

116TH CONGRESS
2D SESSION

H. R. 7946

To amend the Federal Reserve Act to add additional demographic reporting requirements, to modify the goals of the Federal Reserve System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 4, 2020

Ms. WATERS introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend the Federal Reserve Act to add additional demographic reporting requirements, to modify the goals 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 Racial
5 and Economic Equity Act”.

6 **SEC. 2. DUTY TO MINIMIZE AND ELIMINATE RACIAL DIS-**
7 **PARITIES.**

8 The Federal Reserve Act (12 U.S.C. 221 et seq.) is
9 amended by inserting after section 2B the following:

1 **“SEC. 2C. DUTY TO MINIMIZE AND ELIMINATE RACIAL DIS-**
2 **PARITIES.**

3 “The Board of Governors of the Federal Reserve Sys-
4 tem and the Federal Open Market Committee shall exer-
5 cise all duties and functions in a manner that fosters the
6 elimination of disparities across racial and ethnic groups
7 with respect to employment, income, wealth, and access
8 to affordable credit, including actions in carrying out—

9 “(1) monetary policy;

10 “(2) regulation and supervision of banks,
11 thrifts, bank holding companies, savings and loan
12 holding companies, and nonbank financial companies
13 and systemically important financial market utilities
14 designated by the Financial Stability Oversight
15 Council;

16 “(3) operation of payment systems;

17 “(4) implementation of the Community Rein-
18 vestment Act of 1977;

19 “(5) enforcement of fair lending laws; and

20 “(6) community development functions.”.

21 **SEC. 3. APPEARANCES BEFORE AND REPORTS TO THE CON-**
22 **GRESS.**

23 Section 2B of the Federal Reserve Act (12 U.S.C.
24 225b) is amended—

25 (1) in subsection (a)(1)—

1 (A) in subparagraph (A), by striking
2 “and” at the end; and

3 (B) by striking subparagraph (B) and in-
4 serting the following:

5 “(B) economic developments and prospects
6 for the future described in the report required
7 in subsection (b), including a discussion of dis-
8 parities in employment, income, and wealth
9 across racial and ethnic groups as well as other
10 specific segments of the population; and

11 “(C) plans, activities, and actions of the
12 Board and the Federal Open Market Committee
13 to minimize and eliminate racial disparities in
14 employment, wages, wealth, and access to af-
15 fordable credit pursuant to section 2C.”; and
16 (2) in subsection (b)—

17 (A) by striking “The Board” and inserting
18 the following:

19 “(1) IN GENERAL.—The Board”; and

20 (B) by adding at the end the following:

21 “(2) TREND INFORMATION.—

22 “(A) IN GENERAL.—Each report required
23 under paragraph (1) shall include recent trends
24 in the unemployment rate, labor force participa-
25 tion rate, employment to population ratio, me-

1 dian household income, and change in real
2 earnings.

3 “(B) DEMOGRAPHIC INFORMATION.—The
4 trends required to be reported under subpara-
5 graph (A) shall include a comparison among
6 different demographic groups, including race
7 (White, African-American, Latino, Native
8 American, and Asian populations), ethnicity,
9 gender, and educational attainment.”.

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