

## United States Senate

May 15, 2015

Richard Cordray  
Director  
Bureau of Consumer Financial Protection  
1700 G Street, NW  
Washington DC, 20552

Dear Director Cordray,

As I am sure you are aware, the Federal Deposit Insurance Corporation and the Department of Justice recently provoked a public backlash over Operation Choke Point, an enforcement initiative designed to pressure banks and other financial institutions to terminate the accounts of certain politically disfavored businesses, such as casinos, tobacco distributors, payment processors, and short-term lenders. Even gun stores, which engage in constitutionally protected activity under the Second Amendment, were targeted.

In January, the FDIC issued a statement that attempted to quell public dismay. The statement was accompanied by a Financial Institution Letter (FIL) that established new procedures for its examiners to follow in determining whether to order or recommend a bank to terminate a customer's account.

Unfortunately, numerous concerns with this program still exist. Because the officials responsible for conducting the initial targeting under Operation Choke Point still oversee the program, there is a real possibility that nothing will actually change. Even under the new policy, there remains a clear incentive for examiners to recommend account terminations for politically disfavored businesses.

Because of these concerns and because the Department of Justice has not terminated this "operation," I am concerned that the CFPB might head down a similar path. The recent lawsuit you filed against various debt collectors and payment processors concerns us greatly, as the suit targets certain payment processors that even you acknowledge did nothing illegal.

In order to reassure the public that the CFPB is not abusing its power for political purposes, I request that your agency publicly disavow any involvement in Operation Choke Point or any similar effort, and issue a public FIL making clear your guidelines for documenting recommendations that a financial institution terminate a customer account.

I appreciate your prompt response.

Sincerely,



---

Ted Cruz  
United States Senator