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Contact:

McHenry Calls on FDIC Chair Gruenberg to Resign Following Damning Independent Report from Cleary Gottlieb

Washington, May 7 -

Today, the Chairman of the House Financial Services Committee, Patrick McHenry (NC-10), issued the following statement in response to the **independent report** released today by Cleary Gottlieb regarding allegations of entrenched and widespread misconduct at the FDIC.

"It's time for Chair Gruenberg to step aside. The independent report released today details his inexcusable behavior and makes clear new leadership is needed at the FDIC," **said Chairman McHenry.** *"This report confirms the toxic workplace culture at the FDIC—which starts at the top—has led to entrenched and widespread misconduct at the agency. The FDIC must be held to the same standards of conduct it imposes on the entities it regulates. The agency's culture must be overhauled. Our banking system needs regulators who are focused on the safety and soundness of our financial institutions. At the same time, federal employees and civil servants deserve to be treated with respect at work. This report affirms the FDIC has failed to meet these standards. This is unacceptable. As the House Financial Services Committee continues its own investigation, Republicans will ensure Chair Gruenberg and other senior leaders at the FDIC are held accountable."*

On May 15, 2024, FDIC Chair Martin Gruenberg, along with other regulators, will testify at the House Financial Services Committee for the semi-annual hearing to conduct oversight of the prudential regulators.

Background:

The House Financial Services Committee is continuing its **investigation** into reports of widespread workplace misconduct at the Federal Deposit Insurance Corporation (FDIC). If anyone would like to share their story, they may do so via **email** or by visiting our **website**.

Whistleblowers play a vital role in helping Congress conduct its constitutionally mandated oversight responsibilities, and their disclosures can make a real difference in determining investigation outcomes.

The U.S. House of Representatives' Office of the Whistleblower Ombuds explains that "the right for public employees to communicate with Congress, in their private capacities, is established in the First Amendment of the U.S. Constitution. In addition, various U.S. laws prohibit retaliation against whistleblowers for providing information to Congress. However, individuals still take serious risks when they engage in whistleblowing activity."

As such, the Committee respects your desire to remain confidential and will use any contact information provided for the sole purpose of reaching you regarding your submission unless otherwise directed.

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