

114TH CONGRESS  
1ST SESSION

# H. R. 113

To improve the accountability and transparency of the Board of Governors of the Federal Reserve System, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 2015

Mr. GARRETT introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To improve the accountability and transparency of the Board of Governors of the Federal Reserve System, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Reserve Ac-  
5 countability and Transparency Act of 2015”.

6 **SEC. 2. ECONOMIC ANALYSIS.**

7 Section 11 of the Federal Reserve Act (12 U.S.C.  
8 248) is amended by inserting after subsection (l) the fol-  
9 lowing:

10 “(m) CONSIDERATION OF ECONOMIC IMPACTS.—

1           “(1) IN GENERAL.—Before issuing any regula-  
2           tion, the Board of Governors of the Federal Reserve  
3           System shall—

4                   “(A) clearly identify the nature and source  
5                   of the problem that the proposed regulation is  
6                   designed to address, as well as assess the sig-  
7                   nificance of that problem, to enable assessment  
8                   of whether any new regulation is warranted;

9                   “(B) assess the costs and benefits, both  
10                  qualitative and quantitative, of the intended  
11                  regulation and propose or adopt a regulation  
12                  only on a reasoned determination that the bene-  
13                  fits of the intended regulation outweigh the  
14                  costs of the regulation;

15                  “(C) identify and assess available alter-  
16                  natives to the regulation that were considered,  
17                  including modification of an existing regulation,  
18                  together with an explanation of why the regula-  
19                  tion meets the regulatory objectives more effec-  
20                  tively than the alternatives; and

21                  “(D) ensure that any regulation is acces-  
22                  sible, consistent, written in plain language, and  
23                  easy to understand and shall measure, and seek  
24                  to improve, the actual results of regulatory re-  
25                  quirements.

1 “(2) CONSIDERATIONS AND ACTIONS.—

2 “(A) REQUIRED ACTIONS.—In deciding  
3 whether and how to regulate, the Board shall  
4 assess the costs and benefits of available regu-  
5 latory alternatives, including the alternative of  
6 not regulating, and choose the approach that  
7 maximizes net benefits. Specifically, the Board  
8 shall—

9 “(i) evaluate whether, consistent with  
10 obtaining regulatory objectives, the regula-  
11 tion is tailored to impose the least burden  
12 on society, including market participants,  
13 individuals, businesses of differing sizes,  
14 and other entities (including State and  
15 local governmental entities), taking into ac-  
16 count, to the extent practicable, the cumu-  
17 lative costs of regulations; and

18 “(ii) evaluate whether the regulation  
19 is inconsistent, incompatible, or duplicative  
20 of other Federal regulations.

21 “(B) ADDITIONAL CONSIDERATIONS.—In  
22 addition, in making a reasoned determination of  
23 the costs and benefits of a potential regulation,  
24 the Board shall, to the extent that each is rel-  
25 evant to the particular proposed regulation,

1 take into consideration the impact of the regu-  
2 lation on—

3 “(i) investor choice;

4 “(ii) market liquidity in the securities  
5 markets;

6 “(iii) small businesses;

7 “(iv) economic growth;

8 “(v) cost and access to capital;

9 “(vi) market stability;

10 “(vii) global competitiveness;

11 “(viii) job creation;

12 “(ix) rate of inflation; and

13 “(x) employment levels.

14 “(3) EXPLANATION AND COMMENTS.—The  
15 Board shall explain in its final rule the nature of  
16 comments that it received, including those from the  
17 industry or consumer groups concerning the poten-  
18 tial costs or benefits of the proposed rule or pro-  
19 posed rule change, and shall provide a response to  
20 those comments in its final rule, including an expla-  
21 nation of any changes that were made in response  
22 to those comments and the reasons that the Board  
23 did not incorporate those industry group concerns  
24 related to the potential costs or benefits in the final  
25 rule.

1 “(4) POST-ADOPTION IMPACT ASSESSMENT.—

2 “(A) IN GENERAL.—Whenever the Board  
3 adopts or amends a regulation designated as a  
4 ‘major rule’ within the meaning of section  
5 804(2) of title 5, United States Code, it shall  
6 state, in its adopting release, the following:

7 “(i) The purposes and intended con-  
8 sequences of the regulation.

9 “(ii) Appropriate post-implementation  
10 quantitative and qualitative metrics to  
11 measure the economic impact of the regu-  
12 lation and to measure the extent to which  
13 the regulation has accomplished the stated  
14 purposes.

15 “(iii) The assessment plan that will be  
16 used, consistent with the requirements of  
17 subparagraph (B), to assess whether the  
18 regulation has achieved the stated pur-  
19 poses.

20 “(iv) Any reasonably foreseeable indi-  
21 rect effects that may result from the regu-  
22 lation.

23 “(B) REQUIREMENTS OF ASSESSMENT  
24 PLAN AND REPORT.—

1           “(i) REQUIREMENTS OF PLAN.—The  
2           assessment plan required under this para-  
3           graph shall consider the costs, benefits,  
4           and intended and unintended consequences  
5           of the regulation. The plan shall specify  
6           the data to be collected, the methods for  
7           collection and analysis of the data and a  
8           date for completion of the assessment. The  
9           assessment plan shall include an analysis  
10          of any jobs added or lost as a result of the  
11          regulation, differentiating between public  
12          and private sector jobs.

13          “(ii) SUBMISSION AND PUBLICATION  
14          OF REPORT.—The Board shall, not later  
15          than 2 years after the publication of the  
16          adopting release, cause the assessment re-  
17          port to be published in the Federal Reg-  
18          ister for notice and comment. If the Board  
19          determines, at least 90 days before such  
20          date, that an extension is necessary, the  
21          Board shall publish a notice of such exten-  
22          sion in the Federal Register, along with  
23          the specific reasons why the extension is  
24          necessary. Any material modification of the  
25          plan, as necessary to assess unforeseen as-

1           pects or consequences of the regulation,  
2           shall be promptly published in the Federal  
3           Register for notice and comment.

4           “(iii) DATA COLLECTION NOT SUB-  
5           JECT TO NOTICE AND COMMENT REQUIRE-  
6           MENTS.—If the Board has published its  
7           assessment plan for notice and comment,  
8           specifying the data to be collected and  
9           method of collection, at least 30 days prior  
10          to adoption of a final regulation or amend-  
11          ment, such collection of data shall not be  
12          subject to the notice and comment require-  
13          ments in section 3506(c) of title 44,  
14          United States Code (commonly referred to  
15          as the Paperwork Reduction Act). Any ma-  
16          terial modifications of the plan that require  
17          collection of data not previously published  
18          for notice and comment shall also be ex-  
19          empt from such requirements if the Board  
20          has published notice for comment in the  
21          Federal Register of the additional data to  
22          be collected, at least 30 days prior to initi-  
23          ation of data collection.

