



CITIZENS FOR
RESPONSIBILITY &
ETHICS IN WASHINGTON

July 9, 2026

The Honorable Michael E. Horowitz
Office of Inspector General
Board of Governors of the Federal Reserve System
and the Consumer Financial Protection Bureau
20th Street and Constitution Avenue NW
Mail Center I-2322
Washington, DC 20551

Dear Inspector General Horowitz:

Citizens for Responsibility and Ethics in Washington (“CREW”) respectfully requests that the Office of Inspector General (“OIG”) for the Board of Governors of the Federal Reserve investigate Vice Chair for Supervision Michelle Bowman’s decision to speak at an invitation-only dinner hosted by Bank of America on June 17, 2026, hours after a Federal Open Market Committee (“FOMC”) meeting.¹ The OIG should review this matter to determine whether Bowman violated the FOMC Policy on External Communications of Federal Reserve System Staff (“FOMC Policy”) or the Standards of Ethical Conduct for Executive Branch Employees. More specifically, the OIG should examine whether Bowman’s actions provided Bank of America with a “prestige advantage” over its competitors, violated the “blackout period” around the June 16-17, 2026 FOMC meeting, or constituted an impermissible acceptance of a gift from a “prohibited source.”

Factual background

Michelle Bowman is a member of the Board of Governors of the Federal Reserve System and Vice Chair for Supervision.² As Vice Chair of Supervision, she is tasked with “overseeing the supervision and regulation of depository institution holding companies and other financial firms supervised by the Board.”³ Bowman is also a member of the FOMC, a

¹ Nick Timiraos, *Top Bank Regulator Spoke at an Invite-Only Client Dinner After Fed Meeting*, Wall St. J. (June 19, 2026), <https://tinyurl.com/27n3wfct>.

² *Michelle W. Bowman, Vice Chair for Supervision*, Bd. of Governors of the Fed. Rsrv. Sys., <https://tinyurl.com/2zn8m8pv> (last visited June 25, 2026).

³ *Id.*

committee that “decides on an appropriate monetary policy by setting the target for the federal funds rate.”⁴ As a member of the FOMC, her responsibilities include attending its eight regular meetings each year⁵ and voting on its policy actions.⁶

The FOMC met on Tuesday, June 16 and Wednesday, June 17, 2026.⁷ It was the committee’s first meeting under new Federal Reserve Chair Kevin Warsh.⁸ With inflation at a three-year high,⁹ commentators wondered how the new chair would respond to President Trump’s demands to lower interest rates.¹⁰ But at a press conference on Wednesday, June 17, Chair Warsh announced that the FOMC had decided to maintain current interest rates, citing “elevated uncertainty” due to the war with Iran as well as persistently high inflation.¹¹ While Chair Warsh was reluctant to offer predictions about how interest rates might change, he emphasized that the FOMC was committed to “deliver[ing] price stability.”¹²

Later that evening, Bowman spoke at a private dinner hosted by Bank of America for its clients.¹³ The *Wall Street Journal* reported that while at this private dinner Bowman “mostly discussed regulatory policy” with guests, but that during the event, she also expressed her agreement with an attendee that Chair Warsh’s press conference earlier that day was “refreshing” and she suggested that the taskforces he had announced would work with experts outside of the Federal Reserve.¹⁴ In a statement, Bowman asserted that she had not shared her views regarding monetary policy at the dinner, that she “consistently complied with all applicable FOMC and ethics rules” and that she remained “firmly committed to doing so.”¹⁵ It appears that Bowman attended the dinner in her official capacity, as two Federal Reserve staff accompanied her to the event.¹⁶ It is not clear if Bowman consulted ethics officials before attending the private dinner hosted by the bank.

Relevant law

⁴ *The Federal Reserve Explained: Monetary Policy*, Bd. of Governors of the Fed. Rsrv. Sys., <https://tinyurl.com/yfvxy2ek> (last visited June 29, 2026).

