BANKING GOP

RANKING MEMBER

TIM SCOTT

2024 YEAR-END & OVERSIGHT REPORT FOR THE 118TH CONGRESS

A MESSAGE FROM THE RANKING MEMBER

As a result of the Biden-Harris administration's policies, hardworking Americans across the country have been met with unprecedented challenges. That's why, as the Ranking Member of the U.S. Senate Committee on Banking, Housing, and Urban Affairs, I've been proud to work with my Republican and Democratic colleagues to lead serious solutions to these challenges and push back on rules and regulations that have stifled economic opportunity.

On the legislative front, we've worked on pro-growth policies that will be critical to our efforts to support communities across the country next year. To put more Americans on the path towards homeownership and the American Dream, I introduced the *ROAD to Housing Act* to pave the way for more affordable housing opportunities and ensure our federal housing regulators are accountable to the taxpayers they serve. I also put forward capital markets legislation, the *Empowering Main Street in America Act*, that will increase access to capital for entrepreneurs in every corner of our nation and allow more Americans to invest in their local communities. And as the scourge of fentanyl plagues too many communities, Congress successfully passed—and the president signed into law—my legislation to target the illicit fentanyl trade and the illegal money laundering operations supporting this devastating criminal enterprise.

We also know that effective and responsible oversight is key for any successful committee. Throughout my time as Ranking Member, I've focused on using the tools at our disposal to ensure our financial and housing regulators are transparent and accountable to the American people.

As Senate Banking Republicans look toward next Congress, I am honored to continue leadership of this important committee by fighting for an economy that allows all Americans—regardless of their zip code or income level—to achieve their version of the American Dream.

TIM SCOTT
Ranking Member

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LEGISLATIVE SOLUTIONS TO PROTECT AMERICANS AND MAKE THE AMERICAN DREAM MORE ATTAINABLE FOR ALL

In his second year as the top Republican on the Senate Committee on Banking, Housing, and Urban Affairs, Ranking Member Scott continued his efforts to advance commonsense policy solutions that expand opportunities for all Americans. Partnering with his colleagues on the committee, working with key stakeholders, and in consultation with leaders in the industry, Ranking Member Scott has led comprehensive legislative solutions that increase access to capital and credit, foster innovation, and promote financial inclusion.

19 FULL COMMITTEE HEARINGS

8 PIECES OF COMPREHENSIVE LEGISLATION & RESOLUTIONS INTRODUCED

3 LEGISLATIVE INITIAVES SIGNED INTO LAW

14 OVERSIGHT LETTERS TO FEDERAL AGENCIES

PUTTING MORE AMERICANS ON THE ROAD TO HOUSING

- Ranking Member Scott knows how access to quality, affordable housing can change a life because it changed his. As the son of a single mother, he lived with family until his mom was able to rent a place of her own. That's why throughout his time in Congress, and as the top Republican on the Senate Banking Committee, he's prioritized housing policy and finding workable, commonsense legislative solutions to increase housing supply and reduce red tape.

- In September 2024, Ranking Member Scott led Republicans on the Senate Banking Committee in introducing the *Renewing Opportunity in the American Dream (ROAD) to Housing Act*. The introduction of ROAD is the culmination of his work on housing legislation this Congress and follows the release of his housing legislative framework, negotiations with stakeholders, and multiple committee hearings on expanding homeownership.

- The *ROAD to Housing Act* takes a comprehensive view of federal housing policy, introducing long-needed reforms across all segments of the U.S. housing market and centering support around families and communities. For too long, scattershot approaches to assist renters, homeowners, and the homeless have failed to produce meaningful results.

- The *ROAD to Housing Act* paves the way to increasing housing supply, improving quality of life for families, and providing economic opportunity in communities across the nation.


POLITICOPRO

TIM SCOTT INTRODUCES SWEEPING HOUSING BILL

September 11, 2024

Key Pillars of the ROAD to Housing Act:

Safety and Soundness

- Strengthens government lending programs by making sure families have access to improved resources that enhance financial literacy and prepare them for the biggest purchases of their lives.

Encouraging Competition and Innovation

- Encourages responsible innovation and allows for new approaches to ensure that communities, whether rural or urban, can meet the housing needs of their residents.

Providing Housing Opportunity and Combating Homelessness

- Invests in solutions that help deconcentrate poverty, reward successful homelessness reduction strategies, and enable families to achieve self-sufficiency.

Holding Agencies Accountable and Reducing Regulatory Burdens

- Cuts red tape that restricts new affordable housing supply and increases public oversight of agencies to ensure families are being well served by taxpayer-funded programs.

EMPOWERING MAIN STREET IN AMERICA

- The U.S. capital markets system is the envy of the world and has helped many Americans build wealth and save for their futures. But unfortunately for individuals in communities across the country, investing in a local venture or raising capital to grow a business seems out of reach.

> *Black entrepreneurs receive less than 2% of venture capital funding each year. That's why I'm working to improve access to our capital markets system, with the goal of opening doors to opportunity for businesses and entrepreneurs across our country, so that individuals from Detroit, Michigan, to North Charleston, South Carolina, can have the same access to investment opportunities that companies in Silicon Valley and New York City already enjoy.*
>
> Ranking Member Tim Scott
> Fox Business Op-ed, "Let Main Street Compete With Wall Street"
> February 22, 2024

- To help change that, in September 2024, Ranking Member Scott led Senate Banking Republicans in introducing legislation to revitalize the businesses within our communities and open up access to our capital markets for all Americans. Ranking Member Scott's *Empowering Main Street in America Act* (EMSAA) will boost avenues for capital formation that create jobs and generate economic growth.

- The Ranking Member's legislation incorporates feedback on the capital markets framework he released last fall, input from his roundtable with Black investors and business founders discussing ways to improve minority communities' access to capital, and policy priorities from his Republican colleagues on the Senate Banking Committee. It received broad support from a wide-range of stakeholders.

CQ

SENATE BANKING REPUBLICANS WANT TO AID STARTUPS' CAPITAL FORMATION

September 25, 2024

- The *Empowering Main Street in America Act* is designed to empower, support, and foster growth by providing streamlined access to funding through our capital markets system, which can be used to innovate, job create, and accelerate economic growth. The bill also seeks to enhance financial literacy for everyday investors and will ultimately create opportunity—the single best means to financial security—for all Americans, especially those who are often underserved and overlooked.

- The legislation would return the Securities and Exchange Commission (SEC) to its primary focus of ensuring the engines of the U.S. capital markets system are primed to fuel the next chapter of American exceptionalism, instead of putting up new and burdensome hurdles that limit opportunity, drive new investors out of markets, and chill innovation and competition.

FRN FINANCIAL REGULATION NEWS

SEN. SCOTT INTRODUCES BILL TO BOOST CAPITAL FORMATION

September 26, 2024

CRACKING DOWN ON THE ILLICIT FENTANYL TRADE

- Ranking Member Scott's legislation, the *FEND Off Fentanyl Act*, was signed into law as part of the national security supplemental in April 2024.

- This sanctions and anti-money laundering bill directs the Department of Treasury to use U.S. economic national security tools to choke off the profits of the Mexican cartels that push fentanyl across our border and the Chinese money laundering organizations and chemical precursor manufacturers that enable these criminal operations.
    - The bill enhances current law so U.S. government agencies can more effectively disrupt illicit opioid supply chains and penalize those facilitating the trafficking of fentanyl.
    - The *FEND Off Fentanyl Act* also ensures that sanctions are imposed not only on the illicit drug trade, but also on the money laundering that makes it profitable.
    - In addition, FEND requires rigorous reporting to Congress on these sanctions, increasing accountability and ensuring that the executive branch continues to prioritize this issue.

- Following the enactment of Ranking Member Scott's legislation, the Treasury Department has sanctioned the Mexican Cartel de Jalisco Nueva Generacion and their front companies, La Nueva Familia Michoacana Cartel, and other Mexican companies owned by designated Sinaloa Cartel fentanyl traffickers—one of the most notorious and pervasive drug trafficking organizations in the world. Treasury has also sanctioned five Colombian nationals who are leaders within Colombia's Clan del Golfo, also known as Los Urabeños, which is one of the country's largest drug trafficking organizations and a key contributor to human smuggling through the Darién Gap.
    - Prior to the enactment of the *FEND Off Fentanyl Act,* sanctions on organizations involved in fentanyl production and distribution were discretionary and a seemingly low priority item for the Executive Branch.

- In addition, the Financial Crimes Enforcement Network (FinCEN) issued guidance to all financial institutions on and the best practices to disrupt payments relating to precursor chemical shipments from China and drug smuggling from Mexico.

