

As passed by
the Senate Conference
6/17/10

**** Senate Counteroffer ****
Revised 6/16

Title: Title XI
Matter: Federal Reserve and Emergency Liquidity Provisions

The Senate response to the proposed House amendments to the Base text is as follows:

1. House Offer: **Amend Senate provision** regarding Federal Reserve 13(3) lending to insert requirement from House-passed bill that the Federal Reserve Board and Secretary of Treasury have reasonable cause to believe that the security or other collateral policies for any emergency lending program or facility provide 99% confidence that funds disbursed under the facility or program and interest will be fully repaid. (Senate bill §1101, Page 1724, lines 16-19).

Senate response: REJECT.

2. House Offer: **Amend Senate Provision** regarding ongoing Federal Reserve audit requirements to add discount window and open market transactions to items to be reviewed by GAO. (Senate bill § 1102, Page 1730 line 7 – Page 1733, line 23).

Senate response: ACCEPT.

3. House Offer: **Amend Senate Provisions** requiring public disclosure of emergency credit facilities information to also require public disclosure of Federal Reserve open market operations and discount window transactions two years after the transactions have been entered into. (Senate bill § 1103, Page 1735, after line 17).

Senate response: ACCEPT, but change paragraph (s)(6), on page 7, which provides a broad FOIA exemption for covered transactions, to provide a narrower exemption that applies until the relevant mandatory release date.

4. House Offer: **Strike Senate Provision** on appointment of Federal Reserve Bank of New York President and limiting eligibility to vote for or serve as a Federal Reserve Bank director, and replace with provision removing the authority of the member banks' representatives on each regional board of directors (Class A directors) from appointing/voting for the President of the Reserve Bank (Senate bill § 1107, Page 1751, line 20 – 1752, line 6).

Senate response: ACCEPT.

5. House Offer: **Add House Provision** on no financial stability authority in the bill being delegated to Federal Reserve Bank Presidents to Senate Provision on no delegation of supervisory policymaking to reserve banks. (House bill § 1114, Page 132, line 3-14; Senate bill § 1108, Page 1754, line 17).

Senate response: ACCEPT.

6. House Offer: **Add House Provision** adding new restrictions to the Federal Reserve's foreign currency swap authority (House Bill, §1702, Page 517, line 1-15).

Senate response: REJECT.

3 “(6) CONSISTENT TREATMENT OF INFORMA-
4 TION.—Except as provided in this subsection or sec-
5 tion 13(3)(D), or in section 714(f)(3)(C) of title 31,
6 United States Code, the information described in
7 paragraph (1) and information concerning the trans-
8 actions described in section 714(f) of such title, shall
9 be confidential, including for purposes of section
10 552(b)(3) of title 5 of such Code, unless the Board
11 determines that disclosure of such information would
12 be in the public interest and would not harm the ef-
13 fectiveness of the relevant credit facility or the pur-
14 pose of conduct of the relevant transactions.

earlier

*until the
relevant
mandatory
release date
described in
paragraph (2)*

Revised paragraph (s)(b)

Restoring American Financial Stability Conference Amendment

Second Degree Amendment

Offered by Senator Leahy

1 At the end of the proposed Senate amendment to add
2 section 1110 to the conference base text of H.R. 4173,
3 add the following:

4 “(7) STUDY OF FOIA EXEMPTION IMPACT.—

5 “(A) STUDY.—The Inspector General of
6 the Board of Governors of the Federal Reserve
7 System shall—

8 “(i) conduct a study on the impact
9 that the exemption from section 552(b)(3)
10 of title 5 (known as the Freedom of Infor-
11 mation Act) established under paragraph
12 (5) has had on the ability of the public to
13 access information about the administra-
14 tion by the Board of Governors of emer-
15 gency credit facilities, discount window
16 lending programs, and open market oper-
17 ations; and

18 “(ii) make any recommendations on
19 whether the exemption described in clause
20 (i) should remain in effect.

