

Statement by Acting Chairman Travis Hill

2026 FDIC Operating Budget

December 16, 2025

Today, the Board will vote on the operating budget for 2026. The budget represents a decrease of \$487 million from the 2025 budget, a 16.4% decline. The decline is driven primarily by a nearly 20% reduction in authorized staffing, along with a number of efficiencies we have pursued this year, such as the cancellation or non-renewal of many non-mission-critical contracts and restrictions on non-mission-critical travel.

The reduction in staffing was the product of a weeks-long, rigorous review of the FDIC's organizational structure conducted last spring. Through that process, the FDIC identified areas where headcount could be reduced without sacrificing our ability to fulfill our core responsibilities. The proposed budget continues to provide staffing and funding necessary to execute on our mission: supervising banks, insuring deposits, and resolving failed institutions.

I would like to thank the CFO team – as well as the leaders of all the FDIC's divisions and offices – for their work in formulating a prudent and responsible budget.