



January 25, 2019

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairwoman Waters:

Thank you for your letter on banks' efforts to support customers affected by the ongoing federal government shutdown. As you know, at its core, banking is a customer-centered business. The Bank Policy Institute's member banks take seriously the need to support their customers and are working diligently to help individuals, families, businesses and communities affected by the shutdown.

BPI member banks have proactively extended support to furloughed government workers and contractors, including assisting customers to help avoid defaults as well as mitigating instances where customers may have already missed a payment or overdrawn an account. Many of our banks are waiving late and overdraft fees, rebating service charges, granting early access to CDs, providing forbearance of mortgage payments, and offering reduced interest rate loans and financing for eligible customers.

As you noted in your letter, some of our banks are also working to avoid adverse impacts on credit reporting for affected customers. Given the unique nature of each customer's situation and the variety of institutions, banks have offered different responses, but our banks recognize that a temporary interruption of salary — with full back pay now guaranteed by law — does not indicate that a federal worker or contractor is a higher credit risk going forward, and thus that a resulting reduction in credit score would not make sense.

Even with an end to the shutdown, for many customers, it will just be the beginning of recovery from financial stress. Banks understand this fact, and many plan to continue to offer special arrangements for a period of time following the shutdown's end date.

I should add that these programs do depend on federal workers contacting their financial institution, as it is often difficult to determine what workers have been affected. Our banks have established dedicated lines and worked to notify relevant customers of opportunities for assistance. For BPI's part, we have tried to further distribute this information, leveraging our social media channels and broader communications network. We have also created a webpage to aggregate our member banks' efforts and the banks' contact information for customers. This information can be found at the following address: <https://bpi.com/bpi-members-stand-ready-to-help-employees-impacted-by-government-shutdown/>. We will continue to update this page as more information becomes available.

We all appreciate the Committee's focus on the steps the financial services industry can take to help alleviate the financial stress and pain of the shutdown. It is our hope that you and other Members will also do what you can to alert your affected constituents of the need to contact their bank — ideally, before a payment is missed or assistance is needed.

Thank you again for the opportunity to discuss this important matter. Please contact me or Anthony Cimino, Head of Government Affairs, with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'GB', with a long horizontal flourish extending to the right.

Greg Baer
CEO & President
Bank Policy Institute