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**Statement of Jonathan V. Gould
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Before the

Committee on Financial Services
United States House of Representatives

December 2, 2025

Chairman Hill, Ranking Member Waters, and Members of the Committee, thank you for the opportunity to appear before you. It is an honor to discuss the Office of the Comptroller of the Currency's (OCC) work implementing the President's economic agenda by ensuring that America's federal banking system is safe and sound, and remains the world's most trusted, dynamic, and resilient.

Over 160 years ago, President Lincoln had a vision for a federal banking system to serve this country and its economic ideals, and he empowered the OCC to oversee that system. That vision remains our foundation and North Star: a system that fosters economic growth and adapts to change. Today, the OCC supervises more than 1,000 institutions that hold \$16.7 trillion in assets, two-thirds of all U.S. commercial banking assets, and have nearly \$90 trillion in assets under administration. With the passage of the GENIUS Act, our remit now extends to certain payment stablecoin issuers, enabling us to anchor an important financial innovation in a prudent regulatory framework and to ensure American dominance in a competitive global environment.

In the years since the 2008 financial crisis, Washington too often sought to eliminate, rather than manage, risks, resulting in a less relevant and diverse banking system. Unelected bureaucrats discouraged prudent risk-taking, stifled innovation, and drove credit out of reach for small businesses and communities. And the Dodd-Frank Act, far from ending too-big-to-fail, created the "moat" that supercharged the growth of the very largest banks and introduced too small to succeed. I am intent on restoring balance, resetting our tolerance for risk, focusing supervision on material financial risks, and freeing banks to lend, invest, innovate, and grow responsibly. Community banks, in particular, will benefit from a better tailored, proportional framework that reflects their critical role in local economies.

We are ending the weaponization of finance. No American should be denied access to banking products and services because of political or religious beliefs or lawful business activity. 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. We have already proposed a rule to eliminate reputation risk from supervision, removing a tool used by previous Administrations to debank those groups or individuals whom they disfavored. 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. We are intent on ensuring banks provide access to banking products and services based on individualized, objective, risk-based criteria, not politics or ideology.

The OCC's support functions have degraded over the last four years, posing a risk to our ability to execute our statutory mission. Outward signs of this decline include the hiring of a fraudulent "Chief Financial Technology Officer" in 2022 and an email data breach that took nearly two years to identify and halt, compromising employee communications, bank data, and our credibility. Upon arriving at the agency in mid-July it became apparent that these two issues were the tip of the iceberg, and fixing agency operations became a top priority for me. To that end, we are working to ensure accountability for these failures and recruiting qualified and competent individuals to staff our operational functions. We are also working with the Treasury Department, our parent agency, to improve operational efficiencies in staffing and government contracting.

Supervision must be clear, credible, and consequential. We are cutting away procedural clutter and returning to risk-based supervision rooted in law with an emphasis on examiner judgment, not arbitrary checklists. Examiners will focus on issues that materially affect banks' safety and soundness. We are also codifying reforms to the "Matters Requiring Attention" process, clarifying enforcement standards, and ensuring supervisory tools are used proportionately and predictably.

The OCC is working with our interagency partners to repropose the Basel III capital rulemaking and improve capital standards such as the Enhanced Supplementary Leverage Ratio and Community Bank Leverage Ratio. The OCC is also evaluating opportunities to improve the Community Reinvestment Act framework, including developing a simplified strategic plan process for community banks to comply with the Act. These efforts share a common principle: regulation should safeguard the system, not smother it. We are also advancing BSA/AML modernization, and targeted burden relief for community institutions. Taken together, these actions will make our regulatory architecture simpler, stronger, and more accountable.

Innovation has driven American finance from the telegraph to the blockchain. The GENIUS Act represents Congress's forward-looking effort to integrate payment stablecoins safely into our regulated banking and financial system. The OCC is drafting rules that balance innovation with prudence. Beyond payment stablecoins, we continue to clarify new ways for banks to conduct the very old business of banking and embrace new technologies like AI, with the goal of ensuring these opportunities are available to all OCC-supervised banks that wish to take advantage of them rather than a privileged few. Innovation is also critical within the agency. We are modernizing OCC operations through technology, data, and AI, delivering more efficient supervision and lower assessment fees, to create cost savings that flow back to banks, their customers, communities, and businesses.

The federal banking system must remain dynamic, competitive, and fair. By providing a path for banks to embrace new technologies in a safe and sound manner, ending politicized debanking, and modernizing supervision, we are ensuring the long-term relevance of the federal banking system. And we are restoring the OCC's historic balancing of prudence and progress. This is what Lincoln envisioned: a federal banking system that serves every American, supports a thriving economy, and stands ready to meet modern challenges.