REUTERS

US SANCTIONS MEXICAN CARTEL ON FENTANYL, YELLEN ISSUES CHINA GUIDANCE TO BANKS

June 20, 2024

FOX NEWS channel

US TO SANCTION MEXICAN DRUG CARTEL JALISCO OVER FENTANYL TRAFFICKING

September 10, 2024

abc 27

NEW LAW AIMING TO FIGHT FENTANYL PASSED

May 3, 2024

PROTECTING UNIVERSITIES FROM CHINESE INFLUENCE

Report on U.S. University Ties to the Chinese Military Industrial Complex

- Ranking Member Scott's legislation requiring Treasury and the Department of Education to report gifts and grants given to U.S. universities from entities in the Chinese military-industrial complex was included in the Fiscal Year 2024 National Defense Authorization Act, signed into law in December 2023.
- This report was delivered to Congress on July 11, 2024, and provided valuable information on the extent of Chinese military companies' provision of gifts and grants to U.S. institutions of higher education.
- Problematic donations and connections between Chinese military companies and U.S. research institutions can serve as the baseline for intellectual property theft. This information will enable Ranking Member Scott to continue his work to combat China's malign influence on our college campuses.


United States Senate Committee on Banking, Housing, & Urban Affairs
★ Ranking Member Tim Scott ★

Sen. Scott Fights to Protect Schools from China, Malign Foreign Influence

December 12, 2023

STOPPING IRAN AND ITS TERROR PROXIES

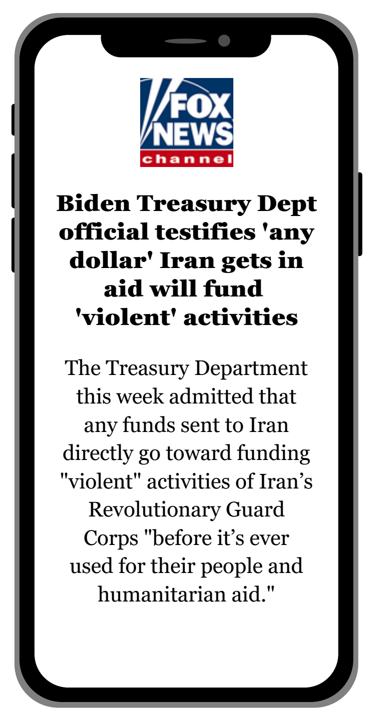
Revoke Iranian Funding Act Accounting Report

- In the wake of Hamas's October 7, 2023, terrorist attack against Israel and the release of $6 billion to Iran by the Biden-Harris administration, Ranking Member Scott introduced the *Revoking Iranian Funding Act (RIFA)* to apply pressure on the Iranian regime and hold the administration accountable for its appeasement of the world's largest state sponsor of terrorism.
- An important provision from RIFA was included in the national security supplemental package that was signed into law in April 2024 requiring the Treasury Secretary to provide an accounting of all high-value Iranian assets around the world that are currently blocked by U.S. sanctions, as well as all Iran-related waivers and sanctions relaxation policies, and to provide that information to Congress.
- This report increases transparency and ensures Congress has the information necessary to enact further targeted legislation, if necessary.


Washington Examiner

TREASURY'S YELLEN PRESSED BY SEN. TIM SCOTT OVER LATE IRANIAN SANCTIONS REPORT

June 14, 2024


FOX NEWS channel

Biden Treasury Dept official testifies 'any dollar' Iran gets in aid will fund 'violent' activities

The Treasury Department this week admitted that any funds sent to Iran directly go toward funding "violent" activities of Iran's Revolutionary Guard Corps "before it's ever used for their people and humanitarian aid."

INITIATIVES TO PROTECT CONSUMERS AND INCREASE FINANCIAL INCLUSION

PROMOTING RESPONSIBLE FINANCIAL INNOVATION

- Ranking Member Scott has continued to push for a balanced approach to digital assets that protects consumers and promotes innovation. After the collapse of FTX, a digital assets exchange, Ranking Member Scott noted that Under Chair Gensler's leadership, "*the Securities Exchange Commission (SEC) has failed to take any meaningful, preemptive action to ensure this type of catastrophic failure does not happen again*." In closing, he said that "*we must take a thoughtful bipartisan and balanced approach*" into filling the regulatory gaps for this asset class.
- Ranking Member Scott supported a Congressional Review Act resolution led by Senator Cynthia Lummis (R-Wyo.) to overturn the SEC's Staff Accounting Bulletin (SAB) 121 which made it untenable for banks to custody Bitcoin. The Senate voted 60-38 to overturn this misguided policy by Chair Gensler.
- In July 2024, Ranking Member Scott participated in a panel at the Bitcoin 2024 Conference. During the panel, Ranking Member Scott emphasized the importance of Bitcoin and blockchain technology's potential to democratize the financial world and improve financial inclusion. He called for a fair regulatory environment for the industry that encourages innovation in the United States, not overseas.


UNITED STATES SENATE COMMITTEE on
BANKING, HOUSING, & URBAN AFFAIRS
★ RANKING MEMBER TIM SCOTT ★

Scott Urges a Balanced Approach to Digital Assets that Protects Consumers and Promotes Innovation

February 14, 2023

> *THE ABILITY TO BRING RESOURCES AND OPPORTUNITIES AND ACCESS TO THE MARKETPLACE, TO THE PEOPLE WHO NEED IT MOST, THAT'S WHAT BITCOIN IS ABOUT. THAT'S WHAT THIS IS ABOUT – GIVING THE AVERAGE AMERICAN A CHANCE TO MAKE THEIR OWN DECISIONS AT HOME. NO MATTER WHERE YOU LIVE, IF YOU'RE AT THE MOUNTAIN TOP OR WITH ME IN THE VALLEYS LOW, HAVING A CHANCE TO DEMOCRATIZE OUR FINANCIAL FOOTPRINT IS AN ABSOLUTELY ESSENTIAL PART OF ACHIEVING THE AMERICAN DREAM. WE NEED A REGULATORY ENVIRONMENT THAT UNDERSTANDS THAT FREEDOM AND LIBERTY ARE INSEPARABLE.*

Ranking Member Tim Scott
Remarks at the Bitcoin 2024 Conference
July 26, 2024

- In August 2024, Ranking Member Scott spoke on a panel at the Wyoming Blockchain Symposium about the state of play for digital assets in Congress and discussed how blockchain technology can promote access to financial services, especially in underserved communities.


Blazemedia

SEN. TIM SCOTT CHAMPIONS BITCOIN AS AN INVESTMENT FOR LOW-INCOME AMERICANS

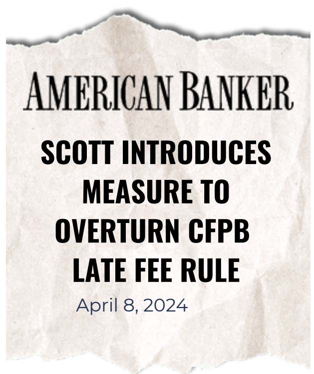
July 30, 2024

COMBATTING THE CFPB'S FALSE NARRATIVES

- Ranking Member Scott consistently pushed back against efforts by the Biden-Harris administration's Consumer Financial Protection Bureau (CFPB) to demonize commonsense incentives that promote financial responsibility.
- In April 2023, Ranking Member Scott led a letter to CFPB Director Rohit Chopra criticizing the agency and highlighting the harm their rulemakings would have on the cost and availability of credit for American consumers.

> *THESE EFFORTS, UNDER YOUR LEADERSHIP, ARE MISGUIDED AND WILL UNNECESSARILY CAUSE FINANCIAL HARM TO AMERICAN CONSUMERS—PARTICULARLY LOW- AND MIDDLE-INCOME CONSUMERS WITH A LIMITED CREDIT HISTORY—AND RESTRICT THEIR ACCESS TO CREDIT, BANK ACCOUNTS, AND FINANCIAL PRODUCTS.*
>
> Ranking Member Tim Scott
> Letter to CFPB Director Chopra on Junk Fees
> April 13, 2023

- At a June 2023 committee hearing, Ranking Member Scott admonished Director Chopra's public pressure campaign that mislabeled legitimate payment incentives as "*junk fees*" or "*illegal fees*," noting that, "*this sweeping initiative lumps legitimate, standard credit card late fees in with the White House's political efforts to bring down fees in other sectors.*"
- In March 2024, when the CFPB finalized their credit card late fee rule, Ranking Member Scott vowed to fight the rule to "*continue delivering for those who need it most.*" To do so, and with the support of Republicans on the Senate Banking Committee and from members across the Republican conference, Ranking Member Scott introduced a Congressional Review Act resolution to overturn the rule, noting it will decrease the availability of credit card products for those who need it most, raise rates for many borrowers who carry a balance but pay on time, and increase the likelihood of late payments across the board.
- In the June 2024 committee hearing with Director Chopra, Ranking Member Scott exposed the "*junk philosophy*" behind the CFPB's misleading actions and narratives—highlighting how the agency's actions harm the consumers it's supposed to protect.



