

**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  
3 and Economic Equity Act”.

**4 SEC. 2. DUTY TO MINIMIZE AND ELIMINATE RACIAL DIS-  
5 PARITIES.**

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

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

10 “The Board of Governors of the Federal Reserve Sys-  
11 tem and the Federal Open Market Committee shall exer-  
12 cise all duties and functions in a manner that fosters the  
13 elimination of disparities across racial and ethnic groups  
14 with respect to employment, income, wealth, and access  
15 to affordable credit, including actions in carrying out—

16 “(1) monetary policy;

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

7           “(3) operation of payment systems;

8           “(4) implementation of the Community Rein-  
9           vestment Act of 1977;

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

11           “(6) community development functions.”.

12 **SEC. 3. APPEARANCES BEFORE AND REPORTS TO THE CON-**  
13 **GRESS.**

14           Section 2B of the Federal Reserve Act (12 U.S.C.  
15 225b) is amended—

16           (1) in subsection (a)(1)—

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

19           (B) by striking subparagraph (B) and in-  
20           serting the following:

21           “(B) economic developments and prospects  
22           for the future described in the report required  
23           in subsection (b), including a discussion of dis-  
24           parities in employment, income, and wealth

1 across racial and ethnic groups as well as other  
2 specific segments of the population; and

3 “(C) plans, activities, and actions of the  
4 Board and the Federal Open Market Committee  
5 to minimize and eliminate disparities across ra-  
6 cial and ethnic groups with respect to employ-  
7 ment, wages, wealth, and access to affordable  
8 credit pursuant to section 2C.”; and

9 (2) in subsection (b)—

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

12 “(1) IN GENERAL.—The Board”; and

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

14 “(2) TREND INFORMATION.—

15 “(A) IN GENERAL.—Each report required  
16 under paragraph (1) shall include recent trends  
17 in the unemployment rate, labor force participa-  
18 tion rate, employment to population ratio, me-  
19 dian household income, and change in real  
20 earnings.

21 “(B) DEMOGRAPHIC INFORMATION.—The  
22 trends required to be reported under subpara-  
23 graph (A) shall include a comparison among  
24 different demographic groups, including race  
25 (White, African-American, Latino, Native

1 American, and Asian populations), ethnicity,  
2 gender, and educational attainment.”.

