

MEMORANDUM

To: Members of the Committee on Financial Services

From: FSC Majority Staff

Date: September 1, 2016

Subject: September 7, 2016, Monetary Policy and Trade Subcommittee Hearing Entitled “Federal Reserve Districts: Governance, Monetary Policy, and Economic Performance”

The Subcommittee on Monetary Policy and Trade will hold a hearing entitled “Federal Reserve Districts: Governance, Monetary Policy, and Economic Performance” on Wednesday, September 7, 2016 at 10:00 a.m. in Room 2128 Rayburn House Office Building.

This will be a one-panel hearing with the following witnesses:

- Esther L. George, President and Chief Executive Officer, Federal Reserve Bank of Kansas City;
- Robert G. Jones, Chairman and Chief Executive Officer, Old National BanCorp;
- Dr. Jeffrey M. Lacker, President and Chief Executive Officer, Federal Reserve Bank of Richmond; and
- The Honorable William Spriggs, Chief Economist, AFL-CIO and Professor, Department of Economics, Howard University

The hearing will examine the governance of the Federal Reserve Banks, and how it relates to the conduct of monetary policy and ultimately economic performance. The Federal Reserve System consists of a Board of Governors and twelve regional Federal Reserve Banks. Each Reserve Bank is responsible for a particular geographic area of the United States, and each one has its own board of nine directors. The Reserve Banks are responsible for a variety of functions, including operating a nationwide payments system, distributing the nation’s currency and coins, and, with authorization from the Board of Governors, provide financial assistance to solvent borrowers that could not secure adequate credit accommodations from other banking institutions.¹ Collectively, the Board of Governors and the Reserve Banks are responsible for supervising and regulating bank holding companies and for providing banking services to depository institutions and the federal government.

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¹ Source: Section 13(3) of the Federal Reserve Act, accessed Aug 17, 2015 at <http://www.federalreserve.gov/aboutthefed/section13.htm>.