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# United States Senate

COMMITTEE ON BANKING, HOUSING, AND  
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

May 7, 2026

The Honorable Jonathan Gould  
Comptroller of the Currency  
Office of the Comptroller of the Currency  
400 7th St. SW  
Washington, D.C. 20219

Dear Comptroller Gould:

I write to urge the Office of the Comptroller of the Currency (OCC) to withdraw its proposed rule to exempt 26 of the 31 largest national banks in the country from the stronger governance and risk management requirements implemented in the wake of the devastating 2008 financial crisis.<sup>1</sup> This proposal is yet another example of the OCC's doing the bidding of big banks at the expense of American taxpayers and our financial system. This proposal, coupled with the agency's suite of other deregulatory actions, would increase big bank executive bonuses and shareholder payouts, while setting the stage for catastrophic big bank failures and taxpayer bailouts.

The 2008 financial crisis exposed systemic governance failures at big banks.<sup>2</sup> Before the crash, big banks failed to prioritize prudent governance and risk management and instead engaged in reckless risk-taking that put our entire economy at risk. In response to the crisis, the OCC implemented commonsense "heightened standards" in 2014 to strengthen big banks' paltry governance and risk management practices.<sup>3</sup> These modest guidelines require big banks – defined as banks with \$50 billion or more in assets—to develop and implement written policies “to manage and control . . . risk-taking activities.”<sup>4</sup> Specifically, the standards require banks to establish written risk governance frameworks, updated and reviewed annually, to address changes in the bank's risk profile caused by emerging risks and other factors;<sup>5</sup> designate three lines of defense—front line units, independent risk management, and an internal audit—to

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<sup>1</sup> Federal Register, “OCC Guidelines Establishing Heightened Standards for Certain Large Insured National Banks, Insured Federal Savings Associations, and Insured Federal Branches; Technical Amendments,” December 30, 2025, <https://www.federalregister.gov/documents/2025/12/30/2025-23986/occ-guidelines-establishing-heightened-standards-for-certain-large-insured-national-banks-insured#citation-45-p61091>.

<sup>2</sup> Financial Crisis Inquiry Commission, “Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States,” January 2011, p. xviii, [https://fcic-static.law.stanford.edu/cdn\\_media/fcic-reports/fcic\\_final\\_report\\_full.pdf](https://fcic-static.law.stanford.edu/cdn_media/fcic-reports/fcic_final_report_full.pdf).

<sup>3</sup> Office of the Comptroller of the Currency, “OCC Finalizes Its Heightened Standards for Large Financial Institutions,” September 2, 2014, <https://www.occ.gov/news-issuances/news-releases/2014/nr-occ-2014-117.html>.

<sup>4</sup> *Id.*

<sup>5</sup> 12 C.F.R. Appendix D to Part 30.

monitor, manage and control risks; describe the bank's risk appetite; identify concentration risk limits; and ensure that strategic planning addresses the identified risks.<sup>6</sup>

But under your leadership, the OCC has proposed rolling back these safeguards by increasing the asset threshold at which they apply to banks from \$50 billion to \$700 billion, a 14-fold increase that exempts 26 of the 31 largest banks in the country.<sup>7</sup> In other words, under the OCC's proposal, 26 of the 31 banks whose failures could imperil the American financial system would no longer be subject to the agency's enhanced governance and risk management standards; they would, instead, be subject to the same risk management standards as local community banks. Absent heightened governance and risk management standards, big banks will likely take on more risk to boost short-term profits and bonuses.<sup>8</sup> Bank examiners will be less likely to identify and address potential issues and risks early, before they fester into larger problems.<sup>9</sup>

This proposal ignores the serious risks posed by big banks with between \$50 billion and \$700 billion in assets. Just three years ago the second, third, and fourth largest bank failures in U.S. history were banks at the lower end of this size range.<sup>10</sup> These firms proved to be systemically important, requiring an extraordinary government rescue of uninsured depositors of over \$20 billion and a Federal Reserve liquidity backstop of over \$160 billion to prevent broader contagion.<sup>11</sup> The OCC's claim that its proposal would be applicable to banks that "pose the greatest risk to the banking system" fails to align with reality and recent history.<sup>12</sup>

This proposed rule weakening governance and risk management standards comes against the background of a broader, big bank deregulation push by the OCC. This includes firing of bank examiners,<sup>13</sup> weakening supervisory authority by limiting examiners ability to initiate

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<sup>6</sup> *Id.*

<sup>7</sup> Federal Register, "OCC Guidelines Establishing Heightened Standards for Certain Large Insured National Banks, Insured Federal Savings Associations, and Insured Federal Branches; Technical Amendments," December 30, 2025, <https://www.federalregister.gov/documents/2025/12/30/2025-23986/occ-guidelines-establishing-heightened-standards-for-certain-large-insured-national-banks-insured#citation-45-p61091>.

