

Congress of the United States
Washington, DC 20515

December 11, 2023

Acting Comptroller Michael J. Hsu
Office of the Comptroller of the Currency
400 7th Street SW
Washington, DC 20219

Dear Acting Comptroller Hsu,

We write today regarding disturbing reports of Citigroup Inc. (Citi)'s discriminatory lending practices against Armenian Americans. According to the Consumer Financial Protection Bureau (CFPB), Citi deliberately targeted and denied Armenian American credit card applicants based on their surnames and city of residence over a six-year period.^[1] According to reports, from 2015 through 2021, Citi singled out credit card applicants with surnames that Citi employees associated with Armenian origin as well as applicants whose addresses were in or near Glendale, California, home to a large and vibrant Armenian community. Given the harm done to our constituency and the seriousness of these allegations, we request that the Office of the Comptroller of the Currency (OCC) investigate this lengthy and discriminatory lending practice at Citi and any other financial institutions that may have engaged in similar practices.

As detailed in CFPB findings, Citi allegedly targeted applicants in the state of California whose last names ended in “-ian” and “-yan”—common components of surnames of Armenian origin. Citi's practices included applying extra scrutiny to, negatively assessing, and denying credit card applications and credit line increases to consumers they identified as Armenian American. Of the most alarming allegations, some of the employees in question referred to these applicants as “Armenian bad guys” or the “Southern California Armenian Mafia.”

According to the CFPB, over this timeframe, Citi employees lied to consumers about the basis of their credit denials, providing false reasons why applicants were denied. Furthermore, supervisors conspired to hide the discrimination by instructing employees not to discuss the discriminatory practices in writing or on recorded phone lines.

While disturbing in scope with nearly 600 consumers who were impacted, this revelation also repeats a toxic history of banks preventing equal and equitable access to credit, targeting and preventing specific communities from accessing credit and loans to purchase homes or build businesses. While the CFPB has ordered Citigroup to pay \$24.5 million in fines and \$1.4 million in direct restitution that will be given back to impacted consumers, we must make sure that there

are sufficient regulatory tools in place that can prevent this kind of discrimination from happening again.

Citi is the fourth-largest bank by U.S. customer deposits, according to the Federal Reserve.^[2] As one of the largest banks in the nation, their institution plays a key role in determining which individuals and communities have access to economic opportunity. No American should fear that their access to financial services or financial stability will be impacted by their race, ethnicity, nation of origin, or any other protected trait and it is our job to continue to dismantle the ongoing patterns of discrimination in the financial sector, and across our broader society.

Accordingly, we ask that you provide written answers to these questions.

1. Has the OCC launched its own investigation into this case and considered taking additional actions to hold Citi accountable?
2. Have any other financial institutions engaged in similar discriminatory actions against the Armenian community or other ethnic communities?
3. Do any of the employees responsible for participating in this discriminatory practice still hold employment with Citi and what disciplinary actions have taken place?
4. What actions has Citi taken to ensure this does not happen again?
5. What additional regulatory tools are necessary to make sure this does not happen again at Citi or any other institution?
6. What proactive steps has or will OCC take to investigate this instance or similar instances of discrimination at other banking institutions under its jurisdiction?

We urge your office to investigate this situation further, including any other institutions that engaged in similar behavior, to ensure they do not engage in further discriminatory practices, as well as ensure impacted communities receive their compensation.

Thank you for your attention to this important matter. We look forward to your response and to working together to continue to take action to protect consumers.

Sincerely,



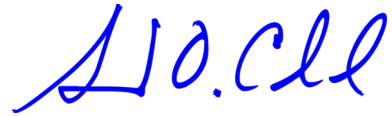
Adam B. Schiff
Member of Congress



Barbara Lee
Member of Congress



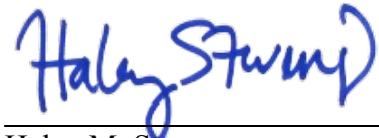
Jim Costa
Member of Congress



Salud Carbajal
Member of Congress



Zoe Lofgren
Member of Congress



Haley M. Stevens
Member of Congress



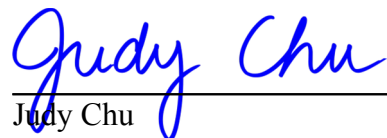
Katie Porter
Member of Congress



Mike Levin
Member of Congress



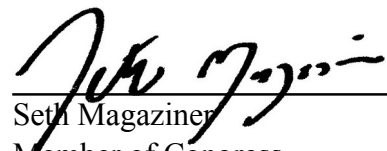
Tony Cárdenas
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Judy Chu
Member of Congress



Anna G. Eshoo
Member of Congress



Seth Magaziner
Member of Congress



Raja Krishnamoorthi
Member of Congress

¹ CFPB orders Citi to pay \$25.9 million for intentional, illegal discrimination against Armenian Americans. Consumer Financial Protection Bureau. (2023, November 8). <https://www.consumerfinance.gov/about-us/newsroom/cfpb-orders-citi-to-pay-25-9-million-for-intentional-illegal-discrimination-against-armenian-americans/>

² FRB: Large commercial banks-- September 30, 2023. (2023, September 30). <https://www.federalreserve.gov/releases/lbr/current/>