

[34] *See* Ending Illegal Discrimination and Restoring Merit-Based Opportunity, Exec. Order No. 14,173, § 4, 90 Fed. Reg. 8,633 (Jan. 21, 2025).

[35] *See* Restoring Equality of Opportunity and Meritocracy, Exec. Order (Apr.23, 2025), https://www.whitehouse.gov/presidential-actions/2025/04/restoring-equality-of-opportunity-and-meritocracy/. Under fair lending laws like ECOA, it is unlawful to discriminate in credit or housing decisions on the basis of race, color, religion, national origin, sex or marital status, age, disability, or because a person receives public assistance. *See* 12 U.S.C. § 1691(a).

[36] *See* Consumer Fin. Protection Bureau v. Townstone Financial, Inc., No. 23-1654 (7th Cir. 2024).

[37] *See* Press Release, CFPB Seeks to Vacate Abusive, Unjust Case Against Townstone, Consumer Fin. Protection Bureau (Mar. 26, 2025), https://www.consumerfinance.gov/about-us/newsroom/cfpb-seeks-to-vacate-abusive-unjust-case-against-townstone/.

that ensure all groups have equal access to loans, mortgages, and other banking products and services.

The actions taken by this administration constitute an ideological effort to ensure that *certain* viewpoints and parochial causes—fossil fuel companies, gun manufacturers, private prison companies, cryptocurrency companies—are deserving of protection and access to the financial system. At the same time, *others*—like victims of mass shootings, nonprofit groups helping communities affected by climate change, and traditionally marginalized racial and gender groups—are unworthy of protection.

These actions likely violate the Constitution's guarantees of freedom of expression and equal treatment under the law. As the Supreme Court's recent decision in *NRA v. Vullo* held, government officials are prohibited from "wielding their power selectively to punish or suppress speech, directly or . . . through private intermediaries."[38]

E. International Financial Engagement

The *International Regulatory Transparency and Accountability Act* and the *Ensuring U.S. Authority over U.S. Banking Regulations Act* attempt to impose various limits on U.S. agencies' ability to participate in nonbinding international financial policy coordinating bodies.

The first thing to understand is that these bills are generally a solution in search of a problem. All the agencies participating in multilateral financial regulatory bodies are subject to differing legal mandates and authorities and have economies with different structures. None of the work done in these forums is binding on member agencies' domestic agendas, meaning there is no reason—and indeed no justification or ability—for a U.S. banking agency to implement proposals that lack adequate basis in US law.

Again, it's important to appreciate the bigger picture. Trump Administration regulators are already retrenching from multilateral coordinating bodies, as the President more generally attempts to disengage from our longstanding international partnerships. The U.S. used to drive an international agenda, and so the rules reflected our interests. Disengaging from multilateral international regulatory bodies will hurt our domestic interests.

After the Global Financial Crisis, the U.S. played a leading role in setting minimum but non-binding global standards for financial regulation. US banks were subject to stronger standards pre-crisis and raised more capital following the crisis, allowing them to expand when their global competitors were retrenching. Far from being a hindrance, the role of the US as a driving force behind stronger financial standards proved to be a source of

[38] NRA v. Vullo, 144 S. Ct., 1316, 1332 (2024).

competitive strength for U.S. banks. This experience should have demonstrated the value of global leadership and the benefits of winning a race-to-the-top.

Unfortunately, we have gone from being a leader in international financial regulatory forums to a laggard. The U.S. is hampered by domestic politics and what seems to be a lack of competence in regulatory implementation. Our lack of domestic progress implementing the final phases of the Basel III International Capital Accord is hurting our standing globally on financial policy. The pressure from Congress against international engagement does not help matters.

It is ironic that, after helping to intensify the push for financial reform after the Global Financial Crisis, the U.S. is choosing to put itself at a competitive disadvantage. It is a shame to cede leadership over such a consequential issue, but the rest of the world will not wait for the U.S. to come to its senses and get its domestic politics in order. Foreign governments and banks will be more than happy to pass the U.S. by.

