

S 238

Federal Reserve Modernization Act of 2013

Congress: 113 (2013–2015, Ended)

Chamber: Senate

Policy Area: Economics and Public Finance

Introduced: Feb 7, 2013

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Feb 7, 2013)

Official Text: <https://www.congress.gov/bill/113th-congress/senate-bill/238>

Sponsor

Name: Sen. Lee, Mike [R-UT]

Party: Republican • **State:** UT • **Chamber:** Senate

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Cornyn, John [R-TX]	R · TX		Feb 7, 2013
Sen. Rubio, Marco [R-FL]	R · FL		Feb 7, 2013

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Feb 7, 2013

Subjects & Policy Tags

Policy Area:

Economics and Public Finance

Related Bills

Bill	Relationship	Last Action
113 HR 1174	Related bill	Mar 14, 2013: Referred to the House Committee on Financial Services.

Summary (as of Feb 7, 2013)

Federal Reserve Modernization Act of 2013 - Amends the Federal Reserve Act (FRA) to direct the Board of Governors of the Federal Reserve System (Board) and the Federal Open Market Committee (FOMC) to: (1) promote the goal of long-term price stability, and (2) establish metrics to evaluate whether long-term price stability is being achieved.

Prescribes procedures for the establishment and evaluation of such metrics.

Directs the Board and the FOMC to: (1) make such information available to the public on a website, and (2) report to Congress each time such metrics are set or revised.

Directs the Board to include in its semiannual report to Congress: (1) the results of the evaluation process, (2) whether the goal of long-term price stability is being met, (3) the main monetary policy instruments and strategy used by the Board and the FOMC to achieve long-term price stability, and (4) an analysis of how the policies of the Board and the FOMC are affecting the foreign exchange rate value of the U.S. dollar.

Directs the Board to clearly articulate its lender-of-last-resort policy.

Revamps FOMC membership to consist of one representative from each of the Federal Reserve banks (in addition to members of the Board).

Directs the FOMC to release meeting transcripts to the public within three years after each meeting.

Redesignates the Department of the Treasury stabilization fund as the Special Drawing Rights Fund. Instructs the Secretary of the Treasury to liquidate all property in the Fund (other than Special Drawing Rights) and to use all such amounts to reduce the public debt.

Limits the availability of the Fund solely to stabilize exchange rates and arrangements. Repeals the authority of the Secretary to deal in U.S. instruments of credit and securities. Permits only Special Drawing Rights to be deposited into the Fund. Requires funds that would otherwise have been deposited into the Fund to be paid, instead, to the Secretary to reduce the public debt.

Amends the FRA to authorize the FOMC, in unusual and exigent circumstances, by the affirmative vote of two-thirds of its members, to grant any Federal Reserve bank emergency authority to buy and sell U.S. debt obligations and revenue bonds in anticipation of the collection of taxes or the receipt of assured revenues by any state or local governmental entity, as well as obligations of, or guaranteed by, a foreign government or agency.

Amends the Consumer Financial Protection Act of 2010 to repeal: (1) funding for the Consumer Financial Protection Bureau (CFPB), and (2) the Bureau of Consumer Financial Protection Fund.

Actions Timeline

- **Feb 7, 2013:** Introduced in Senate
- **Feb 7, 2013:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.