Congress of the United States
House of Representatives
Washington, DC 20515–1304

October 16, 2020

Mr. Makan Delrahim
Assistant Attorney General
U.S. Department of Justice, Antitrust Division
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Dear Assistant Attorney General Delrahim:

As Members of Congress we see firsthand how the Department of Justice's (DOJ) current bank merger review process fails to protect our constituents. We welcome the DOJ's review of its guidelines and the opportunity for public comment, however we warn against any attempt to dilute the agency's already insufficient merger guidelines. As the financial industry changes, we call on the DOJ to protect our communities and strengthen its merger guidelines rather than bowing to industry pressure and rolling back protections.

Even by the DOJ's own standards of consumer welfare, the agency's existing bank merger review guidelines have failed to protect consumers. In many instances bank mergers have already increased the cost and reduced the availability of credit while inflating fees and discouraging investment. These effects have been compounded in working class communities of color. While these communities already face additional hurdles to accessing credit, research shows that predatory financial service providers like high-fee check-cashing companies expand into areas impacted by bank mergers. This not only restricts these communities' access to credit but opens them up to unpayable cycles of debt and unscrupulous debt collectors.

The DOJ must strengthen its existing bank merger review guidelines to protect consumers with respect to traditional criteria such as price and market access, but the agency must also consider factors such as consumer privacy and financial stability that are increasingly important in our modern economy. The growth of fintech brings the privacy concerns raised by new technologies into the heart of the financial sector. The unregulated growth of complex non-bank financial institutions makes proper oversight of the growth and financial ties of our banks essential for managing systemic risk in our economy. As the Division considers updating the bank merger guidelines, it must consider additional factors including whether the mergers will increase income inequality and lead to more community members who become unbanked, the disproportionate impacts of bank mergers on Black, Native American, Latinx, Asian Pacific Islander and immigrant communities and the impact of mergers on consumer privacy and the financial stability of our economy as a whole.

As technological innovations and a changing financial landscape remake the banking industry, the DOJ must strengthen its bank merger review process rather than diluting it. We urge the DOJ to issue new, strengthened bank merger review guidelines that respond to our modern economy and protect consumers instead of politically connected bankers and investors.

Sincerely,

Jesús G. "Chuy" García
Member of Congress

Pramila Jayapal
Member of Congress

_____/s/_____
Stephen Lynch
Member of Congress

_____/s/_____
Jan Schakowsky
Member of Congress

_____/s/_____
Bobby L. Rush
Member of Congress

_____/s/_____
James P. McGovern
Member of Congress

_____/s/_____
Rashida Tlaib
Member of Congress

_____/s/_____
Raúl M. Grijalva
Member of Congress

_____/s/_____
Alexandria Ocasio-Cortez
Member of Congress

_____/s/_____
Barbara Lee
Member of Congress

_____/s/_____
Ayanna Pressley
Member of Congress