

1       **TITLE XI—FEDERAL RESERVE**  
2                   **SYSTEM PROVISIONS**

3       **SEC. 1101. FEDERAL RESERVE ACT AMENDMENTS ON**  
4                   **EMERGENCY LENDING AUTHORITY.**

5           (a) FEDERAL RESERVE ACT.—The third undesig-  
6 nated paragraph of section 13 of the Federal Reserve Act  
7 (12 U.S.C. 343) (relating to emergency lending authority)  
8 is amended—

9           (1) by inserting “(3)(A)” before “In unusual”;

10          (2) by striking “individual, partnership, or cor-  
11 poration” the first place that term appears and in-  
12 serting the following: “participant in any program or  
13 facility with broad-based eligibility”;

14          (3) by striking “exchange for an individual or  
15 a partnership or corporation” and inserting “ex-  
16 change,”;

17          (4) by striking “such individual, partnership, or  
18 corporation” and inserting the following: “such par-  
19 ticipant in any program or facility with broad-based  
20 eligibility”;

21          (5) by striking “for individuals, partnerships,  
22 corporations” and inserting “for any participant in  
23 any program or facility with broad-based eligibility”;

1           (6) by striking “may prescribe.” and inserting  
2           the following: “may prescribe.

3           “(B)(i) As soon as is practicable after the  
4           date of enactment of this subparagraph, the  
5           Board shall establish, by regulation, in con-  
6           sultation with the Secretary of the Treasury,  
7           the policies and procedures governing emer-  
8           gency lending under this paragraph. Such poli-  
9           cies and procedures shall be designed to ensure  
10          that any emergency lending program or facility  
11          is for the purpose of providing liquidity to the  
12          financial system, and not to aid a failing finan-  
13          cial company, and that the security for emer-  
14          gency loans is sufficient to protect taxpayers  
15          from losses and that any such program is ter-  
16          minated in a timely and orderly fashion. The  
17          policies and procedures established by the  
18          Board shall require that a Federal reserve bank  
19          assign, consistent with sound risk management  
20          practices and to ensure protection for the tax-  
21          payer, a lendable value to all collateral for a  
22          loan executed by a Federal reserve bank under  
23          this paragraph in determining whether the loan  
24          is secured satisfactorily for purposes of this  
25          paragraph.

1           “(ii) The Board shall establish procedures  
2           to prohibit borrowing from programs and facili-  
3           ties by borrowers that are insolvent. Such pro-  
4           cedures may include a certification from the  
5           chief executive officer (or other authorized offi-  
6           cer) of the borrower, at the time the borrower  
7           initially borrows under the program or facility  
8           (with a duty by the borrower to update the cer-  
9           tification if the information in the certification  
10          materially changes), that the borrower is not in-  
11          solvent. A borrower shall be considered insol-  
12          vent for purposes of this subparagraph, if the  
13          borrower is in bankruptcy, resolution under title  
14          II of the Restoring American Financial Sta-  
15          bility Act of 2010, or any other Federal or  
16          State insolvency proceeding.

17          “(iii) A program or facility that is struc-  
18          tured to remove assets from the balance sheet  
19          of a single and specific company, or that is es-  
20          tablished for the purpose of assisting a single  
21          and specific company avoid bankruptcy, resolu-  
22          tion under title II of the Restoring American  
23          Financial Stability Act of 2010, or any other  
24          Federal or State insolvency proceeding, shall

1 not be considered a program or facility with  
2 broad-based eligibility.

3 “(iv) The Board may not establish any  
4 program or facility under this paragraph with-  
5 out the prior approval of the Secretary of the  
6 Treasury.

7 “(C) The Board shall provide to the Com-  
8 mittee on Banking, Housing, and Urban Affairs  
9 of the Senate and the Committee on Financial  
10 Services of the House of Representatives—

11 “(i) not later than 7 days after the  
12 Board authorizes any loan or other finan-  
13 cial assistance under this paragraph, a re-  
14 port that includes—

15 “(I) the justification for the exer-  
16 cise of authority to provide such as-  
17 sistance;

18 “(II) the identity of the recipi-  
19 ents of such assistance;

20 “(III) the date and amount of  
21 the assistance, and form in which the  
22 assistance was provided; and

23 “(IV) the material terms of the  
24 assistance, including—

25 “(aa) duration;

1                   “(bb) collateral pledged and  
2                   the value thereof;

3                   “(cc) all interest, fees, and  
4                   other revenue or items of value to  
5                   be received in exchange for the  
6                   assistance;

7                   “(dd) any requirements im-  
8                   posed on the recipient with re-  
9                   spect to employee compensation,  
10                  distribution of dividends, or any  
11                  other corporate decision in ex-  
12                  change for the assistance; and

13                  “(ee) the expected costs to  
14                  the taxpayers of such assistance;  
15                  and

16                  “(ii) once every 30 days, with respect  
17                  to any outstanding loan or other financial  
18                  assistance under this paragraph, written  
19                  updates on—

20                         “(I) the value of collateral;

21                         “(II) the amount of interest,  
22                         fees, and other revenue or items of  
23                         value received in exchange for the as-  
24                         sistance; and

1                   “(III) the expected or final cost  
2                   to the taxpayers of such assistance.

3                   “(D) The information required to be sub-  
4                   mitted to Congress under subparagraph (C) re-  
5                   lated to—

6                   “(i) the identity of the participants in  
7                   an emergency lending program or facility  
8                   commenced under this paragraph;

9                   “(ii) the amounts borrowed by each  
10                  participant in any such program or facility;

11                  “(iii) identifying details concerning  
12                  the assets or collateral held by, under, or  
13                  in connection with such a program or facil-  
14                  ity,

15                  shall be kept confidential, upon the written re-  
16                  quest of the Chairman of the Board, in which  
17                  case such information shall be made available  
18                  only to the Chairpersons or Ranking Members  
19                  of the Committees described in subparagraph  
20                  (C).

21                  “(E) If an entity to which a Federal re-  
22                  serve bank has provided a loan under this para-  
23                  graph becomes a covered financial company, as  
24                  defined in section 203 of the Restoring Amer-  
25                  ican Financial Stability Act of 2010, at any

1 time while such loan is outstanding, and the  
2 Federal reserve bank incurs a realized net loss  
3 on the loan, then the Federal reserve bank shall  
4 have a claim equal to the amount of the net re-  
5 realized loss against the covered entity, with the  
6 same priority as an obligation to the Secretary  
7 of the Treasury under sections 210(n) and  
8 210(o) of the Restoring American Financial  
9 Stability Act of 2010.”.

