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December 29, 2025

Chief Counsel's Office
Attention: Comment on Processing
Office of the Comptroller of the Currency
400 7th Street SW
Suite 3E-218
Washington, DC 20219

Re: The Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC) notice of proposed rulemaking to codify the elimination of reputation risk from their supervisory program (Docket ID “OCC-2025-0142”).

Dear FDIC and OCC Staff:

On behalf of the Association of Credit and Collection Professionals (“ACA” or “Association”), I am writing in support of the Office of the Comptroller of the Currency (“OCC”) and the Federal Deposit Insurance Corporation (“FDIC”) (collectively, the agencies) efforts to codify the elimination of reputation risk from their supervisory programs in a notice of proposed rulemaking (“NPRM”). ACA represents approximately 1,500 members, including credit grantors, third-party collection agencies, asset buyers, attorneys, and vendor affiliates, in an industry that employs more than 125,000 people worldwide. Most ACA member companies are small businesses.

I. Background about ACA International:

ACA members play a critical role in protecting consumers and providing liquidity to lenders. ACA members collaborate with consumers to resolve their debts, which in turn saves every American household, on average, more than \$700, year after year. The accounts receivable management (“ARM”) industry is instrumental in keeping America’s credit-based economy functioning with access to credit at the lowest possible cost, thereby protecting one of the safety nets of the most vulnerable consumers in society from unplanned expenses. For example, in 2018 the ARM industry returned over \$90 billion to creditors for goods and services they had provided to their customers. And in turn, the ARM

industry's collections benefit all consumers by lowering the costs of goods and services, especially when rising prices are impacting consumers' quality of life throughout the country.

ACA members also follow comprehensive compliance policies, are diligent about employing strong compliance management systems and high ethical standards to ensure consumers are treated fairly and the wide range of federal and state laws that govern collections are followed. The Association contributes to this end goal by providing timely industry-sponsored education as well as compliance certifications. In short, ACA members are committed to assisting consumers as they work together to resolve their financial obligations, all in accord with the Collector's Pledge¹ that all consumers are treated with dignity and respect.

II. Background

Following nearly a decade of bank activity targeting disfavored businesses, the White House, and several federal government agencies, including the OCC and FDIC, recently took significant steps to protect banking access for legitimate businesses across the country. After years of uncertainty for groups arbitrarily labeled "high risk" by certain banking regulators including those in the crypto, cannabis, gun, petroleum, immigration services, debt collection, small dollar lending, and a variety of other industries, these actions pave the way for enhanced protections to ensure continued banking access.

President Trump signed an executive order intended to prevent banks from denying services to customers based on political beliefs. The executive order has multiple provisions aimed at preventing the 'debanking' of customers. These include:

- Instructing federal banking regulators to take action against banks they determine have unjustly terminated customer relationships by imposing fines and other penalties.
- Directing banking regulators to retroactively review whether banks have closed accounts for political or religious reasons and impose fines and penalties for those who have.
- Directing the Treasury Department to make legislative and regulatory recommendations to stop 'debanking' in the future.
- Requiring financial institutions that take Small Business Administration loans endeavor to reinstate customers previously denied services for political reasons.
- Eliminating reputational risk and similar concepts from guidance and examination manuals for federal banking regulators.

In the text of the order, the president condemns the politically motivated removal of customers by banks. The order states that bank regulators allegedly pressured financial institutions to remove customers based on religious and political beliefs. The order states this action is unlawful and violates the Equal Credit Opportunity Act.

¹ Collectors Pledge states that ACA members • believe every person has worth as an individual. • believe every person should be treated with dignity and respect. • will make it their responsibility to help consumers find ways to pay their just debts. • will be professional and ethical. • will commit to honoring this pledge.

During the Obama Administration in 2012, the FDIC, the OCC, and the Board of Governors of the Federal Reserve System issued various pieces of guidance and examination instructions targeting certain businesses, many of which were legally regulated yet disfavored legitimate businesses.² Much of this was done under the pretext of “reputational risk” and the need for safety and soundness in financial institutions.

During the first Trump Administration the OCC proposed a rule that sought to establish Fair Access to Banking, but this rule was pulled by the Biden Administration shortly after the inauguration. The agencies subsequently issued an NPRM that would prohibit future actions criticizing or taking adverse action against an institution on the basis of “reputation risk.” The NPRM would also prohibit the agencies from requiring, instructing, or encouraging an institution to close an account, to refrain from providing an account, product, or service, or to modify or terminate any product or service on the basis of a person or entity's political, social, cultural, or religious views or beliefs, constitutionally protected speech, or solely on the basis of politically disfavored but lawful business activities perceived to present reputation risk.

ACA strongly supports these efforts.