24          “(iv) FINAL ACTION.—Not later than  
25          180 days after publication of the assess-

1           ment report in the Federal Register, the  
2           Board shall issue for notice and comment  
3           a proposal to amend or rescind the regula-  
4           tion, or publish a notice that the Board  
5           has determined that no action will be taken  
6           on the regulation. Such a notice will be  
7           deemed a final agency action.

8           “(5) COVERED REGULATIONS AND OTHER AC-  
9           TIONS.—Solely as used in this subsection, the term  
10          ‘regulation’—

11                 “(A) means a statement of general applica-  
12                 bility and future effect that is designed to im-  
13                 plement, interpret, or prescribe law or policy or  
14                 to describe the procedure or practice require-  
15                 ments of the Board of Governors, including  
16                 rules, orders of general applicability, interpre-  
17                 tive releases, and other statements of general  
18                 applicability that the Board of Governors in-  
19                 tends to have the force and effect of law; and

20                 “(B) does not include—

21                         “(i) a regulation issued in accordance  
22                         with the formal rulemaking provisions of  
23                         section 556 or 557 of title 5, United States  
24                         Code;

1           “(ii) a regulation that is limited to the  
2           organization, management, or personnel  
3           matters of the Board of Governors;

4           “(iii) a regulation promulgated pursu-  
5           ant to statutory authority that expressly  
6           prohibits compliance with this provision;  
7           and

8           “(iv) a regulation that is certified by  
9           the Board of Governors to be an emer-  
10          gency action, if such certification is pub-  
11          lished in the Federal Register.”.

12 **SEC. 3. FEDERAL OPEN MARKET COMMITTEE BLACKOUT**  
13 **PERIOD.**

14          Section 12A of the Federal Reserve Act (12 U.S.C.  
15 263) is amended by adding at the end the following:

16          “(d) BLACKOUT PERIOD.—

17                 “(1) IN GENERAL.—During a blackout period,  
18                 the only public communications that may be made  
19                 by members and staff of the Committee with respect  
20                 to macroeconomic or financial developments or about  
21                 current or prospective monetary policy issues are the  
22                 following:

23                         “(A) The dissemination of published data,  
24                         surveys, and reports that have been cleared for

1 publication by the Board of Governors of the  
2 Federal Reserve System.

3 “(B) Answering technical questions specific  
4 to a data release.

5 “(C) Communications with respect to the  
6 prudential or supervisory functions of the  
7 Board of Governors.

8 “(2) BLACKOUT PERIOD DEFINED.—For pur-  
9 poses of this subsection, and with respect to a meet-  
10 ing of the Committee described under subsection (a),  
11 the term ‘blackout period’ means the time period  
12 that—

13 “(A) begins immediately after midnight on  
14 the day that is 1-week prior to the date on  
15 which such meeting takes place; and

16 “(B) ends at midnight on the day after the  
17 date on which such meeting takes place.”.

18 **SEC. 4. STAFF TERM LIMITS, PAY, ETHICS STANDARDS, AND**

19 **FINANCIAL DISCLOSURES.**

20 (a) IN GENERAL.—Section 11 of the Federal Reserve  
21 Act (12 U.S.C. 248) is amended—

22 (1) by redesignating the second subsection (s)  
23 (relating to assessments, fees, and other charges) as  
24 subsection (t); and

25 (2) by adding at the end the following:

1       “(u) ETHICS STANDARDS FOR MEMBERS AND EM-  
2 PLOYEES.—

3               “(1) PROHIBITED AND RESTRICTED FINANCIAL  
4 INTERESTS AND TRANSACTIONS.—The members and  
5 employees of the Board of Governors of the Federal  
6 Reserve System shall be subject to the provisions  
7 under section 4401.102 of title 5, Code of Federal  
8 Regulations, to the same extent as such provisions  
9 apply to an employee of the Securities and Exchange  
10 Commission.

11               “(2) TREATMENT OF BROKERAGE ACCOUNTS  
12 AND AVAILABILITY OF ACCOUNT STATEMENTS.—The  
13 members and employees of the Board of Governors  
14 of the Federal Reserve System shall—

15                       “(A) disclose all brokerage accounts that  
16 they maintain, as well as those in which they  
17 control trading or have a financial interest (in-  
18 cluding managed accounts, trust accounts, in-  
19 vestment club accounts, and the accounts of  
20 spouses or minor children who live with the  
21 member or employee); and

22                       “(B) with respect to any securities account  
23 that the member or employee is required to dis-  
24 close to the Board of Governors, authorize their

1           brokers and dealers to send duplicate account  
2           statements directly to Board of Governors.

3           “(3) PROHIBITIONS RELATED TO OUTSIDE EM-  
4           PLOYMENT AND ACTIVITIES.—The members and em-  
5           ployees of the Board of Governors of the Federal  
6           Reserve System shall be subject to the prohibitions  
7           related to outside employment and activities de-  
8           scribed under section 4401.103(c) of title 5, Code of  
9           Federal Regulations, to the same extent as such pro-  
10          hibitions apply to an employee of the Securities and  
11          Exchange Commission.

12          “(4) ADDITIONAL ETHICS STANDARDS.—The  
13          members and employees of the Board of Governors  
14          of the Federal Reserve System shall be subject to—

15                 “(A) the employee responsibilities and con-  
16                 duct regulations of the Office of Personnel  
17                 Management under part 735 of title 5, Code of  
18                 Federal Regulations;

19                 “(B) the canons of ethics contained in sub-  
20                 part C of part 200 of title 17, Code of Federal  
21                 Regulations, to the same extent as such subpart  
22                 applies to the employees of the Securities and  
23                 Exchange Commission; and

24                 “(C) the regulations concerning the con-  
25                 duct of members and employees and former

1 members and employees contained in subpart M  
2 of part 200 of title 17, Code of Federal Regula-  
3 tions, to the same extent as such subpart ap-  
4 plies to the employees of the Securities and Ex-  
5 change Commission.

6 “(v) ADDITIONAL EMPLOYEES REQUIRED TO MAKE  
7 A PUBLIC FINANCIAL DISCLOSURE.—For purposes of the  
8 financial disclosure requirements under part 2634 of title  
9 5, Code of Federal Regulations, an employee of the Board  
10 of Governors shall be deemed a public filer if the employee  
11 is an attorney, accountant, examiner, auditor, investi-  
12 gator, or deals with information technology security.

13 “(w) DISCLOSURE OF STAFF SALARIES AND FINAN-  
14 CIAL INFORMATION.—The Board of Governors of the Fed-  
15 eral Reserve System shall make publicly available, on the  
16 website of the Board of Governors, a searchable database  
17 that contains the names of all Members, officers, and em-  
18 ployees of the Board of Governors of the Federal Reserve  
19 System and each Federal reserve bank, and—

20 “(1) the yearly salary information for such indi-  
21 viduals, along with any non-salary compensation re-  
22 ceived by such individuals; and

23 “(2) any financial disclosures required to be  
24 made by such individuals.”.

