

Statement of Brian M. Tomney
Nominee for Federal Housing Finance Agency Inspector General
Senate Committee on Banking, Housing, and Urban Affairs
December 7, 2021

Chairman Brown, Ranking Member Toomey, thank you for the opportunity to appear before the Committee today while I sit before you as nominee for Inspector General to the Federal Housing Finance Agency (FHFA). And thank you to President Biden for nominating me to this very important position in government service.

At the outset, I would like to thank my family members here and those watching remotely. Serving the public is a rewarding career path. However, it often comes at the expense of missed family holiday gatherings, weddings, little league games, and school events. I have been blessed with family and close friends who have supported me at every turn. And although my parents are both deceased, I believe my core value of service to others emanated from them.

For over thirty years, I have served the public in roles offering me an intimate view of challenges faced by ordinary Americans. As a young man serving as a paramedic/firefighter, I cared for people experiencing homelessness, domestic violence, and mental illness. This work established a foundation of care, compassion, and empathy towards all people that permeates my professional career.

During my service at the Department of Justice, I investigated and held accountable individuals violating our Nation's laws. I proudly led many brave public servants engaged in supporting rule of law efforts overseas following the terrorist attacks on September 11, 2001. And I reimagined an initiative that sought to revisit prison sentences for certain individuals sentenced under drug laws of the 1990s.

Collectively, this arc of public service has shaped who I am personally and professionally:

- I am a thoughtful, independent, and objective seeker of facts,
- I believe that government service should embrace and promote the value of transparency and integrity, and
- I believe there is no greater honor than service to the American people.

In the private sector, many of these common threads readily transferred to compliance and ethics teams I have worked with in the financial services industry: in particular, integrity, accountability, and transparency. Effective and meaningful risk management requires complete, honest, and transparent assessments, investigations, and reporting.

As Chief of Staff in the Compliance and Ethics department of a Fortune 100 company, I helped ensure the department maintained sound financial practices and used strategic communications to support departmental operations. Furthermore, I have developed, grown, and led teams enhancing regulatory and Board reporting. I also challenged the business to strengthen internal controls, refined independent testing, and helped ensure the proper remediation of any findings. These combined efforts focused on guiding teams to be well-managed, efficient, and effective.

Currently, I lead the Office of Corporate Investigations. Here, my teams conduct rigorous and independent investigations into allegations of insider fraud, whistleblower claims, and unethical business practices.

FHFA has a vital role in maintaining the stability and liquidity of the mortgage market, and it furthers equal and affordable access to America's housing market. The Agency's role is unique because it acts as both regulator and conservator to Fannie Mae and Freddie Mac, and as regulator of the Federal Home Loan Bank System. That is why it is critical to the American people that the Office of Inspector General (OIG) fulfill its core mission, which is to promote economy, efficiency, and effectiveness while also protecting FHFA and the entities it regulates against fraud, waste, and abuse.

Since 1978, Inspectors General (IGs) have been independent, objective, and nonpartisan finders of fact. They and their staff have saved the government substantial monies, held criminals accountable, and endeavored to have our government work better. The key to their success is the ability to remain independent and objective – to put it simply, to call balls and strikes. Their duty to report and be responsive to Congress is an equally important function driving transparency in how our government's departments and agencies are functioning. The independence of an IG does not make them immune from accountability for their actions. In fact, the very nature of the IG role requires more than just avoiding conflicts of interests or the appearance of a conflict of interest: IGs must set the bar and hold themselves to the highest standards of ethics and integrity.

If confirmed as the FHFA Inspector General, I will exercise my duties with the same level of independence and objectivity that has defined my entire professional career. I will ensure FHFA OIG conducts its audits, evaluations, and investigations in a transparent, professional, thoughtful, fair, and rigorous manner. I commit to a transparent and responsive relationship with this Committee and Congress. I will endeavor to develop a productive, thoughtful working relationship with the FHFA Director, as an effective relationship will best serve the Agency, the entities it supervises, and the American public. Moreover, I will lead FHFA OIG with candor, transparency, and humility.

For me and many in my family, the call to public service is strong. We have a long tradition of military, government, first responder, and other front-line workers who, like me, believe caring for and protecting our fellow citizens is the highest honor. My three decades of public service share several common themes: independence, integrity, and a belief in the honor of service to the American people. My personal journey leading up to this nomination has well-prepared me for the challenge of this important position. If confirmed, I very much look forward to the opportunity to serve this great Country once again.

Thank you. I look forward to your questions.