DRIVING THE CONVERSATION ON FINANCIAL LITERACY AND INCLUSION

- Ranking Member Scott knows that financial literacy is key to achieving financial independence and opening the pathway to the American Dream. Throughout his time in Congress, and as co-chair of the Financial Literacy Caucus, Ranking Member Scott has made it his mission to champion programs and resources that make financial education more accessible.

- During Black History Month, Ranking Member Scott hosted a roundtable with Black investors and business founders to discuss ways to improve minority communities' access to capital and the ability to build wealth. The roundtable was an important discussion on the unique challenges facing Black Americans looking to start and grow their businesses, and provided key input for Ranking Member Scott's capital markets reform package.

- In June 2024, Ranking Member Scott partnered with the Jump$tart Coalition and the National Endowment for Financial Education's Financial Literacy Day on Capitol Hill to provide financial literacy resources for young people and seniors alike, encouraging financial education earlier and more often. With frauds, scams, and more sophisticated hackers continuing to escalate, Ranking Member Scott continues to prioritize bringing together the best and brightest to equip consumers of all ages with the tools to avoid and prevent these illicit efforts.

Bloomberg GOVERNMENT

SENATE BANKING COMMITTEE TOP REPUBLICAN TIM SCOTT (S.C.) MEETS WITH WITH BLACK INVESTORS

February 28, 2024

- The Senate Banking Committee GOP hosted and participated in a Black Blockchain Summit event in September 2024 that focused on educational empowerment in the emerging financial sector. Ranking Member Scott believes digital assets have the potential to significantly improve financial inclusion for Black Americans and will continue to push for a regulatory environment that encourages innovation in the United States, not overseas.

- Ranking Member Scott also invited Carri Grube Lybarker, Administrator of the South Carolina Department of Consumer Affairs, to testify in front of the Senate Banking Committee in September during a hearing focused on combatting different types of fraud and scams. Administrator Lybarker shared her expertise on ways to adapt and innovate to improve financial education and technology to protect Americans and stop these crimes.

- In October 2024, the Ranking Member gathered leading figures from the financial services industry and federal regulators to showcase the opportunities available for current students at Historically Black Colleges and Universities (HBCUs) interested in pursuing a career in financial services. These leaders also provided personal, impactful lessons on the importance of financial education, building on Ranking Member Scott's own mission of empowering young adults to advance their futures through financial literacy.

UNITED STATES SENATE COMMITTEE on
BANKING, HOUSING, & URBAN AFFAIRS
★ RANKING MEMBER TIM SCOTT ★

Scott Hosts Financial Services Career Development Event for Students at HBCUs

October 23, 2024

> *I BELIEVE THAT THE GREATEST FUTURE WE HAVE AS A NATION WILL BE IN THE HANDS OF YOUNG PEOPLE WHO BENEFIT FROM YOUR INVESTMENT IN THEIR LIVES.*
>
> Ranking Member Tim Scott
> Remarks from Jump$tart Coalition's Financial Literacy Day
> June 6, 2024

COMBATTING ECONOMIC NATIONAL SECURITY THREATS AND SUPPORTING OUR ALLIES

- Ranking Member Scott introduced the *Revoke Iranian Funding Act* (RIFA) shortly after October 7, 2023, to freeze $6 billion in funds Iran was attempting to access. Notably, a portion of that bill became law this year as part of the national security supplemental. The provision, required Treasury to provide Congress with a report of all high-value Iranian assets around the world that are blocked by U.S. sanctions. This increased transparency provides Congress with information needed to enact targeted legislation to help ensure the Iranian government does not have access to these funds in the future.
    - When fully enacted, the bill would immediately restrict Iran's current and future access to $6 billion in funds released by the Biden administration and currently held in Qatar.

> *The Biden administration's decision to release $6 billion to Iran – the world's leading state sponsor of terror – was a grave mistake that created a market for American hostages, emboldened our adversaries, and put a credit on the balance sheets of one of Hamas's biggest backers...My bill is a comprehensive approach to wielding our economic sanctions tools against Iran by freezing the $6 billion and ensuring Congress has the information necessary to prevent Iran from accessing funds in the future. We must be unequivocal that the United States will not back down and waive sanctions on frozen Iranian funds held by other nations.*
>
> Ranking Member Tim Scott
> Press Release Announcing Introduction of the *Revoke Iranian Funding Act*
> October 17, 2023

- Ranking Member Scott hosted a panel meeting with victims of Hamas's October 7th attack and members of victims' families. During this meeting, the Senator, along with Senator JD Vance and Mike Rounds, heard firsthand about the brutality inflicted by Hamas on innocent civilians, including innocent children, and discussed the actions that the Banking Committee could take to address Hamas and terrorism across the Middle East.

- Throughout the 118th Congress, Ranking Member Scott has fought back against the Biden-Harris administration for putting partisan politics over commonsense policies across the Executive Branch, including at the Commerce Department's Bureau of Industry and Security (BIS), where the administration has been utilizing the export controls licensing process to carry out politically motivated attacks against the legal firearms industry. Ranking Member Scott and his Senate colleagues sent three letters to Department of Commerce Secretary Gina Raimondo demanding answers for BIS' regulatory overreach and called out this partisan behavior in a January 2024 Banking Committee hearing.

SENATE BANKING MINORITY OVERSIGHT OF THE BIDEN-HARRIS ADMINISTRATION IN THE 118TH CONGRESS

FINANCIAL REGULATORS IN CRISIS

Overseeing Banking and Supervisory Failures

- Ranking Member Scott led the charge overseeing the Spring Bank Failures of 2023. He called out the failures of our federal and state regulators, the failed banks' management, and the inflation caused by Bidenomics—the underlying cause of the heightened interest rate risk the supervisors and banks failed to appropriately hedge.

- He also combatted the false narratives the Biden-Harris administration used to try to impose additional red tape on lenders' ability to meet the needs of their customers. From reviewing reams of supervisory documents to mandating appearances by the CEOs of failed institutions before the Committee, Ranking Member Scott showcased that these institutions' failures would not have been prevented by more regulations—as suggested by his Democratic colleagues and regulators.

- Instead, Ranking Member Scott called appropriate attention to the failures by federal and state supervisors to force change on these poorly managed institutions, pushing back against our federal financial regulators for putting politics over people.

> *SINCE WE FIRST LEARNED OF SVB AND SIGNATURE BANK'S DOWNFALLS, I'VE SAID THIS WAS A FAILURE IN THREE PARTS – A FAILURE OF BANK MANAGEMENT, A FAILURE OF STATE AND FEDERAL REGULATORS, AND A FAILURE OF THE BIDEN ADMINISTRATION TO CONTROL INFLATION DRIVING RAPID INTEREST RATE HIKES.*
>
> Ranking Member Tim Scott
> Statement on Fed, FDIC Bank Failure Reports
> April 28, 2023


FT FINANCIAL TIMES

TOP REPUBLICAN ACCUSES REGULATORS OF BEING 'ASLEEP AT THE WHEEL' OVER SVB

March 28, 2024

- To protect the American taxpayer and limit the impact of any potential, future bank failures, Ranking Member Scott and Chairman Brown jointly introduced the *RECOUP Act*—legislation requiring banks to adopt stronger corporate governance standards and enhancing regulatory mechanisms to hold senior bank executives accountable for reckless decision making. The Banking Committee passed this legislation on a bipartisan basis in June 2023—the Committee's first markup since 2019—after Ranking Member Scott led the charge to get the Committee back to following regular order.

HOLDING FDIC LEADERSHIP ACCOUNTABLE

- Following reports in November 2023 that the Federal Deposit Insurance Corporation (FDIC), for over ten years, had a toxic workplace environment in which employees were subjected to horrific sexual harassment, discrimination, and other misconduct by their supervisors, Ranking Member Scott led Senate Republican efforts to acquire additional information from Chairman Gruenberg pertaining to the disturbing allegations. The Ranking Member also called on Chairman Gruenberg to resign for his dereliction of duty in allowing this hostile workplace culture to flourish during his long tenure leading the FDIC.

> *IF THE FDIC FAILS TO PROTECT ITS OWN EMPLOYEES, HOW CAN WE TRUST ITS MISSION OF ENSURING THE SAFETY AND SOUNDNESS OF OUR FINANCIAL SYSTEM IS BEING SUCCESSFULLY CARRIED OUT? … IT APPEARS CHAIR GRUENBERG – BOTH AS CHAIRMAN AND AS A MEMBER OF THE BOARD – HAS FAILED TO LEAD AND ADDRESS EMPLOYEE CONCERNS OVER THE YEARS. AS SUCH, HE SHOULD SERIOUSLY CONSIDER IF HE POSSESSES THE LEADERSHIP THE FDIC REQUIRES AT THIS MOMENT TO RESTORE CONFIDENCE IN THE AGENCY.*
>
> Ranking Member Tim Scott
> Scott Statement on FDIC Allegations
> November 16, 2023

- After Chairman Gruenberg failed to even respond to the Senators' December 2023 letter, Ranking Member Scott sent Chairman Gruenberg a follow-up letter in March 2024 chastising him for his "*decision to disregard a Congressional inquiry regarding credible claims of harassment and a hostile workplace environment that reportedly occurred under [his] leadership*." The Ranking Member also reiterated the Senators' December 2023 request that Chairman Gruenberg promptly provide the requested records and again called on him to resign.