1 (b) LIMITATION ON FEDERAL RESERVE SYSTEM  
2 STAFF PAY AND TERMS OF OFFICE.—The Federal Re-  
3 serve Act is amended—

4 (1) in the provision enumerated “Fifth” of the  
5 fourth undesignated paragraph of section 4, by in-  
6 serting after the first sentence the following: “Such  
7 president, vice presidents, and other officers and em-  
8 ployees may not be paid a salary in excess of 99 per-  
9 cent of the salary of the Chairman of the Board of  
10 Governors of the Federal Reserve System. No person  
11 may serve for more than 6 years in any one of the  
12 following positions: general counsel, deputy general  
13 counsel, senior adviser, director, deputy director,  
14 senior associate director, and assistant director.”;  
15 and

16 (2) in section 11(l), by adding at the end the  
17 following: “No attorney, expert, assistant, clerk, or  
18 other employee of the Board of Governors of the  
19 Federal Reserve System may be paid a salary in ex-  
20 cess of 99 percent of the salary of the Chairman of  
21 the Board of Governors of the Federal Reserve Sys-  
22 tem. No person may serve for more than 6 years in  
23 any one of the following positions: general counsel,  
24 deputy general counsel, senior adviser, director, dep-

1       uty director, senior associate director, and assistant  
2       director.”.

3       (c) OFFICE STAFF FOR EACH MEMBER OF THE  
4 BOARD OF GOVERNORS.—Section 11(l) of the Federal Re-  
5 serve Act, as amended by subsection (b), is further amend-  
6 ed by adding at the end the following: “Each member of  
7 the Board of Governors of the Federal Reserve System  
8 may employ 4 individuals for the purpose of staffing the  
9 member’s office, with such individuals selected by such  
10 member and the salaries of such individuals set by such  
11 member.”.

12       (d) GAO STUDY.—

13           (1) IN GENERAL.—The Comptroller General of  
14 the United States shall carry out a study on—

15           (A) employee pay and the employee pay  
16 scale used by the Board of Governors of the  
17 Federal Reserve System, including—

18           (i) how individual employee compensa-  
19 tion relates to job function, educational at-  
20 tainment, and work experience; and

21           (ii) how the pay scale compares to the  
22 pay scales used by other Federal depart-  
23 ments and agencies, especially other finan-  
24 cial regulators; and

1 (B) requiring the Board of Governors of  
2 the Federal Reserve System to be funded  
3 through the regular appropriations process.

4 (2) REPORT.—Not later than the end of the  
5 180-day period beginning on the date of the enact-  
6 ment of this Act, the Comptroller General shall issue  
7 a report to the Congress containing—

8 (A) all findings and determinations made  
9 by the Comptroller General in carrying out the  
10 study required under paragraph (1);

11 (B) recommendations on how to make the  
12 pay scale used by the Board of Governors more  
13 consistent with pay scales used by other Fed-  
14 eral departments and agencies; and

15 (C) a report on the pay amounts for em-  
16 ployees at the Board of Governors, broken down  
17 by division and job function.

18 **SEC. 5. VICE CHAIRMAN FOR SUPERVISION REPORT RE-**

19 **QUIREMENT.**

20 Section 10 of the Federal Reserve Act is amended—

21 (1) by redesignating paragraph (12) as para-  
22 graph (11); and

23 (2) in paragraph (11), as so redesignated, by  
24 adding at the end the following: “In each such ap-  
25 pearance, the Vice Chairman for Supervision shall

1 provide written testimony that includes the status of  
2 all pending and anticipated rulemakings that are  
3 being made by the Board of Governors of the Fed-  
4 eral Reserve System. If, at the time of any appear-  
5 ance described in this paragraph, the position of  
6 Vice Chairman for Supervision is vacant, the Vice  
7 Chairman for the Board of Governors of the Federal  
8 Reserve System (who has the responsibility to serve  
9 in the absence of the Chairman) shall appear instead  
10 and provide the required written testimony. If, at  
11 the time of any appearance described in this para-  
12 graph, both Vice Chairman positions are vacant, the  
13 Chairman of the Board of Governors of the Federal  
14 Reserve System shall appear instead and provide the  
15 required written testimony.”.

16 **SEC. 6. FEDERAL RESERVE COMMUNICATIONS WITH CON-**  
17 **GRESS.**

18 Section 2B of the Federal Reserve Act (12 U.S.C.  
19 225b) is amended—

20 (1) in subsection (a), by adding at the end the  
21 following:

22 “(3) QUESTION PERIOD.—During any appear-  
23 ance before a committee of the Congress, the Chair-  
24 man or any other official or employee of the Board  
25 of Governors making such appearance shall remain

1 as long as members of the committee have questions,  
2 but no later than 5 p.m.”; and

3 (2) in subsection (b)—

4 (A) in the heading for such subsection, by  
5 striking “REPORT” and inserting “REPORTS,  
6 QUESTIONS, AND MEETINGS”;

7 (B) by striking “The Board” and inserting  
8 the following:

9 “(1) IN GENERAL.—The Board”; and

10 (C) by adding at the end the following:

11 “(2) RESPONSES TO CONGRESSIONAL COM-  
12 MITTEE QUESTIONS.—

13 “(A) IN GENERAL.—Not later than the  
14 end of the 6-week period following the date on  
15 which any member or employee of the Board of  
16 Governors of the Federal Reserve System ap-  
17 pears before a committee of the Congress, the  
18 Board shall respond, in writing, to any ques-  
19 tions submitted by such committee.

20 “(B) INABILITY TO MEET DEADLINE.—If  
21 the written response described under subpara-  
22 graph (A) cannot be provided within the 6-week  
23 period described under such subparagraph, the  
24 Chairman of the Board shall inform the chair-

1 man of the appropriate committee, in writing,  
2 within such 6-week period—

3 “(i) as to why the Board is unable to  
4 provide the written response within the 6-  
5 week period; and

6 “(ii) the expected date on which the  
7 Board will respond to such questions.

8 “(3) CONGRESSIONAL MEETING REQUEST AC-  
9 COUNTABILITY.—

10 “(A) IN GENERAL.—Upon receiving a  
11 meeting request from a member or staff mem-  
12 ber serving on the Committee on Financial  
13 Services or the Budget of the House of Rep-  
14 resentatives or the Committee on Banking,  
15 Housing, and Urban Affairs or the Budget of  
16 the Senate, the Board of Governors of the Fed-  
17 eral Reserve System shall—

18 “(i) respond, within 3 business days,  
19 to notify such member or staff member  
20 that the request has been received; and

21 “(ii) include in such response whether  
22 the meeting request can be accommodated  
23 and, if so, the dates and times when offi-  
24 cers and employees of the Board are avail-  
25 able for such meeting.

