119TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
119–244

FDIC BOARD ACCOUNTABILITY ACT

SEPTEMBER 8, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HILL of Arkansas, from the Committee on Financial Services, submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany H.R. 3446]

The Committee on Financial Services, to whom was referred the bill (H.R. 3446) to amend the Federal Deposit Insurance Act to revise the membership requirements for the Board of Directors of the Federal Deposit Insurance Corporation, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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59–006

Purpose and Summary

H.R. 3446, the *FDIC Board Accountability Act,* was introduced on May 15, 2025, by Republican Representative Bill Huizenga (MI–04). H.R. 3446 amends the *Federal Deposit Insurance Act* to strengthen the professional qualifications and governance of the Federal Deposit Insurance Corporation (FDIC) Board of Directors. Specifically, it requires that at least one of the presidentially appointed board members have state bank supervisory experience, and separately, that one have demonstrated primary experience working in or supervising depository institutions with less than $10 billion in assets. The bill preserves the position of the Comptroller of the Currency as a voting Board member and converts the Director of the Consumer Financial Protection Bureau (CFPB) from a voting Board member into a non-voting observer. Additionally, it limits board service to no more than two terms and a maximum of 12 years total, ensuring regular infusion of fresh perspectives and reducing potential for entrenched partisanship.

Background and Need for Legislation

The FDIC plays a critical role in ensuring the safety and soundness of the U.S. banking system. However, recent events revealed vulnerabilities in FDIC Board governance and politicization of agency functions. Most notably, in 2020, the CFPB Director and other Democratic members of the FDIC Board bypassed the Chair to pursue a partisan regulatory agenda, raising concerns about internal board conflict and diminished institutional independence.[1] These actions risked destabilizing the agency's neutral supervisory role and injected uncertainty into financial markets at a time when stability was paramount.

H.R. 3446 enhances accountability by requiring specific expertise among Board members and setting term limits to prevent entrenchment. By ensuring the Board includes members with relevant experience at smaller banks and state supervisory agencies, the bill promotes balanced, informed decision-making that reflects the diversity of the banking sector. The bill also restores balance by removing the CFPB Director's voting authority, enabling the CFPB to focus exclusively on consumer protection without overstepping into prudential regulation. This governance structure promotes a more stable and independent FDIC, better equipped to respond effectively to systemic risks and supervisory challenges in a nonpartisan, professional manner.

Committee Consideration

119th Congress

On May 15, 2025, Representative Huizenga introduced H.R. 3446, the *FDIC Board Accountability Act*, with Representatives Andy Barr (R–KY), Daniel Meuser (R–PA), and John Rose (R–TN) as original cosponsors. The bill was referred solely to the Committee on Financial Services.

[1] Emily Flitter, *How Bank Regulators are Trying to Oust a Trump Holdover*, N.Y. Times (Dec. 13, 2021), https://www.nytimes.com/2021/12/10/business/jelena-mcwilliams-fdic-bank-regulation-trump.html.

This bill was attached to the April 29, 2025 hearing titled "Regulatory Overreach: The Price Tag on American Prosperity" and the July 15, 2025 hearing titled, "Dodd-Frank Turns 15: Lessons Learned and the Road Ahead."

On June 10, 2025, the Committee on Financial Services met in open session to consider, among others, H.R. 3446. The Committee ordered H.R. 3446 to be favorably reported to the House of Representatives.

118TH CONGRESS

On March 7, 2023, Representative Blaine Luetkemeyer (R–MO) introduced H.R. 1409, the *FDIC Board Accountability Act*, with Representative Mark Alford (R–MO) as original cosponsor. This bill is an earlier iteration of H.R. 3446. The bill was referred solely to the Committee on Financial Services. There was no further action on the bill in the 118th Congress.

