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May 3, 2011

The Honorable Shelley Moore Capito
Chair
House Financial Services subcommittee on Financial Institutions and Consumer Credit
2443 Rayburn House Office Building
Washington, DC 20515

Dear Rep. Capito,

As you open the Financial Institutions subcommittee vote tomorrow on a bill you sponsored along with those of other Republicans, we ask that you make a declaration of your husband's employment.

We have learned that your husband recently joined Wells Fargo. Details of how his position will be affected by your actions are not entirely clear. We are especially interested in your husband's specific responsibilities, income, and the relationship of his direct employer to the Wells Fargo bank holding company. We welcome any details that you can provide.

We believe the public has the right to know that a bill you have authored is considered a key legislative goal of the bank that just hired your husband.

In its just-released annual report, Wells Fargo Chairman and CEO John G. Stumpf takes special aim at the swipe fee issue. "The Dodd-Frank Wall Street Reform and Consumer Protection Act may change the landscape of financial services more than any other law in my three-decade career in the industry. . . . Its 240 rules will affect checking accounts, debit cards, credit cards, home loans, and brokerage accounts. One example: a reduction of 80 percent or more, scheduled to take effect in July 2011, in the fee banks charge retailers when customers use their debit cards at the cash register. Government price controls such as this make no sense. They distort our market-based, free-enterprise economy."

On May 2, the Charleston Daily Mail reported that Charles Capito had "joined Wells Fargo Advisors as manager of the company's offices in Charleston, Huntington, Parkersburg and Beckley. . . . Capito heads a staff that includes almost 30 registered advisers." In this position, Mr. Capito is unlikely to be directly affected by the legislation that you are sponsoring. At the same time, Well Fargo claims to be the second largest bank for consumer deposits in the United States and the second largest issuer of debit cards. Fee income from such sources as swipe fees is the highest as a percent of assets among the largest banks in the United States.

The “long biography” you list on your website makes no mention of your spouse’s profession or employer (although you find it of public interest to note the birth of a granddaughter, and we congratulate you for that). Your staff have not returned our calls.

Please be aware that Public Citizen opposes not only your swipe fee bill, but the others we believe are aimed at reducing the powers of the newly approved Consumer Financial Protection Bureau (CFPB).

Sincerely,



David Arkush
Director



Bartlett Naylor
Financial Policy Advocate

Public Citizen’s Congress Watch Division