

August 1, 2024

The Honorable Janet Yellen
Secretary
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear Secretary Yellen,

We write to express our serious objections to [your department's recent letter characterizing state laws](#) attempting to protect individuals from de-banking as harmful to national security. Some of our States already have such laws on the books. Others are considering enacting them. But all of us oppose this latest attempt by the Biden-Harris Administration to fearmonger and stoke confusion about state laws to advance activists' extreme agendas. That is why we, the Attorneys General of Florida, Iowa, and eighteen other states, write to you today to stand against your radical approach to state laws promoting responsible money management and protecting consumers from discrimination.

The Treasury Department has once again forsaken its statutory role and instead chosen to intervene on behalf of activists seeking to hijack the financial system for their political ends. It is even more disappointing that the Treasury Department would use "national security" as cover for large banks' abuse of power to achieve those ends.

Your department's letter criticizes [state laws](#) that prohibit banks from denying financial services based on factors that are not grounded in measurable risks. Laws like Florida's HB 989 protect both consumers from discrimination and entities like [religious organizations](#), [gun manufacturers](#), and those engaged in [fossil fuel exploration](#) from improper political pressure for their lawful and often constitutionally protected activities. No consumer or business should be denied services based on political beliefs or religious views or because of some arbitrary social credit score derived from ideological agendas.

The letter deliberately misleads financial institutions about these state laws, for example, by falsely suggesting that laws such as Florida’s HB 989 would prohibit financial institutions from considering whether a consumer is associated with designated terrorist groups. On the contrary, laws like HB 989 ensure that financial institutions focus on true risk-based factors and stay out of the business of forcing radical social policies.

The claim that prohibiting discrimination will harm national security is so outlandish that even your Department does not appear to believe it. Indeed, the statutory language that the Treasury Department complains about comes directly from the Department’s own [Office of the Comptroller of the Currency](#), which previously drafted a rule prohibiting banks from “[deny\[ing\] any person a financial service . . . unless the denial is justified by such person’s quantified and documented failure to meet quantitative, impartial risk-based standards.](#)” At the time, the Treasury Department’s Financial Crimes Enforcement Network did not pose any objections to that language as creating a national security risk. Such an omission from criticism reveals that the Department’s current criticisms are the product of political posturing rather than any genuine concern that prohibiting discrimination somehow endangers national security.

The Treasury Department’s July 18 letter continues a troubling pattern under the Biden-Harris Administration of importing political activism into financial regulation. In 2021, you spoke in favor of the Financial Stability Oversight Council “[recognizing that climate change is an emerging and increasing threat to U.S. financial stability.](#)” Yet the Federal Reserve’s own climate-scenario stress test shows that even the worst-case scenarios relating to global emissions and climate change [do not create a material financial risk.](#)

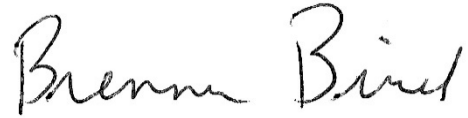
In September 2023, [you also encouraged](#) financial institutions to follow net zero recommendations that are promoted by the Glasgow Financial Alliance for Net Zero, which is chaired by political activist and mega-donor [Michael Bloomberg.](#)

In sum, your recent actions show a disturbing trend of the Treasury Department skirting its responsibilities under the law to serve political ends. We join with [the majority of Americans](#) in looking forward to the day when federal regulators will focus on their statutory duties, rather than on advancing radical political causes and stoking unfounded fear about state laws.

Respectfully,



Ashley Moody
Florida Attorney General



Brenna Bird
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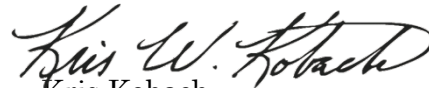
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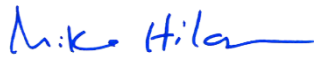
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