10 (b) CONFORMING AMENDMENT.—Section 507(a)(2)  
11 of title 11, United States Code, is amended by inserting  
12 “unsecured claims of any Federal reserve bank related to  
13 loans made through programs or facilities authorized  
14 under section 13(3) of the Federal Reserve Act (12 U.S.C.  
15 343),” after “this title,”.

16 (c) REFERENCES.—On and after the date of enact-  
17 ment of this Act, any reference in any provision of Federal  
18 law to the third undesignated paragraph of section 13 of  
19 the Federal Reserve Act (12 U.S.C. 343) shall be deemed  
20 to be a reference to section 13(3) of the Federal Reserve  
21 Act, as so designated by this section.

22 **SEC. 1102. REVIEWS OF SPECIAL FEDERAL RESERVE CRED-**  
23 **IT FACILITIES.**

24 (a) REVIEWS.—Section 714 of title 31, United States  
25 Code, is amended by adding at the end the following:

1           “(f) REVIEWS OF CREDIT FACILITIES OF THE FED-  
2 ERAL RESERVE SYSTEM.—

3           “(1) DEFINITIONS.—In this subsection, the fol-  
4 lowing definitions shall apply:

5           “(A) CREDIT FACILITY.—The term ‘credit  
6 facility’ means a program or facility, including  
7 any special purpose vehicle or other entity es-  
8 tablished by or on behalf of the Board of Gov-  
9 ernors of the Federal Reserve System or a Fed-  
10 eral reserve bank, authorized by the Board of  
11 Governors under section 13(3) of the Federal  
12 Reserve Act (12 U.S.C. 343), that is not sub-  
13 ject to audit under subsection (e).

14           “(B) COVERED TRANSACTION.—The term  
15 ‘covered transaction’ means any open market  
16 transaction or discount window advance that  
17 meets the definition of ‘covered transaction’ in  
18 section 11(s) of the Federal Reserve Act.

19           “(2) AUTHORITY FOR REVIEWS AND EXAMINA-  
20 TIONS.—Subject to paragraph (3), and notwith-  
21 standing any limitation in subsection (b) on the au-  
22 diting and oversight of certain functions of the  
23 Board of Governors of the Federal Reserve System  
24 or any Federal reserve bank, the Comptroller Gen-  
25 eral of the United States may conduct reviews, in-

1 including onsite examinations, of the Board of Gov-  
2 ernors, a Federal reserve bank, or a credit facility,  
3 if the Comptroller General determines that such re-  
4 views are appropriate, solely for the purposes of as-  
5 sessing, with respect to a credit facility or a covered  
6 transaction—

7 “(A) the operational integrity, accounting,  
8 financial reporting, and internal controls gov-  
9 erning the credit facility or covered transaction;

10 “(B) the effectiveness of the security and  
11 collateral policies established for the facility or  
12 covered transaction in mitigating risk to the rel-  
13 evant Federal reserve bank and taxpayers;

14 “(C) whether the credit facility or the con-  
15 duct of a covered transaction inappropriately  
16 favors one or more specific participants over  
17 other institutions eligible to utilize the facility;  
18 and

19 “(D) the policies governing the use, selec-  
20 tion, or payment of third-party contractors by  
21 or for any credit facility or to conduct any cov-  
22 ered transaction.

23 “(3) REPORTS AND DELAYED DISCLOSURE.—

24 “(A) REPORTS REQUIRED.—A report on  
25 each review conducted under paragraph (2)

1 shall be submitted by the Comptroller General  
2 to the Congress before the end of the 90-day  
3 period beginning on the date on which such re-  
4 view is completed.

5 “(B) CONTENTS.—The report under sub-  
6 paragraph (A) shall include a detailed descrip-  
7 tion of the findings and conclusions of the  
8 Comptroller General with respect to the matters  
9 described in paragraph (2) that were reviewed  
10 and are the subject of the report, together with  
11 such recommendations for legislative or admin-  
12 istrative action relating to such matters as the  
13 Comptroller General may determine to be ap-  
14 propriate.

15 “(C) DELAYED RELEASE OF CERTAIN IN-  
16 FORMATION.—

17 “(i) IN GENERAL.—The Comptroller  
18 General shall not disclose to any person or  
19 entity, including to Congress, the names or  
20 identifying details of specific participants  
21 in any credit facility or covered trans-  
22 action, the amounts borrowed by or trans-  
23 ferred by or to specific participants in any  
24 credit facility or covered transaction, or  
25 identifying details regarding assets or col-

1 lateral held or transferred by, under, or in  
2 connection with any credit facility or cov-  
3 ered transaction, and any report provided  
4 under subparagraph (A) shall be redacted  
5 to ensure that such names and details are  
6 not disclosed.

7 “(ii) DELAYED RELEASE.—The non-  
8 disclosure obligation under clause (i) shall  
9 expire with respect to any participant on  
10 the date on which the Board of Governors,  
11 directly or through a Federal reserve bank,  
12 publicly discloses the identity of the subject  
13 participant or the identifying details of the  
14 subject assets, collateral, or transaction.

15 “(iii) GENERAL RELEASE.—The  
16 Comptroller General shall release a non-  
17 redacted version of any report on a credit  
18 facility 1 year after the effective date of  
19 the termination by the Board of Governors  
20 of the authorization for the credit facility.  
21 For purposes of this clause, a credit facil-  
22 ity shall be deemed to have terminated 24  
23 months after the date on which the credit  
24 facility ceases to make extensions of credit  
25 and loans, unless the credit facility is oth-

1 erwise terminated by the Board of Gov-  
2 ernors.

3 “(iv) EXCEPTIONS.—The nondislo-  
4 sure obligation under clause (i) shall not  
5 apply to the credit facilities Maiden Lane,  
6 Maiden Lane II, and Maiden Lane III.