1           “(B) INABILITY TO ACCOMMODATE MEET-  
2           ING.—If, in a response described under sub-  
3           paragraph (A), the Board states that the meet-  
4           ing cannot be accommodated within the 2-week  
5           period following such response, the Chairman of  
6           the Board shall accompany such response with  
7           a detailed written explanation to the chairman  
8           of the committee as to why the meeting cannot  
9           be accommodated within such period and when  
10          the request will be accommodated.

11          “(4) SALARY FREEZE WHILE IN VIOLATION.—  
12          During any period of time with respect to which the  
13          Board of Governors or the Chairman of the Board  
14          of Governors is in violation of any provision of this  
15          subsection, no employee of the Board of Governors  
16          may receive an increase in salary or other compensa-  
17          tion.”.

18 **SEC. 7. TRANSPARENCY OF REGULATORY ACTIVITIES.**

19          (a) STRESS TEST RULEMAKING, GAO REVIEW, AND  
20          PUBLICATION OF RESULTS.—Section 165(i)(1)(B) of the  
21          Dodd-Frank Wall Street Reform and Consumer Protec-  
22          tion Act (12 U.S.C. 5365(i)(1)(B)) is amended—

23                  (1) by amending clause (i) to read as follows:

24                          “(i) shall—

1           “(I) issue regulations, after pro-  
2           viding for public notice and comment,  
3           that provide for at least 3 different  
4           sets of conditions under which the  
5           evaluation required by this subsection  
6           shall be conducted, including baseline,  
7           adverse, and severely adverse, and  
8           methodologies including models used  
9           to estimate losses on certain assets;

10           “(II) provide copies of such regu-  
11           lations to the Comptroller General of  
12           the United States and the Panel of  
13           Economic Advisors of the Congres-  
14           sional Budget Office before publishing  
15           such regulations;” and

16           (2) in clause (v), by inserting before the period  
17           the following: “, including any results of a resub-  
18           mitted test”.

19           (b) PUBLICATION OF THE NUMBER OF SUPERVISORY  
20           LETTERS SENT TO THE LARGEST BANK HOLDING COM-  
21           PANIES.—Section 165 of the Dodd-Frank Wall Street Re-  
22           form and Consumer Protection Act (12 U.S.C. 5365) is  
23           amended by adding at the end the following:

1           “(1) PUBLICATION OF SUPERVISORY LETTER INFOR-  
2 MATION.—The Board of Governors shall publicly dis-  
3 close—

4           “(1) the aggregate number of supervisory let-  
5 ters sent to bank holding companies described in  
6 subsection (a) since the date of the enactment of  
7 this section, and keep such number updated; and

8           “(2) the aggregate number of such letters that  
9 are designated as ‘Matters Requiring Attention’ and  
10 the aggregate number of such letters that are des-  
11 ignated as ‘Matters Requiring Immediate Atten-  
12 tion’.”.

13           (c) DISCLOSURE OF AUDITS AND REVIEWS TO AP-  
14 PROPRIATE COMMITTEES.—

15           (1) IN GENERAL.—Not later than the end of  
16 the 30-day period beginning on the date of the en-  
17 actment of this Act, the Board of Governors of the  
18 Federal Reserve System shall submit to the Com-  
19 mittee on Financial Services of the House of Rep-  
20 resentatives and the Committee on Banking, Hous-  
21 ing, and Urban Affairs of the Senate unredacted  
22 copies of—

23                   (A) the Board of Governors’ Review of  
24                   Regulatory Supervisory Audit;

1 (B) the Board of Governors’ 2003–2008  
2 Performance Review; and

3 (C) each performance review performed by  
4 the Board of Governors after the date of the  
5 enactment of this Act.

6 (2) NOTICE OF SENSITIVE INFORMATION.—The  
7 Board of Governors shall ensure that the documents  
8 described under paragraph (1) are accompanied by  
9 a list of any sections in such documents that the  
10 Board of Governors deems to be sensitive informa-  
11 tion that should not be made public.

12 **SEC. 8. TREATMENT OF CERTAIN DIRECTORS AND PRESI-**  
13 **DENTS.**

14 (a) ELIMINATION OF CLASS C DIRECTORS.—Section  
15 4 of the Federal Reserve Act is amended—

16 (1) in the provision enumerated “Fifth” of the  
17 fourth undesignated paragraph, by striking “and  
18 Class C”;

19 (2) in the ninth undesignated paragraph, by  
20 striking “classes A, B, and C” and inserting “class-  
21 es A and B”;

22 (3) in the tenth undesignated paragraph, by  
23 striking “three members” and inserting “four mem-  
24 bers”;

1           (4) in the eleventh undesignated paragraph, by  
2 striking “three members” and inserting “five mem-  
3 bers”;

4           (5) by striking the twelfth and fifteenth undes-  
5 ignated paragraphs;

6           (6) by amending the twentieth undesignated  
7 paragraph to read as follows:

8           “(20) DESIGNATION OF CHAIRMAN AND DEP-  
9 UTY CHAIRMAN.—

10                   “(A) DESIGNATION OF CHAIRMAN.—

11                           “(i) IN GENERAL.—One of the class A  
12 or B directors who has tested banking ex-  
13 perience shall be designated by the Board  
14 of Governors of the Federal Reserve Sys-  
15 tem as chairman of the board of directors  
16 of the Federal reserve bank and as Federal  
17 reserve agent.

18                           “(ii) DUTIES.—The chairman shall—

19                                   “(I) maintain, under regulations  
20 to be established by the Board of Gov-  
21 ernors of the Federal Reserve System,  
22 a local office of said board on the  
23 premises of the Federal reserve bank;

1                   “(II) make regular reports to the  
2                   Board of Governors of the Federal  
3                   Reserve System; and

4                   “(III) act as the official rep-  
5                   resentative of the Board of Governors  
6                   for the performance of the functions  
7                   conferred upon it by this Act.

8                   “(iii) COMPENSATION.—The chairman  
9                   shall receive an annual compensation to be  
10                  fixed by the Board of Governors of the  
11                  Federal Reserve System and paid monthly  
12                  by the Federal reserve bank to which the  
13                  chairman is designated.

14                  “(B) DESIGNATION OF DEPUTY CHAIR-  
15                  MAN.—One of the class A or B directors shall  
16                  be appointed by the Board of Governors of the  
17                  Federal Reserve System as deputy chairman to  
18                  exercise the powers of the chairman of the  
19                  board when necessary.”; and

20                  (7) by amending the twenty-fourth undesig-  
21                  nated paragraph to read as follows:

22                  “(24) TERM OF DIRECTORS; VACANCIES.—

23                  “(A) TERM OF DIRECTORS.—Every direc-  
24                  tor of a Federal reserve bank shall hold office  
25                  for a term of three years, and such terms shall

1 be staggered, from the date of the enactment of  
2 this paragraph, such that—

3 “(i) with respect to the four class A  
4 directors, one director’s term shall expire  
5 in each of the first and second years and  
6 two directors’ terms shall expire in the  
7 third year; and

8 “(ii) with respect to the five class B  
9 directors, one director’s term shall expire  
10 in the first year and two directors’ terms  
11 shall expire in each of the second and third  
12 years.