THE HILL

SENATE REPUBLICANS CALL ON FDIC CHIEF TO RESIGN OVER HARRASSMENT ALLEGATIONS

December 7, 2024

- Chairman Gruenberg eventually responded by letter—141 days after the initial information request and 113 days past the deadline—and provided some, but not all, of the documents and written answers to questions requested in December 2023.

> *The culture of an organization is set from the top. As such, we have significant concerns with your ability to continue leading the FDIC as it seeks to clean up its public image and provide much-needed changes to its workplace culture to return the FDIC to working order. Given the importance of the role of the FDIC in maintaining stability and public confidence in the nation's financial system, we call on you to step down as Chairman and Board Member and allow someone with more credibility to address the hostile workplace culture at the FDIC to which you have contributed.*
>
> Ranking Member Tim Scott
> Scott Letter to Chairman Gruenberg
> December 7, 2023

- During a Banking Committee hearing in May 2024, Ranking Member Scott further held Chairman Gruenberg to account for his failed leadership in presiding over the agency while rampant sexual harassment and a toxic workplace were allowed to flourish as well as for his alleged personal misconduct while on the FDIC's Board. The Ranking Member reiterated to Mr. Gruenberg that he should resign as Chairman.

- Ranking Member Scott also introduced into the hearing record statements from numerous FDIC whistleblowers expressing their lack of confidence in Chairman Gruenberg's ability to change the agency's toxic culture.

- Four days after this hearing, Chairman Gruenberg announced that he would resign as Chairman of the FDIC, but only after President Biden appointed—and the Senate confirmed—a successor. In response, Ranking Member Scott called out Chairman Gruenberg for his decision to not immediately resign – prioritizing a partisan political agenda over protecting workers.

AP

FDIC CHAIR IS GRILLED ON CAPITOL HILL AFTER REPORT OUTLINES AGENCY'S TOXIC WORKPLACE CULTURE

May 16, 2024

- President Biden submitted the nomination of Christy Goldsmith Romero to fill the role of Chair of the FDIC. During her nomination hearing, Ranking Member Scott expressed skepticism that, if confirmed, she had the necessary expertise and leadership qualities to carry out the critical responsibilities of the FDIC.

- Ranking Member Scott also worked to ensure that Chairman Gruenberg could not continue to advance a partisan agenda while refusing to step down. In July 2024, Ranking Member Scott joined Senator Thom Tillis (R-N.C.) and his Republican colleagues on the Senate Banking Committee in a letter to FDIC Chairman Martin Gruenberg exposing the many flaws in the agency's new corporate governance and risk management guidelines that would harm the safety and soundness of the U.S. financial system.

FIGHTING THE PROGRESSIVE AGENDA OF BIDEN-HARRIS REGULATORS

Throughout the 118th Congress, Ranking Member Scott has utilized the legislative and oversight tools at his disposal to demand justification and hold regulators accountable for the onslaught of regulatory proposals coming from financial regulators during the Biden-Harris administration. Through statutorily required hearings, oversight letters, briefings, transcribed interviews, and information requests, Ranking Member Scott has fought back against the Biden-Harris administration's progressive policies that have crushed businesses, made life unaffordable, and pushed the American Dream further out of reach.

SECURITIES AND EXCHANGE COMMISSION

The SEC's Progressive Climate Agenda

- In February 2023, Ranking Member Scott teamed up with House Financial Services Committee (HFSC) Chairman Patrick McHenry and Oversight and Investigations Subcommittee Chairman Bill Huizenga to send Chair Gensler a letter criticizing the SEC's deeply misguided proposed climate disclosure rule. The members warned that the SEC's onerous proposed rule went far beyond the SEC's statutory mission and authority and would significantly harm American companies and the broader U.S. economy if finalized. They also requested that Chair Gensler provide a series of records and written answers to questions pertaining to the proposed rule.

- After Chair Gensler failed to timely respond to their letter, the members continued their oversight of the SEC's proposed disclosure rule and sought compliance with their information request. In total, the SEC provided more than 40,000 pages of information related to its proposed climate-disclosure rule.

- Following reports that the SEC, the Treasury Department, and other U.S. federal agencies may be improperly coordinating with the European Union (E.U.) on climate-related corporate disclosure mandates and other regulatory actions that would adversely affect U.S. companies, Ranking Member Scott partnered with House Oversight and Accountability Chairman James Comer to send oversight letters to the SEC and Department of the Treasury in June 2023 requesting information regarding any such agency coordination with the E.U.

> *THE LAST TIME I CHECKED, THE SEC IS A SECURITIES REGULATOR THAT DOES NOT EMPLOY CLIMATE SCIENTISTS, AND IT CLEARLY HAS ACTED WITHOUT REGARD TO THE ONEROUS BURDENS PLACED ON BUSINESSES OF ALL SIZES – A BLATANT DISREGARD THAT WILL HARM MAIN STREET THE MOST. THIS IS FEDERAL OVERREACH AT ITS WORST.*
>
> Ranking Member Tim Scott
> Scott Statement on SEC Climate Disclosure Rule
> March 6, 2024

- In their letters, the members emphasized how several E.U. regulations, such as the Corporate Sustainability Reporting Directive and the Corporate Sustainability Due Diligence Directive, will have significant negative effects on U.S. companies and warned the SEC and Treasury Department against pursuing any efforts to "*advance the E.U.'s ESG [environmental, social, and governance] agenda over the interests of the U.S. and American companies*." The members also requested written answers to questions and a series of records related to both the SEC's climate disclosure rule and any U.S. agency coordination with E.U. regarding corporate climate-related disclosures.


Pensions&Investments
REPUBLICANS DEMAND ANSWERS FROM SEC OVER CLIMATE DISCLOSURE PROPOSAL
February 22, 2023

- After receiving an inadequate and overdue response from the SEC, the members sent Chair Gensler a letter in July 2023 requesting that he make several members of his staff available for transcribed interviews to explain the SEC's noncompliance as well as its role and activities related to both the SEC's climate disclosure rule and any E.U. climate-related corporate disclosure directives.

- Chair Gensler agreed to make all requested staff available for transcribed interviews, and these interviews occurred between November 2023 and March 2024. The SEC eventually produced more than 23,000 pages of records responsive to the June 2023 information request.


Bloomberg
GOP SEEKS INTERVIEWS WITH SEC CHIEFS ON ESG AND EUROPE
July 18, 2023


CFO DIVE
GOP LAWMAKERS TELL GENSLER NOT TO BOW TO EU'S TOUGH CLIMATE RULES
June 6, 2023

SEC Chair Gensler's Aggressive Regulatory Regime

- Ranking Member Scott blasted Chair Gensler at a September 2023 Banking Committee hearing for pursuing "*one of the most aggressive regulatory agendas in the agency's history*." The Ranking Member held Chair Gensler to account for his agency's lack of transparency and responsiveness to Congressional information requests.
- The Ranking Member also urged Chair Gensler to stop putting forward misguided rules at breakneck speed and instead focus on fueling competition and innovation in our capital markets to expand Americans' access to a wide range of investment options.

> *WITHOUT PRO-GROWTH REGULATIONS WE ARE LIMITING OPPORTUNITIES FOR OUR KIDS, AND OUR KIDS' KIDS, FROM BEING ABLE TO TAKE CONTROL OF THEIR OWN FINANCIAL FUTURES. THAT'S WHY IT'S ESPECIALLY TROUBLING, THAT UNDER YOUR LEADERSHIP, THE SEC HAS FAILED TO IMPLEMENT THESE TYPES OF PRO-GROWTH RULES. INSTEAD, YOUR AGENCY HAS CHURNED OUT A SEEMINGLY ENDLESS ASSEMBLY LINE OF NEW AND UNNEEDED REGULATORY HURDLES TO CAPITAL FORMATION AND MARKET ACCESS.*
>
> Ranking Member Tim Scott
> Statement from Full Committee Hearing with SEC Chair Gensler
> September 12, 2023


The New York Times
SENATE REPUBLICANS GRILL S.E.C. CHAIR ON PACE OF RULE MAKING
Sept. 12, 2023

- After the SEC proposed a rule on Open-End Fund Liquidity Risk Management Programs and Swing Pricing, Ranking Member Scott and HFSC Chair McHenry sent the SEC a letter in April 2023 to raise serious concerns about the rule, including how it fails to consider potential market failures or harm to investors, lacks a thorough cost-benefit analysis, fails to incorporate sufficient input from the millions of U.S. investors and retirement savers who would be directly impacted by its regulatory changes, and would unfairly disadvantage retail investors and third-party investors. The members also strongly urged Chair Gensler to swiftly halt the implementation of the misguided rule.

