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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

February 18, 2026

The Honorable Michelle Bowman
Vice Chair for Supervision
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave, NW
Washington, DC 20551

Dear Vice Chair Bowman:

We write to request information on your decision to hire an external consulting firm to conduct a new review of the 2023 failure of Silicon Valley Bank (SVB).¹ Multiple government reviews conducted in the wake of SVB's failure have already concluded that the big bank deregulation you voted for during the first Trump Administration was a key contributor to the second, third, and fourth largest bank failures in U.S. history.² I am concerned that this new review, three years later, may be little more than a publicly funded effort designed to shift blame for SVB's failure away from your and President Donald Trump's decisions to weaken bank oversight.

According to the Wall Street Journal, you recently hired Starling Trust Sciences (STS) to "conduct a fresh review of the 2023 failure of Silicon Valley Bank."³ Following the collapse of SVB, the Federal Reserve Board released a comprehensive review of the agency's failure to appropriately oversee the bank.⁴ Several months later, the Fed's Office of Inspector General (OIG) released a Material Loss Review of SVB's failure.⁵ Both official post-mortem analyses found that the Fed's 2019 "tailoring rule," which significantly loosened regulatory and

¹ The Wall Street Journal, "How Trump's Ally at the Fed Is Remaking Bank Oversight," Dylan Tokar and Nick Timiraos, January 25, 2026, <https://www.wsj.com/economy/central-banking/how-trumps-ally-at-the-fed-is-remaking-bank-oversight-b1f0fab3>.

² Board of Governors of the Federal Reserve System, "Re: Review of the Federal Reserve's Supervision and Regulation of Silicon Valley Bank," April 2023, <https://www.federalreserve.gov/publications/files/svb-review-20230428.pdf>; Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau, Office of Inspector General, "Material Loss Review of Silicon Valley Bank," September 2023, <https://oig.federalreserve.gov/reports/board-material-loss-review-silicon-valley-bank-sep2023.pdf>.

³ The Wall Street Journal, "How Trump's Ally at the Fed Is Remaking Bank Oversight," Dylan Tokar and Nick Timiraos, January 25, 2026, <https://www.wsj.com/economy/central-banking/how-trumps-ally-at-the-fed-is-remaking-bank-oversight-b1f0fab3>.

⁴ Board of Governors of the Federal Reserve System, "Re: Review of the Federal Reserve's Supervision and Regulation of Silicon Valley Bank," April 2023, <https://www.federalreserve.gov/publications/files/svb-review-20230428.pdf>.

⁵ Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau, Office of Inspector General, "Material Loss Review of Silicon Valley Bank," September 2023, <https://oig.federalreserve.gov/reports/board-material-loss-review-silicon-valley-bank-sep2023.pdf>.

supervisory guardrails on banks with \$50 billion to \$250 billion in assets, was a key contributing cause.⁶

Specifically, the Fed’s review found that “[t]he Board’s tailoring approach in response to the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) and a shift in the stance of supervisory policy impeded effective supervision by reducing standards, increasing complexity, and promoting a less assertive supervisory approach.”⁷ The review concluded that the deregulatory changes during the first Trump Administration “combined to create a weaker regulatory framework for a firm like SVBFG.”⁸ This finding did not come as a surprise: President Trump’s first Vice Chair for Supervision Randy Quarles stated in 2018 that changing the Fed’s supervisory culture “will be the least visible thing I do and it will be the most consequential thing I do.”⁹ The Fed’s SVB review confirmed that this effort to alter the Fed’s supervisory culture had an impact: “staff approached supervisory messages, particularly supervisory findings and enforcement actions, with a need to accumulate more evidence than in the past, which contributed to delays and in some cases led staff not to take action.”¹⁰ The Fed OIG’s Material Loss Review similarly found that the Fed’s 2019 deregulatory tailoring rule was one of the key reasons why the Fed’s “supervisory approach for SVB did not keep pace with SVB’s growth and complexity.”¹¹ You voted for that deregulatory rule and were a strong supporter of this “burden relief” for banks.¹²

To summarize: you voted to deregulate SVB; the bank then failed spectacularly; the formal government reviews found that the deregulation was a key contributing factor; and now, three years later, you appear to want a do-over on the investigation, using public funds, as you again deregulate the banking sector.

To help us understand this new review of SVB’s failure, please answer the following questions and provide the requested documents by February 25, 2026:

⁶ Board of Governors of the Federal Reserve System, “Re: Review of the Federal Reserve’s Supervision and Regulation of Silicon Valley Bank,” April 2023, p. 10, <https://www.federalreserve.gov/publications/files/svb-review-20230428.pdf>; Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau, Office of Inspector General, “Material Loss Review of Silicon Valley Bank,” September 2023, p. 18, <https://oig.federalreserve.gov/reports/board-material-loss-review-silicon-valley-bank-sep2023.pdf>.

⁷ Board of Governors of the Federal Reserve System, “Review of the Federal Reserve’s Supervision and Regulation of Silicon Valley Bank,” April 2023, p. 1 (letter), <https://www.federalreserve.gov/publications/files/svb-review-20230428.pdf>.

⁸ *Id.* p.13

⁹ The Wall Street Journal, “Banks Get Kinder, Gentler Treatment Under Trump,” Lalita Clozel, December 12, 2018, <https://www.wsj.com/articles/banks-get-kinder-gentler-treatment-under-trump-11544638267>.

¹⁰ Board of Governors of the Federal Reserve System, “Review of the Federal Reserve’s Supervision and Regulation of Silicon Valley Bank,” April 2023, p. 11, <https://www.federalreserve.gov/publications/files/svb-review-20230428.pdf>.

¹¹ Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau Office of Inspector General, “Material Loss Review of Silicon Valley Bank,” September 2023, p. 31, <https://oig.federalreserve.gov/reports/board-material-loss-review-silicon-valley-bank-sep2023.pdf>.

¹² Board of Governors of the Federal Reserve System, “Transcript of Open Board Meeting,” October 10, 2019, pp. 26-27 <https://www.federalreserve.gov/mediacenter/files/open-board-meeting-transcript-20191010.pdf>.

1. Why is a new review of SVB’s failure necessary, given that the Federal Reserve Board and its Office of Inspector General both published comprehensive reviews in the months following SVB’s failure?
 - a. Do you agree with the conclusions of the Fed and OIG’s reviews?
2. Given that your policy actions were implicated by the previous reviews as contributing factors to SVB’s failure, did you recuse yourself from the process of soliciting a new review and selecting the contractor to perform it? If not, why not?
3. Was STS selected in a competitive process? If not, why not?
4. Please provide copies of the Fed’s Request for Proposal and STS’s application.
5. Please provide all communications between Fed officials and prospective vendors, including STS.
6. Provide a copy of the Fed’s agreement with STS to conduct a review, including but not limited to information on cost and scoping. How much will the STS review cost the Fed?
7. Gary Cohn, who led President Trump’s National Economic Council at the beginning of his first term, is advertised as a key “Industry & Regulatory Advisor” for STS.¹³ Will he, or other officials at the consulting firm that may have conflicts, participate in this review?

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs



Bernard Sanders
United States Senator



Richard Blumenthal
United States Senator

¹³ Starling Trust Sciences, “Who We Are,” <https://starlingtrust.com/who-we-are/>.