To be clear, the days of financial instability are not behind us. Financial markets went haywire in early April, with yields on Treasury bonds spiking in response to the economic and political uncertainty created by the Trump Administration's ill-advised "Liberation Day" tariffs. This instability raised questions about the Treasury market's status as a global safe haven.

In a scramble to restore calm to financial markets and get back in Wall Street's good graces, the U.S. Treasury Secretary offered financial deregulation as medicine for the ailing the US Treasury and financial markets. These policies would not only fail to address the underlying loss of confidence in U.S. Treasuries, they will also make a fragile economic environment even more brittle.

While there are some options for addressing financial market fragility[39], the real cures for the underlying causes of the ailing Treasury market have nothing to do with financial plumbing. Global financial leadership requires robust economic growth and financial stability coupled with adherence to democratic values, stable institutions, and the rule of law. It requires the U.S. government to regain its status as a reliable international partner committed to the rule of law, abandon talk of devaluing the dollar and potentially

[39] For example, banking agencies could increase banks' resiliency by making risk-based capital and leverage rules more countercyclical so they build up capital levels when the economy is growing and then absorb large inventories of securities during times of market stress. The Securities and Exchange Commission could finally implement its rules requiring central clearing for Treasury trades and the Financial Stability Oversight Council could clamp down on the highly leveraged bets hedge funds make in the Treasury markets that increase volatility. If severe financial stability issues arise, the Federal Reserve can stabilize the market by purchasing Treasuries and using the Standing Repo Facility it created for this purpose.

haircutting Treasury bondholders, and end the assault on the independence of agencies like the Federal Reserve.

III. An Alternative Path: Other Matters Warranting the Subcommittee's Attention

Financial markets and institutions play a vital role in determining whether resources are channeled to all communities or only the wealthiest ones, to giant multinational monopolies or emerging small businesses, to productive research and development or to lavish executive pay and stock buybacks, and to clean energy innovation or fossil fuels that pollute the planet.

The success of our climate policy depends on our capacity to channel capital to invest in the climate transition. Addressing economic inequality requires ensuring that financial institutions don't extract unfair fees from working people whose paychecks are already stretched too thin and protecting ordinary investors from losing their life savings to a crypto industry that is rife with fraud and scams.

If the Subcommittee is interested in ensuring widespread financial growth and prosperity for the American economy, there are some specific issues that warrant greater attention and consideration:

- Deposit insurance reform.—Following the 2023 bank failures there were well-founded concerns that the government's response perpetuated the idea that we have a two-tiered banking system in which large banks benefit from implicit government guarantees, while small banks are subject to the harsh discipline of the marketplace. One way to correct the perception or existence of this competitive imbalance is to modernize the Federal Deposit Insurance framework to provide coverage to more business and transaction accounts.

- Industry consolidation.—Excessive consolidation also threatens to undermine the vibrancy and competitiveness of our banking system. The Acting Chairman of the FDIC has repealed the agency's bank merger review policy statement applying greater scrutiny to transactions where the resulting institution would have more than $100 billion in total assets. The banking agencies also recently approved Capital One's acquisition of Discover Financial. Creating more "too big to fail" banks and allowing one of the largest issuers of credit cards to purchase its own card routing network presents a competitive threat to smaller banks. Congress should address these issues by updating bank merger laws to make the review of big banks mergers more stringent and passing the RECOUP Act, which passed the Senate Banking Committee last Congress with an overwhelming bipartisan majority.