> *The proposal falls short in several areas. First, it fails to consider potential market failures or harm to investors. Second, it lacks a thorough cost-benefit analysis. Finally, it fails to incorporate sufficient input from the millions of U.S. investors and retirement savers who would be directly impacted by these regulatory changes. This misguided proposal would unfairly disadvantage retail investors and third-party investors.*
>
> Ranking Member Tim Scott
> Scott Letter to Chair Gensler on Swing Pricing
> April 28, 2023

- In May 2023, Ranking Member Scott led a GOP Banking Committee effort to rebuke the SEC for pursuing an expansive rulemaking agenda that fails to take into account how these regulations will undermine the strength of U.S. capital markets and make it more challenging to start and grow a business in America. In their letter, the Senators also demanded that Chair Gensler provide a series of records to allow them to evaluate the SEC's rulemakings impact on small and emerging businesses.

WE ARE DEEPLY CONCERNED THAT THE SEC, UNDER YOUR LEADERSHIP, HAS PUT AMERICA'S CAPITAL MARKETS FRAMEWORK INTO JEOPARDY BY FAILING TO PROPERLY SCALE, OR TAILOR, YOUR RULES TO ENSURE THEY DO NOT DISPROPORTIONATELY IMPACT SMALL BUSINESSES...THE UNPRECEDENTED VOLUME, COMPLEXITY, AND INTERCONNECTEDNESS OF THE SEC'S RULES WILL INEVITABLY RESULT IN SEVERE MARKET DISRUPTIONS THAT WILL HARM OUR CAPITAL MARKETS AND THE INVESTORS THEY SERVE, PARTICULARLY SMALL AND EMERGING U.S. BUSINESSES AND MARKET PARTICIPANTS.

Ranking Member Tim Scott
Scott Letter to Chair Gensler on Aggressive Rulemaking
May 10, 2023

- In December 2023, Ranking Member Scott expressed his grave concerns to Chair Gensler regarding the SEC's efforts to finalize rules that would inappropriately broaden the definition of entities traditionally considered to be dealers. The Ranking Member stood up for Americans by calling on Chair Gensler to rescind these rules, which are not only overly vague and lack complete economic analysis but also would "likely reduce liquidity in U.S. Treasury markets, creating widespread, adverse impacts for the American economy and Main Street investors." Notably, on November 21, the U.S. District Court for the Northern District of Texas agreed with the Ranking Member's concerns when it held that the SEC exceeded its authority and vacated the rules.

- After learning from the Department of Justice (DOJ) that the SEC may not have fully considered all of DOJ's recommendations or feedback when the SEC finalized its cybersecurity disclosure rules, Ranking Member Scott sent a letter to both DOJ and the SEC in February 2024 raising concerns about the SEC allegedly disregarding cybersecurity-related input from the lead law enforcement agency in the federal government. In addition, the Ranking Member requested that both agencies provide written answers to questions to allow the Banking Committee to understand the full scope of concerns and comments that DOJ provided to the SEC on its cybersecurity rules.

- In June, Ranking Member Scott joined all Republican Senate Banking Committee Members, led by Senator Mike Rounds (R-SD), in urging the SEC to withdraw its proposal restricting volume-based transaction pricing for stocks. The letter expressed concerns that the proposal would result in wider bid-ask spreads, reduced liquidity, and higher trading costs. It also noted that the proposal would disproportionately impact smaller brokers' abilities to compete against larger firms, resulting in consolidation and increased costs for investors.

HOUSING REGULATORS

Since the beginning of his time as the top Republican on the Senate Banking Committee, Ranking Member Scott has drawn attention to the failed practice of spending trillions of taxpayer dollars to address the nation's housing challenges – with little results – and has repeatedly called for new solutions in response to the serious housing challenges facing our nation. In particular, the Ranking Member emphasized the need for fostering private sector investment, reducing barriers to greater housing supply, and encouraging local solutions to address these housing issues.

> *FOR DECADES, WASHINGTON'S RESPONSE TO HOUSING CHALLENGES HAS SIMPLY BEEN MORE SPENDING. WE NEED TO END THIS CYCLE AND STOP SPINNING OUR WHEELS. WHILE THE TRILLIONS SPENT ON NUMEROUS FEDERAL HOUSING PROGRAMS WERE WELL INTENDED, THE NET RESULT HAS MADE NO MEANINGFUL AND LASTING IMPACT ON HOMEOWNERSHIP RATES. ESPECIALLY AS WE SEE BURDENSOME REGULATIONS PUSH CLOSING COSTS HIGHER AND HIGHER, MAKING THE PATH TO HOMEOWNERSHIP MORE DIFFICULT. FOR AFRICAN AMERICAN FAMILIES IN PARTICULAR, THE HOMEOWNERSHIP RATE REMAINS UNCHANGED SINCE 1968, THE YEAR THE FAIR HOUSING ACT WAS SIGNED INTO LAW. FOR TOO LONG ASSISTANCE PROGRAMS HAVE SERVED AS SUBSISTENCE PROGRAMS FOR THE MOST VULNERABLE AMERICANS.*
>
> Ranking Member Tim Scott
> Full Committee Hearing on Housing Policies
> February 9, 2023

Department of Housing and Urban Development (HUD) Oversight

- After President Biden nominated a pair of far-Left nominees, Solomon Greene and David Uejio, to Assistant Secretary positions at HUD, Ranking Member Scott led Republican efforts to vet these nominees, expose their radical backgrounds and policy views, and ultimately block their confirmations.
    - Notably, the Ranking Member drew attention to Mr. Greene's history of publicly promoting the defunding of police departments and disparaging police officers and strongly made the case for why these radical policy views should be disqualifying for a nominee to a senior position in the federal government. The Ranking Member similarly opposed Mr. Uejio's nomination, drawing attention both to his lack of relevant experience as well as his questionable actions as Acting Director of the CFPB.
    - As a result of these efforts by the Ranking Member, both Mr. Greene's and Mr. Uejio's nominations were returned to the President in January 2024, and they were never renominated.


NEW YORK POST

BIDEN PICK FOR KEY HUD POST UNDER FIRE AGAIN OVER 'DEFUND' SUPPORT

April 27, 2024

- In March 2024, Ranking Member Scott and seven of his Senate Banking Committee colleagues sent HUD Secretary Marcia Fudge a letter expressing serious concerns with the Biden-Harris administration's failure to address the burgeoning problem of homelessness across the country. The Ranking Member noted that the historic surge in homelessness cannot be blamed on the lack of funding for federal housing programs, which has received record levels of funding, but is instead due to the reckless policies of the Biden-Harris administration that have caused massive increases in housing costs for everyday Americans.


POLITICOPRO Morning Money

REPUBLICANS PRESS HUD ON HOMELESSNESS

March 21, 2024

Green-Housing Inititatives

- In April 2023, Ranking Member Scott sent the Department of Energy (DOE) a letter to express concerns with DOE's decision to publish a rule imposing green energy standards in manufactured housing that would unnecessarily limit consumer choices and raise costs for families seeking affordable homeownership opportunities.
- The Ranking Member called on DOE to immediately delay implementation of the rule and to consider scrapping it altogether to provide hardworking families relief from this costly and misguided regulation.

> WSJ
> **HOW TO MAKE HOUSING LESS AFFORDABLE**
> May 8, 2023

Federal Housing Finance Agency (FHFA)

- In October 2023, Ranking Member Scott and seven other Senators sent a letter to Federal Housing Finance Agency (FHFA) Director Sandra Thompson to express concerns regarding FHFA's ongoing transition to and implementation of updated credit score models and credit reporting requirements for loans acquired by Fannie Mae and Freddie Mac. Emphasizing that FHFA's plan would negatively impact Americans' access to credit, the Ranking Member and his Senate colleagues called on Director Thompson to abandon these plans and work with the private sector to ensure better coordination and data sharing during the transition to new credit scoring models.
- After FHFA announced that it would be making controversial changes to the pricing framework for Fannie Mae and Freddie Mac, Ranking Member Scott sent Director Thompson a letter in May 2023 expressing concerns about the harmful mortgage pricing changes, noting that they may simply create additional credit risk and could result in more families struggling to make homeownership a reality. In response to Ranking Member Scott's letter, FHFA decided to rescind its new upfront fee for borrowers. FHFA further announced that it would "*delay implementation [of the proposed changes] in order to engage with industry stakeholders and better understand their concerns*."
- In September 2023, Ranking Member Scott and all Republican members of the Senate Banking Committee, led by Senator Bill Hagerty (R-Tenn.), voiced opposition to FHFA's Equitable Housing Finance Plans. These plans, developed by Fannie Mae and Freddie Mac under FHFA's direction, drew criticism for potentially encouraging racial discrimination, inappropriately pushing Fannie Mae and Freddie Mac into primary market activities, and unnecessarily politicizing these government-sponsored enterprises. The letter urged FHFA to abandon these plans, warning that they risk setting up new generations of borrowers for failure.
- In May 2024, Ranking Member Scott joined all Republican Senate Banking Committee Members and 23 House Republicans, led by Senator Hagerty, in opposing Freddie Mac's misguided proposal to purchase and guarantee single-family closed-end second mortgages. The letter to FHFA Director Thompson expressed concerns that the proposed product would exacerbate inflation, disrupt the consumer credit market, and increase risks to taxpayers. The senators also emphasized that the FHFA's conservatorship of Fannie Mae and Freddie Mac should focus solely on restoring their soundness and solvency to fulfill their statutory missions, rather than being exploited for political purposes.

