

December 22, 2025

VIA Federal eRulemaking Portal / FDIC email

Adam Cohen
Chief Counsel
Office of the Comptroller of the Currency
Attn: Comment Processing
400 7th Street SW, Suite 3E-218
Washington, DC 20219

Jennifer M. Jones
Deputy Executive Secretary
Federal Deposit Insurance Corporation
Attn: Comments—RIN 3064-AG12
550 17th Street, NW
Washington, DC 20429

RE: Prohibition on Use of Reputation Risk by Regulators: Docket ID OCC-2025-0142

Dear Mr. Cohen and Ms. Jones,

On behalf of NSSF®, America's firearm and ammunition industry trade association, we are pleased to offer the comments below in support of the Office of the Comptroller of the Currency's ("OCC") and the Federal Deposit Insurance Corporation's ("FDIC") proposed rule on "Prohibition on Use of Reputation Risk by Regulators," Federal Register Number 2025-19715, published on October 30, 2025 (the "Proposed Rule").¹

NSSF represents over 10,000 member companies nationwide. Our members that manufacture, distribute, and sell constitutionally protected products are an important part of the U.S. economy. In 2024, we were responsible for \$91.65 billion in total economic activity in the country, employing as many as 150,668 people here at home and generating an additional 232,327 jobs in supplier and ancillary industries.² We are essential for law-abiding Americans to exercise their Second Amendment right to keep and bear arms. Additionally, our industry takes great pride in providing the U.S. military and federal, state, and local law enforcement agencies the tools they need to carry out their vital national security and public safety missions. We are also fully committed to the safe, legal, and responsible ownership and use of firearms, and work continuously to stop their criminal and accidental misuse.

We strongly support the Proposed Rule, and all actions taken by the Trump Administration thus far, that contribute to the viability of our industry and the employees and law-abiding gun owners who depend upon it. By codifying the elimination of reputation risk from the OCC's and the FDIC's supervisory programs, regulators will help ensure our industry's right to engage in legal business, promote public safety and economic growth, and preserve the public's faith in the rule of law.

¹ Comptroller of the Currency. (2025, October 30). *Proposed Rule: Prohibition on Use of Reputation Risk by Regulators*. <https://www.regulations.gov/document/OCC-2025-0142-0001>.

² NSSF. The Firearm Industry Trade Association. (2025). *2025 Firearm and Ammunition Industry Economic Impact Report*. <https://www.nssf.org/government-relations/impact/>.

I. Background on Wrongful Discrimination by Leading Financial Institutions Against our Law-Abiding Industry

Despite being among the highest regulated industries, our members are often targeted and subjected to unwarranted discrimination and vilified because of the unlawful and criminal behavior of others. This, unfortunately, has permeated the financial sector and is having an immense impact on our members' ability to access critical financial services.

Banks have denied essential banking services to firearm and ammunition businesses for years because of political or social opposition. This can be attributed, at least initially, to the unlawful Operation Choke Point (OCP) under the Obama Administration. The FDIC and the Department of Justice (DOJ), under President Obama, sought to stop financial institutions from offering services to several industries that they found to be unfavorable, including the firearm industry. The goal was to coerce banks, third-party payment processors and other financial institutions into closing or denying business accounts of clients that the FDIC classified in their view as "high risk" or "reputational risk" for the financial institution. This was done without any evidence or justification, let alone based on any objective financial or credit risk.

Due to this deliberate action, some banks ended long-standing relationships with legal and legitimate companies. As stated in my prior comments letter in support of the Fair Access to Financial Services rule issued in the waning days of the first Trump Administration,³ advocacy groups and activist CEOs have sought to circumvent policy makers and the legislative process by dictating which legal businesses should or should not succeed in the marketplace. Individuals and companies in our industry, including members of the NSSF specifically, were refused services by financial institutions because they were engaged in the lawful commerce of firearms and ammunition products. NSSF heard from numerous members that their credit cards and checks were not being processed because their business had been labeled "Unacceptable Business Type" or "Reputation Risk." At least one credit card processor applied a "risk premium" to credit card transactions involving a NSSF member and insisted on an on-site inspection to affirm the inventory, sales practices, and licensing of the vendor. Other law-abiding firearms industry members had business and personal bank accounts frozen and assets confiscated even in instances in which the sales in question did not involve firearms.

