

Sen. Durbin urges Wells Fargo to halt any plans to expand presence on college campuses

March 7 2018 2:24 PM

WASHINGTON, D.C. – Today, U.S. Senator Dick Durbin (D-IL) sent a letter to Wells Fargo CEO Timothy Sloan that urged the bank to halt any plans it may have to expand its financial footprint on college campuses until the Federal Reserve lifts its recently announced sanctions on the bank.

In February, the Federal Reserve [announced](#) it would takes steps to stop the growth of Wells Fargo and hold the bank accountable for years of “pervasive and persistent misconduct” until it “sufficiently improves its governance and control.” In his letter, Durbin expresses his concern with Wells Fargo’s aggressive financial marketing on college campuses because of repeated instances in recent years where it was found to have taken advantage of consumers.

“My colleagues and I wrote to your predecessor John Stumpf numerous times in the past to express our concern over Wells Fargo’s practices related to its campus based financial products, including student debit cards, checking accounts, and student loans. In many cases, Wells Fargo took actions that caused its customers financial harm or hardship.

“I continue to be concerned about Wells Fargo’s activities in these areas given a recent *Wall Street Journal* article reporting that your institution leads the way in negotiating contracts with colleges to provide campus financial products that carry high fees for students,” Durbin wrote. “While the Federal Reserve takes steps to correct your bank’s irresponsible behavior, I urge you to halt any efforts to expand your offering of financial products on college campuses until the Federal Reserve lifts its sanctions.”

Durbin also asked Wells Fargo to provide an updated list of all U.S. colleges and universities with which it has contracted to provide financial products to students, and to disclose whether Wells Fargo has notified students at these colleges and universities about the recent sanctions by the Federal Reserve.