- Stablecoins & crypto.—Congress is actively considering creating a light-touch framework for entities that seek to issue so-called stablecoins—crypto assets that maintain and one-to-one peg with the U.S. dollar. Unfortunately, the bills before you contain shortcomings that expose the public, regulated financial institutions, and the entire financial system to potentially significant risk.[40] The President himself has a personal financial stake in this industry. In a move reminiscent of his past predatory businesses and conflicts of interest, President Trump has launched his own crypto business, including his own branded memecoin and stablecoin, while proposing putting the full faith and credit of the United States behind speculative crypto assets by creating a strategic bitcoin reserve.[41] In addition to being a massive conflict of interest, it is deeply anticompetitive. What regulator is going to want to take action against an industry or a business that their boss, the President of the United States, has a personal financial stake in? It is an advantage that is not available to most honest businesses, especially small businesses. Further, deregulating these products and services and allowing lightly-regulated nonbanks to engage in them would put us back in a pre-2008 world, when so-called "shadow banks" were allowed to conduct bank-like activities without adequate regulation and supervision and U.S. taxpayer funds were used to bail them out.[42]

- Charter arbitrage.—In addition to stablecoins, other light-touch charters threaten to undermine banks' franchise value. For example, the FDIC currently has four pending industrial loan company (ILC) deposit insurance applications, and the Acting Chair has expressed his receptivity to charting more ILCs.[43] This poses serious competitive risks to banks that are properly chartered and regulated and subject to the traditional separation of banking and commerce. Congress has also repealed a CFPB rule to supervise tech companies, especially Big Tech, that present anticompetitive challenges to banks, especially community banks. Big Tech firms entering financial services have the potential to scale rapidly, due to network e15ffects and strategic complementarities, resulting in increased market concentration.[44] They may be able to use those network eff15ects, data advantages, acquisitions, predatory pricing, and other tactics to gain or entrench their market power to the detriment of competition and, ultimately, consumers.[45]

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[40] *See* Graham Steele, *Neither stable nor genius: the misguided legislative attempt to regulate stablecoins*, Briefing Book (Mar. 31, 2025), https://www.briefingbook.info/p/neither-stable-nor-genius-the-misguided.
[41] *See* Kelvin Chan, *Trump's Win Ignites a Crypto Frenzy That Sends Bitcoin to a Record High*, Associated Press (Nov. 6, 2024), https://apnews.com/article/bitcoin-crypto-donald-trump-election-c2e2a1a895288c5e9c0df2721012a5bb.
[42] *See* Steele, The End of Banking History, *supra* note 3, at 18-19.
[43] *See* Summary of New Deposit Insurance Application Activities, Fed. Deposit Ins. Corp. (as of Apr. 22, 2025), https://www.fdic.gov/bank-examinations/summary-new-deposit-insurance-application-activities.
[44] *See* Steele, Remarks before the Exchequer Club, *supra* note 26.
[45] *Id.*

These emerging issues warrant greater attention from the Subcommittee to ensure a level competitive playing field for banks, especially community banks.

- Climate-related financial risk.—The Office of the Comptroller of the Currency (OCC) recently withdrew from the interagency Principles for Climate-Related Financial Risk Management for Large Financial Institutions[46] as climate-related weather events continue to increase in their frequency and intensity. In particular, these risks are manifesting in property insurance markets, as policies become increasingly unaffordable or unavailable, including in regions like the Midwest and Great Plains.[47] This creates risks for the banking system. In February, Federal Reserve Chair Jerome Powell testified that to "fast-forward 10 or 15 years, there are going to be regions of the country where you can't get a mortgage, there won't be ATMs, banks won't have branches, and things like that."[48] Regional and community banks do not have the luxury of pulling out of the communities that they serve, meaning they will be on the front lines as these risks continue to manifest. Rather than ignoring the increasing risks of climate change and weather-related disasters, Congress and the banking agencies should work with regional and community institutions to address them.