The discrimination faced by our industry has not been limited to OCC and FDIC-regulated institutions; our members report facing discrimination from internet search engines, payment processors, social media companies, insurance companies and other service providers.

Although OCP is now defunct thanks to bipartisan and bicameral congressional opposition, the playbook was already created and exposed. Based on what we're

³ NSSF. The Firearm Industry Trade Association. (2020, January 4). *Comments on OCC's Propose Rule on Fair Access to Financial Services* (Comment No. OCC-2020-0042-3132 [Comptroller of the Currency]). <https://www.regulations.gov/comment/OCC-2020-0042-3132>.

hearing from our members, the firearm and ammunition industry is still experiencing the ramifications of OCP; the conduct has been privatized. To be clear, this discrimination and refusal to provide financial services results in higher costs of doing business and increased prices for consumers exercising their Second Amendment Rights.

II. The Proposed Rule is Necessary to Remove a Subjective Tool Used to Prevent Such Wrongful Discrimination Under the Guise of Reputation Risk

The discriminatory refusal to extend critical financial services to entire classes of businesses like those within the firearm and ammunition industry is intended to harm those businesses financially to the point of extinction based simply on the legal goods and services they provide in response to consumer demand. This discriminatory denial of financial services has no basis in – and in fact runs counter to – safe and sound banking practices.

While the Proposed Rule hints at the possibility that “examining for reputation risk can result in agency examiners implicitly or explicitly encouraging institutions to restrict access to banking services on the basis of examiners’ personal views of a group’s or individual’s political, social, cultural, or religious views or beliefs, constitutionally protected speech, or politically disfavored but lawful business activities” and that it “can result in unfair treatment of different groups and impermissible restrictions on a group’s or individual’s ability to access financial services,” the discrimination experienced by our industry is living proof that reputation risk was in fact used as a tool to justify the restrictions placed on our industry or the flat out denial of such.

Regardless of whether large financial institutions welcomed and willingly used reputation risk as a thin veil to hide behind and implement their discriminatory policies to pursue their antigun agenda or they were pressured to do so and aired on the side of caution to cut off services hostile administrations view as unfavorable industries, removing reputation risk, based on its subjectiveness and ineffectiveness, from the OCC’s and the FDIC’s supervisory frameworks is a vital first step. Proposing to codify this change in relevant regulations sends a strong message to financial institutions that this behavior has no place under a Trump Administration. Furthermore, the Proposed Rule helps eliminate the chance of a future chokehold on our industry’s access to critical financial services.

III. Conclusion

NSSF applauds the actions President Trump has taken within the first year of his second term to ensure that financial institutions operate in a safe and sound manner, including through his Executive Order “Guaranteeing Fair Banking for All Americans.”⁴ The Proposed Rule is an essential step in support of the E.O. The history of unwarranted discrimination against our industry, including by financial regulators, underscores the importance of this regulatory action. While NSSF is encouraged by the

⁴ Exec. Order No. 14331, 90 FR 38925 (2025, August 7).

<https://www.federalregister.gov/documents/2025/08/12/2025-15341/guaranteeing-fair-banking-for-all-americans>.

steps that some financial services providers have taken to reverse course over the past several months, this change in tune did not happen in a vacuum, and there is no guarantee that under a future administration hostile to the Second Amendment that financial institutions will not revert to the discriminatory policies of the past. The Proposed Rule, and subsequent final rule, however, will help chart a new course and one that helps to ensure our industry's right to engage in legal business, promoting public safety and economic growth, and preserving the public's trust in the rule of law. We respectfully request that this rule be adopted.

Sincerely,

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Lawrence G. Keane

Retail



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TO:

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Deputy Executive Secretary

Federal Deposit Insurance Corporation (FDIC)

ATTN: Comments - RIN 3064-AG12

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Washington, DC 20429



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