

United States Senate

November 16, 2023

The Honorable Martin Gruenberg
Chairman
U.S. Federal Deposit Insurance Corporation
550 17th Street Northwest
Washington, D.C. 20429

Dear Chairman Gruenberg:

I am disturbed and deeply troubled by the recent Wall Street Journal investigation detailing toxic workplace culture at the Federal Deposit Insurance Corporation (FDIC). The allegations of rampant sexual harassment and other troubling and inappropriate acts are particularly disturbing and must be taken very seriously.

Reports allege that the agency maintains a culture that perpetuates sexual harassment, misogyny, and other misconduct – a very serious and significant departure from the agency’s effective operations to execute its mission. According to the Wall Street Journal’s reporting, “reports of the agency’s problems stretch back more than a decade and have persisted through changes in leadership, administrations and internal investigations.”¹

Further, a recent report by the FDIC Office of the Inspector General (OIG) confirmed that the “FDIC had not established an adequate sexual harassment prevention program.” The report states that the agency’s tracking of misconduct allegations is “decentralized, untimely, incomplete, and inaccurate.”²

According to the Wall Street Journal’s reporting, the employees who perpetrated this behavior were rarely fired for their actions, further implying the existence of a longstanding pattern of FDIC employees creating an unsafe work environment for their colleagues and a failure of the FDIC to take appropriate corrective action.³

In light of these recent reports alleging widespread and entrenched misconduct by FDIC employees, I write to you today to demand answers to the following questions:

¹ <https://www.wsj.com/us-news/fdic-toxic-atmosphere-strip-clubs-lewd-photos-boozy-hotel-12c89da7>

² <https://www.fdicog.gov/reports-publications/audits-and-evaluations/preventing-and-addressing-sexual-harassment>

³ <https://www.wsj.com/us-news/fdic-toxic-atmosphere-strip-clubs-lewd-photos-boozy-hotel-12c89da7>

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- How long have you been aware of concerns regarding sexual harassment and toxic culture at FDIC? When did you first become aware of it and why has it not been fixed under your leadership?
- Has the FDIC conducted any investigations into allegations of sexual harassment or toxic work environments that have reportedly been a problem over a decade? If so, why haven't more people been held accountable and fired?
- As someone who has served as the FDIC Chairman multiple times, including during periods of rampant misconduct identified in the recent reporting, how can anyone reasonably expect that you are capable of changing the toxic workplace culture at FDIC?
- Will you and your leadership team resign?

Immediate action must be taken to rectify this situation. It is of utmost importance to ensure that civil servants are able to perform their duties without fear of harassment, intimidation, or retaliation.

I look forward to your prompt responses to the questions above, and concrete actions taken by your agency to bring much-needed and long-overdue accountability for the disturbing allegations raised in this report.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott". The signature is stylized and cursive.

Rick Scott
United States Senator