13 “(B) VACANCIES.—Vacancies that may  
14 occur in the several classes of directors of Fed-  
15 eral reserve banks may be filled in the manner  
16 provided for the original selection of such direc-  
17 tors, such appointees to hold office for the un-  
18 expired terms of their predecessors.”.

19 (b) APPOINTMENT OF BANK PRESIDENT AND VICE  
20 PRESIDENT.—The provision enumerated “Fifth” of the  
21 fourth undesignated paragraph of section 4 of the Federal  
22 Reserve Act is amended by striking “with the approval  
23 of the Board of Governors of the Federal Reserve Sys-  
24 tem,”.

1 **SEC. 9. INTERNATIONAL TRAVEL AND NEGOTIATIONS.**

2 (a) INTERNATIONAL TRAVEL.—Section 11 of the  
3 Federal Reserve Act (12 U.S.C. 248), as amended by sec-  
4 tion 4, is further amended by adding at the end the fol-  
5 lowing:

6 “(x) TEMPORARY AUTHORIZATION FOR INTER-  
7 NATIONAL TRAVEL.—

8 “(1) IN GENERAL.—Members and employees of  
9 the Board of Governors of the Federal Reserve Sys-  
10 tem may not travel outside of the United States for  
11 the purposes of performing any function on behalf of  
12 the Board of Governors of the Federal Reserve Sys-  
13 tem after the end of the 2-year period beginning on  
14 the date of enactment of this subsection.

15 “(2) EXCEPTION.—Paragraph (1) shall not  
16 apply to travel through another country for purposes  
17 of traveling from one part of the United States to  
18 another part of the United States.”.

19 (b) INTERNATIONAL NEGOTIATIONS.—Section 11 of  
20 the Federal Reserve Act (12 U.S.C. 248), as amended by  
21 subsection (a), is further amended by adding at the end  
22 the following:

23 “(y) INTERNATIONAL NEGOTIATIONS.—

24 “(1) NOTICE OF NEGOTIATIONS; CONSULTA-  
25 TION.—At least 90 calendar days before any Mem-  
26 ber or employee of the Board of Governors of the

1 Federal Reserve System enters into negotiations  
2 with any foreign or multinational entity, the Board  
3 of Governors shall—

4 “(A) issue a notice of negotiations to the  
5 Committee on Financial Services of the House  
6 of Representatives and the Committee on Bank-  
7 ing, Housing, and Urban Affairs of the Senate;

8 “(B) make such notice available to the  
9 public, including on the website of the Board of  
10 Governors; and

11 “(C) solicit public comment, and consult  
12 with the committees described under subpara-  
13 graph (A), with respect to the topic matter,  
14 scope, and goals of the negotiations.

15 “(2) PUBLIC REPORTS ON NEGOTIATIONS.—

16 After the end of any negotiation described under  
17 paragraph (1), the Board of Governors shall issue a  
18 public report on the topics that were discussed at  
19 the negotiation and any new or revised rulemakings  
20 or policy changes that the Board of Governors be-  
21 lieve should be enacted as a result of the negotia-  
22 tions.

23 “(3) NOTICE OF AGREEMENTS; CONSULTA-  
24 TION.—At least 90 calendar days before any Mem-  
25 ber or employee of the Board of Governors of the

1 Federal Reserve System enters into any agreement  
2 with any foreign or multinational entity, the Board  
3 of Governors shall—

4 “(A) issue a notice of agreement to the  
5 Committee on Financial Services of the House  
6 of Representatives and the Committee on Bank-  
7 ing, Housing, and Urban Affairs of the Senate;

8 “(B) make such notice available to the  
9 public, including on the website of the Board of  
10 Governors; and

11 “(C) consult with such committees with re-  
12 spect to the nature of the agreement and any  
13 anticipated effects such agreement will have on  
14 the economy.”.

15 **SEC. 10. IMPROVEMENTS TO THE FINANCIAL INSTITUTIONS**

16 **EXAMINATION COUNCIL.**

17 (a) **ECONOMIC ANALYSIS.**—Section 1008 of the Fed-  
18 eral Financial Institutions Examination Council Act of  
19 1978 (12 U.S.C. 3305) is amended by adding at the end  
20 the following:

21 “(d) **CONSIDERATION OF ECONOMIC IMPACTS.**—

22 “(1) **IN GENERAL.**—Before issuing any regula-  
23 tion, the Council shall—

24 “(A) clearly identify the nature and source  
25 of the problem that the proposed regulation is

1 designed to address, as well as assess the sig-  
2 nificance of that problem, to enable assessment  
3 of whether any new regulation is warranted;

4 “(B) assess the costs and benefits, both  
5 qualitative and quantitative, of the intended  
6 regulation and propose or adopt a regulation  
7 only on a reasoned determination that the bene-  
8 fits of the intended regulation outweigh the  
9 costs of the regulation;

10 “(C) identify and assess available alter-  
11 natives to the regulation that were considered,  
12 including modification of an existing regulation,  
13 together with an explanation of why the regula-  
14 tion meets the regulatory objectives more effec-  
15 tively than the alternatives; and

16 “(D) ensure that any regulation is acces-  
17 sible, consistent, written in plain language, and  
18 easy to understand and shall measure, and seek  
19 to improve, the actual results of regulatory re-  
20 quirements.

21 “(2) CONSIDERATIONS AND ACTIONS.—

22 “(A) REQUIRED ACTIONS.—In deciding  
23 whether and how to regulate, the Council shall  
24 assess the costs and benefits of available regu-  
25 latory alternatives, including the alternative of

1 not regulating, and choose the approach that  
2 maximizes net benefits. Specifically, the Council  
3 shall—

4 “(i) evaluate whether, consistent with  
5 obtaining regulatory objectives, the regula-  
6 tion is tailored to impose the least burden  
7 on society, including market participants,  
8 individuals, businesses of differing sizes,  
9 and other entities (including State and  
10 local governmental entities), taking into ac-  
11 count, to the extent practicable, the cumu-  
12 lative costs of regulations; and

13 “(ii) evaluate whether the regulation  
14 is inconsistent, incompatible, or duplicative  
15 of other Federal regulations.