- Supporting the CDFI Fund.—The President issued an Executive Order seemingly seeking to reduce or eliminate Treasury's Community Development Financial Institutions (CDFI) Fund.[49] Decreasing the CDFI Fund's financial assistance programs and staffing will hurt financial institutions—both CDFIs and Minority Depository Institutions (MDIs)—that serve urban and rural communities, and Blue states and Red states, alike. It would hit the smallest institutions hardest. Fortunately, Executive Orders cannot override the laws passed by Congress. Treasury and the banking agencies have affirmative duties to support and promote MDIs, and the Dodd-Frank Act requires the agencies to maintain Offices of Minority and Women Inclusion (OMWI) to, among other responsibilities, develop policies that will promote participation of minority-owned and women-owned businesses in the programs and contracts of the agency, including standards for coordinating technical assistance to such businesses.[50] In 2020,

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[46] While the agencies went through a formal notice-and-comment process to implement the principles, see 88 Fed. Reg. 74,183 (Oct. 30, 2023), the OCC seems to have simply unilaterally withdrawn without prior notice and opportunity for public input.
[47] *See* FED. INS. OFF., U.S. DEP'T OF THE TREASURY, ANALYSES OF U.S. HOMEOWNERS INSURANCE MARKETS, 2018-2022: CLIMATE-RELATED RISKS AND OTHER FACTORS (Jan. 2025).
[48] Claire Boston, *Powell predicts a time when mortgages will be impossible to get in parts of US*, Yahoo Finance (Feb. 15, 2025), https://finance.yahoo.com/news/powell-predicts-a-time-when-mortgages-will-be-impossible-to-get-in-parts-of-us-190820841.html.
[49] *See* Continuing the Reduction of the Federal Bureaucracy, Exec. Order No. 14,238, 90 Fed. Reg. 13,043 (Mar. 14, 2025).
[50] *See* 12 U.S.C. § 5452(b)(2).

Congress, with the leadership of the Committee's Ranking Member, recognized the successful model of the CDFI Fund and appropriated almost $12 billion for the Fund to distribute in the form of grants and investments, which the Fund distributed in a fair and timely way.[51] Congress should look to build on that success by further supporting CDFIs and MDIs, not weaken a program that benefits urban and rural communities.

- Technology investments.—In the world of digital financial services, technology is one of the areas of greatest concern for financial institutions, especially small banks. Technological investments can help smaller banks compete in ways that help them leverage their advantages with relationship lending. When I was at Treasury, I heard a lot of interest in how small banks can use new technologies like cloud services. But there are also very real barriers that the government can help these banks navigate. Policymakers can work more with small, midsize, and regional banks to help them lean into the markets and products where they have natural advantages over large banks but need some guidance and assistance navigating the technological landscape, including contract negotiations, legal responsibilities, and information sharing.

- Potentially unlawful basis for tariff authority.—The President has invoked IEEPA to impose sweeping tariffs on our international trading partners. It is not clear that he has the authority to do so. IEEPA was enacted out of concern that the President had been abusing his authority under the Trading with the Enemy Act (TWEA), and imposing measures like capital controls outside of wartime conditions. IEEPA was, in important respects, an attempt to cabin presidential authority over economic sanctions. Whether or not one believes IEEPA has been entirely successful in accomplishing that goal, it is not clear that the law provides the President with sufficient authority to impose sweeping tariffs, both because tariffs are not explicitly contemplated by the statutory text and because it is not clear that the existence of trade deficits constitutes an "emergency." This Committee has jurisdiction over international trade, sanctions, and investment laws and policies. Committee members have, in the past, expressed concerns about the Executive Branch taking actions that are "economically significant" and "politically motivated" without clear statutory authorization.[52] The imposition of sweeping tariffs that will increase costs for U.S. consumers based upon unclear statutory authority is just such an action, and it therefore warrants greater oversight from this Committee—indeed, any oversight at all.

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[51] *See* Graham Steele, Assist. Sec'y for Fin. Insts., *Update on Treasury's Approach to Equitable Community Finance*, U.S. Dep't of the Treasury (Jan. 16, 2024), https://home.treasury.gov/news/featured-stories/update-on-treasurys-approach-to-equitable-community-finance.

[52] Letter from H. Comms. for Fin. Servs., to Michael S. Barr, Vice Chair for Supervision, Bd. of Governors of the Fed. Rsrv. Sys., et al. (Sept. 13, 2023), https://www.federalreserve.gov/SECRS/2024/May/20240528/R-1813/R-1813_020124_158323_398999611886_1.pdf.

