

Statement by Vice Chairman Travis Hill on the Proposal to Suspend Certain FDIC Facilities Expansion Projects

June 20, 2024

The FDIC is currently planning to undertake, in the near term, a range of projects to expand the agency's office footprint, including leasing additional space, obtaining additional parking spaces, and various construction, furnishing, and renovation projects in Regional Offices. These projects collectively are expected to cost the agency in excess of \$60 million in the near term.

The Chairman recently announced his intention to resign, and the White House has nominated a successor. Decisions regarding the FDIC's future office needs should be put on pause until permanent leadership is in place at the agency. The next Chairperson may have different views both on return to office (RTO) and, regardless of RTO, on what type of office footprint the FDIC should have. Furthermore, the agency's current RTO plan has already been delayed once, and is subject to change based on proceedings before the Federal Service Impasses Panel.

My proposal would suspend authorities to spend, or commit to spend, funds for these purposes until a new Chairperson is sworn in or until the Board acts otherwise. The proposal would not affect renovations and upgrades that are otherwise necessary, and would still allow spending not expected to occur, or be committed to, in the near term.

The counterproposal from the Chairman and staff would only address a subset of the projects in question, and would only suspend those projects until staff presents updated plans to the Board in July. Fundamentally, these projects should not proceed until permanent leadership is in place at the agency and we know what the long-term vision is for the FDIC's future office needs.