16 “(B) ADDITIONAL CONSIDERATIONS.—In  
17 addition, in making a reasoned determination of  
18 the costs and benefits of a potential regulation,  
19 the Council shall, to the extent that each is rel-  
20 evant to the particular proposed regulation,  
21 take into consideration the impact of the regu-  
22 lation on—

23 “(i) investor choice;

24 “(ii) market liquidity in the securities  
25 markets;

- 1 “(iii) small businesses;  
2 “(iv) economic growth;  
3 “(v) cost and access to capital;  
4 “(vi) market stability;  
5 “(vii) global competitiveness;  
6 “(viii) job creation;  
7 “(ix) rate of inflation; and  
8 “(x) employment levels.

9 “(3) EXPLANATION AND COMMENTS.—The  
10 Council shall explain in its final rule the nature of  
11 comments that it received, including those from the  
12 industry or consumer groups concerning the poten-  
13 tial costs or benefits of the proposed rule or pro-  
14 posed rule change, and shall provide a response to  
15 those comments in its final rule, including an expla-  
16 nation of any changes that were made in response  
17 to those comments and the reasons that the Council  
18 did not incorporate those industry group concerns  
19 related to the potential costs or benefits in the final  
20 rule.

21 “(4) POST-ADOPTION IMPACT ASSESSMENT.—

22 “(A) IN GENERAL.—Whenever the Council  
23 adopts or amends a regulation designated as a  
24 ‘major rule’ within the meaning of section

1           804(2) of title 5, United States Code, it shall  
2 state, in its adopting release, the following:

3           “(i) The purposes and intended con-  
4 sequences of the regulation.

5           “(ii) Appropriate post-implementation  
6 quantitative and qualitative metrics to  
7 measure the economic impact of the regu-  
8 lation and to measure the extent to which  
9 the regulation has accomplished the stated  
10 purposes.

11           “(iii) The assessment plan that will be  
12 used, consistent with the requirements of  
13 subparagraph (B), to assess whether the  
14 regulation has achieved the stated pur-  
15 poses.

16           “(iv) Any reasonably foreseeable indi-  
17 rect effects that may result from the regu-  
18 lation.

19           “(B) REQUIREMENTS OF ASSESSMENT  
20 PLAN AND REPORT.—

21           “(i) REQUIREMENTS OF PLAN.—The  
22 assessment plan required under this para-  
23 graph shall consider the costs, benefits,  
24 and intended and unintended consequences  
25 of the regulation. The plan shall specify

1 the data to be collected, the methods for  
2 collection and analysis of the data and a  
3 date for completion of the assessment. The  
4 assessment plan shall include an analysis  
5 of any jobs added or lost as a result of the  
6 regulation, differentiating between public  
7 and private sector jobs.

8 “(ii) SUBMISSION AND PUBLICATION  
9 OF REPORT.—The Council shall, not later  
10 than 2 years after the publication of the  
11 adopting release, cause the assessment re-  
12 port to be published in the Federal Reg-  
13 ister for notice and comment. If the Coun-  
14 cil determines, at least 90 days before such  
15 date, that an extension is necessary, the  
16 Council shall public a notice of such exten-  
17 sion in the Federal Register, along with  
18 the specific reasons why the extension is  
19 necessary. Any material modification of the  
20 plan, as necessary to assess unforeseen as-  
21 pects or consequences of the regulation,  
22 shall be promptly published in the Federal  
23 Register for notice and comment.

24 “(iii) DATA COLLECTION NOT SUB-  
25 JECT TO NOTICE AND COMMENT REQUIRE-

1           MENTS.—If the Council has published its  
2           assessment plan for notice and comment,  
3           specifying the data to be collected and  
4           method of collection, at least 30 days prior  
5           to adoption of a final regulation or amend-  
6           ment, such collection of data shall not be  
7           subject to the notice and comment require-  
8           ments in section 3506(c) of title 44,  
9           United States Code (commonly referred to  
10          as the Paperwork Reduction Act). Any ma-  
11          terial modifications of the plan that require  
12          collection of data not previously published  
13          for notice and comment shall also be ex-  
14          empt from such requirements if the Coun-  
15          cil has published notice for comment in the  
16          Federal Register of the additional data to  
17          be collected, at least 30 days prior to initi-  
18          ation of data collection.

19                 “(iv) FINAL ACTION.—Not later than  
20                 180 days after publication of the assess-  
21                 ment report in the Federal Register, the  
22                 Council shall issue for notice and comment  
23                 a proposal to amend or rescind the regula-  
24                 tion, or publish a notice that the Council  
25                 has determined that no action will be taken

1           on the regulation. Such a notice will be  
2           deemed a final agency action.

3           “(5) COVERED REGULATIONS AND OTHER AC-  
4           TIONS.—Solely as used in this subsection, the term  
5           ‘regulation’—

6                   “(A) means a statement of general applica-  
7                   bility and future effect that is designed to im-  
8                   plement, interpret, or prescribe law or policy or  
9                   to describe the procedure or practice require-  
10                  ments of the Council, including rules, orders of  
11                  general applicability, interpretive releases, and  
12                  other statements of general applicability that  
13                  the Council intends to have the force and effect  
14                  of law; and

15                  “(B) does not include—

16                          “(i) a regulation issued in accordance  
17                          with the formal rulemaking provisions of  
18                          section 556 or 557 of title 5, United States  
19                          Code;

20                          “(ii) a regulation that is limited to the  
21                          organization, management, or personnel  
22                          matters of the Council;

23                          “(iii) a regulation promulgated pursu-  
24                          ant to statutory authority that expressly

1 prohibits compliance with this provision;  
2 and

3 “(iv) a regulation that is certified by  
4 the Council to be an emergency action, if  
5 such certification is published in the Fed-  
6 eral Register.”.

7 (b) ETHICS STANDARDS.—Section 1008 of the Fed-  
8 eral Financial Institutions Examination Council Act of  
9 1978 (12 U.S.C. 3305), as amended by subsection (a), is  
10 further amended by adding at the end the following:

11 “(e) ETHICS STANDARDS.—

12 “(1) PROHIBITED AND RESTRICTED FINANCIAL  
13 INTERESTS AND TRANSACTIONS.—The members and  
14 employees of the Council shall be subject to the pro-  
15 visions under section 4401.102 of title 5, Code of  
16 Federal Regulations, to the same extent as such pro-  
17 visions apply to an employee of the Securities and  
18 Exchange Commission.

19 “(2) TREATMENT OF BROKERAGE ACCOUNTS  
20 AND AVAILABILITY OF ACCOUNT STATEMENTS.—The  
21 members and employees of the Council shall—

22 “(A) disclose all brokerage accounts that  
23 they maintain, as well as those in which they  
24 control trading or have a financial interest (in-  
25 cluding managed accounts, trust accounts, in-

1 vestment club accounts, and the accounts of  
2 spouses or minor children who live with the  
3 member or employee); and

4 “(B) with respect to any securities account  
5 that the member or employee is required to dis-  
6 close to the Council, authorize their brokers and  
7 dealers to send duplicate account statements di-  
8 rectly to Council.