7 “(v) RELEASE OF COVERED TRANS-  
8 ACTION INFORMATION.—The Comptroller  
9 General shall release a nonredacted version  
10 of any report regarding covered trans-  
11 actions upon the release of the information  
12 regarding such covered transactions by the  
13 Board of Governors of the Federal Reserve  
14 System, as provided in section 11(s) of the  
15 Federal Reserve Act.”.

16 (b) ACCESS TO RECORDS.—Section 714(d) of title  
17 31, United States Code, is amended—

18 (1) in paragraph (2), by inserting “or any per-  
19 son or entity described in paragraph (3)(A)” after  
20 “used by an agency”;

21 (2) in paragraph (3), by inserting “or (f)” after  
22 “subsection (e)” each place that term appears;

23 (3) in paragraph (3)(A)(i), by inserting “or the  
24 Federal Reserve banks” after “by the Board”;

25 (4) in paragraph (3)(A)(ii)—

1 (A) by inserting “or the Federal Reserve  
2 banks” after “by the Board”; and

3 (B) by inserting “participating in or” after  
4 “any entity”; and

5 (5) in paragraph (3)(B), by adding at the end  
6 the following: “The Comptroller General may make  
7 and retain copies of books, accounts, and other  
8 records provided under subparagraph (A) as the  
9 Comptroller General deems appropriate. The Comp-  
10 troller General shall provide to any person or entity  
11 described in subparagraph (A) a current list of offi-  
12 cers and employees to whom, with proper identifica-  
13 tion, records and property may be made available,  
14 and who may make notes or copies necessary to  
15 carry out a review or examination under this sub-  
16 section.”.

17 **SEC. 1103. PUBLIC ACCESS TO INFORMATION.**

18 (a) IN GENERAL.—Section 2B of the Federal Reserve  
19 Act (12 U.S.C. 225b) is amended by adding at the end  
20 the following:

21 “(c) PUBLIC ACCESS TO INFORMATION.—The Board  
22 shall place on its home Internet website, a link entitled  
23 ‘Audit’, which shall link to a webpage that shall serve as  
24 a repository of information made available to the public  
25 for a reasonable period of time, not less than 6 months

1 following the date of release of the relevant information,  
2 including—

3 “(1) the reports prepared by the Comptroller  
4 General under section 714 of title 31, United States  
5 Code;

6 “(2) the annual financial statements prepared  
7 by an independent auditor for the Board in accord-  
8 ance with section 11B;

9 “(3) the reports to the Committee on Banking,  
10 Housing, and Urban Affairs of the Senate required  
11 under section 13(3) (relating to emergency lending  
12 authority); and

13 “(4) such other information as the Board rea-  
14 sonably believes is necessary or helpful to the public  
15 in understanding the accounting, financial reporting,  
16 and internal controls of the Board and the Federal  
17 reserve banks.”.

18 (b) FEDERAL RESERVE TRANSPARENCY AND RE-  
19 LEASE OF INFORMATION.—Section 11 of the Federal Re-  
20 serve Act (12 U.S.C. 248) is amended by adding at the  
21 end the following new subsection:

22 “(s) FEDERAL RESERVE TRANSPARENCY AND RE-  
23 LEASE OF INFORMATION.—

24 “(1) IN GENERAL.—In order to ensure the dis-  
25 closure in a timely manner consistent with the pur-

1 poses of this Act of information concerning the bor-  
2 rowers and counterparties participating in emer-  
3 gency credit facilities, discount window lending pro-  
4 grams, and open market operations authorized or  
5 conducted by the Board or a Federal reserve bank,  
6 the Board of Governors shall disclose, as provided in  
7 paragraph (2)—

8 “(A) the names and identifying details of  
9 each borrower, participant, or counterparty in  
10 any credit facility or covered transaction;

11 “(B) the amount borrowed by or trans-  
12 ferred by or to a specific borrower, participant,  
13 or counterparty in any credit facility or covered  
14 transaction;

15 “(C) the interest rate or discount paid by  
16 each borrower, participant, or counterparty in  
17 any credit facility or covered transaction; and

18 “(D) information identifying the types and  
19 amounts of collateral pledged or assets trans-  
20 ferred in connection with participation in any  
21 credit facility or covered transaction.

22 “(2) MANDATORY RELEASE DATE.—In the case  
23 of—

24 “(A) a credit facility, the Board shall dis-  
25 close the information described in paragraph

1 (1) on the date that is 1 year after the effective  
2 date of the termination by the Board of the au-  
3 thorization of the credit facility; and

4 “(B) a covered transaction, the Board  
5 shall disclose the information described in para-  
6 graph (1) on the last day of the eighth calendar  
7 quarter following the calendar quarter in which  
8 the covered transaction was conducted.

9 “(3) EARLIER RELEASE DATE AUTHORIZED.—  
10 The Chairman of the Board may publicly release the  
11 information described in paragraph (1) before the  
12 relevant date specified in paragraph (2), if the  
13 Chairman determines that such disclosure would be  
14 in the public interest and would not harm the effec-  
15 tiveness of the relevant credit facility or the purpose  
16 or conduct of covered transactions.

17 “(4) DEFINITIONS.—For purposes of this sub-  
18 section, the following definitions shall apply:

19 “(A) CREDIT FACILITY.—The term ‘credit  
20 facility’ has the same meaning as in section  
21 714(f)(1)(A) of title 31, United States Code.

22 “(B) COVERED TRANSACTION.—The term  
23 ‘covered transaction’ means—

24 “(i) any open market transaction with  
25 a nongovernmental third party conducted

1 under the first undesignated paragraph of  
2 section 14 or subparagraph (a), (b), or (c)  
3 of the 2nd undesignated paragraph of such  
4 section, after the date of enactment of the  
5 Restoring American Financial Stability Act  
6 of 2010; and

7 “(ii) any advance made under section  
8 10B after the date of enactment of that  
9 Act.

10 “(5) TERMINATION OF CREDIT FACILITY BY OP-  
11 ERATION OF LAW.—A credit facility shall be deemed  
12 to have terminated as of the end of the 24-month  
13 period beginning on the date on which the credit fa-  
14 cility ceases to make extensions of credit and loans,  
15 unless the credit facility is otherwise terminated by  
16 the Board before such date.

