

MEMORANDUM

To: Members of the Committee on Financial Services

From: Financial Services Republican Staff

Date: May 8, 2023

Re: May 16, 2023 Full Committee Hearing: “Oversight of Prudential Regulators.”

On Tuesday, May 16, 2023, at 10:00 a.m. in Room 2128 of the Rayburn House Office Building, the Committee on Financial Services will hold a hearing titled “Oversight of Prudential Regulators.” Testifying at the hearing will be:

- **The Honorable Michael Barr**, Vice Chairman for Supervision, Board of Governors of the Federal Reserve System
- **The Honorable Martin Gruenberg**, Chairman, Federal Deposit Insurance Corporation
- **The Honorable Todd Harper**, Chairman, National Credit Union Administration
- **The Honorable Michael Hsu**, Acting Comptroller, Office of the Comptroller of the Currency

Background: Section 1108 of the *Dodd-Frank Wall Street Reform and Consumer Protection (Dodd-Frank) Act* created the position of Vice Chairman for Supervision for the Federal Reserve Board (Federal Reserve) and requires the Vice Chairman to testify before the Committee at semi-annual hearings.¹ The Federal Reserve Supervision and Regulation Report summarizes banking conditions and the Federal Reserve’s supervisory and regulatory activities, and is issued in conjunction with the Vice Chairman’s semiannual testimony before Congress.² The Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of the Currency (OCC), and the National Credit Union Administration (NCUA) do not have similar statutory testimony requirements but have been invited as well. This hearing will examine supervisory and regulatory developments, rulemakings, and activities the agencies have undertaken in the period since the last hearing on November 16, 2022.³

This hearing follows the March 29, 2023, testimony of both Federal Reserve Board Vice Chairman Barr and FDIC Chairman Gruenberg regarding the failures of both Silicon Valley Bank (SVB) and Signature Bank. Subsequent to that testimony, the Federal Reserve Board released a report on supervision and regulation of SVB, led by Vice Chairman Barr, and the FDIC released a report on FDIC’s supervision of Signature Bank. The FDIC also released a

¹ See 12 USC 242 and 12 USC 247b.

² Federal Reserve, “Supervision and Regulation Report – May 2022,” <https://www.federalreserve.gov/publications/supervision-and-regulation-report.htm>.

³ House Financial Services Committee, “Hearing Entitled: Oversight of Prudential Regulators: Ensuring the Safety, Soundness, Diversity, and Accountability of Depository Institutions,” (Nov. 16, 2022), <https://financialservices.house.gov/calendar/eventsingle.aspx?EventID=408469>.

report on policy options for reforming deposit insurance. Links to the respective reports are below.

“Review of the Federal Reserve’s Supervision and Regulation of Silicon Valley Bank,” Board of Governors of the Federal Reserve System, April 28, 2023, with cover letter by Vice Chair Barr, available at <https://www.federalreserve.gov/publications/files/svb-review-20230428.pdf> .

“FDIC’s Supervision of Signature Bank,” Federal Deposit Insurance Corporation, April 28, 2023, available at <https://www.federalreserve.gov/publications/files/svb-review-20230428.pdf> .

“Options for Deposit Insurance Reform,” Federal Deposit Insurance Corporation, May 1, 2023, available at <https://www.fdic.gov/analysis/options-deposit-insurance-reforms/report/options-deposit-insurance-reform-full.pdf> .