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Bank regulators testify in House: Live coverage

By [Claire Williams, Ebrima Santos Sanneh, Maria Volkova](#) December 2, 2025 9:47 AM





House Financial Services Committee ranking member Maxine Waters, D-Calif., and committee chair French Hill, R-Ark. *Bloomberg News*

WASHINGTON — Prudential bank regulators appear today in front of the House Financial Services Committee, giving a rare oversight window into the Trump administration's bank regulators.

The oversight hearing today is later than typical, due to House Speaker Mike Johnson's decision to send the House back to their districts for the duration of the government shutdown, and could be one of the only times bankers will get to hear directly from their regulators in Congress this year.

The Senate Banking Committee hasn't held their banking oversight hearing in 2025, despite being required to host one annually. The last one in the Senate Banking Committee was held in May 2024.

Lawmakers will hear from Federal Reserve Vice Chair for Supervision Michelle Bowman, Comptroller of the Currency Jonathan Gould and Chairman of the National Credit Union Administration Kyle Hauptman and acting Federal Deposit Insurance Corp. Chairman Travis Hill, whose nomination [cleared](#) the Senate Banking Committee last month and now awaits a full Senate confirmation vote.

11 Posts**19h 52m ago**

Garcia presses regulators on CFPB supervisory void

By [Maria Volkova](#)

Rep. Sylvia Garcia, D-Texas *Bloomberg News*

Rep. Sylvia Garcia, D-Texas, called out the Consumer Financial Protection Bureau and its acting director, Office of Management and Budget Director Russell Vought, for failing to appear before Congress this year, as is required by statute.

In the CFPB's absence, Garcia asked Federal Reserve Vice Chair for Supervision Michelle Bowman, Comptroller of the Currency Jonathan Gould and acting Federal Deposit Insurance Corp. chair Travis Hill about whether they are supervising and examining the largest banks to ensure compliance with federal consumer protection laws.

In response, Bowman said the central bank is in charge of a "narrow set of consumer compliance regulations."

"We have responsibilities for a narrow set of consumer compliance regulations for all sizes of institutions that are state member banks," she said. "I believe the other regulators have the responsibility in that narrow context as well." Gould said that the OCC does not have supervision authority, while Chairman Travis Hill stated that the FDIC has authority over "certain consumer protection laws" that it continues to fulfill.

20h 33m ago

Meuser highlights committee GOP debanking report

By [Ebrima Santos Sanneh](#)



Rep. Dan Meuser, R-Pa. Bloomberg News

Rep. Dan Meuser, R-Pa., highlighted a report issued Monday by the House Financial Services Committee's republican majority investigating what they say were **unjust restriction of banking services** to politically disfavored industries like crypto.

The report alleges that the Biden administration intentionally muddled the regulatory standards and added onerous red-tape that discouraged banks from serving digital asset firms. When asked by Meuser for his take on identifying debanking, Gould discussed how the agency is investigating whether some banks had monitored news about potential clients to calculate the risk they could pose to a bank's reputation, which he says is inappropriate in some cases.

"Overreliance on negative news searches — which is sometimes a feature of reputation risk, could ... be problematic, as well as categorical prohibitions on performing or providing financial services and products to lawful business activities," Meuser said.

Citing sources like Marc Andreessen's now-infamous interview with Joe Rogan, the staff report alleges that roughly 30 entities or individuals were unjustly denied services. It's not clear, however, that discouraging crypto partnerships constitutes illegal interference; banking lawyers say banks are not obligated to serve any particular customer, with exceptions for unlawful denials to protected classes.

The report critiques the administration's use of AML justifications for keeping crypto at arms-length, quoting a Treasury **document** that states "the use of virtual assets for money laundering remains far below the scale of fiat currency." Another document cited in the report, a speech by former Treasury Deputy Secretary Wally Adeyemo, lays out the Biden administration's growing concerns with cryptocurrencies being used to illicit activity.

"While these actors today only use virtual assets for a fraction of their illicit activity, we know in other areas, illicit actors almost completely rely on virtual currencies," Adeyemo said last year. "Treasury's Financial Crimes Enforcement Network found, based on BSA reporting, that more than \$1 billion of ransomware payments were made exclusively using cryptocurrency in 2023. This not only has an impact on our national security but also on our economy."

In a statement Monday responding to the report, OCC officials [said](#) they are continuing to investigate whether large banks improperly "debanked" digital-asset firms or other lawful businesses.

21h 0m ago

Foster flags stablecoin-driven deposit flight as top concern

By [Ebrima Santos Sanneh](#)



Rep. Bill Foster, D-III. *Bloomberg News*

Rep. Bill Foster, D-III., raised concerns that [interest-bearing stablecoins](#) could drive significant deposit migration away from community banks, saying the crypto industry has already found ways to circumvent a [GENIUS Act](#) prohibition on paying interest.