IV. Who Pays the Price: The Costs and Consequences of Financial Deregulation

The inner workings of the banking and financial systems can often seem abstract and removed from the day-to-day-lives of most Americans. Taking a step back, what does this all mean for working people?

This deregulatory agenda will make the financial system more concentrated and less accessible and less affordable for people looking to start a new business or buy a home. It will make the financial system more fragile, meaning that people's money will be put at risk and taxpayers may eventually be called upon to support failing financial institutions that have behaved recklessly. And it will be harder for smaller financial institutions to compete with big banks that can use their size and scale to out-price them and benefit from the implicit support of the government.

The arguments for deregulation rests upon the idea that deregulation will result in more lending, thereby leading to more economic growth and, by extension, more jobs and higher take-home pay for working people. It is essentially trickle-down economic populism.

While lax financial regulation may arguably boost economic growth over the short run, it does so in a way that exacerbates inequality. Protections that impose costs for banks in the form of lost revenue create savings for consumers. Capital rules that reduce a bank's return on shareholder equity or constrain shareholder payouts, through dividends and stock buybacks, also provide substantial safety and soundness and financial stability benefits. Laws that limit mergers and bank ownership and control also ensure that banks are financially sound and financial resources are spread equitably throughout the community.[53]

As we saw in the first Trump administration, weakening important consumer protections means that big banks can use their market power to take money out of the pockets of working people and put it into their own coffers. Deregulation, accompanied by a massive corporate tax cut, resulted in the financial sector enjoying record earnings in 2018 and 2019.[54] These windfalls translated into significant payouts for bank shareholders in the form of dividends and stock buybacks—from 2018 to 2020, shareholder payouts by

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[53] *See* Saule T. Omarova & Graham S. Steele, *Banking and Antitrust*, 133 YALE L.J. 1162, 1192-1200 (2024); *also id.*, at 1211-12; *also id.*, at 1228-32.
[54] *See* Steele, *The Tailors of Wall Street*, *supra* note 5, at 1050.

the eight largest US banks exceeded their net income.[55] But banks' lending, as measured by their loan-to-deposit ratios, leveled off and even declined from 2018 through 2020.[56]

This sort of volatile growth creates unsustainable bubbles. It permits the excessive buildup of risk, resulting in the failure of individual institutions, instability in community and regional economies, and at its most extreme systemic crises. This harms working people in concrete and material ways. More than 8 million people lost their jobs in the recession following the Global Financial Crisis, and almost 4 million families lost their homes to foreclosure.[57] At the same time, the US government provided banks with $2.4 trillion in loans, guarantees, and capital to avoid an economic depression.[58] According to one estimate, the Global Financial Crisis reduced economic output by seven percentage points, the equivalent of each American losing $70,000.[59]

Not all the costs of bank failures are quantifiable. Financial calamities also have negative effects on peoples' nonfinancial lives, including their health, safety, and wellbeing. I said the following shortly after the 2023 regional bank failures:

> *Another important consideration in evaluating the impact of a bank's failure is the resulting implications for its customers and, more broadly, the communities and regional economies in which it operated. I have heard firsthand about the impacts of SVB's failure on its investors, depositors, business customers, and aff19ected communities in Northern California. While it was encouraging that a buyer emerged shortly a19er SVB's failure, which has facilitated the transition for most of SVB's customers, there have been tangible disruptions to the industries and communities for which SVB served as an important financial intermediary.*
>
> *As Secretary Yellen has noted, the U.S. economy benefits from our broad and diverse banking system. Banks that serve specific regions and industries can oft19en provide higher-touch and more customized products and services than global systemically important banks. A19er a regional bank's failure, the demand for these services may remain. While there may be alternative bank and nonbank providers, underwriting and other business processes may take longer and become more cumbersome. At the same time, there may be less innovation in developing novel or customized products. As a result, certain parts of the startup and small business ecosystem may receive less attention and, by extension, capital to grow and expand.*
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> *The substantial value that regional banks provide during normal times means that, conversely, regional bank failures can also impose substantial costs on regional economies.*[60]