17 “(6) CONSISTENT TREATMENT OF INFORMA-  
18 TION.—Except as provided in this subsection or sec-  
19 tion 13(3)(D), or in section 714(f)(3)(C) of title 31,  
20 United States Code, the information described in  
21 paragraph (1) and information concerning the trans-  
22 actions described in section 714(f) of such title, shall  
23 be confidential, including for purposes of section  
24 552(b)(3) of title 5 of such Code, until the relevant  
25 mandatory release date described in paragraph (2),

1 unless the Board determines that earlier disclosure  
2 of such information would be in the public interest  
3 and would not harm the effectiveness of the relevant  
4 credit facility or the purpose of conduct of the rel-  
5 evant transactions.

6 “(7) PROTECTION OF PERSONAL PRIVACY.—  
7 This subsection and section 13(3)(C), section  
8 714(f)(3)(C) of title 31, United States Code, and  
9 section 1109(a) or (c) of the Restoring American Fi-  
10 nancial Stability Act of 2010 shall not be construed  
11 as requiring any disclosure of nonpublic personal in-  
12 formation (as defined for purposes of section 502 of  
13 the Gramm-Leach-Bliley Act (12 U.S.C. 6802)) con-  
14 cerning any individual who is referenced in collateral  
15 pledged or assets transferred in connection with a  
16 credit facility or covered transaction, unless the per-  
17 son is a borrower, participant, or counterparty under  
18 the credit facility or covered transaction.

19 “(8) RULE OF CONSTRUCTION.—Nothing in  
20 this section is meant to affect any pending litigation  
21 or lawsuit filed under section 552 of title 5, United  
22 States Code (popularly known as the Freedom of In-  
23 formation Act), on or before the date of enactment  
24 of the Restoring American Financial Stability Act of  
25 2010.”.

1 **SEC. 1104. LIQUIDITY EVENT DETERMINATION.**

2 (a) DETERMINATION AND WRITTEN RECOMMENDA-  
3 TION.—

4 (1) DETERMINATION REQUEST.—The Secretary  
5 may request the Corporation and the Board of Gov-  
6 ernors to determine whether a liquidity event exists  
7 that warrants use of the guarantee program author-  
8 ized under section 1105.

9 (2) REQUIREMENTS OF DETERMINATION.—Any  
10 determination pursuant to paragraph (1) shall—

11 (A) be written; and

12 (B) contain an evaluation of the evidence  
13 that—

14 (i) a liquidity event exists;

15 (ii) failure to take action would have  
16 serious adverse effects on financial stability  
17 or economic conditions in the United  
18 States; and

19 (iii) actions authorized under section  
20 1105 are needed to avoid or mitigate po-  
21 tential adverse effects on the United States  
22 financial system or economic conditions.

23 (b) PROCEDURES.—Notwithstanding any other provi-  
24 sion of Federal or State law, upon the determination of  
25 both the Corporation (upon a vote of not fewer than  $\frac{2}{3}$   
26 of the members of the Corporation then serving) and the

1 Board of Governors (upon a vote of not fewer than  $\frac{2}{3}$   
2 of the members of the Board of Governors then serving)  
3 under subsection (a) that a liquidity event exists that war-  
4 rants use of the guarantee program authorized under sec-  
5 tion 1105, and with the written consent of the Secretary—

6 (1) the Corporation shall take action in accord-  
7 ance with section 1105(a); and

8 (2) the Secretary (in consultation with the  
9 President) shall take action in accordance with sec-  
10 tion 1105(c).

11 (c) DOCUMENTATION AND REVIEW.—

12 (1) DOCUMENTATION.—The Secretary shall—

13 (A) maintain the written documentation of  
14 each determination of the Corporation and the  
15 Board of Governors under this section; and

16 (B) provide the documentation for review  
17 under paragraph (2).

18 (2) GAO REVIEW.—The Comptroller General of  
19 the United States shall review and report to Con-  
20 gress on any determination of the Corporation and  
21 the Board of Governors under subsection (a), includ-  
22 ing—

23 (A) the basis for the determination; and

24 (B) the likely effect of the actions taken.

1 (d) REPORT TO CONGRESS.—On the earlier of the  
2 date of a submission made to Congress under section  
3 1105(c), or within 30 days of the date of a determination  
4 under subsection (a), the Secretary shall provide written  
5 notice of the determination of the Corporation and the  
6 Board of Governors to the Committee on Banking, Hous-  
7 ing, and Urban Affairs of the Senate and the Committee  
8 on Financial Services of the House of Representatives, in-  
9 cluding a description of the basis for the determination.

10 **SEC. 1105. EMERGENCY FINANCIAL STABILIZATION.**

11 (a) IN GENERAL.—Upon the written determination  
12 of the Corporation and the Board of Governors under sec-  
13 tion 1104, the Corporation shall create a widely available  
14 program to guarantee obligations of solvent insured depos-  
15 itory institutions or solvent depository institution holding  
16 companies (including any affiliates thereof) during times  
17 of severe economic distress, except that a guarantee of ob-  
18 ligations under this section may not include the provision  
19 of equity in any form.

20 (b) RULEMAKING AND TERMS AND CONDITIONS.—

21 (1) POLICIES AND PROCEDURES.—As soon as is  
22 practicable after the date of enactment of this Act,  
23 the Corporation shall establish, by regulation, and in  
24 consultation with the Secretary, policies and proce-  
25 dures governing the issuance of guarantees author-

1        ized by this section. Such policies and procedures  
2        may include a requirement of collateral as a condi-  
3        tion of any such guarantee.

4            (2) TERMS AND CONDITIONS.—The terms and  
5        conditions of any guarantee program shall be estab-  
6        lished by the Corporation, with the concurrence of  
7        the Secretary.

8        (c) DETERMINATION OF GUARANTEED AMOUNT.—

9            (1) IN GENERAL.—In connection with any pro-  
10        gram established pursuant to subsection (a) and  
11        subject to paragraph (2) of this subsection, the Sec-  
12        retary (in consultation with the President) shall de-  
13        termine the maximum amount of debt outstanding  
14        that the Corporation may guarantee under this sec-  
15        tion, and the President may transmit to Congress a  
16        written report on the plan of the Corporation to ex-  
17        ercise the authority under this section to issue guar-  
18        antees up to that maximum amount and a request  
19        for approval of such plan. The Corporation shall ex-  
20        ercise the authority under this section to issue guar-  
21        antees up to that specified maximum amount upon  
22        passage of the joint resolution of approval, as pro-  
23        vided in subsection (d). Absent such approval, the  
24        Corporation shall issue no such guarantees.