Foster asked the regulators to address the [bankers' concerns](#), but his time expired before they could answer. Foster said the issue was a major point of concern at a recent community banking conference he attended, adding that the emergence of interest-bearing stablecoins is akin to the nascent emergence of [narrow banks](#) in the last decade.

"One thing that came out actually with small community banks is the worry that interest-paying stablecoins would have a potential [to pull] deposits" from the banking sector, Foster said. "There are some estimates that predict [as much as] six trillion dollars. I just heard about it uniformly the small community bankers were terrified and angry about the threat."

21h 20m ago

FDIC's Hill briefly addresses FDIC culture scandal

By [Claire Williams](#)



Acting Federal Deposit Insurance Corp. Chair Travis Hill *Bloomberg News*

Acting FDIC Chairman Travis Hill only briefly addressed the culture scandal at his agency, a quiet coda of what had been a hot-button political issue that **briefly reared its head** during Hill's confirmation scandal in the Senate.

Hill, who is likely to receive his final full Senate vote to become the confirmed chairman of the FDIC this week, fielded questions from Republican lawmakers during his confirmation hearing to lead the agency. Sen. John Kennedy, R-La., said he might withhold his support for Hill over the issue. Kennedy has since said he is assured by Hill that reform will continue apace.

But three hours into the oversight hearing in the House Financial Services Committee hearing, only one lawmaker — Rep. Bill Huizenga, R-Mich. — asked about the issue, to which Hill outlined the progress he said the FDIC has made.

"There's been significant turnover in leadership at the agency," Hill said. "We have an entirely new board, and about half of direct reports to the chair have turned over this year. We've replaced a large number of managers across the agency. We have prioritized accountability, which I think was really the key root cause of the problems, which is that there were many cases where either people didn't report things because they didn't have confidence in the process, or they did report things, and people were paid off with settlements, and the wrongdoers didn't have accountability."

21h 43m ago

Rep. Barr floats indexing Durbin amendment

By [Claire Williams](#)



Rep. Andy Barr, R-Ky. *Bloomberg News*

Rep. Andy Barr, R-Ky., raised the idea of indexing the threshold at which the Durbin amendment applies in a question to Federal Reserve Vice Chair for Supervision Michelle Bowman.

"Talking to larger community banks in Kentucky, who are approaching that \$10 billion threshold and are growing organically and in a healthy and safe and sound manner, but then because of the Durbin amendment and some of these other regulatory triggers at \$10 billion, they want to grow, but they have to rapidly expand their balance sheet and increase their presence in new markets and activities and new business lines to account for the additional interchange costs," Barr said. "Is this counter to regulators' safety and soundness mandate, and would indexing the Durbin amendment and some of these other requirements and these other thresholds allow banks to grow in a more organic and safe way?"

Barr is one of the most active lawmakers in the banking space, and has already introduced several bills this Congress concerning bank regulation. Changes to the Durbin amendment of the sort that Barr envisions would likely require a legislative fix, which Barr would be well positioned to introduce.

"Indexing, as a general concept, is an important improvement that could be applied to, especially the community banking space, but I think it also could be helpful for other sizes, other sizes of smaller institutions," Bowman answered.

21h 53m ago

Bowman won't commit to capital neutral Basel proposal

By [John Heltman](#)



Federal Reserve Vice Chair for Supervision Michelle Bowman *Bloomberg News*

Federal Reserve Vice Chair for Supervision Michelle Bowman would not commit to the capital neutrality of a forthcoming Basel III endgame capital proposal, which regulators are expected to unveil sometime next year.

Rep. Andy Barr, R-Ky., who chairs the House Financial Services Committee's financial institutions panel, noted that a [proposal](#) issued in July 2023 would have raised bank capital beyond what was envisioned under the international Basel III accords. Barr asked Bowman, acting Federal Deposit Insurance Corp. chair Travis Hill and Comptroller of the Currency Jonathan Gould if they would commit to a "holistic review of the capital stack," to which each of the regulators agreed.

Barr then asked whether the agencies are "planning to issue a proposal that predetermines a, quote, 'capital neutral' outcome, even if some risks continue to be over capitalized."

"We're not," Bowman replied. "We don't have a preconceived notion about where we'll land with our capital requirements. Based on this review, this whole list, this comprehensive review of capital that we're undertaking now, we're looking at it from a risk-based approach by each factor and category."

22h 7m ago

Rep. Sherman presses OCC on claims of political sway in licensing

By [Ebrima Santos Sanneh](#)



Rep. Brad Sherman, D-Calif. Bloomberg News

Rep. Brad Sherman, D-Calif., questioned Comptroller of the Currency Jonathan Gould on an August report in which Anduril founder Palmer Luckey — who is vying for a de novo national trust charter to start digital bank Erebor — may have violated securities law by telling potential investors the firm expects regulators to approve the proposed charter by year end, citing Luckey's political connections to the Trump administration.

