



January 18, 2018

Support the Federal Reserve Regulatory Oversight Act, H.R. 4755

On behalf of our activist community, I urge you to contact your representative and ask him or her to support the Federal Reserve Regulatory Oversight Act, H.R. 4755, introduced by Rep. Warren Davidson (R-Ohio). The bill would increase oversight over the Federal Reserve, whose regulatory power is far too overreaching, by subjecting its regulatory activities to the congressional appropriations process.

When the Dodd-Frank Wall Street Reform and Consumer Protection Act, commonly referred to simply as Dodd-Frank, was signed into law in 2010, it imposed massive regulations on the financial sector. It did so via the Federal Reserve, giving the Federal Reserve power to regulate nearly every aspect of the financial sector. The Federal Reserve is funded outside of the congressional appropriations process as an independent body created to set the country's monetary policy. Therefore, funding for its newly delegated powers for non-monetary policy is not subject to regular congressional appropriations either.

The Federal Reserve Regulatory Oversight Act would quite simply bring the non-monetary policy related functions of the Board of Governors of the Federal Reserve System into the appropriations process. Instead of deciding within itself the funding it needs, the Federal Reserve would "only incur obligations or allow and pay expenses with respect to non-monetary policy related to administrative costs pursuant to an appropriations Act." This is the way funding is done for federal agencies, to ensure policies do not run afoul of the wishes of Congress.

The type of unchecked regulatory power exercised by the Federal Reserve since Dodd-Frank became law has resulted in anti-growth, job-killing policy affecting small businesses as well as harming the economy on a macro scale. Because the Federal Reserve now has a large hand in regulatory policy in the financial sector, it thus behaves as a federal agency would, and its funding should be treated as such.

Requiring the Federal Reserve's funding for non-monetary policy activities to be subject to the same appropriations process as federal agencies increases its accountability to Congress and discourages further overreach. For these reasons, I urge you to contact your representative and ask him or her to support the Federal Reserve Regulatory Oversight Act, H.R. 4755.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Brandon', with a stylized, sweeping flourish at the end.

Adam Brandon
President, FreedomWorks