

118TH CONGRESS  
2D SESSION

# S. RES. 742

Expressing the sense of the Senate that President Joseph R. Biden must dismiss Chairman Martin J. Gruenberg from his employment at the Federal Deposit Insurance Corporation.

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IN THE SENATE OF THE UNITED STATES

JUNE 20, 2024

Ms. ERNST submitted the following resolution; which was referred to the  
Committee on Banking, Housing, and Urban Affairs

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## RESOLUTION

Expressing the sense of the Senate that President Joseph R. Biden must dismiss Chairman Martin J. Gruenberg from his employment at the Federal Deposit Insurance Corporation.

Whereas, on November 13, 2023, the Wall Street Journal published an expose entitled “Strip Clubs, Lewd Photos and a Boozy Hotel: The Toxic Atmosphere at Bank Regulator FDIC” detailing the extremely toxic, misogynistic, workplace culture rife with sexual harassment and other serious misconduct at the Federal Deposit Insurance Corporation (referred to in this preamble as “FDIC”);

Whereas, on November 16, 2023, the Wall Street Journal published a second expose entitled “FDIC Chair, Known for Bad Temper, Ignored Bad Behavior in Workplace”;

Whereas, following the public revelation of this scandal, the FDIC enlisted a third-party fact-finding team to investigate the workplace culture of the FDIC;

Whereas the FDIC published the report of the third-party investigators on May 7, 2024;

Whereas the report of the third-party investigators found that, under the leadership of Chairman Martin J. Gruenberg, “the FDIC has failed to provide a workplace safe from sexual harassment, discrimination, and other interpersonal misconduct”;

Whereas, under the leadership of Chairman Martin J. Gruenberg, FDIC employees fear retaliation and do not trust the FDIC to investigate or address allegations of improper workplace conduct;

Whereas investigators determined not a single FDIC employee faced serious discipline after being found to have engaged in workplace misconduct;

Whereas investigators determined Chairman Martin J. Gruenberg routinely acts with inappropriate anger and antagonism toward his employees;

Whereas reports indicate Chairman Martin J. Gruenberg and his leadership team have been directly involved in high-level examples of sexism, harassment, and discrimination and failed to properly discipline those individuals responsible;

Whereas investigators determined the anger and antagonism of Chairman Martin J. Gruenberg “may hinder his ability to establish trust and confidence in leading meaningful culture change, and so too may his apparent inability or unwillingness to recognize how others experience certain difficult interactions with him”; and

Whereas investigators determined that for the current challenges plaguing the FDIC to be overcome, there must be a change in leadership: Now, therefore, be it

1       *Resolved*, That the Senate—

2               (1) condemns those employees of the Federal  
3       Deposit Insurance Corporation (referred to in this  
4       resolution as “FDIC”), known and unknown, who  
5       turned the FDIC workplace culture toxic or looked  
6       the other way while others did so;

7               (2) demands that President Joseph R. Biden  
8       dismiss Chairman Martin J. Gruenberg from em-  
9       ployment at the FDIC immediately, as he no longer  
10      holds the confidence of the Senate or of the people  
11      of the United States; and

12              (3) calls on those individuals remaining in  
13      FDIC leadership positions to take all appropriate  
14      steps to investigate all allegations of criminality and  
15      impropriety to hold bad actors accountable for their  
16      actions.

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