

M E M O R A N D U M

To: Members of the Committee on Financial Services

From: FSC Majority Staff

Date: July 7, 2014

Subject: July 10, 2014, Full Committee Hearing Entitled “Legislation to Reform the Federal Reserve on Its 100-Year Anniversary”

The Committee on Financial Services will hold a hearing on “Legislation to Reform the Federal Reserve on Its 100-Year Anniversary” at 10 a.m. on Thursday, July 10, 2014, in Room 2128 of the Rayburn House Office Building. This will be a one-panel hearing and will include the following witnesses:

- Dr. John Taylor, Professor of Economics, Stanford University
- Dr. Mark Calabria, Cato Institute
- Hester Peirce, Senior Fellow, Mercatus Center at George Mason University
- Dr. Simon Johnson, Professor of Economics, Massachusetts Institute of Technology

H.R. 5018, the Federal Reserve Accountability and Transparency Act

Introduced by Congressman Huizenga and co-sponsored by Chairman Garrett, the Federal Reserve Accountability and Transparency Act requires the Federal Reserve to provide the Congress with a clear rule to describe the course of monetary policy.

The bill requires the Federal Reserve to conduct cost-benefit analysis when it adopts new rules. The bill enhances the Federal Reserve’s accountability to Congress in the conduct of regulatory policy and requires transparency about the Federal Reserve’s bank stress tests and about international financial regulatory negotiations conducted by the Federal Reserve, the Treasury Department, and the Federal Deposit Insurance Corporation. The legislation further requires the Federal Reserve to disclose the salaries of highly paid employees and requires those employees to abide by the same ethical requirements as other federal financial regulators.

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