> PUNCHBOWL NEWS.
> **SENATE REPUBLICANS PRESS FHFA ON CREDIT SCORING REFORM**
> October 16, 2023

DEPARTMENT OF COMMERCE BUREAU OF INDUSTRY AND SECURITY

- Upon learning that the Department of Commerce's Bureau of Industry and Security (BIS) intended to create a new division, the "Office of Embargoes and Human Rights," to process lawful firearms purchases, Ranking Member Scott and Senator Bill Hagerty (R-Tenn.) sent Commerce Secretary Gina Raimondo a letter in October 2023 to express concerns regarding the creation of this office and reported delays in BIS's processing of legal export licenses. The Senators noted that this new division would further impede the process for businesses to acquire export license for lawful commercial firearms and ammunition and demanded that Secretary Raimondo provide information related to BIS' delays in processing firearms export licenses.
- After BIS announced in late October 2023 that it would be initiating a 90-day pause on the broad issuance of export licenses for firearms, ammunition, and certain accessories, Ranking Member Scott joined 45 of his Senate colleagues in seeking detailed information from Secretary Raimondo and raising serious concerns about the ramifications and justifications for this unprecedented pause. In their letter, the senators emphasized that BIS' rash, politically motivated decision would harm numerous American businesses and the entire U.S. firearms and ammunitions industry.
- Following its unnecessary and unprecedented 90-pause on firearms exports, BIS in April 2024 issued a destructive Interim Final Rule on firearms and ammunition exports designed to harm the U.S. gun industry. In April 2024, Ranking Member Scott led 22 senators to call on Secretary Raimondo to withdraw the rule given its negative ramifications on U.S. commercial, economic, national security, and foreign policy interests. The senators also called on senior BIS officials to testify before the Banking Committee to explain the agency's decision to advance this harmful rule.
- In July 2024, Ranking Member Scott highlighted the negative impact of the Biden-Harris administration's export control policies, specifically the BIS Interim Final Rule, directly to Thea Kendler, the Assistant Secretary for Export Administration at the Department of Commerce.

FOX NEWS channel

BIDEN ADMIN SKEWERED BY GOP FOR RULE DESIGNED TO 'INTENTIONALLY HARM' GUN INDUSTRY

May 21, 2024

Palmetto State News

SENATORS URGE WITHDRAWAL OF RULE RESTRICTING FIREARM EXPORTS

May 21, 2024

BASEL III ENDGAME AND THE FEDERAL RESERVE

- Perhaps the most disastrous and partisan banking proposal issued under the Biden-Harris administration is the Basel III Endgame proposal, which would raise required capital requirements for banks by double digit percentages and restrict access to borrowing from millions of American families and small businesses. Ranking Member Scott has led the Senate in opposition to the rule through multiple oversight avenues.

- Banking Committee Republicans led by Ranking Member Scott wrote in March 2023 to Federal Reserve Board Chair Jerome Powell expressing concerns over the Federal Reserve's "holistic" review of capital, and reminded the Chair that capital requirements must be risk-based and tailored to an institution's activity, size, and complexity.

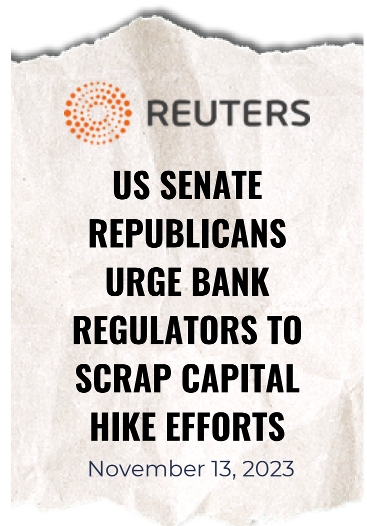
- In November 2023, Ranking Member Scott led 38 of his Senate colleagues in sending a letter to the Federal Reserve, FDIC, and Office of the Comptroller of the Currency (OCC) demanding that these regulatory agencies withdraw their Basel III Endgame proposal, citing the adverse impacts that the proposal would have on everyday Americans and the entire U.S. economy. The senators stressed that the proposal, if finalized, would restrict billions of dollars in capital from those who need it most, resulting in costlier and more limited access to credit for millions of Americans.

- In December 2023, Ranking Member Scott led GOP senators in calling out the potentially disastrous effects of the Basel III Endgame proposal and other regulations flowing out of Washington during a hearing with the CEOs of the nation's largest banks. Ranking Member Scott called on the CEOs of leading financial institutions in the U.S. to highlight what the onslaught of regulations from the administration would do to their customers and the U.S. economy, including limits to farmers' ability to hedge risk and decreased credit and capital availability for entrepreneurs and small businesses.


AMERICAN BANKER

SENATE BANKING REPUBLICANS WARN FED NOT TO GO TOO FAR IN CAPITAL REVIEW

March 3, 2024


REUTERS

US SENATE REPUBLICANS URGE BANK REGULATORS TO SCRAP CAPITAL HIKE EFFORTS

November 13, 2023

> *VICE CHAIR BARR LAST MONTH SAID THAT THE NEW BASEL ENDGAME WILL ONLY IMPACT ABOUT 40 OF THE BANKS IN OUR COUNTRY. SAID DIFFERENTLY: TWO-THIRDS OF ALL THE LOANS PROCESSED WILL BE NEGATIVELY IMPACTED BY THE ENDGAME PROPOSAL. THAT'S $60 BILLION IN SMALL BUSINESS LOANS IN 2021... IF REGULATIONS CONTINUE TO INCREASE THE COSTS OF PROVIDING A LOAN, I FEAR THAT BANKS WILL DECREASE LENDING, NOT ONLY IN MY HOME STATE, BUT ACROSS THE COUNTRY. DECREASED LENDING MEANS INCREASED FINANCIAL HARDSHIP, AND INCREASED FINANCIAL HARDSHIP MEANS A REDUCTION IN OPPORTUNITY. THAT'S MY ULTIMATE CONCERN, REDUCING OPPORTUNITY FOR EVERYDAY AMERICANS.*

Ranking Member Tim Scott
Full Committee Hearing With Bank Leaders
December 6, 2023

- In January 2024, Ranking Member Scott led Banking Committee Republicans in sending another letter to the Federal Reserve, FDIC, and OCC regarding their unwarranted Basel III Endgame proposal. The senators chastised the regulators for the inadequate economic analysis they provided in connection with the proposal and again demanded that the proposal be abandoned before taking effect and harming the American people.

- At a March 2024 Banking Committee hearing with Chair Powell, Ranking Member Scott drew attention to the harsh economic reality that Americans across the country face and urged the Chair to commit to transparency and accountability while deciding key economic policy. The Ranking Member also called on the Federal Reserve to remain focused on economic priorities instead of political priorities and again blasted the Fed's Basel III Endgame proposal, which would restrict lending and access to credit for those who need it most.

- In July 2024, Ranking Member Scott utilized his position on the Banking Committee to highlight the failures of Bidenomics during a Committee hearing and pressed Chair Powell to bring greater transparency to the Federal Reserve's rulemaking process.

- In response to questioning from the Ranking Member, Chair Powell indicated his belief that the Federal Reserve would need to put a revised Basel III Endgame proposal out for public comment before finalizing any such proposal.

CNBC

SEN. TIM SCOTT: HAVING MORE REGULATIONS WILL NOT MAKE OUR ECONOMY HEALTHIER OR OUR BANKS SAFER

December 6, 2023

DEPARTMENT OF THE TREASURY

Blocking Funding of Terrorism

- After the Biden-Harris administration agreed in August 2023 to unfreeze $6 billion to Iran, the world's foremost state sponsor of terrorism, Ranking Member Scott led 25 of his Senate colleagues in a letter to Treasury Secretary Yellen and Secretary of State Antony Blinken seeking detailed answers to questions about the administration's decision. The senators emphasized their deep concerns with the deal, noting it would free up billions of dollars in funds for Iran to finance additional terrorism, "*encourage additional hostage taking for financial or political gain*," and "*enable the Iranian regime to increase its destabilizing activities across the Middle East,*" to the detriment of U.S. national security interests.