RELATED HEARINGS

Pursuant to clause 3(c)(6) of rule XIII of the Rules of the House of Representatives, the following hearings were used to develop H.R. 3446:

The Subcommittee on Financial Institutions of the Committee on Financial Services held an April 29, 2025, hearing titled "Regulatory Overreach: The Price Tag on American Prosperity." A discussion draft version of the bill was attached to the hearing. The following witnesses testified: Ms. Sarah Christine Flowers, Senior Vice President, Senior Associate General Counsel, Bank Policy Institute; Mr. Michael Radcliffe, Chairman & Chief Executive Officer, Community Financial Services Bank; Mrs. Margaret E. Tahyar, Partner, Head of Financial Institutions Group, Davis Polk & Wardwell LLP; and The Honorable Graham Steele, Academic Fellow, Rock Center for Corporate Governance, Stanford Law School.

The Committee on Financial Services held a July 15, 2025, hearing titled "Dodd-Frank Turns 15: Lessons Learned and the Road Ahead." H.R. 3666 was attached to the hearing. The following witnesses testified: The Honorable Ken Bentsen, President and Chief Executive Officer, Securities Industry and Financial Markets Association; Mrs. Lindsey Johnson, President and Chief Executive Officer, Consumer Bankers Association; Mr. Tom Quaadman, Chief of Government Affairs and Public Policy, Investment Company Institute; Dr. Paul Kupiec, Senior Fellow, American Enterprise Institute; and Mr. Dennis Kelleher, Co-Founder, President, and Chief Executive Officer, Better Markets.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include record votes on the motion to report legislation and amendments thereto.

On July 23, 2025, the Committee ordered H.R. 3446 to be reported favorably to the House by a recorded vote of 26 yeas and 23 nays. (Record Vote No. FC–189).

Committee on Financial Services

Markup 7
July 23, 2025

Bill: **H.R. 3446**
Measure: **H.R. 3446, as introduced**
Amdt/Designated:

Motion:

Record Vote No.
FC-189

Disposition: **AGREED TO (26-23)**

Member	Yea	Nay	Not Voting	Member	Yea	Nay	Not Voting
Chairman Hill	X			Ranking Member Waters		X	
Mr. Lucas	X			Ms. Velázquez		X	
Mr. Sessions	X			Mr. Sherman		X	
Mr. Huizenga	X			Mr. Meeks		X	
Mrs. Wagner	X			Mr. Scott		X	
Mr. Barr	X			Mr. Lynch		X	
Mr. Williams (TX)	X			Mr. Green (TX)		X	
Mr. Emmer			X	Mr. Cleaver		X	
Mr. Loudermilk	X			Mr. Himes			X
Mr. Davidson	X			Mr. Foster		X	
Mr. Rose	X			Mrs. Beatty		X	
Mr. Steil	X			Mr. Vargas		X	
Mr. Timmons			X	Mr. Gottheimer		X	
Mr. Stutzman	X			Mr. Gonzalez		X	
Mr. Norman			X	Mr. Casten		X	
Mr. Meuser	X			Ms. Pressley		X	
Mrs. Kim	X			Ms. Tlaib		X	
Mr. Donalds	X			Mr. Torres (NY)		X	
Mr. Garbarino	X			Ms. Garcia (TX)		X	
Mr. Fitzgerald	X			Ms. Williams of GA		X	
Mr. Flood	X			Ms. Pettersen		X	
Mr. Lawler	X			Mr. Fields		X	
Ms. De La Cruz	X			Ms. Bynum		X	
Mr. Ogles	X			Mr. Liccardo		X	
Mr. Nunn	X						
Mrs. McClain	X						
Ms. Salazar	X						
Mr. Downing	X						
Mr. Haridopolos	X						
Mr. Moore (NC)			X				
	26	**0**	**4**		**0**	**23**	**1**

Committee Totals:	**26**	**23**	**5**
	Yeas	Nays	Not Voting

Committee Oversight Findings

Pursuant to clause 3(c) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives are incorporated in the descriptive portions of this report.

Performance Goals and Objectives

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 3446 is to strengthen the professional qualifications and governance of the FDIC Board of Directors by requiring that at least one of the presidentially appointed board members have state bank supervisory experience, and separately, that one have demonstrated primary experience working in or supervising depository institutions with less than $10 billion in assets. to strengthen the professional qualifications and governance of the FDIC Board of Directors by requiring that at least one of the presidentially appointed board members have state bank supervisory experience, and separately, that one have demonstrated primary experience working in or supervising depository institutions with less than $10 billion in assets.

