

United States Senate

Mr. Michael L. Corbat, CEO
Citigroup
388 Greenwich Street
New York, NY 10013

Mr. Brian T. Moynihan, CEO
Bank of America
100 North Tryon Street
Charlotte, NC 28255

Dear Messrs. Corbat and Moynihan:

Recently, your banks announced decisions to try to use your market power to restrict your customers' lawful gun sales and gun purchases beyond what federal and state laws require. At Citigroup, customers are now required to exceed the three-day waiting period for background checks, to refuse firearm sales to adults under the age of 21, and to refuse to carry certain magazines that federal law allows. Customers who do not comply will have to "transition their business away from Citi." Bank of America, likewise, plans to stop lending to companies that manufacture certain semi-automatic long guns.

No doubt these new policies were designed to placate liberal activists, earn favor with Democratic officeholders, and garner Citigroup and Bank of America media praise. Indeed, they track several pieces of legislation that my Democrat colleagues have already offered. But they are not welcome in Texas.

The citizens of Texas—including your millions of customers in Texas—appear to have a stronger commitment to protecting our constitutional liberties than do your boardrooms. Texans value Liberty and our God-given right to protect ourselves and our families too much to allow giant banks to dictate our rights, including our right to keep and bear arms.

The Bill of Rights should not be subject to corporate pressure or financial coercion. This is especially true given that less than 10 years ago, both of your institutions asked the public for a bailout. At the time, you both asserted it was in the public interest to do so.

The American taxpayer gave Citigroup \$20 billion in cash and hundreds of billions more to guarantee its bad investments—*the most in cash and guarantees from American taxpayers of any financial institution*. Bank of America likewise received a taxpayer bailout of \$45 billion and a guarantee of \$118 billion against potential losses. In short, your banks exist today only because of the (perhaps foolish) largess of the taxpayers whose constitutional rights you are now trying to restrict.

As Chairman of the Senate Judiciary Committee's Subcommittee on the Constitution, I have a responsibility to address both direct infringements of Americans' constitutional rights and also practical barriers to the exercise of those rights. Your new policies, on their face, pose a serious barrier to the constitutional rights of millions of Americans.

Moreover, this pattern—of financial coercion that turns into political blackmail, in an effort to mandate policy outcomes that could not otherwise pass Congress—poses a real threat to our democratic process.

It is no surprise that your institutions have close relationships with Democratic politicians, or that your executive leadership may personally agree with their political agenda. But you have obligations to your stockholders, and to your customers, not to abuse your market power to serve narrow partisan objectives.

Indeed, your recent actions appear reminiscent of the Obama Administration's abuse of power through "Operation Choke Point" or Mayor Rahm Emmanuel's efforts to extort CEOs to agree with his own preferred gun policy.

For those customers whose financial security you have threatened, they can be assured that there are many commercial bankers in Texas who would welcome their business.

But your efforts at "legislating through Wall Street"—and those politicians who are urging you on—pose serious threats to our rights.

I therefore write to ask several questions and for several categories of records. For purposes of these questions, "Citigroup" and "Bank of America" include all of your respective organizations' affiliates and subsidiaries.

- 1) Does Citigroup or Bank of America intend to adopt any other political policies for their customers similar to those that are under consideration by, or have been considered by, the Senate Judiciary Committee? If so, please provide a complete list of such policies under consideration.
- 2) Did Citigroup or Bank of America consult any federal, state, or local government officials regarding these policies, either before or after its implementation? If so, please identify all any such officials.
- 3) Did those government officials make any threats, or promise any inducements for trying to force their preferred policy outcomes? If so, what specifically?
- 4) Has Citigroup or Bank of America discussed its new policies, whether before or after implementation, with any other financial institution that it does not own, including each other? How many horizontal competitors have cooperated in imposing these policies, and what precisely were the contents of the discussions?
- 5) Was Citigroup's decision or Bank of America's decision to adopt these policies primarily adopted as a result of customers' demands or another similar business justification? If so, please provide records documenting the business considerations that were explored prior to adopting its policies, including why it believed these policies would be economically beneficial. If not, please indicate the basis for adopting these new policies, along with any records establishing that basis.

Your reply should include all records, such as e-mails, calls, logs of meetings, internal memoranda, and voicemails that are relevant to my questions, and should be received no later than May 15, 2018.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ted Cruz", is positioned above the typed name.

Ted Cruz
Chairman, Constitution Subcommittee
Senate Judiciary Committee