



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

October 16, 2024

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

Dear Chairman Gruenberg:

I write in regard to your repeated failure to set aside partisan priorities and to ensure you follow through on your commitment to be transparent with the House Committee on Financial Services (Committee) about your effort to remedy long standing harassment, including your own, and toxicity in the Federal Deposit Insurance Corporation (FDIC)'s workplace. Your continued obstruction in scheduling a transcribed interview with the Committee is unacceptable and unfitting for someone in your position.

Since November 2023, the Committee has been investigating the allegations of the toxic workplace culture and misconduct at the FDIC. Despite the Committee's ongoing efforts, your cooperation has been minimal at best. In the last eleven months, the Committee has held hearings, conducted transcribed interviews, and requested documents from your agency as part of our investigation. In that timeframe, we have heard directly from you only three times – the most recent being before the Committee at a hearing on May 15, 2024.¹

During that hearing, you claimed that your goal was to “create a workplace where every employee feels safe, valued, and respected.”² However, rather than address the toxic workplace culture at the FDIC or being transparent with Congress, you have instead spent the last five months focused on pursuing your own policy agenda to the detriment of the financial system. In fact, you have introduced more proposals in the last several Board meetings than at any other point during your tenure under the Biden-Harris Administration.³

Unfortunately for FDIC employees, very few of your proposals address the promised cultural transformation or the prevention of harassment and misconduct at the FDIC.⁴ In fact, you have only made one public statement addressing workplace safety measure initiatives for

¹ *Oversight of Prudential Regulators: Hearing before H. Comm. on Financial Services* 118th Cong. (May 15, 2024).

² *Id.*

³ Brendan Pederson, “Exit or no, Gruenberg fires a policy bazooka,” *Punchbowl News*, July 30, 2024, <https://punchbowl.news/article/finance/economy/martin-gruenberg-fdic-trump-era-deregulation>.

⁴ *Id.*

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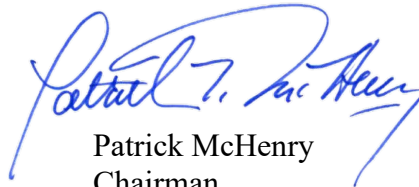
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FDIC employees since announcing your resignation.⁵ Your limited focus stands in stark contrast to your previous claims of being uniquely qualified to oversee the cultural transformation Action Plan.⁶

It has not gone unnoticed that you refuse to engage in a transparent dialogue with Congress on critical cultural changes required at the FDIC. On August 14, 2024, Committee Republicans requested that you appear on September 19, 2024, to provide answers about the FDIC's implementation of the Cleary Gottlieb recommendations.⁷ Despite having over one month to prepare for that hearing, you refused to appear.

In lieu of your appearance before the Committee, on September 11, 2024, I requested that you schedule a voluntary transcribed interview with the Committee to occur by September 30, 2024.⁸ In the last month, you have slow walked my request. You have hidden behind agency processes to obstruct the Committee's investigation. For those reasons, please make both your Director of Legislative Affairs and General Counsel available to the Committee for transcribed interviews on Monday, October 21, 2024 at 10:00 am. Both individuals should be prepared to discuss the FDIC's process for indemnification for private counsel. Finally, your interview should be scheduled no later than by 5:00 pm today. I expect your full and timely cooperation.

Sincerely,



Patrick McHenry
Chairman

⁵ Press Release, FDIC, Statement by FDIC Chairman Martin J. Gruenberg (June 21, 2024), <https://www.fdic.gov/news/speeches/2024/statement-martin-j-gruenberg-chairman-federal-deposit-insurance-corporation>.

⁶ *Oversight of U.S. Financial Regulators: Accountability and Financial Stability: Hearing before S. Comm. on Banking, Housing, and Urban Affairs*. 118th Cong. (May 16, 2024)

⁷ Letter from Committee Republicans, H. Comm. on Financial Services, to Martin Gruenberg, Chairman, Fed. Deposit Insurance Corp. (August 14, 2024).

⁸ Letter from Patrick McHenry, Chairman, H. Comm. on Financial Services, to Martin Gruenberg, Chairman, Fed. Deposit Insurance Corp. (September 11, 2024).