Committee Cost Estimate

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 3446. The Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office. However, pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee will adopt as its own the cost estimate by the Director of the Congressional Budget Office once it has been prepared.

New Budget Authority and CBO Cost Estimate

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974* and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974,* the Committee will adopt as its own the cost estimate for the bill prepared by the Director of the Congressional Budget Office. However, a cost estimate was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

Unfunded Mandates Statement

The Committee has requested but not received from the Director of the Congressional Budget Office an estimate of the Federal mandates pursuant to section 423 of the *Unfunded Mandates Reform Act*. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

Earmark Statement

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI.

Federal Advisory Committee Act Statement

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this legislation.

Applicability to the Legislative Branch

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act.*

Duplication of Federal Programs

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

Section-by-Section Analysis of the Legislation

Section 1. Short title

Section 1 provides the short title is the "FDIC Board Accountability Act."

Section 2. FDIC Board of Directors

This section amends Section 2 of the Federal Deposit Insurance Act to require 4 members of the FDIC Board be appointed by the President and confirmed by the Senate, one of whom shall have State bank supervisory experience, and separately one of whom shall demonstrate primary experience working in or supervising depository institutions with less than $10 billion in total assets.

This section designates the Director of the Bureau of Consumer Financial Protection as a non-voting observer to the FDIC Board.

This Section places a maximum length of service limit of 12 years for a member to serve on the FDIC Board.

Changes in Existing Law Made by the Bill, as Reported

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

FEDERAL DEPOSIT INSURANCE ACT

* * * * * * *

SEC. 2. MANAGEMENT.

(a) BOARD OF DIRECTORS.—

(1) IN GENERAL.—The management of the Corporation shall be vested in a Board of Directors consisting of 5 members—

(A) 1 of whom shall be the Comptroller of the Currency; *and*

⟦(B) 1 of whom shall be the Director of the Consumer Financial Protection Bureau; and

⟦(C) 3 of whom shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States, 1 of whom shall have State bank supervisory experience.⟧

(B) 4 of whom shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States, 1 of whom shall have State bank supervisory experience, and separately 1 of whom shall have demonstrated primary experience working in or supervising depository institutions having less than $10,000,000,000 in total assets.

(2) POLITICAL AFFILIATION.—After February 28, 1993, not more than 3 of the members of the Board of Directors may be members of the same political party.

(3) NON-VOTING STATUS OF THE DIRECTOR OF THE BUREAU OF CONSUMER FINANCIAL PROTECTION.—The Director of the Bureau of Consumer Financial Protection shall serve as a non-voting observer to the Board of Directors of the Corporation.

(b) CHAIRPERSON AND VICE CHAIRPERSON.—

(1) CHAIRPERSON.—1 of the appointed members shall be designated by the President, by and with the advice and consent of the Senate, to serve as Chairperson of the Board of Directors for a term of 5 years.

(2) VICE CHAIRPERSON.—1 of the appointed members shall be designated by the President, by and with the advice and consent of the Senate, to serve as Vice Chairperson of the Board of Directors.

(3) ACTING CHAIRPERSON.—In the event of a vacancy in the position of Chairperson of the Board of Directors or during the absence or disability of the Chairperson, the Vice Chairperson shall act as Chairperson.

(c) TERMS.—

(1) APPOINTED MEMBERS.—Each appointed member shall be appointed for a term of 6 years. *No individual may be appointed as a member for more than two terms.*

(2) INTERIM APPOINTMENTS.—Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term.

(3) CONTINUATION OF SERVICE.—The Chairperson, Vice Chairperson, and each appointed member may continue to serve after the expiration of the term of office to which such member was appointed until a successor has been appointed and qualified.

(4) MAXIMUM LENGTH OF SERVICE.—Notwithstanding any other provision of this Act, no person shall serve as a member for more than twelve years in total.

(d) VACANCY.—

(1) IN GENERAL.—Any vacancy on the Board of Directors shall be filled in the manner in which the original appointment was made.

