

**WASHINGTON, DC** – Today, Rep. Peter DeFazio (D-OR) voted in favor of the Federal Reserve Transparency Act (H.R. 459), which will force the Federal Reserve Bank to open its books to independent auditors for the first time. DeFazio is a cosponsor of the legislation and has supported 6 bills to audit the Federal Reserve since 1989. H.R. 459 passed 327-98.

The Federal Reserve (Fed) was created in 1912 to safeguard our financial system, protect consumers, and oversee the regulation of banks. However, the Fed has seemed more concerned with protecting its own secrecy and Wall Street over the American public.

“The Federal Reserve operates under a veil of secrecy, making deals that benefit Wall Street interests. It’s time for the Fed to be transparent and held accountable to the American people for their economic policies. I am proud to be a long time cosponsor of this legislation and urge the Senate to pass this bill quickly,” said DeFazio.

In 2011, *Bloomberg News* reported that between 2007 and 2010 the Fed secretly loaned six Wall Street megabanks \$7.7 trillion in taxpayer dollars. The banks earned an estimated \$13 billion in extra income off of these secret below-market Fed loans while consumers and small business struggled to access credit or loans. Americans, and Congress, had no idea. Auditing the Federal Reserve would shed light on backroom deals like this that have benefitted the same Wall Street banks that destroyed the economy.

DeFazio has also introduced legislation (H.R. 6023) to adopt conflict of interest rules for the Federal Reserve Board of Directors. Today, the CEOs in charge of the same banks that nearly destroyed the economy remain on the Fed’s Board of Directors and are charged with regulating their own industry.

“This outrageous conflict of interest jeopardizes the health of our financial system. Why should the Wall Street banks that gambled with our economy, lost big, and then asked taxpayers for a bailout be allowed to regulate themselves? They have already proven they can’t do it. My legislation would eliminate this conflict of interest and prevent banks from stacking these regulatory boards with their own employees,” said DeFazio.

To access Rep. DeFazio's floor speech, click here: <https://www.youtube.com/watch?v=aum2d-vuwnY&feature=g-all-u>

To access DeFazio's radio actuality, download the attached file or go here: [http://defazio.house.gov/index.php?option=com\\_content&view=article&id=244&Itemid=77](http://defazio.house.gov/index.php?option=com_content&view=article&id=244&Itemid=77)

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