



Written by [Bob Adelman](#) on March 19, 2015

Congress Threatening to Defund Operation Choke Point

Today Idaho Republican Senator Mike Crapo, a member of the Senate Budget Committee, [will offer an amendment](#) to the budget bill demanding that Operation Choke Point be defunded.

It's a move designed not only to put more pressure on Operation Choke Point, which continues to harass and starve legitimate businesses that the Obama administration considers high risk and politically incorrect (i.e., gun and ammunition dealers, tobacconists, porn shops, etc.) but also to smoke out the positions of those on the committee about the program.



Previously there have been efforts to abort the program, with little success. For example, in January Representative Blaine Luetkemeyer (R-Mo.) met with the heads of the FDIC who agreed to soften their approach. Instead of using the mandate from the Department of Justice to shut off funding for these undesirable business (without proofs they were breaking any law or violating any regulations) using thuggish tactics such as threatening banks with increased scrutiny, investigations, and possible subpoenas, the FDIC instead "recommended" that enforcement people show cause as to why particular businesses were being targeted instead of the shotgun approach aimed at all businesses on Obama's hit list.

The FDIC also removed from its website the notorious and now infamous list of 20 industries deemed "disreputable" and thus ineligible for continued banking services and loans.

Despite claims that this was a victory for the little guy, that these slight surface modifications "effectively end[ed] Operation Choke Point" as reported by the *Washington Times*, a visit to the Las Vegas 2015 Shot Show, the world's largest gun exhibition, by Kelsey Harkness of The Daily Signal put the lie to such claims.

She interviewed numerous participants, including Patrick Williams, owner of the SBR Tactical gun store in Corpus Christi, Texas, who told her that he was booted from Square, PayPal, and Intuit simply because he was an Obama target. After several such interviews, Harkness concluded that "it appears that little — if anything — has changed."

It's not just gun shops that are being targeted, although some observers think they are the main one. Brennan Appel, the owner of a tobacco shop in Charlotte, N.C., recorded a conversation he had with Alex Bacon, one of Appel's payment processors after learning that they had closed his account. Said Bacon:

[Bank regulators] are taking aim at industries like yours and others to eliminate you from business by choking you off from payment processing....

Operation Choke Point [is promoting a political] agenda by legislative fiat without judicial review or legislative process. They're going after clinics, collection agencies, gun dealers, ammunition



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dealers [and] payment processors.

Operation Choke Point, first revealed by the *Wall Street Journal* in August 2013, has been secretly pressuring banks and other lenders to terminate financial relationships with customers in those businesses ruled unseemly by the Obama administration. Back in 2012, Bank of America ended abruptly its 12-year relationship with McMillan Group International, a gun maker in Phoenix, and with American Spirit Arms located in Scottsdale. As Joe Sirochman, American Spirit's owner, said:

At first [Operation Choke Point targeted] the bigger guys — gun parts manufacturers or high-profile retailers. Now the smaller mom-and-pop shops are being choked out....

They need cash [and credit lines] to buy inventory. Freezing their [accounts] will put them out of business.

Kelly McMillan, spokesman for the McMillan Group, was blunt:

This is an attempt by the federal government to keep people from buying guns and a way for them to combat the Second Amendment rights we have.

It's a covert way for them to control our right to manufacture guns and individuals to buy guns.

Polite requests by congressmen and senators to cease and desist have been ignored by the ideologues infesting the Department of Justice, and so stronger measures will be required to end the program. Back in October, Senator Crapo, along with five other senators, wrote to Attorney General Eric Holder expressing their "concerns" that the DOJ had stepped out of bounds, had exceeded its congressional authority, and had created a "list [that] has been used as a pretext by the DOJ to limit essential banking services for industries out of favor by this Administration."

Please, wrote Crapo and his supporters, "cease seeking to use subpoenas and legal actions to unfairly impose liability on parties not involved in fraud [which] put out of business merchants engaged in legal and legitimate commerce that DOJ disfavors."

Oh, and by the way, wrote Crapo to Holder, "we request that you provide us with the following information," including steps Holder would be taking to rein in the program, and "respectfully request[ing] all responsive information be provided to us by November 2, 2014."

That date has long passed without response from Holder or the DOJ.

That's why Crapo has upped the ante. He's dealing with an agency on a mission with little or no regard to constitutional limitations or politely expressed concerns from senators. As Crapo said:

Operation Choke Point has morphed into an attempt to shut down entire industries of law-abiding and legitimate merchants....

The Department of Justice must not politicize its enforcement policies and we must not let Operation Chokw Point become an end run around the Second Amendment.

Within days Crapo will learn if he has enough support to bring his bill to the floor of the Senate, or whether the program will continue harassing law-abiding business owners to promote the Obama administration's anti-gun agenda through administrative agency fiat.

A graduate of an Ivy League school and a former investment advisor, Bob is a regular contributor to The New American magazine and blogs frequently at www.LightFromTheRight.com, primarily on economics and politics.



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