(2) ACTING OFFICIALS MAY SERVE.—In the event of a vacancy in the office of the Comptroller of the Currency or the office of Director of the **[**Consumer Financial Protection Bureau**]** *Bureau of Consumer Financial Protection* and pending the appointment of a successor, or during the absence or disability of the Comptroller of the Currency or the Director of the **[**Consumer Financial Protection Bureau**]** *Bureau of Consumer Financial Protection*, the acting Comptroller of the Currency or the acting Director of the **[**Consumer Financial Protection Bureau**]** *Bureau of Consumer Financial Protection*, as the case may be, shall be a member *or observer, as the case may be,* of the Board of Directors in the place of the Comptroller or Director.

(e) INELIGIBILITY FOR OTHER OFFICES.—

(1) POSTSERVICE RESTRICTION.—

(A) IN GENERAL.—No member of the Board of Directors may hold any office, position, or employment in any insured depository institution or any depository institution holding company during—

(i) the time such member is in office; and

(ii) the 2-year period beginning on the date such member ceases to serve on the Board of Directors.

(B) EXCEPTION FOR MEMBERS WHO SERVE FULL TERM.—The limitation contained in subparagraph (A)(ii) shall not apply to any member who has ceased to serve on the Board of Directors after serving the full term for which such member was appointed.

(2) RESTRICTION DURING SERVICE.—No member of the Board of Directors may—

(A) be an officer or director of any insured depository institution, depository institution holding company, Federal Reserve bank, or Federal home loan bank; or

(B) hold stock in any insured depository institution or depository institution holding company.

(3) CERTIFICATION.—Upon taking office, each member of the Board of Directors shall certify under oath that such member has complied with this subsection and such certification shall be filed with the secretary of the Board of Directors.

(f) STATUS OF EMPLOYEES.—

(1) IN GENERAL.—A director, member, officer, or employee of the Corporation has no liability under the Securities Act of 1933 with respect to any claim arising out of or resulting from any act or omission by such person within the scope of such person's employment in connection with any transaction involving the disposition of assets (or any interests in any assets or any obligations backed by any assets) by the Corporation. This subsection shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious mis-

conduct, acts or omissions for private gain, or any other acts or omissions outside the scope of such person's employment.

(2) DEFINITION.—For purposes of this subsection, the term "employee of the Corporation" includes any employee of the Office of the Comptroller of the Currency [or of the Consumer Financial Protection Bureau] who serves as a deputy or assistant to a member of the Board of Directors of the Corporation in connection with activities of the Corporation.

(3) EFFECT ON OTHER LAW.—This subsection does not affect—

(A) any other immunities and protections that may be available to such person under applicable law with respect to such transactions, or

(B) any other right or remedy against the Corporation, against the United States under applicable law, or against any person other than a person described in paragraph (1) participating in such transactions.

This subsection shall not be construed to limit or alter in any way the immunities that are available under applicable law for Federal officials and employees not described in this subsection.

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MINORITY VIEWS

H.R. 3446 would remove the Consumer Financial Protection Bureau (CFPB) Director as a voting member of the Federal Deposit Insurance Corporation (FDIC) board, mandate the appointment of a member with experience in small depository institutions, and limit board members' terms to twelve years. One reason Congress put CFPB's Director on the FDIC board in the Dodd-Frank Wall Street Reform and Consumer Protection Act was because the FDIC has a joint prudential and consumer protection mandate, including examining most of its banks that have less than $10 billion in assets for consumer compliance. Furthermore, this bill does nothing to prevent or stop President Trump's recent attacks on the independence of the FDIC and other financial regulators.

The FDIC Is the primary federal regulator of state banks that are not members of the Federal Reserve System and state-chartered thrift institutions. They examine those banks for safety and soundness, and, for most of their banks that have less than $10 billion in assets, they also examine them for consumer protection. (The CFPB examines banks with more than $10 billion in assets, in addition to certain non-depository institutions, for consumer compliance). The FDIC also manages the Deposit Insurance Fund (DIF) and is tasked with resolving banks that fail, as well as large non-bank financial institutions that need to be resolved through the Orderly Liquidation Authority (OLA), which was created by Dodd-Frank to avoid having another disorderly bankruptcy, like Lehman Brothers which fueled the 2008 financial crisis.[1]

