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White House Plans Action on Bank Bias Claims

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The White House is preparing a draft executive order that would penalise banks found to discriminate against customers based on political affiliation, ideological beliefs, or business activities such as involvement with conservative causes or cryptocurrency enterprises, according to a report by *The Wall Street Journal*.

The draft, reviewed by *WSJ*, would instruct federal banking regulators to examine whether financial institutions have violated the Equal Credit Opportunity Act, antitrust regulations, or consumer financial protection laws. If violations are identified, regulators could impose penalties including monetary fines, consent decrees, or other disciplinary actions.

While the draft does not specifically name any financial institutions, *WSJ* reported that it cites an example involving Bank of America, which faced allegations of closing the accounts of a Christian non-profit organisation operating in Uganda due to its religious stance. Bank of America has denied political or religious discrimination, stating the closure was in line with its policy of not servicing small businesses operating outside the United States.

The draft also reportedly raises concerns over the involvement of certain banks in providing customer information during investigations into the January 6, 2021, riots at the U.S. Capitol. Critics of those actions have argued that some banks may have shared data without sufficient legal safeguards, a claim that has been part of broader political debates in the United States.

The issue of alleged “debanking”, a term used when financial institutions end client relationships for reasons unrelated to financial risk, has become a point of contention among certain policymakers and advocacy groups. Supporters of the proposed order argue that banks should remain politically neutral and that closing accounts over political or ideological factors undermines principles of free expression and equal access to financial services.

If implemented, the measures would give federal agencies greater authority to scrutinise account closures and determine whether political bias played a role. In cases where discrimination is established, penalties could include substantial fines and legally binding agreements requiring changes to bank policies and practices.

Opponents of the proposal warn that such regulations could restrict banks’ ability to manage reputational and compliance risks. They contend that financial institutions must retain discretion to refuse or terminate relationships that could expose them to operational or legal hazards.

According to *Reuters*, the executive order could be signed as early as this week, although White House officials have not confirmed the final wording or timing. The proposal, if enacted, would represent one of the most direct federal interventions in recent years addressing alleged political discrimination in the U.S. banking sector. It could also set a precedent for how future administrations approach the intersection of financial regulation, politics, and free speech.

As discussions continue, banks, advocacy groups, and political observers are closely monitoring developments, noting the potential for significant changes in the balance between regulatory oversight and institutional autonomy within the United States’ financial system.