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Iowa attorney general joins 15-state group fighting Bank of America's alleged 'debanking'

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Roll of American dollar banknotes tightened with a band. (Pexels / Karolina Grabowska)



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Iowa Attorney General Brenna Bird joined a 15-state coalition in a letter to Bank of America, demanding it stop alleged practices of debanking.

Debanking, also known as derisking, refers to when a bank closes the accounts of clients perceived to be "high risk."

After being debanked, people can't make payments, receive deposits or use any banking services.

The letter demands that Bank of America explain its debanking practices and stop discriminating against customers for their religious or political views.

“No American should lose access to their bank account because banks want to play woke politics,” said Attorney General Bird. “It is nearly impossible to function in today’s society without access to bank accounts, credit cards, or loans. Families depend on them. For Bank of America to discriminate against Americans for their religion or politics and deny them banking services is wrong and fundamentally un-American. I am glad to push back and hold big banks to the law.”

The States claim Bank of America violates the federal Equal Credit Opportunity Act and Fair Housing Act, which bars religious discrimination for credit applications and home loans. They also claim debanking violates state and federal consumer protection laws and imposes on Americans’ rights of free speech and religious liberty.

Iowa joined the Kansas-led letter, along with Alabama, Arkansas, Idaho, Indiana, Mississippi, Missouri, Montana, Nebraska, South Carolina, South Dakota, Texas, Utah and Virginia.