The FDIC is led by a five-member Board of Directors, which consists of a Chairman, a Vice Chairman, and a third appointed director. The two other members are the Comptroller of the Currency and the CFPB Director. No more than three Directors may be of the same political party (which typically means the Vice Chairman and third-appointed Director are from the opposite party of the President). Chairs and Vice Chairs have five-year terms, and Directors have six-year terms. There is no limit on how many terms these officials may serve. Dodd-Frank placed the CFPB Director on the FDIC Board given some of the shared responsibilities, for example, how FDIC examines small banks with less than $10 billion for compliance with Federal consumer laws for which the CFPB writes the implementing rules. CFPB is also required to consult with the FDIC and other bank regulators when issuing its rules.

H.R. 3446 is a partisan bill first introduced several years ago by House Republicans as a political attack against then-CFPB Director Rohit Chopra and then-FDIC Director Marty Gruenberg, when they served on the FDIC Board along with former FDIC Chair-

[1] CRS, *Who Regulates Whom? An Overview of the U.S. Financial Regulatory Framework* (Oct. 13, 2023).

woman Jelena McWilliams. House Republicans claimed Chopra and Gruenberg exceeded their authority by seeking to advance a proposal to request public comment on how the FDIC could strengthen their bank merger review policies over Chairwoman McWilliams' objections.[2] The Department of Justice, however, wrote a legal opinion making clear that Chopra and Gruenberg acted appropriately, and that an FDIC Chair lacks authority to block a proposal supported by the majority of the FDIC Board.[3] Chair McWilliams resigned shortly thereafter, and House Republicans introduced this bill to "ensure the FDIC remains an independent agency removed from the political whims of partisan ideologues like we saw on December 9th."[4]

Notably, President Trump has arguably taken significant actions to undermine the independence of Federal agencies that this bill does not address. For example, Trump has tried to fire a number of Democratic commissioners from various independent agencies, like the NCUA and FTC. Trump also took the unprecedented step to seize significant control over independent regulators like the Fed by requiring White House review and approval of all rules as well as agency budgets.[5] Despite their earlier concerns about political independence at the FDIC, Republicans have done nothing to rein in these actions nor does this bill otherwise strengthen the actual independence of agencies like the FDIC. In fact, this bill would remove the only voting person on the FDIC Board that is effectively a consumer financial protection expert, with their primary job being a CFPB Director.[6] This bill is opposed by the Americans for Financial Reform and Public Citizen.

For all of these reasons, we oppose H.R. 3446.

Sincerely,

MAXINE WATERS,
Ranking Member.
NYDIA M. VELÁZQUEZ,
BRAD SHERMAN,
DAVID SCOTT,
STEPHEN F. LYNCH,
AL GREEN,
EMANUEL CLEAVER, II,
BILL FOSTER,
JOYCE BEATTY,
JUAN VARGAS,
SEAN CASTEN,
AYANNA PRESSLEY,

[2] FSC, *Luetkemeyer, McHenry, Emmer Demand Answers on CFPB Attempt to Usurp FDIC Authority* (Mar. 7, 2022).

[3] DOJ. *Authority of a Majority of the FDIC Board to Present Items for Vote and Decision* (Jul. 29, 2022). Also see FSC, *Waters Blasts FDIC Chairman McWilliams 'Attempt to Block Bank Merger Protections for Working Families* (Dec. 16, 2021); and FSC, *Waters Requests FDIC Chairman Provide Legal Basis for Impeding Board Majority's Request for Public Input on Merger Reviews* (Dec. 21, 2021).

[4] FSC, *Luetkemeyer, McHenry, Emmer Demand Answers on CFPB Attempt to Usurp FDIC Authority* (Mar. 7, 2022).

[5] White House, Executive Order 14215, *Ensuring Accountability for All Agencies* (Feb. 18, 2025). Also see White House, *OMB Interim Guidance Implementing Section 3 of EO 14215* (Apr. 17, 2025).

[6] *Testimony* of Graham Steele before FSC hearing, *Regulatory Overreach: The Price Tag on American Prosperity* (Apr. 29, 2025).

RASHIDA TLAIB,
SYLVIA R. GARCIA,
NIKEMA WILLIAMS,
CLEO FIELDS,
Members of Congress.

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