- Just months later, on October 7, 2023, Hamas, a known Iranian proxy, carried out a vicious attack on Israel, killing over 1,100 people, raping women, and taking many others hostage. In response, on October 10, 2023, Ranking Member Scott led Senate efforts to demand swift and full accountability from the Biden-Harris administration and initiated a Senate inquiry into why the administration chose to unfreeze "*$6 billion to Iran and how it could expect Iran to not use that money to continue to fuel terrorism*." The Ranking Member also publicly demanded that Treasury Secretary Yellen appear before the Banking Committee to explain the administration's decision and what steps it would take to signal strength, rather than leniency, to Iran.

- The following month, the Biden-Harris administration made the decision to grant a sanctions waiver that would result in Iran receiving approximately $10 billion in electricity payments from Iraq. In response, the Ranking Member and 24 of his Senate colleagues sent a letter to Treasury Secretary Yellen, Secretary of State Blinken, and Defense Secretary Lloyd Austin calling out the Biden-Harris administration's lack of a cohesive Iran strategy, noting that a disjointed strategy toward Iran signals that, despite attacks on U.S. servicemembers and our allies, it is business as usual on the economic front.

- In February 2024, Secretary Yellen finally appeared to testify before the Banking Committee for the first time since May 2022. During this hearing, the Ranking Member held the Biden-Harris administration to account for its shameful policy decisions with respect to Iran, resulting in hundreds of additional billions of dollars to flow into the regime from oil revenue. Given the fungibility of money, all of these reckless decisions by the Biden-Harris predictably have helped Iran to fuel and fund its terrorist proxies, to the detriment of the interests and national security of the U.S. and its allies.

POLITICO

TIM SCOTT MAKES MOVE TO FREEZE IRANIAN ASSETS

October 11, 2023

FOX BUSINESS

TIM SCOTT CALLS ON YELLEN TO TESTIFY ON $6B IN FUNDS RELEASED TO IRAN AFTER HAMAS ATTACKS ISRAEL

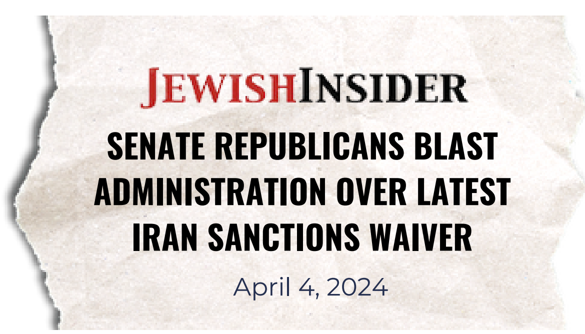
October 10, 2023

> *I am ashamed to know that this administration and your department continued to release billions of dollars to Iran – helping them fuel and fund their terror proxies. the American people and our Israeli allies deserve an accounting for this administration's reckless release of $6 billion dollars in August, then after October 7th, another $10 billion in November. Not to mention the relaxing of the sanctions that allowed hundreds of billions of dollars to flow because of the oil revenue. That's devastating.*
>
> Ranking Member Tim Scott
> Full Committee Hearing With Secretary Yellen
> February 8, 2024

- In March 2024, the Biden-Harris administration made the decision to issue yet another Iran sanctions waiver, potentially freeing up additional funds for the terrorist regime in Tehran. Following this decision, Ranking Member Scott and 12 of his Senate colleagues sent a letter to Secretaries Yellen and Blinken to again express their concerns with the administration's persistent strategy of appeasement in response to Iranian aggression. The letter also demanded written answers to a series of questions about the administration's Iran strategy and its decision to issue Iran yet another sanctions waiver.

- At an April 2024 Banking Committee hearing, Ranking Member Scott continued to call on the Biden-Harris administration to take decisive actions against Iran to bolster U.S. national security, noting that "*every dollar this administration gives to Iran is another dollar that will be used against our sons and daughters and puts them in harm's way in the military*."
    - Following that hearing, Ranking Member Scott sent a letter to Secretary Yellen demanding that the Biden-Harris administration provide an accounting of all "international high-value Iranian assets around the world that are currently blocked by U.S. sanctions" and to describe any additional steps that the Treasury Department can take to actively account for current funds that have already been released to the terrorist regime.

> *NOT A SINGLE DOLLAR, EURO, OR DINAR, SANCTIONED BY THE UNITED STATES SHOULD EVER BE RELEASED TO IRAN WHEN THIS ADMINISTRATION ACTIVELY RECOGNIZES THAT ANY MONEY TO IRAN SUPPORTS TERRORISM.*
>
> Ranking Member Tim Scott
> Scott Letter to Secretary Yellen
> April 11, 2024



- Ranking Member Scott sent Secretary Yellen yet another letter in June 2024 after the Treasury Department failed to meet a statutory deadline to provide a report to Congress on high-value Iranian assets around the world that are currently blocked by U.S. sanctions, as well as all Iran-related waivers and sanctions relaxation policies. The Ranking Member advised the Secretary that the Treasury Department was in violation of the law and insisted that the Department promptly provide the mandated records.

- In October 2024, Ranking Member Scott and Senator Rounds sent a letter to the Federal Reserve Bank of New York (New York Fed) and the Federal Reserve Board of Governors demanding answers following reports that the New York Fed failed to apply basic anti-money laundering controls on accounts with the Central Bank of Iraq, allowing potentially billions of dollars to flow to Iran and its terrorist proxies.

- The letter noted the serious impact that that the New York Fed's failures may have had on U.S. national security interests and requested explanations for how these failures occurred and what steps the New York Fed is taking to ensure they would not happen again.

POLITICOPRO Morning Money

SENATE BANKING RANKING MEMBER TIM SCOTT (R-S.C.) AND SEN. MIKE ROUNDS (R-S.D.) ARE PROBING THE FEDERAL RESERVE BANK OF NEW YORK

October 3, 2024

LAW360

GOP Senators Slam NY Fed Over Iraq Money-Laundering Report

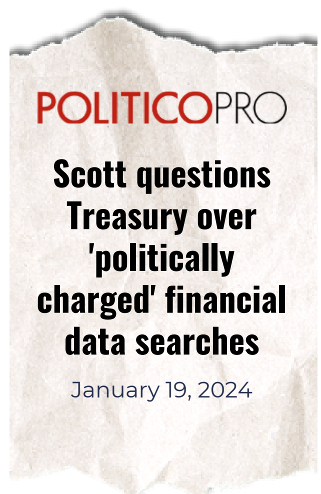
October 3, 2024

Preventing Political Targeting

- Following the release of reports indicating that the Treasury Department's Financial Crimes Enforcement Network (FinCEN) instructed financial institutions to infringe on Americans' privacy and surveil their customers' transactions using politically charged search terms, Ranking Member Scott sent a letter to both Secretary Yellen and FinCEN Director Andrea Gacki in January 2024 to demand answers for this egregious political targeting. The letter called out these Treasury officials for weaponizing government, emphasizing that such efforts to target individuals and entities based on their political views is a "*blatant and egregious violation of our Constitution*." The Ranking Member also requested that the Treasury Department provide records and written answers to questions related to the reported political targeting efforts.

Radical Nominations

- The Ranking Member led Banking Committee Republican efforts to vet and ultimately oppose the nomination of Ron Borzekowski, President Biden's nominee to lead Treasury's Office of Financial Research (OFR). After evaluating Mr. Borzekowski's record and public statements, the Ranking Member drew attention to Mr. Borzekowski's troubling responses to the Committee on the topic of climate change as well as his controversial background as one of the founding members of the CFPB. To date, nearly two years since he was first nominated, Mr. Borzekowski still has not been confirmed as OFR Director.



Countering China

- Ranking Member Scott rebuked the Biden-Harris administration at a May 2023 Banking Committee hearing focused on countering China for weakening U.S. competitiveness during their tenure in office. The Ranking Member held the administration to account for its reckless spending policies and for pushing far-Left priorities like climate change over issues important to Americans, like the fentanyl crisis that routinely involves Chinese precursor chemicals.

> *The United States possesses tools to curb China's economic aggression, including sanctions, export controls, and investment screening, but we must use these tools strategically and effectively. Policymakers must think beyond the Washington bubble and ensure that when the government uses its economic security tools, it evaluates the economic impact on communities and small businesses across our country. From securing our farmland to protecting our U.S. technological innovators—this is the lifeblood of our economy and our communities.*
>
> Ranking Member Tim Scott
> Full Committee Hearing on Countering China
> May 31, 2023

- In October 2023, Ranking Member Scott led all Banking Committee Republicans in sending a letter calling on Treasury Secretary Yellen and U.S. Trade Representative Katherine Tai to take decisive action to address and counter the Chinese Communist Party's (CCP) growing influence in both the international payments market and the American financial system. The senators stressed that the measures the CCP have been taking in this arena violate international trade practices, undermine U.S. foreign policy, and threaten Americans' sensitive financial and consumer data privacy.

