

Campaign Finance

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Chain Bridge Bank has handled millions for GOP presidential contenders

By Kelly Pike

When a Republican presidential candidate needs a bank for his or her campaign funds, there's a good chance some of that money is kept with Chain Bridge Bank in McLean, Va.

The presidential campaigns of Donald Trump, Jeb Bush and Rand Paul all have maintained accounts with Chain Bridge Bank, according to Federal Election Committee filings. So have super-PACs representing Bush, Ben Carson and other candidates. The \$420 million-asset community bank also serves a number of House, Senate and gubernatorial campaigns and committees.

When Chain Bridge Bank first opened its doors in August 2007, it had no bad loans and lots of capital. That made it very appealing to John McCain, then a presidential candidate and friend of the bank's chairman, Peter Fitzgerald, who served as a Republican U.S. senator from Illinois from 1999 to 2004. McCain made the switch to Chain Bridge Bank for its safety and soundness in the summer of 2008. Since then the community bank has developed a reputation for banking various campaigns, including Mitt Romney's in 2012.

More than just a safe place to stash the millions raised and quickly spent by political

campaigns, Chain Bridge Bank understands the needs of high-speed, high-pressure political operations and has a special unit catering to those accounts, Fitzgerald says.

The campaign clock

To meet the demands of the Type A personalities who run campaigns and expect 24/7 access to their bankers, Chain Bridge Bank's staffers print their cellphone numbers on their business cards and expect calls weekends and evenings. They find ways to solve problems quickly and creatively.

Consider credit cards. A senate campaign might have 10 to 15 staffers on the road booking hotels and banquet halls and paying travel expenses. A new campaign has no credit history—an obstacle that stops many mass retail banks from issuing cards to these campaigns, Fitzgerald says. Yet Chain Bridge Bank has found ways to minimize risk and work around the challenge to greenlight new cards quickly.

Unlike many banks that close their wire operations by 3 p.m., Chain Bridge Bank keeps its wire room open as late as the Federal Reserve's wire room, enabling campaigns to send money to TV stations for crucial last-minute ad buys.

"Our ability to be more nimble than the mass retail banks has enabled us to develop a niche and cater to a particular industry segment in a way that other community banks can probably do in their communities," Fitzgerald says.

The bank's location, a single branch 10 miles west of Washington, D.C., isn't an issue for campaigns spread out across the country. They are more interested in the Chain Bridge Bank's ability to process more than 25,000 remotely deposited checks a day.



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Ebb and flow

While political campaigns bring millions of dollars in noninterest-bearing demand account deposits, the money is quickly spent. That means Chain Bridge Bank must remain highly liquid, keeping much of the cash in short-term liquid securities or cash. Loans must be secured by a candidate's own collateral, and the bank must file a certification with the Federal Election Commission or it could be considered an illegal campaign contribution.

Chain Bridge Bank serves mostly GOP candidates, but Democrats are welcome too, although the revolving door of campaign professionals means a lot of Republican repeat business. And then there's all the bank's other everyday business that continues even in nonelection years.

"On the asset side, very little of our business is political," Fitzgerald says. "It's really just a

significant portion of one bucket of our deposits.”

Kelly Pike is a writer in Virginia.