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[55] *See id.*, at 1051.
[56] *See id.*, at 1050. Were it not for the Paycheck Protection Program (or "PPP"), banks' business lending would have declined in 2020. In fact, because smaller banks issued the bulk of PPP loans, large banks' lending did decline during the second and third quarters of 2020. *See id.*
[57] *See* Graham Steele, *"Bored of Banks" is Not an Option*, Fireside Stacks (Aug. 1, 2024), https://www.firesidestacks.com/p/bored-of-banks-is-not-an-option.
[58] *See id.*
[59] *See* Steele, *Major Questions' Quiet Crisis*, *supra* note 22, at 317.
[60] *See* Steele, Remarks at the Americans for Financial Reform Education Fund, *supra* note 2.

These impacts are not evenly distributed. They fall the hardest on historically marginalized communities, such as Communities of Color.

The point here is that deregulation allows Wall Street to enjoy profits in good times and forces the public to bear the costs of financial crises. The benefits of rules that protect consumers and prevent financial crises clearly outweigh the narrow costs of industry compliance with regulations that protect the public against Wall Street excess.

Conclusion

People intuitively understand when they're being treated fairly by their financial institutions and when they're not. On the campaign trail, President Trump has understood and tapped into the public's outrage towards Wall Street, saying that Wall Street has been "getting away with murder"[61] and supporting measures like reinstating the New Deal era Glass-Steagall Act separating banking from securities trading[62] and capping interest rates on credit cards at ten percent[63]. There is a reason that President-elect Trump campaigns as a Wall Street reformer. That's because financial reform is broadly popular, with a clear majority of all voters supporting stronger bank regulation.[64]

A healthy, fair, and inclusive financial sector is good for the economy. Rather than pursuing an extreme deregulatory ideology, this subcommittee should focus on an ambitious policy agenda that will make the financial system more stable and fairer for working people. Unfortunately, if our recent history of deregulation of, and taxpayer support for, Wall Street has revealed anything, it's that Trumpism is truly about helping Wall Street at the expense of Main Street.

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[61] Heather Long, *Trump Has Done a Big Flip-flop on Wall Street*, CNN.com (Apr. 26, 2017), https://money.cnn.com/2017/04/26/investing/donald-trump-wall-street/index.html.

[62] *See* Michael Corkery & Jessica Silver-Greenberg, *Trump and Warren Agree? Maybe, on Plan to Shrink Big Banks*, N.Y. Times (Apr. 6, 2017), https://www.nytimes.com/2017/04/06/business/dealbook/donald-trump-elizabeth-warren-big-banks.html.

[63] *See* Angel Au-Yeung, *Trump Floats Long-Shot Proposal for 10% Cap on Credit-Card Rates*, Wall St. J. (Sept. 19, 2024), https://www.wsj.com/politics/policy/trump-floats-longshot-proposal-for-10-cap-on-credit-card-rates-087a3817.

[64] *See* Steele, *Bored of Banks*, *supra* note 57.

APPENDIX 1

Examples of 2024 Fintech Partner Bank Enforcement Actions

Bank	State	Assets	Date	Violation(s)	Agency
Blue Ridge Bank	VA	$2.7 billion	Jan. 2024	Anti-money laundering (AML) compliance	OCC
Lineage Bank	TN	$222 million	Jan. 2024	Third-party risk management	FDIC
Piermont Bank	NY	$550 million	Feb. 2024	Unsafe & unsound practices	FDIC
Sutton Bank	OH	$1.6 billion	Feb. 2024	Unsafe & unsound practices & AML compliance	FDIC
Summit National Bank	WY	$94 million	Mar. 2024	Unsafe & unsound practices	Federal Reserve
Thread Bank	TN	$768 million	May 2024	Third-party risk management & AML compliance	FDIC
Evolve Bank	AR	$1.8 billion	June 2024	Unsafe & unsound practices	FDIC