

United States Senate

WASHINGTON, DC 20510

July 12, 2021

VIA ELECTRONIC TRANSMISSION

The Honorable Joseph R. Biden
President
United States of America
1600 Pennsylvania Ave.
Washington, D.C. 20500

Dear Mr. President:

We write today to encourage you to promptly appoint a qualified individual as the Acting Inspector General to the Federal Housing Finance Agency (FHFA) and swiftly nominate a qualified individual with extensive leadership experience to permanently fill the role. As you are well aware, on June 29, 2021, the current FHFA Inspector General (IG), Laura Wertheimer announced her resignation, effective July 30, 2021.¹ This followed the publication of a Council of Inspector General on Integrity and Efficiency (CIGIE) Integrity Committee (IC) report which confirmed allegations that Wertheimer committed significant abuses of her position and obstructed the IC investigation into these and other allegations.²

Though the IG herself is leaving, whistleblowers have contacted our offices and are concerned that individuals who were complicit in her malfeasance will not only remain at FHFA OIG, but also enter leadership roles. The current FHFA OIG succession plan, if unaltered, would name the FHFA OIG Chief Counsel as the Acting IG. The Chief Counsel role is currently held by Leonard DePasquale, who was found to have obstructed the IC investigation and subsequently recommended for disciplinary action in the IC report.³ Individuals found to have acted inappropriately in the IC report, including Mr. DePasquale, should not be placed in leadership positions at FHFA OIG or elsewhere.

Three prominent not-for-profit groups committed to government oversight wrote to you on this matter asking you to intercede. In that letter they state, “[i]f one of the individuals the IC recommended for discipline instead receives a promotion to acting IG ... [it] would send a chilling message to the whistleblowers who reported the IG’s misconduct that the culture of staff abuse

¹ Letter from Laura Wertheimer, Federal Housing Finance Authority Inspector General, to employees, Federal Housing Finance Authority Office of Inspector General, (June 29, 2021), https://www.grassley.senate.gov/imo/media/doc/2021-06-29_fhfa_ig_res.pdf.

² Letter from Kevin H. Winters, Chair of the Council of Inspectors General, Integrity Committee to Joseph R. Biden, President of the United States (April 14, 2021), https://www.grassley.senate.gov/imo/media/doc/cigie_ic_report_on_fhfa_oig.pdf.

³ *Contra* Christine Mui, *Advocacy Groups Press Biden to Name New Watchdog at Housing Agency*, THE HILL, July 7, 2021, <https://thehill.com/homenews/administration/562094-advocacy-groups-press-biden-to-name-new-inspector-general-at-housing#bottom-story-socials> (stating that the FHFA OIG is considering altering the plan of succession so as DePasquale is not the Acting FHFA IG).

and retaliation is acceptable in your administration.”⁴ We agree, and ask that you rectify that situation by appointing a qualified Acting Inspector General and successively nominating a qualified individual with the leadership expertise to stabilize the FHFA OIG.

Sincerely,



Charles E. Grassley
Ranking Member
Senate Judiciary Committee



Margaret Wood Hassan
Chair
Subcommittee on Emerging Threats
and Spending Oversight
Committee on Homeland Security
and Governmental Affairs

cc:

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⁴ Letter from Jason Foster, Founder & President Empower Oversight Whistleblowers & Research; Tom Devine, Legal Director Government Accountability Project; & Danielle Brian, Executive Director Project on Government Oversight, to Joseph R. Biden, President of the United States of America, (July 7, 2021), https://www.grassley.senate.gov/imo/media/doc/2021-07-07_nonprofit_letter_to_biden_-_fhfa_ig.pdf.