



**S. 6**

**IN THE CONGRESS OF THE UNITED STATES**

JANUARY 16, 2021

Mr. WAYNE (for himself, Mr. Helvin, Mr. Abraham, Mr. Cohen, Mr. Noah, Mr. Kanzler) introduced the following bill;

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**A BILL**

To require an audit and transparency for the recent actions of the Federal Reserve

*Be it resolved by the Senate and the House of Representatives of the United States of America in Congress Assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Federal Reserve Transparency Act.”

**SEC. 2. FINDINGS.**

Congress finds that—

- (a) Congress has received multiple trouble media reports about the state of the country’s economy
- (b) Despite news reports of recent actions and troubling reports, the treasury secretary has yet to give any clear indication why these programs from the Federal Reserve are starting and the result of his meetings with the Federal Reserve
- (c) If interest rates are not returned to their natural levels, the ability to respond to future crises will be greatly diminished, and individuals such as those who are retired relying on interest payments from their savings will be unable to support themselves

**SEC. 3. THE COMMERCIAL PAPER FUNDING FACILITY**

(a) IN GENERAL.— The Secretary of the Treasury, in conjunction with the Chair of the Federal Reserve, shall prepare a full report on the proposed Commercial Paper Funding Facility for Congress as outlined below within 10 days of the passage of this act

(b) Report.—

(i) Not later than 5 days after the completion of such report, the Treasury Secretary shall:

- (1) Submit a report to Congress on the audit
- (2) The full report should be made available to any member of the House of Representatives or Senate by request
- (3) The Treasury Secretary and the Chair of the Federal Reserve shall testify to a joint session of the House Committee on Ways and Means and the Senate Committee on Health, Energy, Labor and Pensions, or the entire Senate replacing the latter in the absence of the committee being convened

(ii) The report shall include

- (1) An explanation of the unusual and exigent circumstances for the Board of Governors of the Federal Reserve System to take such action as required by Section 13 (3) (A) of the Federal Reserve Act
- (2) The criteria by which the Secretary of the Treasury evaluated and established the need for such program, that it would not be used in the aid of a failing financial institution at the expense of the taxpayers, and that the program would be terminated in a timely manner as outlined in Section 13 (3) (B) (i) of the Federal Reserve Act
- (3) A confirmation that the program was established with the prior approval of the Secretary of the Treasury as outlined in Section 13 (3) (B) (iv) of the Federal Reserve Act, and the process by which it came to be developed
- (4) If, in the evaluation of the Secretary and the Chairman, the economy can survive another recession with interest rate at historic lows and the program as proposed extending credit to the markets, thereby lowering interest rates even further
- (5) All other information required to be submitted to Congress as outlined in Sections 13 (3) (D) and Section 13 (3) (E) of the Federal Reserve Act should the program be implemented

#### **SEC. 4. ENACTMENT.**

EFFECTIVE DATE.— The provisions of this Act shall come into force immediately upon passage unless specified otherwise above.

**SEC. 5. SEVERABILITY.**

The provisions of this Act are severable; should any provision of this Act be found unconstitutional or unenforceable, or be otherwise stricken, the remainder of this Act shall remain in full force and effect.

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*Inspired by Federal Reserve Transparency Act of 2019*