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**Subcommittee Hears Testimony from Subpoenaed CFPB Witnesses**

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**Washington, May 21** - As part of its ongoing investigation into allegations of racial and gender discrimination and employee retaliation at the CFPB, the House Financial Services Oversight and Investigations Subcommittee today heard testimony from witnesses who were subpoenaed to appear before the panel.

"The fact is that discrimination on the basis of race, sex or other prohibited factors is destructive, morally repugnant, and against the law. All government agencies, including the CFPB, must continue to combat discrimination in employment and punish those responsible for discrimination," said Oversight and Investigations Subcommittee Chairman Patrick McHenry (R-NC).

Today's hearing comes nearly a month after subcommittee members voted [20-0 to issue subpoenas](#) to Stacey Bach, Assistant Director of the CFPB's Office of Equal Employment Opportunity; Liza Strong, Director of Employee Relations at the CFPB; and Ben Konop, Executive Vice President of the CFPB's employee union, Chapter 335 of the National Treasury Employees Union.

Strong and Konop appeared at today's hearing. Bach requested her testimony be postponed due to a medical condition.

Konop testified that the employees union repeatedly raised concerns with the CFPB about its employee performance review system.

"[W]e alleged that women and minority employees were being underpaid when compared to similarly situated white male colleagues. To date, the Bureau has denied each of these grievances at all stages, often using inconsistent reasoning, despite what I feel is convincing evidence of low pay for numerous women and minority workers," Konop told the subcommittee.

In addition to the subpoenaed witnesses' testimony, today's hearing shed new light on long-standing problems concerning the CFPB's treatment of its employees.

During the hearing, the subcommittee discussed a report commissioned by the CFPB and conducted by Deloitte Consulting. The findings of Deloitte's report corroborate whistleblower and CFPB employee Angela Martin's [testimony](#) that there have been problems related to the CFPB's hiring, staff promotions, performance reviews and employee pay since the Bureau's inception.

Deloitte's report also suggests that the Bureau's Office of Minority and Women Inclusion (OMWI) is ineffective and that CFPB leaders and employees are uncertain what OMWI actually does.

"Out of the 31 leadership interviews Deloitte conducted, approximately 80% expressed that they do not understand the purpose or objectives of the OMWI office," the report states.

Deloitte delivered the study to the CFPB in September 2013.

Reports about allegations of discrimination and retaliation at the CFPB started to appear in the media in early March 2014 when the *American Banker* published an article. On April 2, the Oversight and Investigations Subcommittee held a [hearing](#) where CFPB attorney and whistleblower Angela Martin testified "there is a pervasive culture of retaliation and intimidation that silences employees and chills the workforce from exposing wrongdoing."

At that same hearing, the subcommittee also heard from Misty Raucci, an outside investigator hired by the CFPB to examine Martin's claims. Raucci concluded after an investigation that Martin's claims of retaliation were valid.

"During my time in Congress, I have yet to witness an outpouring of employee complaints from a federal agency's employees such as I have seen from the CFPB since the *American Banker* article was released and this Subcommittee announced that we would be investigating the matter," Chairman McHenry said.

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2129 Rayburn House Office Building, Washington, DC 20515 T (202) 225-7502 Press (202) 226-0471

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