9 “(3) PROHIBITIONS RELATED TO OUTSIDE EM-  
10 PLOYMENT AND ACTIVITIES.—The members and em-  
11 ployees of the Council shall be subject to the prohibi-  
12 tions related to outside employment and activities  
13 described under section 4401.103(e) of title 5, Code  
14 of Federal Regulations, to the same extent as such  
15 prohibitions apply to an employee of the Securities  
16 and Exchange Commission.

17 “(4) ADDITIONAL ETHICS STANDARDS.—The  
18 members and employees of the Council shall be sub-  
19 ject to—

20 “(A) the employee responsibilities and con-  
21 duct regulations of the Office of Personnel  
22 Management under part 735 of title 5, Code of  
23 Federal Regulations;

24 “(B) the canons of ethics contained in sub-  
25 part C of part 200 of title 17, Code of Federal

1 Regulations, to the same extent as such subpart  
2 applies to the employees of the Securities and  
3 Exchange Commission; and

4 “(C) the regulations concerning the con-  
5 duct of members and employees and former  
6 members and employees contained in subpart M  
7 of part 200 of title 17, Code of Federal Regula-  
8 tions, to the same extent as such subpart ap-  
9 plies to the employees of the Securities and Ex-  
10 change Commission.

11 “(f) ADDITIONAL EMPLOYEES REQUIRED TO MAKE  
12 A PUBLIC FINANCIAL DISCLOSURE.—For purposes of the  
13 financial disclosure requirements under part 2634 of title  
14 5, Code of Federal Regulations, an employee of the Coun-  
15 cil shall be deemed a public filer if the employee is an  
16 attorney, accountant, examiner, auditor, investigator, or  
17 deals with information technology security.

18 “(g) DISCLOSURE OF STAFF SALARIES AND FINAN-  
19 CIAL INFORMATION.—The Council shall make publicly  
20 available, on the website of the Council, a searchable data-  
21 base that contains the names of all Members and employ-  
22 ees of the Council, and—

23 “(1) the yearly salary information for such indi-  
24 viduals, along with any non-salary compensation re-  
25 ceived by such individuals; and

1           “(2) any financial disclosures required to be  
2           made by such individuals.”.

3 **SEC. 11. IMPROVEMENTS TO THE FINANCIAL STABILITY**  
4 **OVERSIGHT COUNCIL.**

5           (a) **ECONOMIC ANALYSIS.**—Section 111 of the Finan-  
6 cial Stability Act of 2010 (12 U.S.C. 5321) is amended  
7 by adding at the end the following:

8           “(k) **CONSIDERATION OF ECONOMIC IMPACTS.**—

9           “(1) **IN GENERAL.**—Before issuing any regula-  
10 tion, the Council shall—

11           “(A) clearly identify the nature and source  
12 of the problem that the proposed regulation is  
13 designed to address, as well as assess the sig-  
14 nificance of that problem, to enable assessment  
15 of whether any new regulation is warranted;

16           “(B) assess the costs and benefits, both  
17 qualitative and quantitative, of the intended  
18 regulation and propose or adopt a regulation  
19 only on a reasoned determination that the bene-  
20 fits of the intended regulation outweigh the  
21 costs of the regulation;

22           “(C) identify and assess available alter-  
23 natives to the regulation that were considered,  
24 including modification of an existing regulation,  
25 together with an explanation of why the regula-

1           tion meets the regulatory objectives more effec-  
2           tively than the alternatives; and

3           “(D) ensure that any regulation is acces-  
4           sible, consistent, written in plain language, and  
5           easy to understand and shall measure, and seek  
6           to improve, the actual results of regulatory re-  
7           quirements.

8           “(2) CONSIDERATIONS AND ACTIONS.—

9           “(A) REQUIRED ACTIONS.—In deciding  
10          whether and how to regulate, the Council shall  
11          assess the costs and benefits of available regu-  
12          latory alternatives, including the alternative of  
13          not regulating, and choose the approach that  
14          maximizes net benefits. Specifically, the Council  
15          shall—

16               “(i) evaluate whether, consistent with  
17               obtaining regulatory objectives, the regula-  
18               tion is tailored to impose the least burden  
19               on society, including market participants,  
20               individuals, businesses of differing sizes,  
21               and other entities (including State and  
22               local governmental entities), taking into ac-  
23               count, to the extent practicable, the cumu-  
24               lative costs of regulations; and

1           “(ii) evaluate whether the regulation  
2           is inconsistent, incompatible, or duplicative  
3           of other Federal regulations.

4           “(B) ADDITIONAL CONSIDERATIONS.—In  
5           addition, in making a reasoned determination of  
6           the costs and benefits of a potential regulation,  
7           the Council shall, to the extent that each is rel-  
8           evant to the particular proposed regulation,  
9           take into consideration the impact of the regu-  
10          lation on—

11                   “(i) investor choice;

12                   “(ii) market liquidity in the securities  
13          markets;

14                   “(iii) small businesses;

15                   “(iv) economic growth;

16                   “(v) cost and access to capital;

17                   “(vi) market stability;

18                   “(vii) global competitiveness;

19                   “(viii) job creation;

20                   “(ix) rate of inflation; and

21                   “(x) employment levels.

22           “(3) EXPLANATION AND COMMENTS.—The  
23          Council shall explain in its final rule the nature of  
24          comments that it received, including those from the  
25          industry or consumer groups concerning the poten-

1        tial costs or benefits of the proposed rule or pro-  
2        posed rule change, and shall provide a response to  
3        those comments in its final rule, including an expla-  
4        nation of any changes that were made in response  
5        to those comments and the reasons that the Council  
6        did not incorporate those industry group concerns  
7        related to the potential costs or benefits in the final  
8        rule.

9            “(4) POST-ADOPTION IMPACT ASSESSMENT.—

10            “(A) IN GENERAL.—Whenever the Council  
11            adopts or amends a regulation designated as a  
12            ‘major rule’ within the meaning of section  
13            804(2) of title 5, United States Code, it shall  
14            state, in its adopting release, the following:

15            “(i) The purposes and intended con-  
16            sequences of the regulation.

17            “(ii) Appropriate post-implementation  
18            quantitative and qualitative metrics to  
19            measure the economic impact of the regu-  
20            lation and to measure the extent to which  
21            the regulation has accomplished the stated  
22            purposes.

23            “(iii) The assessment plan that will be  
24            used, consistent with the requirements of  
25            subparagraph (B), to assess whether the

1 regulation has achieved the stated pur-  
2 poses.

3 “(iv) Any reasonably foreseeable indi-  
4 rect effects that may result from the regu-  
5 lation.

