

Statement by Martin J. Gruenberg, Member, FDIC Board of Directors, Issuance of a Notice of Advance Notice of Proposed Rulemaking: Resolution Plans Required for Insured Depository Institutions with \$50 Billion or More in Total Assets

The FDIC Board today is considering an Advance Notice of Proposed Rulemaking (ANPR) as part of a review of its rule requiring insured depository institutions (IDIs) with \$50 billion or more in total assets to submit plans for their orderly resolution under the Federal Deposit Insurance Act. In addition, the Board resolution would delay indefinitely the next submission of these plans until the review of the rule and any resulting Board action is complete.

I believe there is reason for the FDIC to review the implementation of its insured depository institution resolution plan rule. In my view, however, the proposed ANPR is headed in the wrong direction. While it acknowledges the distinct challenges associated with a large insured depository institution resolution under the Federal Deposit Insurance Act, there is a disconnect in that the proposals are mainly focused on reducing or eliminating resolution plan requirements, rather than making them a more effective tool for managing the orderly failure of a large IDI. Moreover, in my view, an indefinite delay of the submission of the next plans is unwarranted.

Taken together with the Notice of Proposed Rulemaking on resolution plan requirements for the eight U.S. Global Systemically Important Banks (GSIBs) and other large U.S. and foreign banking organizations under the Dodd-Frank Act, which the FDIC Board just adopted, I am concerned that we are headed down a path of weakening the entire resolution plan framework developed since the financial crisis.

For these reasons, I intend to vote against the proposed ANPR.