



November 15, 2021

The Honorable Maxine Waters
Chair
House Financial Services Committee
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Patrick McHenry
Ranking Member
House Financial Services Committee
4340 O'Neill House Office Building
Washington, DC 20515

The Honorable Joyce Beatty
Chair
House Financial Services Subcommittee
on Diversity and Inclusion

The Honorable Ann Wagner
Ranking Member
House Financial Services Subcommittee
on Diversity and Inclusion

Dear Chairwomen Waters and Beatty and Ranking Members McHenry and Wagner:

The undersigned organizations, representing the banking industry, are writing in support of HR 5911, the Fair Hiring in Banking Act, sponsored by Chairwoman Beatty. The legislation makes important improvements to Section 19 of the Federal Deposit Insurance Act to allow banks to provide employment opportunities for rehabilitated job seekers with criminal records.

This legislation is an important measure that, if adopted, would increase economic opportunities for affected individuals. While the Federal Deposit Insurance Corporation is to be commended for its 2020 rulemaking, which expanded the number of persons eligible for an "automatic" waiver from the statute's limitations on hiring individuals with criminal records, the bill would update the underlying statute to appropriately expand this process to include additional rehabilitated persons.

Most notably, the bill would exempt certain individuals with older offenses, certain persons whose transgressions occurred before they were 21 years of age, and those who had been convicted of *de minimis* or lesser offenses. Importantly, passage of this legislation would not compel banking organizations to employ individuals with any criminal background, however minor. It would simply allow banking organizations that have made the decision to employ individuals with certain criminal backgrounds the ability to do so without the additional burden of seeking the FDIC's approval, while allowing banks to continue to conduct their own risk assessments.

The statute's goal of ensuring a trustworthy, reliable banking workforce is important, particularly for an industry built on trust. However, safeguarding that trustworthiness should not come at the expense of offering hardworking people the chance to achieve meaningful employment opportunities in our nation's banks. The participation of rehabilitated individuals with prior offenses in the banking industry would drive socioeconomic mobility, and excluding those individuals would harm them while doing little to nothing to protect banks or their customers.

We urge speedy adoption of the Expanding Opportunities in Banking Act.

Sincerely,

Bank Policy Institute

Financial Services Forum