1           (2) ADDITIONAL DEBT GUARANTEE AUTHOR-  
2           ITY.—If the Secretary (in consultation with the  
3           President) determines, after a submission to Con-  
4           gress under paragraph (1), that the maximum guar-  
5           antee amount should be raised, and the Council con-  
6           curs with that determination, the President may  
7           transmit to Congress a written report on the plan of  
8           the Corporation to exercise the authority under this  
9           section to issue guarantees up to the increased max-  
10          imum debt guarantee amount. The Corporation shall  
11          exercise the authority under this section to issue  
12          guarantees up to that specified maximum amount  
13          upon passage of the joint resolution of approval, as  
14          provided in subsection (d). Absent such approval,  
15          the Corporation shall issue no such guarantees.

16          (d) RESOLUTION OF APPROVAL.—

17               (1) ADDITIONAL DEBT GUARANTEE AUTHOR-  
18               ITY.—A request by the President under this section  
19               shall be considered granted by Congress upon adop-  
20               tion of a joint resolution approving such request.  
21               Such joint resolution shall be considered in the Sen-  
22               ate under expedited procedures.

23               (2) FAST TRACK CONSIDERATION IN SENATE.—

24                       (A) RECONVENING.—Upon receipt of a re-  
25                       quest under subsection (c), if the Senate has

1 adjourned or recessed for more than 2 days, the  
2 majority leader of the Senate, after consultation  
3 with the minority leader of the Senate, shall no-  
4 tify the Members of the Senate that, pursuant  
5 to this section, the Senate shall convene not  
6 later than the second calendar day after receipt  
7 of such message.

8 (B) PLACEMENT ON CALENDAR.—Upon in-  
9 troduction in the Senate, the joint resolution  
10 shall be placed immediately on the calendar.

11 (C) FLOOR CONSIDERATION.—

12 (i) IN GENERAL.—Notwithstanding  
13 Rule XXII of the Standing Rules of the  
14 Senate, it is in order at any time during  
15 the period beginning on the 4th day after  
16 the date on which Congress receives a re-  
17 quest under subsection (c), and ending on  
18 the 7th day after that date (even though a  
19 previous motion to the same effect has  
20 been disagreed to) to move to proceed to  
21 the consideration of the joint resolution,  
22 and all points of order against the joint  
23 resolution (and against consideration of  
24 the joint resolution) are waived. The mo-  
25 tion to proceed is not debatable. The mo-

1                   tion is not subject to a motion to postpone.  
2                   A motion to reconsider the vote by which  
3                   the motion is agreed to or disagreed to  
4                   shall not be in order. If a motion to pro-  
5                   ceed to the consideration of the resolution  
6                   is agreed to, the joint resolution shall re-  
7                   main the unfinished business until dis-  
8                   posed of.

9                   (ii) DEBATE.—Debate on the joint  
10                  resolution, and on all debatable motions  
11                  and appeals in connection therewith, shall  
12                  be limited to not more than 10 hours,  
13                  which shall be divided equally between the  
14                  majority and minority leaders or their des-  
15                  ignees. A motion further to limit debate is  
16                  in order and not debatable. An amendment  
17                  to, or a motion to postpone, or a motion to  
18                  proceed to the consideration of other busi-  
19                  ness, or a motion to recommit the joint  
20                  resolution is not in order.

21                  (iii) VOTE ON PASSAGE.—The vote on  
22                  passage shall occur immediately following  
23                  the conclusion of the debate on the joint  
24                  resolution, and a single quorum call at the

1 conclusion of the debate if requested in ac-  
2 cordance with the rules of the Senate.

3 (iv) RULINGS OF THE CHAIR ON PRO-  
4 CEDURE.—Appeals from the decisions of  
5 the Chair relating to the application of the  
6 rules of the Senate, as the case may be, to  
7 the procedure relating to a joint resolution  
8 shall be decided without debate.

9 (3) RULES.—

10 (A) COORDINATION WITH ACTION BY  
11 HOUSE OF REPRESENTATIVES.—If, before the  
12 passage by the Senate of a joint resolution of  
13 the Senate, the Senate receives a joint resolu-  
14 tion, from the House of Representatives, then  
15 the following procedures shall apply:

16 (i) The joint resolution of the House  
17 of Representatives shall not be referred to  
18 a committee.

19 (ii) With respect to a joint resolution  
20 of the Senate—

21 (I) the procedure in the Senate  
22 shall be the same as if no joint resolu-  
23 tion had been received from the other  
24 House; but

1 (II) the vote on passage shall be  
2 on the joint resolution of the House of  
3 Representatives.

4 (B) TREATMENT OF JOINT RESOLUTION  
5 OF HOUSE OF REPRESENTATIVES.—If the Sen-  
6 ate fails to introduce or consider a joint resolu-  
7 tion under this section, the joint resolution of  
8 the House of Representatives shall be entitled  
9 to expedited floor procedures under this sub-  
10 section.

11 (C) TREATMENT OF COMPANION MEAS-  
12 URES.—If, following passage of the joint resolu-  
13 tion in the Senate, the Senate then receives the  
14 companion measure from the House of Rep-  
15 resentatives, the companion measure shall not  
16 be debatable.

17 (D) RULES OF THE SENATE.—This sub-  
18 section is enacted by Congress—

19 (i) as an exercise of the rulemaking  
20 power of the Senate, and as such it is  
21 deemed a part of the rules of the Senate,  
22 but applicable only with respect to the pro-  
23 cedure to be followed in the Senate in the  
24 case of a joint resolution, and it supersedes

1 other rules, only to the extent that it is in-  
2 consistent with such rules; and

3 (ii) with full recognition of the con-  
4 stitutional right of the Senate to change  
5 the rules (so far as relating to the proce-  
6 dure of the Senate) at any time, in the  
7 same manner, and to the same extent as in  
8 the case of any other rule of the Senate.