⁵ *About the FOMC*, Bd. of Governors of the Fed. Rsrv. Sys., <https://tinyurl.com/3p8u4nps> (last visited June 25, 2026).

⁶ See 12 C.F.R. §§ 272.3, 272.4.

⁷ *Calendar*, Bd. of Governors of the Fed. Rsrv. Sys., <https://tinyurl.com/2m7ke2f7>, (last visited June 25, 2026).

⁸ Scott Horsley, *Federal Reserve Holds Interest Rates Steady and Hints at Rate Hike Later This Year*, NPR (June 17, 2026), <https://tinyurl.com/32dczud2>.

⁹ *Id.*

¹⁰ See, e.g., Victoria Guida, *Trump Is Demanding Rate Cuts. Kevin Warsh’s First Challenge May be Saying No.*, Politico (June 17, 2026), <https://tinyurl.com/yu3w58hv>.

¹¹ Fed. Open Mkt. Comm., Bd. of Governors of the Fed. Rsrv. Sys., *Transcript of Chairman Warsh’s Press Conference 1* (June 17, 2026), <https://tinyurl.com/4uxmrb9x>.

¹² *Id.* at 2.

¹³ Timiraos, *supra* note 1.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

Vice Chair Bowman's actions raise questions under two sets of applicable rules—FOMC Policy and the Standards of Ethical Conduct for Executive Branch Employees.

Federal Open Market Committee Policy

The FOMC Policy on External Communications of Federal Reserve System Staff prohibits staff from “divulging information outside the Federal Reserve System ... that might allow an individual, firm, or organization to profit financially” unless the information is already “widely available to the public.”¹⁷ It directs staff to avoid contacts with the public that could provide any single profit-making entity with “a prestige advantage over its competitors.”¹⁸ The policy urges staff to consider this principle when considering speaking engagements or other meetings with “anyone who might benefit financially from apparently-exclusive contacts with Federal Reserve staff.”¹⁹ The “Practical Examples” section indicates that a “private meeting with selected clients of a profit-making entity to discuss monetary policy” would not be “consistent” with these principles.²⁰ While the FOMC Policy itself does not define “monetary policy,” the agency’s website defines the term to mean: “actions undertaken by a central bank, such as the Federal Reserve, to influence the availability and cost of money and credit to help promote national economic goals.”²¹

In addition, the FOMC Policy establishes a “blackout period” from “12:00 a.m. Eastern Time the second Saturday before a meeting” until “11:59 p.m. Eastern Time the day after a meeting” in order to “facilitate the effectiveness of the [FOMC’s] policy deliberations and the clarity of its communications.”²² During a blackout period, FOMC staff with knowledge of information “related to the previous or upcoming FOMC meeting” must “refrain from expressing their views or providing analysis to members of the public about current or prospective monetary policy issues.”²³ Notably, the blackout period extends from before the meeting is held through a full day after the meeting has concluded. Other staff are subject to the same rule, except that they can share information “cleared for publication” and “made widely available to the public prior to the blackout period.”²⁴

¹⁷ Fed. Open Mkt. Comm., Bd. of Governors of the Fed. Rsrv. Sys., *FOMC Policy on External Communications of Federal Reserve System Staff 2* (Jan. 27, 2026), <https://tinyurl.com/4t6pnjmu>.

¹⁸ *Id.*

¹⁹ *Id.* at 2-3.

²⁰ *Id.* at 4, 5.

²¹ *About the FOMC*, *supra* note 5.

²² *FOMC Policy on External Communications of Federal Reserve System Staff*, *supra* note 17 at 3.

