

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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<https://oversight.house.gov>

July 10, 2023

The Honorable Jerome Powell
Chairman
Federal Reserve Board
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Chairman Powell,

The Committee on Oversight and Accountability is conducting an investigation into the failure of Silicon Valley Bank (SVB). On April 27, 2023, we sent a request to San Francisco Federal Reserve Bank (SF Fed) President Mary Daly for numerous documents and records critical to our investigation.¹ Since that time, we have had several discussions related to document production with staff of the SF Fed and your staff at the Federal Reserve Board (Fed Board). We write to memorialize those conversations and to request additional information in the possession of the Fed Board to assist the Committee in its investigation into the failure of SVB.

On May 22, 2023, the SF Fed provided its first responsive productions which included a brief overview of the Federal Reserve System, along with a copy of the Board's postmortem *Review of the Federal Reserve Supervision of Silicon Valley Bank*, authored by Vice Chair of Supervision Michael Barr. The information provided was already publicly available and not responsive to the requests the Committee made in its April 27, 2023, correspondence.

Due to our concerns with the inadequacy of the SF Fed's response, on May 25, 2023, Committee staff held a call with SF Fed staff. During that call, the SF Fed informed Committee staff that upon receipt of our letter, the SF Fed immediately contacted your staff, who informed them that the Fed Board was asserting privilege over a majority of the requested materials as confidential supervisory information (CSI), and that the SF Fed would not be able to provide any more information to the Committee.

On June 1, 2023, Committee staff met with the Fed Board staff to discuss the Committee's concerns with the assertion of a blanket privilege over all the documents we requested and ensure the Committee would receive the documents necessary to a full and complete investigation. During that meeting, Fed Board staff agreed to turn over non-public CSI materials and other responsive documents. We have since received some non-public CSI

¹ Letter from James Comer, Chairman, House Committee on Oversight & Accountability, et. al., to Mary Colleen Daly, President and Chief Executive Officer, Federal Reserve Bank of San Francisco (Apr. 27, 2023).

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materials. The Committee, however, has not received any communications responsive to our requests. We look forward to continuing working with you and your staff so that the Committee can receive a fully responsive production. For your ready reference, below are the specific requests in the April 27, 2023, letter:

1. All examination or audit reports (including supporting documentation) and communications generated by SF Fed in relation to SVB, including but not limited to all Matters Requiring Attention, Matters Requiring Immediate Attention, hold-to-maturity and available-for-sale portfolios, and “run risk” scenario documentation, dated between January 1, 2019 and when this letter is processed;
2. A list of all individuals present at any discussions where elements of SF Fed’s decision to issue warnings against SVB were discussed;
3. A list of all individuals who served as lead examiners on SF Fed examination teams tasked with overseeing SVB;
4. All minutes of the SF Fed Board meetings between January 1, 2019 to the present;
5. All communications between the SF Fed and the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Treasury Department or the White House related to SVB;
6. All correspondence—including letters, emails, electronic documents, and data—between and among SF Fed Board Members in which SVB was discussed between January 1, 2019 and the present; and
7. All communications between SF Fed and the Federal Reserve Board regarding heightened prudential standards permitted under Section 401 of the Economic Growth, Regulatory Relief and Consumer Protection Act (P.L. 115-174).

Additionally, due to the release of the Fed Board’s April 28, 2023, report on the failure of SVB after our initial request, we further request that you provide the following documents and communications to the Committee no later than July 24, 2023:

1. Unredacted copies of all interviews, including notes and transcriptions, conducted for any purpose related to the Board’s April 28, 2023, report *Review of the Federal Reserve Supervision of Silicon Valley Bank*;
2. Unredacted copies of any transcriptions, talking points, or other materials used by former Vice Chair Randal Quarles to the staff of any of the 12 regional Federal Reserve Bank staff during his visits to those institutions upon confirmation as Vice Chair for Supervision;

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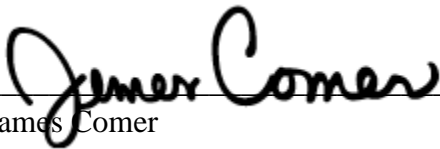
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3. All Minutes and related documents for the Federal Reserve Board's Committee on Supervision and Regulation for the period of January 1, 2019 to the present; and
4. All communications related to SVB between the Board's supervisory staff (from any employee with the title Associate Director or higher) or the SF Fed between January 1, 2019 and the present.

To make arrangements to deliver documents or ask any related follow-up questions, please contact Committee on Oversight and Accountability Majority Staff at (202) 225-5074. Attached are instructions for producing the documents and information to the Committee.

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you in advance for your cooperation with this inquiry.

Sincerely,



James Comer
Chairman
Committee on Oversight & Accountability



Lisa McClain
Chairwoman
Subcommittee on Health Care and
Financial Services

cc: The Honorable Jamie Raskin, Ranking Member
Committee on Oversight and Accountability

The Honorable Katie Porter, Ranking Member
Subcommittee on Health Care and Financial Services