

Ranking Member Tim Scott (R-S.C.)
Opening Statement
Full Committee Hearing
May 16, 2024 at 10:00 AM

Thank you, Mr. Chairman. And thank you to the witnesses for being here today. There's no greater responsibility that we have as public servants to make sure that we represent the interests of the American people, that we do it well, and that we do it with character and with integrity. No greater responsibility.

That responsibility starts here and now in addressing what your employees, Chairman Gruenberg, describe as a "hostile, abusive, and unprofessional" workplace.

And Chairman Brown, I think we actually need a single hearing solely focused on the concerns that the employees of the FDIC have with the leadership of Chairman Gruenberg.

Because the men and women of the FDIC, working to safeguard our financial security, deserve a healthy workplace.

They deserve to be heard, to be seen. They deserve a safe and equitable workplace. But most of all—they deserve to be treated with respect.

We've all seen the 200-plus pages of the special report. We all saw yesterday morning's grilling across the Capitol. And Marty—you've heard me say this to you directly – you should resign.

Your employees do not have confidence in you. And this is not a single incident. This spans over a decade-plus of your leadership at the FDIC.

So I don't need to get into your failures and the complete lack of management while you've been at the FDIC.

I want to talk about the people, your employees, and what they have done and what they have had to go through.

How, how can you justify allowing supervisors to refer to disabled veterans as "Captain McNasty?"

We're talking about a veteran who lost part of his leg in service to our country. And to work in a hostile work environment, where he is referred to as "Captain McNasty," is just – not just wrong – but disgusting.

To think about the chilling reports that say employees, supervisors "permitted to mock the fact that this employee used a wheelchair." What kind of environment or culture, and how long does it have to go on, before it comes commonplace to make fun, goad veterans who served this nation at great personal expense.

Or when an employee reported that for a period of three years, a senior examiner would "sexualize [her] every time he could," and he behaved similarly with other colleagues and bank employees, including asking to see photos of their daughters and whether or not those daughters were single.

But it's not just your management team, you, yourself, set the example when you were "absolutely irate and attacked" your employee.

Or another FDIC employee stating that they had a meeting with you and “it was awful and felt very personal.” That employees are made to cry – as if it’s some badge of honor making your employees cry. And people – after person after person wanting to quit.

Others described your conduct as “embarrassing and inappropriate,” and one person said “they’ll likely be demoted,” and if “this is what it takes, they’re out.”

One thing I learned from running my own business is that if you don’t take care of your employees, they can’t take care of the customer. And the customers of the FDIC, they are the American people.

Mr. Gruenberg, during your hearing yesterday, you stated that it doesn’t matter if you believe that you can change the FDIC’s culture—it matters if the employees believe that you can change the FDIC culture.

They don’t. Whistleblower after whistleblower. Employee after employee have drawn the same conclusion.

I would like to submit for the record a statement, Mr. Chairman, I’d like to submit for the record a statement from a collection of FDIC whistleblowers expressing their lack of confidence in Mr. Gruenberg’s ability to change the toxicity of the agency and their doubt that he is the right man for the job.

Leadership carries with it the responsibility of stewardship. Your sheep are lost, and your fields riddled with weeds.

In 2021, President Biden warned his staff, "If you're ever working with me and I hear you treat another with disrespect... I promise I will fire you on the spot."

And he did, he fired the Inspector General, Martin Dickman, of the U.S. Railroad Retirement Board for evidence that he "created a toxic work environment and engaged in abusive treatment, including using crude and inappropriate language like slurs, and belittling employees."

I know I'm out of time.

At the FDIC, and their special report, described you as "harsh," "aggressive," and "interacting with staff in a demeaning and inappropriate manner," "having a temper," and causing employees to feel disrespected, disparaged, and verbally attacked.

I can only conclude with one question, what makes you so different from the inspector general?

Is it politics? Is it the fact that you are a necessary and easy vote for the Biden administration's economic policy agenda? I think the answer is yes.