9 (4) DEFINITION.—As used in this subsection,  
10 the term “joint resolution” means only a joint reso-  
11 lution—

12 (A) that is introduced not later than 3 cal-  
13 endar days after the date on which the request  
14 referred to in subsection (c) is received by Con-  
15 gress;

16 (B) that does not have a preamble;

17 (C) the title of which is as follows: “Joint  
18 resolution relating to the approval of a plan to  
19 guarantee obligations under section 1105 of the  
20 Restoring American Financial Stability Act of  
21 2010”; and

22 (D) the matter after the resolving clause of  
23 which is as follows: “That Congress approves  
24 the obligation of any amount described in sec-

1           tion 1105(c) of the Restoring American Finan-  
2           cial Stability Act of 2010.”.

3           (e) FUNDING.—

4           (1) FEES AND OTHER CHARGES.—The Corpora-  
5           tion shall charge fees and other assessments to all  
6           participants in the program established pursuant to  
7           this section, in such amounts as are necessary to off-  
8           set projected losses and administrative expenses, in-  
9           cluding amounts borrowed pursuant to paragraph  
10          (3), and such amounts shall be available to the Cor-  
11          poration.

12          (2) EXCESS FUNDS.—If, at the conclusion of  
13          the program established under this section, there are  
14          any excess funds collected from the fees associated  
15          with such program, the funds shall be deposited in  
16          the General Fund of the Treasury.

17          (3) AUTHORITY OF CORPORATION.—The Cor-  
18          poration—

19                 (A) may borrow funds from the Secretary  
20                 of the Treasury and issue obligations of the  
21                 Corporation to the Secretary for amounts bor-  
22                 rowed, and the amounts borrowed shall be  
23                 available to the Corporation for purposes of car-  
24                 rying out a program established pursuant to  
25                 this section, including the payment of reason-

1           able costs of administering the program, and  
2           the obligations issued shall be repaid in full  
3           with interest through fees and charges paid by  
4           participants in accordance with paragraphs (1)  
5           and (4), as applicable; and

6                   (B) may not borrow funds from the De-  
7           posit Insurance Fund established pursuant to  
8           section 11(a)(4) of the Federal Deposit Insur-  
9           ance Act.

10           (4) BACKUP SPECIAL ASSESSMENTS.—To the  
11           extent that the funds collected pursuant to para-  
12           graph (1) are insufficient to cover any losses or ex-  
13           penses, including amounts borrowed pursuant to  
14           paragraph (3), arising from a program established  
15           pursuant to this section, the Corporation shall im-  
16           pose a special assessment solely on participants in  
17           the program, in amounts necessary to address such  
18           insufficiency, and which shall be available to the  
19           Corporation to cover such losses or expenses.

20           (5) AUTHORITY OF THE SECRETARY.—The Sec-  
21           retary may purchase any obligations issued under  
22           paragraph (3)(A). For such purpose, the Secretary  
23           may use the proceeds of the sale of any securities  
24           issued under chapter 31 of title 31, United States  
25           Code, and the purposes for which securities may be

1 issued under that chapter 31 are extended to include  
2 such purchases, and the amount of any securities  
3 issued under that chapter 31 for such purpose shall  
4 be treated in the same manner as securities issued  
5 under section 208(n)(3)(B).

6 (f) RULE OF CONSTRUCTION.—For purposes of this  
7 section, a guarantee of deposits held by insured depository  
8 institutions shall not be treated as a debt guarantee pro-  
9 gram.

10 (g) DEFINITIONS.—For purposes of this section, the  
11 following definitions shall apply:

12 (1) COMPANY.—The term “company” means  
13 any entity other than a natural person that is incor-  
14 porated or organized under Federal law or the laws  
15 of any State.

16 (2) DEPOSITORY INSTITUTION HOLDING COM-  
17 PANY.—The term “depository institution holding  
18 company” has the same meaning as in section 3 of  
19 the Federal Deposit Insurance Act (12 U.S.C.  
20 1813).

21 (3) LIQUIDITY EVENT.—The term “liquidity  
22 event” means—

23 (A) an exceptional and broad reduction in  
24 the general ability of financial market partici-  
25 pants—

1 (i) to sell financial assets without an  
2 unusual and significant discount; or

3 (ii) to borrow using financial assets as  
4 collateral without an unusual and signifi-  
5 cant increase in margin; or

6 (B) an unusual and significant reduction  
7 in the ability of financial market participants to  
8 obtain unsecured credit.

9 (4) SOLVENT.—The term “solvent” means that  
10 the value of the assets of an entity exceed its obliga-  
11 tions to creditors.

12 **SEC. 1106. ADDITIONAL RELATED AMENDMENTS.**

13 (a) SUSPENSION OF PARALLEL FEDERAL DEPOSIT  
14 INSURANCE ACT AUTHORITY.—Effective upon the date of  
15 enactment of this section, the Corporation may not exer-  
16 cise its authority under section 13(c)(4)(G)(i) of the Fed-  
17 eral Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)(i))  
18 to establish any widely available debt guarantee program  
19 for which section 1105 would provide authority.

20 (b) FEDERAL DEPOSIT INSURANCE ACT.—Section  
21 13(c)(4)(G) of the Federal Deposit Insurance Act (12  
22 U.S.C. 1823(c)(4)(G)) is amended—

23 (1) in clause (i)—

1 (A) in subclause (I), by inserting “for  
2 which the Corporation has been appointed re-  
3 ceiver” before “would have serious”; and

4 (B) in the undesignated matter following  
5 subclause (II), by inserting “for the purpose of  
6 winding up the insured depository institution  
7 for which the Corporation has been appointed  
8 receiver” after “provide assistance under this  
9 section”; and

10 (2) in clause (v)(I), by striking “The” and in-  
11 serting “Not later than 3 days after making a deter-  
12 mination under clause (i), the”.

13 (c) EFFECT OF DEFAULT ON AN FDIC GUAR-  
14 ANTEE.—If an insured depository institution or depository  
15 institution holding company (as those terms are defined  
16 in section 3 of the Federal Deposit Insurance Act) partici-  
17 pating in a program under section 1105, or any partici-  
18 pant in a debt guarantee program established pursuant  
19 to section 13(c)(4)(G)(i) of the Federal Deposit Insurance  
20 Act defaults on any obligation guaranteed by the Corpora-  
21 tion after the date of enactment of this Act, the Corpora-  
22 tion shall—

23 (1) appoint itself as receiver for the insured de-  
24 pository institution that defaults; and

1           (2) with respect to any other participating com-  
2           pany that is not an insured depository institution  
3           that defaults—

4                   (A) require—

5                           (i) consideration of whether a deter-  
6                           mination shall be made, as provided in sec-  
7                           tion 202 to resolve the company under sec-  
8                           tion 203; and

9                           (ii) the company to file a petition for  
10                           bankruptcy under section 301 of title 11,  
11                           United States Code, if the Corporation is  
12                           not appointed receiver pursuant to section  
13                           203 within 30 days of the date of default;  
14                           or

15                           (B) file a petition for involuntary bank-  
16                           ruptcy on behalf of the company under section  
17                           303 of title 11, United States Code.

