

The Federal Reserve Accountability Act of 2022: Section-by-Section

Appointment of General Counsel of Federal Reserve Board of Governors

- Makes the General Counsel (GC) of the Federal Reserve (Fed) Board of Governors a presidentially-appointed, Senate-confirmed position, and disallows the President of the United States (POTUS) from using the Vacancies Act to fill a vacancy in the position.

Appointment of Fed Regional Bank Presidents

- Makes the presidents of the Fed regional banks presidentially-appointed, Senate-confirmed positions with 5-year terms.
- Ensures Fed regional bank presidents are from their Fed districts by requiring them to have their primary residence and principal place of business in the district for which they have been nominated for not fewer than 4 years before they are nominated.
- Allows Fed regional bank presidents to be reappointed but limits them to serving no more than 10 years total (not including any time served in a holdover status after the expiration of their terms).
- Limits the period a Fed regional bank president may serve in a holdover status to the earlier of:
 - The appointment of a successor by POTUS (either through the Vacancies Act or nomination and Senate-confirmation);
 - The end of the next session of Congress following the expiration of the Fed regional bank president's appointed term; or
 - The date on which POTUS removes the Fed regional bank president.
- Makes the Vacancies Act applicable to the position of Fed regional bank president, allowing POTUS to appoint an acting president to lead each Fed regional bank.

Consolidation of Fed Regional Banks and Membership of FOMC

- Reduces the number of Fed regional banks and Federal Reserve districts from 12 to 5 (to facilitate congressional oversight and limit the concentration of power in D.C.), and establishes the geographic boundaries and locations of the banks and districts.
 - Current Fed regional banks and districts: Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco.
 - New Fed regional banks and districts: New York, Cleveland, Kansas City, Dallas, and San Francisco.
- Provides that the Federal Open Market Committee (FOMC) shall consist of 12 members (as it does now) made up of the 7 Fed Governors and the CEOs of the 5 Fed regional banks.
 - A Fed regional bank's CEO is its president or, if there's a vacancy, the bank's first VP, until POTUS appoints an acting president via the Vacancies Act or nominates a new president who the Senate confirms.

Geographic Diversity Requirement for the Fed Board of Governors

- Provides that no more than two Fed Governors may be residents of any one Federal Reserve district.
- Provides that a Fed Governor's primary residence and principal place of business must be located in that district for not fewer than four years before being nominated.

Application of the Anti-Lobbying Act to the Federal Reserve System

- Makes the restrictions of the federal Anti-Lobbying Act applicable to Federal Reserve System officials and employees (both Fed regional banks and the Fed Board of Governors).
- Forbids the use of any income, interest, fees, money, or other funds of the Fed regional banks or the Fed Board of Governors for lobbying activities.