
FDIC Chair Nominee, Christy Goldsmith Romero, Is Uniquely Highly Qualified

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The Federal Deposit Insurance Company (FDIC) is an independent banking agency established by Congress during the Great Depression of the 1930s to help end that banking crisis and to prevent future banking crises. It has a critical role in our financial system: it insures more than \$10 trillion in deposits and the “FDIC Insured” sign is the gold standard, providing Main Street Americans with the trust and confidence to put their hard-earned money into the banking system. The FDIC also holds banks accountable for safety and soundness through supervision and regulation to protect America’s financial consumers and to prevent another financial crisis that devastates our economy. Given these responsibilities and recent reports of misconduct and toxic culture issues at the agency, the next chair of the FDIC must have the experience, toughness, and leadership skills to enact deep and lasting change.

Christy Goldsmith Romero is uniquely qualified to do that. She has banking experience, securities and capital markets experience, derivatives experience, and law enforcement experience. Given that many of the banks the FDIC insures, supervises, and examines have activities and balance sheet positions involving securities, the capital markets, and derivatives, this is a rare and powerful combination of experiences for a nominee. Additionally, Goldsmith Romero’s no nonsense, nonpartisan, inclusive, rigorous, and data-driven leadership style that holds people accountable is also exactly what the FDIC needs now.

Banking Experience

First, she has extensive experience with banks, the banking industry, the banking system, and bank regulation, supervision, and examination. As the Special Inspector General (IG) for the Troubled Asset Relief Program (TARP) from 2011 to 2022 (SIGTARP), she was the taxpayers’ watchdog over the banks that received TARP bailouts, examined and investigated numerous banks and bankers, and she prosecuted banks, bankers, and bank customers without fear or favor, putting more than 200 of them in prison.

As SIGTARP, she led a nationwide, independent law enforcement and audit watchdog office that conducted oversight over all the banks that received hundreds of billions of dollars in taxpayer TARP money, originally more than 700 banks. Her job was to ensure those banks used the taxpayer money properly, repaid it as required, and were following the rules on home foreclosures and the other




consumer relief that were key provisions of the TARP bailout. That required SIGTARP to have access to banks' books and records as well as bank examiner information, which is why her office was part of the bank supervisory privilege giving them access to all the key information. Her office also had to do forensic exams to determine how banks failed, including for example the role commercial real estate played in the failures, and whether those responsible should be prosecuted. Needless to say, this required frequent dealings with bank staff, officers, and directors as well as bank examiners from the banking agencies.

In discharging these many duties, Goldsmith Romero had a hard-earned and well-deserved reputation for being fearless but fair in finding fraud in complex financial institutions. During her tenure, SIGTARP's investigations resulted in the [recovery of more than \\$11 billion](#) and repeatedly charged bankers with criminal violations of the law. Her investigations led to Department of Justice (DOJ) prosecutions, SEC civil enforcement actions, and calls for industry-wide reforms, including a proposal to establish a permanent law enforcement office dedicated solely to investigate financial institution fraud and another proposal to bring accountability to senior executives who try to insulate themselves from knowledge of crime or fraud within their organization. We believe that record shows that Goldsmith Romero knows what it takes to properly supervise and examine banks and that the inexcusable deficiencies highlighted in the reported failures of the FDIC in connection with Signature Bank will be thoroughly addressed (to the extent they haven't been already).

Goldsmith Romero's success as the SIGTARP required her to have the full array of diplomatic skills and a nuanced understanding of how to work within multiple bureaucracies. That's because SIGTARP was part of Treasury but at the same time independent of it, which often caused tension if not conflict. SIGTARP also had to interact with and gain the cooperation of not just the Treasury, but also the White House, DOJ, Congress, the banking agencies, state agencies, and others. None of this was easy and there were often difficulties, but Goldsmith Romero's interpersonal skills, including a collaborative approach to problem solving, and her ability to build bridges and develop win-win solutions, proved to be very effective.

Capital Markets Experience

Second, Goldsmith Romero has capital markets experience from multiple positions at the Securities and Exchange Commission (SEC). As a member of the enforcement staff at the SEC, Goldsmith Romero investigated securities law violations, financial institution fraud, insider trading, hedge funds, and retail investor fraud. As a result, she understands the importance of fairly and fully investigating those suspected of breaking the law as well as, when appropriate, punishing them and deterring others. She has seen and understands the consequences of financial crimes not just on investors and markets, but also on the ultimate victims of such lawbreaking: America's financial system and economy which depend on well-regulated markets for capital formation and wealth creation. Goldsmith Romero also served as counsel to two SEC Chairs, Mary Schapiro (appointed by President Obama) and Christopher Cox (appointed by President George W. Bush), including during and after the 2008 financial crisis. In those roles, she had the benefit of being involved in policymaking at the highest levels, including the creation of specialized enforcement units and requiring defendants that plead guilty in criminal cases admit wrongdoing when settling with the SEC



– actions to better protect investors, promote fair, orderly, and efficient markets, and to facilitate capital formation.

Derivatives Experience

Third, Goldsmith Romero, as a Commissioner at the Commodity and Futures Trading Commission (CFTC) since 2021, has extensive experience with derivatives and their regulation. She has been a thoughtful leader advocating for commodity and derivative markets that serve the American public while ensuring that those markets and the broader financial system are stable and less prone to stress, crisis, contagion, and crashes. To that end, she has been a leader on thinking about the new financial challenges arising from crypto, artificial intelligence (AI), event contracts, and much more. Goldsmith Romero is the sponsor of the CFTC’s [Technology Advisory Committee](#) (TAC), which has grappled with and released important reports on cutting edge issues like [AI](#) and [decentralized finance](#) (DeFi). She has also been a leader in confronting the challenges [cybersecurity](#) presents to the financial system. Through these experiences, and engagement with industry, consumer, academic, and regulatory stakeholders, Goldsmith Romero has developed insights into the benefits and risks arise from many of the challenges that the banking industry and banking regulators also face today.

Leadership and Culture

Goldsmith Romero’s experience and record clearly demonstrate that she will establish a tone-at-the-top of the FDIC of zero tolerance for misconduct of any kind. She will undoubtedly instill a culture of respect, professionalism, personal responsibility, and accountability. By her actions and example, she will restore morale, trust, and confidence in the FDIC by its staff as well as the public, Congress, and other constituencies. That is no doubt why “Brad Bondi, a prominent Washington attorney and registered Republican who has known Goldsmith Romero for over a decade [told Reuters](#) she was an ‘honest, intelligent, hardworking and fair’ consensus-builder who will work across party lines.” That’s exactly the experienced, collaborative, knowledgeable, and thoughtful leader that the FDIC needs, and that’s the leader Goldsmith Romero will be.



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