

AUSTIN KNUDSEN



STATE OF MONTANA

March 3, 2022

Senator Kenneth Bogner
Presiding Officer
Economic Affairs Interim Committee
P.O. Box 201706
Helena, MT 59620

RE: Whitefish Credit Union

Dear Senator Bogner:

Our office is in receipt of your February 17, 2022, letter in which you request that the Department of Justice (“DOJ”) “investigate past and present lending and foreclosure practices” by Whitefish Credit Union (“WCU”). We understand your request, but DOJ does not possess appropriate authority over credit unions for such an investigation.

Pursuant to the Montana Credit Union Act, MCA § 32-3-101 *et seq.*, the Department of Administration (“DOA”) is responsible to administer the laws of Montana relating to credit unions. DOA is required to conduct compliance examinations related to credit unions (MCA § 32-3-203), has authority to examine all books, records, accounting systems of procedures of credit unions (MCA § 32-3-204), and has authority to issue cease and desist orders, suspend licenses, or involuntarily liquidate credit unions (MCA § 32-2-205).

Moreover, with respect to at least one WCU customer, Dennis Thornton, DOJ has already reviewed a plethora of documents and procedural history to determine whether an investigation of WCU was warranted pursuant to Montana’s Consumer Protection Act. However, Mr. Thornton’s Consumer Protection Act claims have been dismissed with prejudice and Mr. Thornton, his wife, and his company (Thorco, Inc.) have been adjudicated “vexatious litigants” by a state district court. These facts foreclosed DOJ’s involvement with respect to Mr. Thornton.

DEPARTMENT OF JUSTICE

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Certainly, should the Economic Affairs Interim Committee wish to investigate and evaluate the lending and foreclosure practices of WCU, we encourage the Committee to seek the assistance of DOA under the Montana Credit Union Act. If we can be of any other assistance, please feel free to contact our office at your convenience.

Very truly yours,



DEREK J. OESTREICHER
General Counsel