

United States House of Representatives
Committee on Financial Services
Washington, D.C. 20515

July 22, 2014

Honorable Jeb Hensarling
Chairman
Committee on Financial Services
2129 Rayburn H.O.B.
Washington, D.C. 20515

Honorable Patrick T. McHenry
Chairman
Subcommittee on Oversight &
Investigations
2129 Rayburn H.O.B.
Washington, D.C. 20515

Dear Chairman Hensarling and Chairman McHenry:

We were pleased to hear your public commitment to examine any allegations of discrimination and retaliation within the financial services industry, which you made at last month's Oversight and Investigations (OI) Subcommittee hearing. For this reason, we wanted to bring to your attention recent allegations against Goldman Sachs Group Incorporated (GS), which have been outlined in various news reports. We urge you to schedule a hearing soon to examine potential allegations of discrimination and unfair treatment of minorities and women within regulated entities under the Financial Services Committee's (Committee) oversight authority.

As press reports have documented potential pay disparities at the Consumer Financial Protection Bureau (the Bureau), GS employees allege that female vice presidents earned 21 percent less than men. Moreover, they detail the fact that about 23 percent fewer female associates were promoted to managing director compared to their male counterparts. Sadly, these alleged pay disparities and unequal job opportunities at GS are consistent with the data on the overall trends and practices revealed in a Government Accountability Office report (GAO-13-238) issued in April 2013. The report found that management-level representation of minorities and women in the financial services industry has not changed substantially from 2007 to 2011.

Given your previous commitment to eliminating invidious discrimination, we believe it is vital that the OI Subcommittee devote resources with the same due diligence it has done with its review of the Bureau, to examine the personnel operations, policies, and procedures of regulated entities to determine to what extent controls are in place to prevent and detect discrimination.

Honorable Jeb Hensarling
Honorable Patrick T. McHenry
Page Two
July 22, 2014

We look forward to continuing to work with you to ensure that all of the federal financial agencies and regulated entities under the Committee's oversight jurisdiction operate in a fair and equitable manner.

Sincerely,



Honorable Maxine Waters
Ranking Member, Committee on Financial
Services



Honorable Al Green
Ranking Member, Subcommittee on
Oversight & Investigations

Enclosure