

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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<https://oversight.house.gov>

June 10, 2024

The Honorable Martin Gruenberg
Chair
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Chair Gruenberg:

The Committee on Oversight and Accountability is conducting an ongoing investigation into the failings of Federal regulators as it relates to the 2023 collapse of Silicon Valley Bank (SVB) and is requesting certain documents and communications to assist the Committee in the investigation of the role played by the Federal Deposit Insurance Corporation (FDIC).

In early 2023, SVB's financial condition deteriorated rapidly, with its eventual demise resulting in one of the largest bank failures in United States history. As the agency charged "to maintain stability and public confidence in the nation's financial system"¹ and "mak[ing] large and complex financial institutions resolvable and manag[ing] receiverships,"² the FDIC played a key role in managing the run up to and aftermath of SVB's collapse. While the leadership at SVB clearly has a key responsibility in the mismanagement of the firm, Federal regulators also appear to have failed at many levels. The Committee seeks to determine how and why these failures occurred.

One of the tools the FDIC has traditionally used to resolve failing institutions is to find an acquiring institution to take over the failing banking, thus providing a swift and cost-effective resolution. However, in July 2021, President Biden issued Executive Order 14036,³ which initiated a whole of government review of mergers, including bank mergers. Specific to financial services, the President's E.O. directed agencies to "resist consolidation" and specifically mentioned the FDIC as an agency that has similar authority. Press reports and documents reviewed by Committee raise questions as to the credibility of statements that there were no buyers contemplating an acquisition. The Committee's investigation will help determine the truthfulness of these statements as well as determine if the Biden E.O. pressured

¹ Federal Deposit Insurance Corporation, About, *available at* <https://www.fdic.gov/about/> (last accessed May 21, 2024).

² *Id.*

³ Exec. Order No. 14036, 86 Fed. Reg. 36987 (July 9, 2021).

the FDIC to abandon one of the most efficient and effective methods to resolve failing institutions.

To assist the Committee in its investigation, please provide the following documents and information no later than June 24, 2024:

1. All documents and communications already shared with other Congressional Committees related to the failure of Silicon Valley Bank;
2. All documents and communications between the U.S. Department of Treasury, the White House, and the FDIC related to the consideration and invocation of systemic risk exception for Silicon Valley Bank;
3. All documents and communications between Chair Gruenberg and Director of the Consumer Financial Protection Bureau Rohit Chopra related to Silicon Valley Bank for the period of March 1, 2023 through March 30, 2023;
4. Telephone call logs for Chairman Gruenberg for the period of March 1, 2023 through March 30, 2023;
5. All documents and communications related to FDIC borrowing from the Federal Reserve to resolve Silicon Valley Bank; and
6. All documents and communications related to refinancing through the U.S. Department of the Treasury the debt the FDIC incurred to resolve Silicon Valley Bank.

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 and 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

Chair Gruenberg

June 10, 2024

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Cc: The Honorable Jamie Raskin, Ranking Member
Committee on Oversight & Accountability

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