AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 2543
OFFERED BY MS. WATERS OF CALIFORNIA

[Amendment to Federal Reserve Racial and Economic Equity Act]

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.
2 This Act may be cited as the “Federal Reserve Racial and Economic Equity Act”.

SEC. 2. DUTY TO MINIMIZE AND ELIMINATE RACIAL DISPARITIES.

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

“SEC. 2C. DUTY TO MINIMIZE AND ELIMINATE RACIAL DISPARITIES.

“The Board of Governors of the Federal Reserve System and the Federal Open Market Committee shall exercise all duties and functions in a manner that fosters the elimination of disparities across racial and ethnic groups with respect to employment, income, wealth, and access to affordable credit, including actions in carrying out—

“(1) monetary policy;
“(2) regulation and supervision of banks, thrifts, bank holding companies, savings and loan holding companies, and nonbank financial companies and systemically important financial market utilities designated by the Financial Stability Oversight Council;

“(3) operation of payment systems;

“(4) implementation of the Community Reinvestment Act of 1977;

“(5) enforcement of fair lending laws; and

“(6) community development functions.”.

SEC. 3. APPEARANCES BEFORE AND REPORTS TO THE CONGRESS.

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

(1) in subsection (a)(1)—

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

(B) by striking subparagraph (B) and inserting the following:

“(B) economic developments and prospects for the future described in the report required in subsection (b), including a discussion of disparities in employment, income, and wealth
across racial and ethnic groups as well as other specific segments of the population; and

“(C) plans, activities, and actions of the Board and the Federal Open Market Committee to minimize and eliminate disparities across racial and ethnic groups with respect to employment, wages, wealth, and access to affordable credit pursuant to section 2C.”; and

(2) in subsection (b)—

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

“(1) IN GENERAL.—The Board”; and

(B) by adding at the end the following:

“(2) TREND INFORMATION.—

“(A) IN GENERAL.—Each report required under paragraph (1) shall include recent trends in the unemployment rate, labor force participation rate, employment to population ratio, median household income, and change in real earnings.

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