



United States House of Representatives
One Hundred Eighteenth Congress
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

September 11, 2024

The Honorable Martin J. Gruenberg
Chairman
Federal Deposit Insurance Corporation
550 17th Street NW
Washington D.C. 20429

Dear Chairman Gruenberg:

I write to express my disappointment in your unwillingness to testify before the House Committee on Financial Services (Committee) on September 19, 2024. The Committee has been investigating the claims of sexual harassment and a toxic workplace environment at the Federal Deposit Insurance Corporation (FDIC) since they were first reported by the *Wall Street Journal* in November 2023.¹ Over the last eight months, the Committee has conducted transcribed interviews, requested documents, and held hearings to determine the magnitude of the cultural challenges at the FDIC.

On May 15, 2024, you last appeared before the Committee at a hearing titled, “*Oversight of Prudential Regulators*.”² At the hearing, there were bipartisan calls for you to return to answer questions specifically related to the allegations made in the *Wall Street Journal*.³ In response to these bipartisan requests, on May 23, 2024, I requested that you appear on June 12, 2024, before the Committee to answer specific questions about the workplace environment at the FDIC.⁴ You declined that invitation.

In the interim, on May 20, 2024, you announced your intent to resign. Your resignation, however, was contingent on the appointment and confirmation of a successor.⁵ Notwithstanding efforts in the Senate to confirm a successor, it appears your remaining time is focused on

¹ Rebecca Ballhaus, *Strip Clubs, Lewd Photos and a Boozy Hotel: The Toxic Atmosphere at Bank Regulator FDIC*, WSJ (Nov. 13, 2023), <https://www.wsj.com/us-news/fdic-toxic-atmosphere-strip-clubs-lewd-photos-boozy-hotel-12c89da7>; see also Rebecca Ballhaus, *FDIC Chair, Known for Temper, Ignored Bad Behavior in Workplace*, WSJ (Nov. 16, 2023), <https://www.wsj.com/politics/policy/fdic-chairman-martin-gruenberg-workplace-harassment-5cae85bc>; see also Rebecca Ballhaus, *FDIC Chairman Denies Being Investigated, Then Changes Testimony*, WSJ (Nov. 15, 2023), <https://www.wsj.com/finance/regulation/repUBLICan-fdic-board-members-call-for-broader-oversight-of-investigation-into-misconduct-at-agency-220eb026>.

² *Oversight of Prudential Regulators: Hearing before H. Comm. on Financial Services* 118th Cong. (May 15, 2024).

³ *Id.*

⁴ Letter from Patrick McHenry, Chairman, H. Comm. on Financial Services, to Martin Gruenberg, Chairman, Fed. Deposit Insurance Corp. (May 23, 2024).

⁵ Press Release, FDIC, Statement by FDIC Chairman Martin J. Gruenberg (May 20, 2024), <https://www.fdic.gov/news/press-releases/2024/statement-fdic-chairman-martin-j-gruenberg>.

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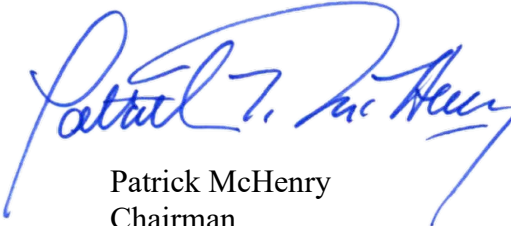
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pursuing the financial regulatory agenda of the Biden-Harris Administration rather than cleaning up the FDIC's workplace.

To that end, on August 14, 2024, Committee Republicans requested that you appear on September 19, 2024, hearing to update the Committee on your efforts to implement the Cleary Gottlieb recommendations. Your refusal to appear is unacceptable. The Committee and the American people deserve an explanation as to why you are pushing a harmful, progressive agenda when serious cultural issues still plague the FDIC.

Your consistent refusal to accept responsibility is unacceptable. To that end, please provide the reason for your refusal to appear in writing no later than 5:00 p.m. on Thursday, September 12, 2024. Additionally, please schedule a transcribed interview with the Committee as soon as possible. The interview should occur no later than September 30, 2024.

Sincerely,

A handwritten signature in blue ink, reading "Patrick T. McHenry". The signature is fluid and cursive, with a large initial "P" and a long, sweeping underline.

Patrick McHenry
Chairman