III. Comments

ACA members are committed to robust compliance with state and federal consumer protection laws including the Fair Debt Collections Practices Act and fair treatment of consumers. The debt collection industry is highly regulated at the state level and at the federal level, operations require licensing in most states, and the work of the industry has proven beneficial in ensuring consumers can continue to access credit and services in the future.

Despite the fact that they are highly regulated, and their work helps ensure a functioning economy; ACA members have been unfairly targeted by Operation Choke Point and other similar efforts in the past during the Obama Administration and intermittently since, which has led to banking relationship terminations. ACA members have reported dozens of instances of unfair and unexplainable banking terminations. As an example, one of the largest banks in the country stated to an ACA member, “We will not be able to open the savings account for XXXXXX because any debt collection activity or entity is considered high risk for our bank.” It further added, “Upon a second review, we maintain the same decision based on the industry type.”

On numerous other occasions since the inception of Operation Choke Point, credit and collection professionals have had their banking relationships abruptly terminated, which has in certain instances threatened the existence of their businesses and their employees’ jobs, since in certain states a license to operate is reliant on having a banking relationship to show surety bonds, escrow accounts, credit stability, and other financial stability tied to domestic banking relationships. In situations where terminations have occurred, there is often little notice and no specific explanation for why the banking relationship was terminated. While the number of ACA members impacted by Operation Choke Point and similar activity has declined in recent years, the highly questionable practices of debanking

² See Committee on Oversight and Government Reform Report, available at <https://oversight.house.gov/wp-content/uploads/2014/12/Staff-Report-FDIC-and-Operation-Choke-Point-12-8-2014.pdf> (Dec. 8, 2014).

continue to pose a threat when there are political swings. ACA members have worked with Congress to provide dozens of examples of redacted termination letters that appear to be based on broad discrimination of the industry. ACA would be happy to share these with the agencies as well.

The NPRM would prohibit the agencies from criticizing, formally or informally, or taking adverse action against an institution on the basis of reputation risk. In addition, under the NPRM, the agencies would be prohibited from requiring, instructing, or encouraging an institution or its employees to refrain from contracting with or to terminate or modify a contract with a third party, including an institution-affiliated party, on the basis of reputation risk. The agencies also could not require, instruct, or encourage an institution or its employees to refrain from doing business with or to terminate or modify a business relationship with a third party, including an institution-affiliated party, on the basis of reputation risk. The NPRM would also prevent the agencies from requiring, instructing, or encouraging an institution to enter into a contract or business relationship with a third party on the basis of reputation risk.

The NPRM would further prohibit the agencies from requiring, instructing, or encouraging an institution or an employee of an institution to terminate a contract with, discontinue doing business with, or modify the terms under which it will do business with a person or entity on the basis of the person's or entity's political, social, cultural, or religious views or beliefs, constitutionally protected speech, or solely on the basis of the third party's involvement in politically disfavored but lawful business activities perceived to present reputation risk.

ACA strongly supports these actions. These actions are critical because in the past individual bank examiners have taken very problematic ideological views against the debt collection industry without understanding their regulatory structure or highly legal nature. As an example, the FDIC list of disfavored industries did not even include debt collection, it included "debt consolidation." Debt consolidation is a very different industry with a different regulatory structure than the debt collection industry, yet examiners appear to have conflated them by also cutting off debt collection industry banking relationships. This highlights just one of the many problems of letting individuals make their own interpretations and inject their own political beliefs, or misperceptions, into the banking system.

Interestingly, banks themselves use third party debt collection agencies to help collect their past due debts for credit cards and other products. So, in more convenient instances banks were admitting that the work of the debt collection industry was critical for the ability to extend consumer credit, yet in other instances were saying collaborating with them is concern for reputational risk. This is nonsensical and highlights the highly problematic environment when economic decisions are made to appease political views.

ACA applauds the work of the agencies and strongly encourages them to finalize the NPRM and to protect highly regulated and legal industries, such as the debt collection industry.

Congress is also focused on this issue, and the Senate Banking Committee recently held a hearing on the topic. Senator Kevn Cramer has introduced S. 401, the Fair Access to Banking Act and there is a House companion, H.R. 987 introduced by Congressman Andy Barr. This legislation would put into law that making decisions about banking relationships is based on individualized risk-based analysis using empirical data evaluated under quantifiable standards, rather than on categorical decisions

discriminating against entire industries. It would also require that, when denying any person financial services, the covered bank offers to provide written justification to the person explaining the basis for the denial, including any specific laws or regulations the covered bank believes are being violated by the person or customer. Both legislative and the regulatory efforts of the agencies are extremely critical to protect legitimate American businesses.

Thank you for your attention and due consideration. Please let me know if you have any questions.

A black rectangular redaction box covering a signature.

Scott Purcell
Chief Executive Officer
On behalf of ACA International