

January 23, 2019

The Honorable Maxine Waters
Chairwoman
United States House of Representatives
2221 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman Waters:

Thank you for your recent letter to financial services trade associations encouraging prudent and appropriate actions to assist federal employees and contractors impacted by the partial government shutdown. We share your concern about the toll the shutdown is taking on customers, communities and the economy, and are proud of the many ways banks are helping those affected.

Banks are in the business of serving their customers, especially when unexpected hardship strikes. Even before the current partial government shutdown took effect, banks across the country were prepared to help those impacted. The assistance they are offering to customers (depending on their individual circumstances) includes fee waivers, loan modifications, payment deadline extensions, payroll advances, low-rate and zero-rate loans as well as other accommodations. As documented on aba.com/ShutdownAssistance, banks of all sizes have proactively stepped up to help their customers during this challenging period. We encourage federal employees and others in need to continue to reach out to their financial institutions to see what help is available.

While it is difficult to assess how many people are being helped directly, our members report that impacted individuals are taking advantage of the assistance. In the northeast, federal employees are signing up for zero-interest loans offered by a Connecticut bank. A Colorado bank has set aside \$5 million to provide small-dollar, zero-interest loans that won't have to be paid back until six months after the shutdown ends. And in Indiana, a furloughed federal employee was so appreciative of receiving an unsecured loan from a bank to help him make ends meet that he offered to move his other accounts when the shutdown ends. These are just a few of the examples that have been shared with us by members.

ABA has made bankers aware of the regulatory agencies' January 11, 2019, notice encouraging financial institutions to work with borrowers affected by the government shutdown. We are pleased to see the regulatory agencies working alongside the banking industry to assist borrowers. Recognizing that this shutdown will have short-term and potentially long-term impact on customers, it is reassuring that the regulators will support the good judgment of bankers as they work with borrowers in these difficult situations.

As the impact of the partial government shutdown deepens, ABA is reiterating its call for the administration and Congress to end it before it does any more damage to the economy. Our member banks across the country report that the shutdown is starting to take a toll on local communities, preventing customers from securing mortgage approvals and small business loans, while threatening even more harm if the impasse continues.

As Congress and the administration work to resolve the standoff, banks will continue to offer assistance to customers directly affected. We applaud these institutions for helping their fellow Americans during this period of hardship, and we thank you for your interest in the work that banks are doing and will continue to do in this space.

Sincerely,

BOB NICHOLS