18 **SEC. 1107. FEDERAL RESERVE ACT AMENDMENTS ON FED-**  
19 **ERAL RESERVE BANK GOVERNANCE.**

20           The 5th subparagraph of the 4th undesignated para-  
21           graph of section 4 of the Federal Reserve Act (12 U.S.C.  
22           341) is amended by striking the 2nd sentence and insert-  
23           ing the following: “The president shall be the chief execu-  
24           tive officer of the bank and shall be appointed by the Class  
25           B and Class C directors of the bank, with the approval

1 of the Board of Governors of the Federal Reserve System,  
2 for a term of 5 years; and all other executive officers and  
3 all employees of the bank shall be directly responsible to  
4 the President.”.

5 **SEC. 1108. FEDERAL RESERVE ACT AMENDMENTS ON SU-**  
6 **PERVISION AND REGULATION POLICY.**

7 (a) ESTABLISHMENT OF THE POSITION OF VICE  
8 CHAIRMAN FOR SUPERVISION.—

9 (1) POSITION ESTABLISHED.—The second un-  
10 designated paragraph of section 10 of the Federal  
11 Reserve Act (12 U.S.C. 242) (relating to the Chair-  
12 man and Vice Chairman of the Board) is amended  
13 by striking the third sentence and inserting the fol-  
14 lowing: “Of the persons thus appointed, 1 shall be  
15 designated by the President, by and with the advice  
16 and consent of the Senate, to serve as Chairman of  
17 the Board for a term of 4 years, and 2 shall be des-  
18 ignated by the President, by and with the advice and  
19 consent of the Senate, to serve as Vice Chairmen of  
20 the Board, each for a term of 4 years, 1 of whom  
21 shall serve in the absence of the Chairman, as pro-  
22 vided in the fourth undesignated paragraph of this  
23 section, and 1 of whom shall be designated Vice  
24 Chairman for Supervision. The Vice Chairman for  
25 Supervision shall develop policy recommendations for

1 the Board regarding supervision and regulation of  
2 depository institution holding companies and other  
3 financial firms supervised by the Board, and shall  
4 oversee the supervision and regulation of such  
5 firms.”.

6 (2) EFFECTIVE DATE.—The amendment made  
7 by subsection (a) takes effect on the date of enact-  
8 ment of this title and applies to individuals who are  
9 designated by the President on or after that date to  
10 serve as Vice Chairman of Supervision.

11 (b) FINANCIAL STABILITY AS BOARD FUNCTION.—  
12 Section 10 of the Federal Reserve Act (12 U.S.C. 241)  
13 is amended by adding at the end the following:

14 “(11) FINANCIAL STABILITY FUNCTION.—The  
15 Board of Governors shall identify, measure, monitor,  
16 and mitigate risks to the financial stability of the  
17 United States.”.

18 (c) APPEARANCES BEFORE CONGRESS.—Section 10  
19 of the Federal Reserve Act (12 U.S.C. 241) is amended  
20 by adding at the end the following:

21 “(12) APPEARANCES BEFORE CONGRESS.—The  
22 Vice Chairman for Supervision shall appear before  
23 the Committee on Banking, Housing, and Urban Af-  
24 fairs of the Senate and the Committee on Financial  
25 Services of the House of Representatives and at

1 semi-annual hearings regarding the efforts, activi-  
2 ties, objectives, and plans of the Board with respect  
3 to the conduct of supervision and regulation of de-  
4 pository institution holding companies and other fi-  
5 nancial firms supervised by the Board.”.

6 (d) BOARD RESPONSIBILITY TO SET SUPERVISION  
7 AND REGULATORY POLICY.—Section 11 of the Federal  
8 Reserve Act (12 U.S.C. 248) (relating to enumerated pow-  
9 ers of the Board) is amended by adding at the end of sub-  
10 section (k) (relating to delegation) the following: “The  
11 Board of Governors may not delegate to a Federal reserve  
12 bank its functions for the establishment of policies for the  
13 supervision and regulation of depository institution hold-  
14 ing companies and other financial firms supervised by the  
15 Board of Governors.”.

16 (e) EXERCISE OF FEDERAL RESERVE AUTHORITY.—

17 (1) NO DECISIONS BY FEDERAL RESERVE BANK  
18 PRESIDENTS.—No provision of title I relating to the  
19 authority of the Board of Governors shall be con-  
20 strued as conferring any decision-making authority  
21 on presidents of Federal reserve banks.

22 (2) VOTING DECISIONS BY BOARD.—The Board  
23 of Governors shall not delegate the authority to  
24 make any voting decision that the Board of Gov-  
25 ernors is authorized or required to make under this

1 title in contravention of section 11(k) of the Federal  
2 Reserve Act.

3 **SEC. 1109. GAO AUDIT OF THE FEDERAL RESERVE FACILI-**  
4 **TIES; PUBLICATION OF BOARD ACTIONS.**

5 (a) GAO AUDIT.—

6 (1) IN GENERAL.—Notwithstanding section  
7 714(b) of title 31, United States Code, or any other  
8 provision of law, the Comptroller General of the  
9 United States (in this subsection referred to as the  
10 “Comptroller General”) shall conduct a one-time  
11 audit of all loans and other financial assistance pro-  
12 vided during the period beginning on December 1,  
13 2007 and ending on the date of enactment of this  
14 Act by the Board of Governors or a Federal reserve  
15 bank under the Asset-Backed Commercial Paper  
16 Money Market Mutual Fund Liquidity Facility, the  
17 Term Asset-Backed Securities Loan Facility, the  
18 Primary Dealer Credit Facility, the Commercial  
19 Paper Funding Facility, the Term Securities Lend-  
20 ing Facility, the Term Auction Facility, Maiden  
21 Lane, Maiden Lane II, Maiden Lane III, the agency  
22 Mortgage-Backed Securities program, foreign cur-  
23 rency liquidity swap lines, and any other program  
24 created as a result of section 13(3) of the Federal  
25 Reserve Act (as so designated by this title).