²³ *Id.*

²⁴ *Id.*

The Standards of Ethical Conduct for Executive Branch Employees

The Standards of Ethical Conduct for Executive Branch Employees prohibit employees of the executive branch from accepting gifts, including meals, from “prohibited sources” or “because of the employee’s official position.”²⁵ A prohibited source includes “any person” who:

- (1) Is seeking official action by the employee's agency;
- (2) Does business or seeks to do business with the employee's agency;
- (3) Conducts activities regulated by the employee's agency; [or]
- (4) Has interests that may be substantially affected by the performance or nonperformance of the employee's official duties[.]²⁶

There are limited exceptions to this rule, such as “[g]ifts of free attendance at widely attended gatherings,” including gatherings where “(i) A large number of persons will attend; (ii) Persons with a diversity of views or interests will be present . . . and (iii) There will be an opportunity to exchange ideas and views among invited persons.”²⁷ However, employees must have written authorization from agency ethics officials prior to attendance to qualify for this exception.²⁸

Areas for investigation

Bowman’s attendance at the private dinner hosted by a “profit-making” entity on the same day as, and within the blackout period following, a meeting in which she participated is the precise type of behavior that could provide a “prestige advantage” to Bank of America at the expense of its competitors. Bank of America hosted the dinner for select clients, and Bowman’s attendance might have signaled that the bank enjoyed “exclusive contacts” with Federal Reserve staff. The OIG should investigate this matter, particularly whether Bowman’s remarks included any information that could have allowed the bank or its clients to “profit financially.”

The June 17 dinner was undoubtedly during the “blackout period” for the June 16-17 FOMC meeting, which ran from June 6 through 18.²⁹ Given Bowman’s leadership roles at the Federal Reserve and membership on the FOMC, it is likely that she had confidential information about the FOMC meeting and that FOMC policy barred her from sharing her views or providing analysis about monetary policy during the blackout period. A violation of the blackout period rule is not predicated on whether confidential information is actually

²⁵ 5 C.F.R. § 2635.202(b).

²⁶ *Id.* § 2635.203(d)(1)-(4).

²⁷ *Id.* § 2635.204(g).

²⁸ *Id.*

²⁹ Fed. Open Mkt. Comm., Bd. of Governors of the Fed. Rsrv. Sys., *2025-2027 FOMC Trading and External Communications Blackout Calendar*, <https://tinyurl.com/3bawnak2> (last visited June 29, 2026).

shared in a communication. The OIG should investigate whether her remarks implicated monetary policy in violation of the blackout rule.

Finally, Bowman's attendance at a dinner hosted by Bank of America implicates the standards of conduct related to gifts from outside sources. The standards are clear that a dinner can qualify as a gift and that Bank of America is a "prohibited source." It is regulated by the Federal Reserve, and specifically by Bowman, as the Vice Chair of Supervision. Even if it does not seek any "official action," it has interests that would be "substantially affected" by her performing or not performing her duties. Moreover, the dinner does not appear to be a "widely attended gathering." It appears to have been only open to clients of Bank of America, so it is unlikely that "a large number of persons" with "a diversity of views or interests" attended. The OIG should investigate the terms of Bowman's attendance, whether she disclosed her intentions to anyone at the Federal Reserve and whether she sought advice from an ethics official.

Conclusion

The FOMC ethics principles were designed to "reinforce the public's confidence in the transparency and integrity of the monetary policy process."³⁰ The Standards of Ethical Conduct for Employees of the Executive Branch, too, aim to ensure that executive employees "place loyalty to the Constitution, laws, and ethical principles above private gain" and "promote the public's trust that this responsibility is being met."³¹ Bowman's decision to attend an exclusive event for the clients of one of America's largest banks immediately after the FOMC announced new policy casts doubt on both the transparency and integrity of the monetary policy process and undermines the public's trust in the Federal Reserve. CREW urges the OIG to restore the public confidence by investigating this matter and enforcing ethics rules as appropriate.

CREW greatly appreciates your prompt attention to this matter.

Sincerely,



Donald K. Sherman
President and Chief Executive Officer

³⁰ *FOMC Policy on External Communications of Federal Reserve System Staff*, *supra* note 17 at 1.

³¹ 5 C.F.R. § 2635.201(b)(1).