<sup>8</sup> Better Markets, "Reducing Supervision of Banks Endangers Depositors and Economic Growth," Phillip Basil, January 14, 2026, <https://bettermarkets.org/analysis/reducing-supervision-of-banks-endangers-depositors-and-economic-growth/>.

<sup>9</sup> *Id.*

<sup>10</sup> New York Times, "3 Failed Banks This Year Were Bigger Than 25 That Crumbled in 2008," Karl Russell and Christine Zhang, May 1, 2023, <https://www.nytimes.com/interactive/2023/business/bank-failures-svb-first-republic-signature.html>.

<sup>11</sup> Bloomberg, "Banks Borrow \$164.8 Billion from Fed in Rush to Backstop Liquidity," Alex Harris and Craig Torres, March 16, 2023, <https://www.bloomberg.com/news/articles/2023-03-16/banks-rush-to-backstop-liquidity-borrow-164-8-billion-from-fed>; Federal Deposit Insurance Corporation, "Recent Bank Failures and the Federal Regulatory Response," March 29, 2023, <https://www.fdic.gov/news/speeches/2023/spmar2923.html>; Federal Reserve, "Review of the Federal Reserve's Supervision and Regulation of Silicon Valley Bank," April 28, 2023, <https://www.federalreserve.gov/publications/review-of-the-federal-reserves-supervision-and-regulation-of-silicon-valley-bank.htm>.

<sup>12</sup> Office of the Comptroller of the Currency, "OCC Guidelines Establishing Heightened Standards for Certain Large Insured National Banks, Insured Federal Savings Associations, and Insured Federal Branches: Notice of Proposed Rulemaking," December 23, 2025, <https://www.occ.gov/news-issuances/bulletins/2025/bulletin-2025-51.html>.

<sup>13</sup> Bloomberg Law, "OCC Fires 76 Probationary Staffers, Joining Other Regulators," Evan Weinberger, February 21, 2025, <https://news.bloomberglaw.com/banking-law/occ-starts-firing-probationary-staff-joining-other-regulators>.

enforcement actions and leaving them unable to proactively address an issue before it festers,<sup>14</sup> allowing banks to take on more debt,<sup>15</sup> and abandoning critical updates to the 1995 bank merger guidelines, which will allow the OCC to continue rubber stamping big bank mergers.<sup>16</sup> In addition, the economy is sputtering, the private credit market is deteriorating, and the President's illegal and dangerous war in Iran caused a massive commodity shock.<sup>17</sup> This toxic mix of big bank deregulation is occurring at a precipitous moment—and the American public will likely pay the price in future economic downturns.

Given these concerns, I request that the OCC withdraw this proposed rule.

Sincerely,



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Elizabeth Warren  
Ranking Member  
Committee on Banking,  
Housing, and Urban Affairs

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<sup>14</sup> Federal Register, “Unsafe or Unsound Practices, Matters Requiring Attention,” October 30, 2025, <https://www.federalregister.gov/documents/2025/10/30/2025-19711/unsafe-or-unsound-practices-matters-requiring-attention>.

<sup>15</sup> Federal Register, “Regulatory Capital Rule: Modifications to the Enhanced Supplementary Leverage Ratio Standards for U.S. Global Systemically Important Bank Holding Companies and Their Subsidiary Depository Institutions; Total Loss-Absorbing Capacity and Long-Term Debt Requirements for U.S. Global Systemically Important Bank Holding Companies,” December 1, 2025, <https://www.federalregister.gov/documents/2025/12/01/2025-21626/regulatory-capital-rule-modifications-to-the-enhanced-supplementary-leverage-ratio-standards-for-us>.

<sup>16</sup> Office of the Comptroller of the Currency, “Business Combinations Under the Bank Merger Act: Rescission: Interim Final Rule,” May 8, 2025, <https://www.occ.gov/news-issuances/bulletins/2025/bulletin-2025-9.html>.

<sup>17</sup> Yahoo Finance, “The \$265 billion private credit meltdown: How Wall Street’s hottest investment craze turned into a panic,” Shawn Tully, March 14, 2026, <https://finance.yahoo.com/news/265-billion-private-credit-meltdown-080000628.html>; Business Insider, “The Iran war oil crisis is now worse than 3 of history's biggest energy shocks combined, IEA chief says,” Naomi Buchanan, April 7, 2026, <https://www.businessinsider.com/oil-prices-iran-war-energy-crisis-iea-supply-shock-hormuz-2026-4>.