1           (2) ASSESSMENTS.—In conducting the audit  
2 under paragraph (1), the Comptroller General shall  
3 assess—

4           (A) the operational integrity, accounting,  
5 financial reporting, and internal controls of the  
6 credit facility;

7           (B) the effectiveness of the security and  
8 collateral policies established for the facility in  
9 mitigating risk to the relevant Federal reserve  
10 bank and taxpayers;

11           (C) whether the credit facility inappropri-  
12 ately favors one or more specific participants  
13 over other institutions eligible to utilize the fa-  
14 cility;

15           (D) the policies governing the use, selec-  
16 tion, or payment of third-party contractors by  
17 or for any credit facility; and

18           (E) whether there were conflicts of interest  
19 with respect to the manner in which such facil-  
20 ity was established or operated.

21           (3) TIMING.—The audit required by this sub-  
22 section shall be commenced not later than 30 days  
23 after the date of enactment of this Act, and shall be  
24 completed not later than 12 months after that date  
25 of enactment.

1           (4) REPORT REQUIRED.—The Comptroller Gen-  
2           eral shall submit a report on the audit conducted  
3           under paragraph (1) to the Congress not later than  
4           12 months after the date of enactment of this Act,  
5           and such report shall be made available to—

6                   (A) the Speaker of the House of Rep-  
7                   resentatives;

8                   (B) the majority and minority leaders of  
9                   the House of Representatives;

10                  (C) the majority and minority leaders of  
11                  the Senate;

12                  (D) the Chairman and Ranking Member of  
13                  the Committee on Banking, Housing, and  
14                  Urban Affairs of the Senate and of the Com-  
15                  mittee on Financial Services of the House of  
16                  Representatives; and

17                  (E) any member of Congress who requests  
18                  it.

19           (b) AUDIT OF FEDERAL RESERVE BANK GOVERN-  
20           ANCE.—

21                   (1) AUDIT.—

22                           (A) IN GENERAL.—Not later than 1 year  
23                           after the date of enactment of this Act, the  
24                           Comptroller General shall complete an audit of

1 the governance of the Federal reserve bank sys-  
2 tem.

3 (B) REQUIRED EXAMINATIONS.—The audit  
4 required under subparagraph (A) shall—

5 (i) examine the extent to which the  
6 current system of appointing Federal re-  
7 serve bank directors effectively represents  
8 “the public, without discrimination on the  
9 basis of race, creed, color, sex or national  
10 origin, and with due but not exclusive con-  
11 sideration to the interests of agriculture,  
12 commerce, industry, services, labor, and  
13 consumers” in the selection of bank direc-  
14 tors, as such requirement is set forth  
15 under section 4 of the Federal Reserve  
16 Act;

17 (ii) examine whether there are actual  
18 or potential conflicts of interest created  
19 when the directors of Federal reserve  
20 banks, which execute the supervisory func-  
21 tions of the Board of Governors of the  
22 Federal Reserve System, are elected by  
23 member banks;

24 (iii) examine the establishment and  
25 operations of each facility described in sub-

1 section (a)(1) and each Federal reserve  
2 bank involved in the establishment and op-  
3 erations thereof; and

4 (iv) identify changes to selection pro-  
5 cedures for Federal reserve bank directors,  
6 or to other aspects of Federal reserve bank  
7 governance, that would—

8 (I) improve how the public is rep-  
9 resented;

10 (II) eliminate actual or potential  
11 conflicts of interest in bank super-  
12 vision;

13 (III) increase the availability of  
14 information useful for the formation  
15 and execution of monetary policy; or

16 (IV) in other ways increase the  
17 effectiveness or efficiency of reserve  
18 banks.

19 (2) REPORT REQUIRED.—A report on the audit  
20 conducted under paragraph (1) shall be submitted  
21 by the Comptroller General to the Congress before  
22 the end of the 90-day period beginning on the date  
23 on which such audit is completed, and such report  
24 shall be made available to—

1 (A) the Speaker of the House of Rep-  
2 resentatives;

3 (B) the majority and minority leaders of  
4 the House of Representatives;

5 (C) the majority and minority leaders of  
6 the Senate;

7 (D) the Chairman and Ranking Member of  
8 the Committee on Banking, Housing, and  
9 Urban Affairs of the Senate and of the Com-  
10 mittee on Financial Services of the House of  
11 Representatives; and

12 (E) any member of Congress who requests  
13 it.

14 (c) PUBLICATION OF BOARD ACTIONS.—Notwith-  
15 standing any other provision of law, the Board of Gov-  
16 ernors shall publish on its website, not later than Decem-  
17 ber 1, 2010, with respect to all loans and other financial  
18 assistance provided during the period beginning on De-  
19 cember 1, 2007 and ending on the date of enactment of  
20 this Act under the Asset-Backed Commercial Paper  
21 Money Market Mutual Fund Liquidity Facility, the Term  
22 Asset-Backed Securities Loan Facility, the Primary Deal-  
23 er Credit Facility, the Commercial Paper Funding Facil-  
24 ity, the Term Securities Lending Facility, the Term Auc-  
25 tion Facility, Maiden Lane, Maiden Lane II, Maiden Lane

1 III, the agency Mortgage-Backed Securities program, for-  
2 eign currency liquidity swap lines, and any other program  
3 created as a result of section 13(3) of the Federal Reserve  
4 Act (as so designated by this title)—

5 (1) the identity of each business, individual, en-  
6 tity, or foreign central bank to which the Board of  
7 Governors has provided such assistance;

8 (2) the type of financial assistance provided to  
9 that business, individual, entity, or foreign central  
10 bank;

11 (3) the value or amount of that financial assist-  
12 ance;

13 (4) the date on which the financial assistance  
14 was provided;

15 (5) the specific terms of any repayment ex-  
16 pected, including the repayment time period, interest  
17 charges, collateral, limitations on executive com-  
18 pensation or dividends, and other material terms;  
19 and

20 (6) the specific rationale for each such facility  
21 or program.