"I will ask unanimous consent to put into the record an [article](#) from the Business Insider from August 8, 2025," said Sherman, who pushed the regulator to investigate the matter with the Securities and Exchange Commission.

"If the memo was lying, that is securities fraud — you can't go to prospective investors and say, 'We're going to be successful' if you're making it up. On the other hand, if he was telling the truth, that is much worse — because he's part of what is described in the article as a million dollar program to give money to Republicans — he was going to get his bank charter approved much more quickly by the OCC," Sherman said. "Mr. Gould, since I assume he didn't use political connections to get his bank charter approved more quickly, have you talked to the SEC about securities fraud, when a man raises money for his bank by claiming that you're a corrupt organization?"

Gould said he was, "not familiar with all the allegations made in that article," continuing to say that he is, "not responsible for the securities laws," and "not familiar with that."

22h 18m ago

Fed's Bowman signals ongoing support for CDFI fund

By [Maria Volkova](#)



Federal Reserve Vice Chair for Supervision Michelle Bowman *Bloomberg News*

Fed Vice Chair for Supervision Michelle Bowman expressed support for the CDFI Fund, responding to a question from House Financial Services Committee ranking member Maxine Waters, D-Calif., on the subject. Bowman said the CDFI Fund plays a "unique role in expanding access to capital and to financial services."

"The Federal Reserve continues to have a program that supports CDFIs from a technical perspective, which is called partnership for progress," said Bowman. "These are important investments that the Federal Reserve continues to make."

Waters noted, while directing her question to Bowman, that the two spoke last week and said she was pleased to learn that Bowman "support[s] diversity, equity and inclusion."

22h 23m ago

FDIC's Hill suggests DIF would have to grow if deposit insurance raised

By [Claire Williams](#)



Acting Federal Deposit Insurance Corp. Chair Travis Hill *Bloomberg News*

Acting FDIC Chairman Travis Hill said that revenue to the Deposit Insurance Fund, the pot of money that the agency uses to resolve failed banks, would need to increase if the deposit insurance amount increased.

Congress is considering raising deposit insurance for most noninterest bearing business accounts to \$10 million, a dramatic increase from the current \$250,000. [Critics of the proposal](#) say that the increase would also increase demand on the DIF, meaning that banks who would largely not benefit from the increase would wind up paying more in assessment fees.

"Let's say we raise the deposit insurance coverage amount 100 times to what it is now making, meaning the denominator goes way up," House Financial Services Chairman French Hill asked Travis Hill. "Normally for the FDIC to meet its statutory minimum, wouldn't it need to raise assessments as well?"

"If no other changes are made and the denominator goes up, then that's correct. In order to achieve the same reserve ratio, revenue coming into the DIF would have to increase," Travis Hill said.

23h 38m ago

OCC's Gould doubles down on banks' role in debanking

By [Claire Williams](#)



Comptroller of the Currency Jonathan Gould *Bloomberg News*

Jonathan Gould, who leads the Office of the Comptroller of the Currency, said that the agency will continue to investigate banks who might have closed the accounts of individuals with certain political or religious beliefs.

Gould has consistently insisted that the OCC will target banks, rather than just regulators, in the "debanking" narrative. Republicans have said that banks have closed the accounts of political conservatives or Christians due to their beliefs, without offering evidence of widespread practice, or that those peoples' or organizations' beliefs contributed to their account closure.

Nonetheless, the OCC has looked to target banks over the practice.

"We are currently implementing the President's Executive Order on Guaranteeing Fair Banking for All Americans by, among other things, reviewing the activities of the largest national banks and investigating complaints of alleged debanking," Gould said in his testimony to the House Financial Services Committee. "We will be considering options for evaluating whether and to what extent non-financial factors may have influenced or impacted core banking functions such as credit underwriting practices."

23h 51m ago

Fed's Bowman wants to 'streamline' de novo, M&A for community banks

By [Claire Williams](#)



Federal Reserve Vice Chair for Supervision Michelle Bowman *Bloomberg News*

Fed Vice Chair for Supervision Michelle Bowman said that the central bank is looking at **tailoring** the process for mergers and acquisitions, as well as the de novo chartering application process, for community banks.

"We are exploring streamlining these processes and updating the Federal Reserve Board's merger analysis to accurately consider competition among small banks," Bowman said in her opening testimony in front of the House Financial Services Committee. "Now is the time to build a framework for community banks that recognizes their unique strengths and supports their critical role in providing financial services to businesses and families throughout the United States."

Bowman also said that the Fed is looking at changing capital requirements, specifically around home lending.

"In particular, the capital treatment of mortgages and mortgage servicing assets under the U.S. standardized approach has resulted in banks reducing their participation in this important lending activity, potentially curtailing access to mortgage credit," she said. "We are considering approaches to more granularly differentiate the riskiness of mortgages with benefits extending to financial institutions of all sizes, not just the largest banks."

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