6 “(B) REQUIREMENTS OF ASSESSMENT  
7 PLAN AND REPORT.—

8 “(i) REQUIREMENTS OF PLAN.—The  
9 assessment plan required under this para-  
10 graph shall consider the costs, benefits,  
11 and intended and unintended consequences  
12 of the regulation. The plan shall specify  
13 the data to be collected, the methods for  
14 collection and analysis of the data and a  
15 date for completion of the assessment. The  
16 assessment plan shall include an analysis  
17 of any jobs added or lost as a result of the  
18 regulation, differentiating between public  
19 and private sector jobs.

20 “(ii) SUBMISSION AND PUBLICATION  
21 OF REPORT.—The Council shall, not later  
22 than 2 years after the publication of the  
23 adopting release, cause the assessment re-  
24 port to be published in the Federal Reg-  
25 ister for notice and comment. If the Coun-

1 cil determines, at least 90 days before such  
2 date, that an extension is necessary, the  
3 Council shall public a notice of such exten-  
4 sion in the Federal Register, along with  
5 the specific reasons why the extension is  
6 necessary. Any material modification of the  
7 plan, as necessary to assess unforeseen as-  
8 pects or consequences of the regulation,  
9 shall be promptly published in the Federal  
10 Register for notice and comment.

11 “(iii) DATA COLLECTION NOT SUB-  
12 JECT TO NOTICE AND COMMENT REQUIRE-  
13 MENTS.—If the Council has published its  
14 assessment plan for notice and comment,  
15 specifying the data to be collected and  
16 method of collection, at least 30 days prior  
17 to adoption of a final regulation or amend-  
18 ment, such collection of data shall not be  
19 subject to the notice and comment require-  
20 ments in section 3506(c) of title 44,  
21 United States Code (commonly referred to  
22 as the Paperwork Reduction Act). Any ma-  
23 terial modifications of the plan that require  
24 collection of data not previously published  
25 for notice and comment shall also be ex-

1           empt from such requirements if the Coun-  
2           cil has published notice for comment in the  
3           Federal Register of the additional data to  
4           be collected, at least 30 days prior to initi-  
5           ation of data collection.

6           “(iv) FINAL ACTION.—Not later than  
7           180 days after publication of the assess-  
8           ment report in the Federal Register, the  
9           Council shall issue for notice and comment  
10          a proposal to amend or rescind the regula-  
11          tion, or publish a notice that the Council  
12          has determined that no action will be taken  
13          on the regulation. Such a notice will be  
14          deemed a final agency action.

15          “(5) COVERED REGULATIONS AND OTHER AC-  
16          TIONS.—Solely as used in this subsection, the term  
17          ‘regulation’—

18                 “(A) means a statement of general applica-  
19                 bility and future effect that is designed to im-  
20                 plement, interpret, or prescribe law or policy or  
21                 to describe the procedure or practice require-  
22                 ments of the Council, including rules, orders of  
23                 general applicability, interpretive releases, and  
24                 other statements of general applicability that

1 the Council intends to have the force and effect  
2 of law; and

3 “(B) does not include—

4 “(i) a regulation issued in accordance  
5 with the formal rulemaking provisions of  
6 section 556 or 557 of title 5, United States  
7 Code;

8 “(ii) a regulation that is limited to the  
9 organization, management, or personnel  
10 matters of the Council;

11 “(iii) a regulation promulgated pursu-  
12 ant to statutory authority that expressly  
13 prohibits compliance with this provision;  
14 and

15 “(iv) a regulation that is certified by  
16 the Council to be an emergency action, if  
17 such certification is published in the Fed-  
18 eral Register.”.

19 (b) ETHICS STANDARDS.—Section 111 of the Finan-  
20 cial Stability Act of 2010 (12 U.S.C. 5321), as amended  
21 by subsection (a), is further amended by adding at the  
22 end the following:

23 “(1) ETHICS STANDARDS.—

24 “(1) PROHIBITED AND RESTRICTED FINANCIAL  
25 INTERESTS AND TRANSACTIONS.—The members and

1 employees of the Council shall be subject to the pro-  
2 visions under section 4401.102 of title 5, Code of  
3 Federal Regulations, to the same extent as such pro-  
4 visions apply to an employee of the Securities and  
5 Exchange Commission.

6 “(2) TREATMENT OF BROKERAGE ACCOUNTS  
7 AND AVAILABILITY OF ACCOUNT STATEMENTS.—The  
8 members and employees of the Council shall—

9 “(A) disclose all brokerage accounts that  
10 they maintain, as well as those in which they  
11 control trading or have a financial interest (in-  
12 cluding managed accounts, trust accounts, in-  
13 vestment club accounts, and the accounts of  
14 spouses or minor children who live with the  
15 member or employee); and

16 “(B) with respect to any securities account  
17 that the member or employee is required to dis-  
18 close to the Council, authorize their brokers and  
19 dealers to send duplicate account statements di-  
20 rectly to Council.

21 “(3) PROHIBITIONS RELATED TO OUTSIDE EM-  
22 PLOYMENT AND ACTIVITIES.—The members and em-  
23 ployees of the Council shall be subject to the prohibi-  
24 tions related to outside employment and activities  
25 described under section 4401.103(e) of title 5, Code

1 of Federal Regulations, to the same extent as such  
2 prohibitions apply to an employee of the Securities  
3 and Exchange Commission.

4 “(4) ADDITIONAL ETHICS STANDARDS.—The  
5 members and employees of the Council shall be sub-  
6 ject to—

7 “(A) the employee responsibilities and con-  
8 duct regulations of the Office of Personnel  
9 Management under part 735 of title 5, Code of  
10 Federal Regulations;

11 “(B) the canons of ethics contained in sub-  
12 part C of part 200 of title 17, Code of Federal  
13 Regulations, to the same extent as such subpart  
14 applies to the employees of the Securities and  
15 Exchange Commission; and

16 “(C) the regulations concerning the con-  
17 duct of members and employees and former  
18 members and employees contained in subpart M  
19 of part 200 of title 17, Code of Federal Regula-  
20 tions, to the same extent as such subpart ap-  
21 plies to the employees of the Securities and Ex-  
22 change Commission.

23 “(m) ADDITIONAL EMPLOYEES REQUIRED TO MAKE  
24 A PUBLIC FINANCIAL DISCLOSURE.—For purposes of the  
25 financial disclosure requirements under part 2634 of title

1 5, Code of Federal Regulations, an employee of the Coun-  
2 cil shall be deemed a public filer if the employee is an  
3 attorney, accountant, examiner, auditor, investigator, or  
4 deals with information technology security.

5 “(n) DISCLOSURE OF STAFF SALARIES AND FINAN-  
6 CIAL INFORMATION.—The Council shall make publicly  
7 available, on the website of the Council, a searchable data-  
8 base that contains the names of all Members and employ-  
9 ees of the Council, and—

10 “(1) the yearly salary information for such indi-  
11 viduals, along with any non-salary compensation re-  
12 ceived by such individuals; and

13 “(2) any financial disclosures required to be  
14 made by such individuals.”.

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