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Washington, DC 20548

Comptroller General
of the United States

June 8, 2026

Accessible Version

The Honorable Travis Hill
Chairman
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

Priority Open Recommendations: Federal Deposit Insurance Corporation

Dear Chairman Hill:

The purpose of this letter is to call your personal attention to two areas where open recommendations to the Federal Deposit Insurance Corporation (FDIC) should be given priority.

In January 2026, we reported that, on a government-wide basis, 77 percent of our recommendations made 5 years ago were implemented.¹ FDIC's recommendation implementation rate was 80 percent. As of June 2026, FDIC had six open recommendations, including three priority recommendations.² Since our May 2025 letter, FDIC has implemented one priority recommendation.³ Fully implementing the remaining open priority recommendations will better position the agency to more effectively and efficiently achieve its mission.

We are highlighting the following areas that warrant your timely and focused attention:

- **Strengthening bank supervision.** The 2023 bank failures raised questions about whether the federal banking regulators took sufficient action to ensure that financial institutions promptly addressed supervisory concerns, such as weak liquidity and risk management practices. In 2024, we found that FDIC did not require periodic rotation of assignments for certain case managers, which could compromise their independence and interfere with supervision outcomes. [By implementing rotation requirements](#), as we recommended, FDIC could mitigate threats to independence and better ensure that escalation decisions are independent and evidence-based.

¹GAO, *Performance and Accountability Report, Fiscal Year 2025*, [GAO-26-900644](#) (Washington, D.C.: Jan. 29, 2026).

²GAO considers a recommendation to be a priority if, when implemented, it may significantly improve government operations—for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

³GAO, *Open Priority Recommendations: Federal Deposit Insurance Corporation*, [GAO-25-108050](#) (Washington, D.C.: May 19, 2025). In our 2025 letter, we identified four priority recommendations. Since then, the agency implemented one priority [recommendation](#), to establish procedures for its Continuous Examination process program to ensure that managers consult with the examination team and relevant stakeholders before making substantive changes to examination findings.

- **Addressing blockchain technology risks.** Blockchain-related financial products and services have grown substantially in recent years. However, in 2023, we found that financial regulators lacked an ongoing coordination mechanism for addressing blockchain risks. Establishing such a [mechanism](#), as we recommended, would help FDIC and other regulators collectively identify risks and develop and implement a regulatory response in a timely manner.

These two areas—strengthening bank supervision and addressing blockchain technology risks—also relate to GAO’s [High Risk List](#).⁴ Several other government-wide, high risk areas also have direct implications for FDIC and its operations, including [ensuring the cybersecurity of the nation](#). We also identified actions FDIC should take to reduce fragmentation, overlap and duplication. We previously [reported](#) that the U.S. financial regulatory structure is fragmented among multiple regulators. Our recommendation to help address blockchain technology risks would help ensure that regulators take a collective approach to blockchain regulation. More information on our [Duplication and Cost Savings](#) work can be found on the GAO website.

A comprehensive list of open recommendations, including new priority recommendations, and information about their status can be found on the GAO website at [Recommendations Database | U.S. GAO](#). Copies of this letter are being sent to the appropriate congressional committees.⁵ This letter will also be available at [Priority Recommendations | U.S. GAO](#).

We would welcome an opportunity to discuss how to address our open recommendations, as we pursue the shared goal of working to increase the efficiency and effectiveness of government programs and spending. Please do not hesitate to contact me or Daniel Garcia-Diaz, Managing Director of the Financial Markets and Community Investment team, at GarciaDiazD@gao.gov. Contact points for our offices of Congressional Relations and Media Relations may be found on the last page of this letter. Thank you for your personal attention to these important issues.

Sincerely,

//SIGNED//

Orice Williams Brown
Acting Comptroller General
of the United States

⁴This list identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement. GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness*, [GAO-25-107743](#) (Washington, D.C.: Feb. 25, 2025).

⁵We also help Congress identify congressional oversight actions that can help agencies implement priority recommendations, such as incorporating them into legislation. James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2), 136 Stat. 2395, 3668 (2022) (codified at 31 U.S.C. § 719 note). Congress can also use its oversight processes to incentivize FDIC to act on our recommendations and monitor its progress. For example, Congress can hold hearings focused on FDIC’s progress in implementing priority recommendations or take other actions to provide incentives for FDIC to act.