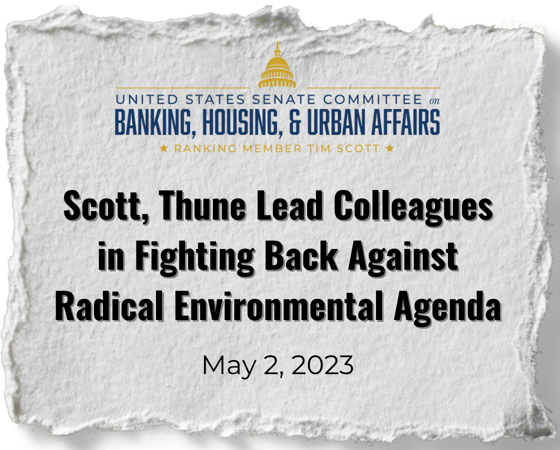
- At a January 2024 Senate Banking Committee hearing, Ranking Member Scott called for a sharp and tailored use of our economic security tools to maximize their effectiveness against the CCP. The Ranking Member raised serious concerns regarding the Biden-Harris administration's decisions that have put politics over policy, including pursuing the limits of climate and green energy financing, which benefit the CCP at the expense of hardworking Americans.

Misguided Climate Agenda

- In May 2023, Ranking Member Scott, Senator John Thune (R-S.D.), and 36 other senators sent a letter to Treasury Secretary Yellen raising concerns with the Federal Insurance Office's (FIO) efforts to coerce the state-regulated insurance industry into following the Biden-Harris administration's unrealistic and misguided ESG agenda. The senators noted that the FIO's efforts could result in state insurance regulators and insurers being forced to adopt costly, one-size-fits-all climate-mitigation strategies that would be detrimental to the insurance industry and the people it serves.

- In September 2024, Ranking Member Scott continued his efforts to push back on the European Union's (E.U.) attempt to force a progressive climate agenda on U.S. businesses.

- The Ranking Member joined fellow Senate Banking Committee member, Senator Bill Hagerty, Representative Andy Barr, and their colleagues in urging Treasury Secretary Janet Yellen and senior Biden-Harris administration officials to stand up for U.S. interests and engage with their European counterparts to delay the implementation of its Corporate Sustainability Due Diligence Directive (CSDDD), which enshrines progressive social and climate policies into binding international law.



CONSUMER FINANCIAL PROTECTION BUREAU

- After receiving reports of a significant breach of sensitive data at the CFPB, including confidential supervisory information and personally identifiable information from numerous financial institutions, Ranking Member Scott sent the CFPB a letter in March 2023 seeking answers on how it allowed this breach of sensitive data to occur. The Ranking Member expressed concern about the CFPB's mishandling of data, especially as the agency plans to collect more sensitive information from consumers, small businesses, and lenders.

> *This data breach is an egregious lack of oversight by the CFPB. It is no secret that Director Chopra wants to collect more and more data in order to push out progressive regulations. Why should the CFPB be trusted to collect more data, burdening financial institutions and potentially limiting services for consumers, when they themselves have demonstrated an irresponsible handling of consumer's financial information. This is particularly concerning in the face of the failures of SVB and Signature Bank. Our regulators and agencies need to take responsibility for their failures and must be held accountable.*
>
> Ranking Member Tim Scott
> Scott Statement on CFPB Data Breach
> April 19, 2023

- In April 2023, Ranking Member Scott led Banking Committee Republicans in sending a letter to CFPB Director Rohit Chopra calling on the CFPB to rescind its misguided proposed rule on credit card late fees. The Ranking Member emphasized that the CFPB's efforts to attack commonsense incentives that promote financial responsibility like overdraft fees and credit card late fees will unnecessarily harm low- and middle-income consumers by limiting their access to credit, bank accounts, and financial products.

- In June 2023, Ranking Member Scott called out Director Chopra at a Senate Banking Committee hearing for pursuing a destructive progressive agenda that was harming U.S. businesses, eroding American's access to credit, discouraging financial responsibility, limiting consumer options in the marketplace, and raising costs for many Americans.

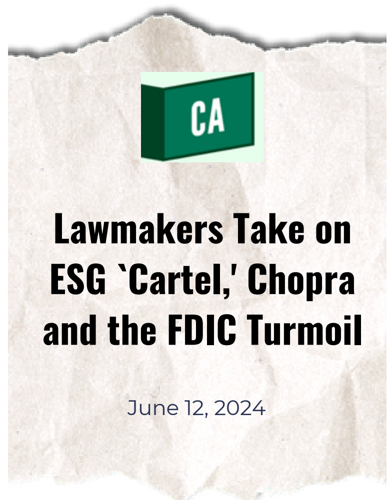

WSJ
CFPB Says Staffer Sent 250,000 Consumers' Data to Personal Account
April 19, 2023

- At a November 2023 Banking Committee hearing, Ranking Member Scott continued to hold the CFPB to account by rebuking Director Chopra for his agency's established pattern of issuing politicized rules and abusing its enforcement powers, to the detriment of American businesses and consumers. The Ranking Member noted that the CFPB under Director Chopra has become "*the hallmark of government overreach—to the point where I am concerned the Bureau is doing more harm to consumers than good*."

> *UNDER YOUR LEADERSHIP, THE CFPB HAS OPERATED IN BLIND PURSUIT OF ADDITIONAL POWER AND HAS BECOME THE HALLMARK OF GOVERNMENT OVERREACH – TO THE POINT WHERE I AM CONCERNED THE BUREAU IS DOING MORE HARM TO CONSUMERS THAN GOOD.*
>
> Ranking Member Tim Scott
> Full Committee Hearing With Director Chopra
> November 30, 2023

- Once again in June 2024, Ranking Member Scott called out the politicization of the CFPB which has brought more harm than good to consumers under the Biden-Harris administration, drawing attention to the agency's focus on headlines over the consumers it's supposed to protect. Ranking Member Scott held CFPB Director Rohit Chopra accountable for his blind pursuit of additional authority, abuse of enforcement powers, and rulemakings driven by politics instead of sound policy.

- Given the rogue regulator's continued use of blog posts to impose mandates on service providers where the CFPB has no statutory authority, the Ranking Member also sounded the alarms on the CFPB's use of enforcement actions outside the public eye and "civil investigative demands" that no court of law would consider to have appropriate due process.



- In June 2024, Ranking Member Scott joined Senator Bill Hagerty and his Banking Committee colleagues in introducing the *Consumer Financial Protection Bureau (CFPB) Accountability Act*, legislation that would make the agency accountable to the American people by requiring that its funding be annually appropriated by Congress.

- Following the November 2024 election, Ranking Member Scott called on Biden administration's financial and housing regulators to cease all rulemaking activity and for President Biden to withdraw nominations before the committee. Ranking Member Scott also reminded the regulators to comply with federal retention laws and preserve documents, records, and communications.

- At a December 2024 hearing, Ranking Member Scott called out CFPB Director Chopra for ignoring his demands to pause rulemaking and pressing forward with an aggressive agenda – and requested the Director to resign from his position by January 20, 2025.

FEDERAL TRANSIT ADMINISTRATION

- At a March 2023 Banking Committee hearing, Ranking Member Scott emphasized that local communities—not the federal government—should be empowered to make decisions on local transportation. Ranking Member Scott noted that the federal government should not force its progressive climate agenda on municipalities, and instead, should enable communities to address pressing challenges like rising violent crime. The witness panel included South Carolinian James Keel, who is the Director of Public Transportation for Greenlink in Greenville, South Carolina.

TRANSPORTATION IS A LOCAL ISSUE – FUNDAMENTALLY A LOCAL ISSUE – AND LOCAL ISSUES NEED LOCAL SOLUTIONS.

Ranking Member Tim Scott
Full Committee Hearing on Public Transportation
March 16, 2023

- In July 2024, Ranking Member Scott stressed the importance of pursuing local solutions to local problems that will promote targeted developments to improve transportation and infrastructure in both urban and rural communities.

- Reiterating that progressive policies have led to record-high inflation and increased costs across the board, Ranking Member Scott pushed back on the Biden-Harris administration and Democrats' efforts—from their climate agenda to burdensome regulations—that have made it more difficult for local communities to make improvements to their transportation infrastructure.

UNITED STATES SENATE COMMITTEE *on*

BANKING, HOUSING, & URBAN AFFAIRS

★ RANKING MEMBER TIM SCOTT ★