

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

March 11, 2020

The Honorable Jerome H. Powell
Chairman
Board of Governors of the
Federal Reserve System
20th Street & Constitution Avenue, NW
Washington, DC 20551

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

The Honorable Jelena McWilliams
Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

The Honorable Rodney Hood
Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

The Honorable Kathy Kraninger
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Chairman Powell, Comptroller Otting, Chairman McWilliams, Chairman Hood, and Director Kraninger:

We write to convey our strong concern for Americans whose livelihood have been or may soon be adversely impacted by the global spread of the coronavirus disease 2019 (COVID-19), including at least 938 confirmed cases and 29 deaths in the United States.¹ To date, the coronavirus has spread across 38 states and the District of Columbia.² The World Health Organization recently announced there have been more than 100,000 reported cases of COVID-19 in more than 100 countries,³ and today declared the global coronavirus outbreak a pandemic.⁴ Individuals affected by this crisis and their families should not be punished for any unexpected hardship resulting from this outbreak and we seek to learn what steps your agencies are taking to help.

¹ Center for Disease Control and Prevention (CDC), [Coronavirus Disease 2019 \(COVID-19\) in the U.S.](#), last updated Mar. 11, 2020.

² *Id.*

³ World Health Organization, [WHO Director-General's opening remarks at the media briefing on COVID-19](#) (Mar. 9, 2020).

⁴ Natasha Khan, Talal Ansari and Bojan Pancevski, [Coronavirus Declared Pandemic by World Health Organization](#) (Mar. 11., 2020).

Your agencies recently issued a statement to encourage financial institutions to be flexible and help meet financial needs of consumers affected by coronavirus.⁵ We are interested to learn how you are implementing this guidance and how your examiners are encouraging prudent flexibility and workout arrangements. Such efforts should not be subject to examiner criticism. It is noteworthy that Italy has suspended mortgage payments and other consumer payments to help consumers.⁶ Additionally, several banks in the United Kingdom have announced they will offer forbearance on mortgage and loan repayments for several months and temporarily increase credit card limits to customers affected by the coronavirus pandemic. These options should be provided in the United States as well. As such, please provide a detailed description of how your agencies are implementing your guidance to encourage regulated entities to be flexible and responsive to the needs of their customers, including how you are encouraging a wide range of forbearance options for those who may experience temporary financial hardship in making payments on their existing credit obligations as a result of a coronavirus pandemic.

In addition, your agencies recently issued guidance to regulated entities on how to prepare for a pandemic as well as a statement to encourage financial institutions to be flexible and help meet financial needs of consumers affected by coronavirus.⁷ We write to follow up to learn how your agencies are implementing this guidance, and to learn to what extent you are promptly responding to questions not covered by the guidance, such as how banks should handle physical cash while the Federal Reserve and other jurisdictions have quarantined bank notes.⁸ We also write to learn what business continuity plans each of your agencies have in place to provide flexibility for your own workers.

Finally, the Centers for Disease Control and Prevention (CDC) has predicted that a potential widespread outbreak is expected, stating that an outbreak is “not so much of a question of if this will happen anymore but rather...when this will happen.”⁹ Due to this scenario, it is imperative that financial regulators and those they regulate are appropriately prepared to ensure the ongoing functioning of our financial system and promote financial stability. We also urge you all to do what you can to minimize any negative consumer or employee harm resulting from the coronavirus to ensure that all communities are well-served and can recover.

Thank you for your attention to this urgent matter. We look forward to your prompt response by March 20, 2020.

⁵ Federal Reserve, CFPB, FDIC, NCUA, OCC, and CSBS, *Agencies encourage financial institutions to meet financial needs of customers and members affected by coronavirus* (Mar. 9, 2020), available at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20200309a.htm>.

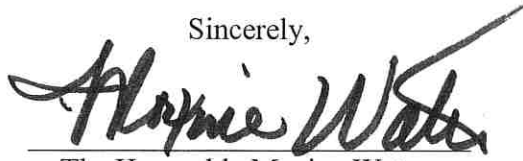
⁶ Marty Johnson, “Italy suspends mortgage payments during coronavirus shutdown,” The Hill, Mar. 10, 2020.

⁷ FFIEC, *FFIEC Highlights Pandemic Preparedness Guidance* (Mar. 6, 2020), available at <https://www.ffiec.gov/press/pr030620.htm>.

⁸ Kate Davidson and Tom Fairless, *Fed Stores Dollars Arriving From Asia as Coronavirus Precaution*, Wall Street Journal (Mar. 6, 2020), available at <https://www.wsj.com/articles/fed-delays-processing-dollar-bills-from-asia-amid-coronavirus-fears-11583512719>.

⁹ Transcript from the CDC Briefing Update, Feb. 26, 2020: <https://www.cdc.gov/media/releases/2020/t0225-cdc-telebriefing-covid-19.html>

Sincerely,



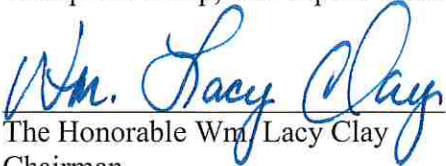
The Honorable Maxine Waters

Chairwoman



The Honorable Brad Sherman
Chairman
Subcommittee on Investor Protection,
Entrepreneurship, and Capital Markets

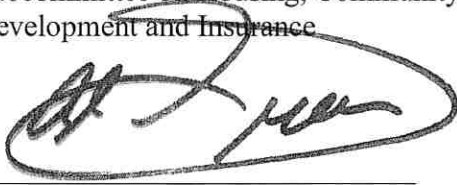
The Honorable Gregory W. Meeks
Chairman
Subcommittee on Consumer Protection and
Financial Institutions



The Honorable Wm. Lacy Clay
Chairman
Subcommittee on Housing, Community
Development and Insurance



The Honorable Emanuel Cleaver
Chairman
Subcommittee on National Security,
International Development and Monetary
Policy



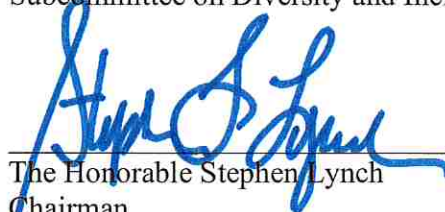
The Honorable Al Green
Chairman
Subcommittee on Oversight and
Investigations



The Honorable Joyce Beatty
Chair
Subcommittee on Diversity and Inclusion



The Honorable Bill Foster
Chairman
Task Force on Artificial Intelligence



The Honorable Stephen Lynch
Chairman
Task Force on Financial Technology