

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1744

To establish a National Commission on Financial Services to study the strength and weaknesses of the United States financial services system and its ability to meet the needs of the United States economy and the needs of users of the United States financial services system, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 20 (legislative day, NOVEMBER 2), 1993

Ms. MOSELEY-BRAUN introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To establish a National Commission on Financial Services to study the strength and weaknesses of the United States financial services system and its ability to meet the needs of the United States economy and the needs of users of the United States financial services system, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Commission  
5 on Financial Services Act”.

1 **SEC. 2. ESTABLISHMENT OF NATIONAL COMMISSION ON FI-**  
2 **NANCIAL SERVICES.**

3 (a) ESTABLISHMENT.—There is established a com-  
4 mission to be known as the “National Commission on Fi-  
5 nancial Services” (hereafter in this section referred to as  
6 the “Commission”).

7 (b) MEMBERSHIP OF THE COMMISSION.—

8 (1) COMPOSITION.—The Commission shall be  
9 composed of 11 voting members and 6 nonvoting  
10 members appointed as follows:

11 (A) Five voting members and 2 nonvoting  
12 members appointed by the President.

13 (B) Two voting members and 1 nonvoting  
14 member appointed by the Speaker of the House  
15 of Representatives.

16 (C) One voting member and 1 nonvoting  
17 member appointed by the Minority Leader of  
18 the House of Representatives.

19 (D) Two voting members and 1 nonvoting  
20 member appointed by the Majority Leader of  
21 the Senate.

22 (E) One voting member and 1 nonvoting  
23 member appointed by the Minority Leader of  
24 the Senate.

25 (2) QUALIFICATIONS.—

26 (A) VOTING MEMBERS.—

1 (i) IN GENERAL.—Voting members  
2 appointed pursuant to paragraph (1) shall  
3 be appointed from among individuals who  
4 are users of the financial services system,  
5 including representatives of business, agri-  
6 culture, and consumer organizations.

7 (ii) PROHIBITION.—No voting mem-  
8 ber of the Commission shall be an em-  
9 ployee of the Federal Government or any  
10 State government.

11 (B) NONVOTING MEMBERS.—Nonvoting  
12 members appointed pursuant to paragraph (1)  
13 shall be appointed from among individuals who  
14 are experts in finance or in the financial serv-  
15 ices system.

16 (3) APPOINTMENT.—The appointments of the  
17 members of the Commission shall be made not later  
18 than March 31, 1994.

19 (4) TERMS.—Members shall be appointed for  
20 the life of the Commission.

21 (5) VACANCIES.—A vacancy in the Commission  
22 shall not affect the powers of the Commission and  
23 shall be filled in the same manner in which the origi-  
24 nal appointment was made.

1           (6) CHAIRPERSON.—The President shall des-  
2           ignate 1 of the voting members of the Commission  
3           to serve as the chairperson of the Commission (here-  
4           after in this section referred to as the “Chair-  
5           person”).

6           (7) INITIAL MEETING.—Not later than 30 days  
7           after the date on which all members of the Commis-  
8           sion have been appointed, the Commission shall hold  
9           its first meeting.

10          (8) MEETINGS.—The Commission shall meet at  
11          the call of the Chairperson.

12          (9) QUORUM.—A majority of the members of  
13          the Commission shall constitute a quorum, but a  
14          lesser number of members may hold hearings.

15 **SEC. 3. DUTIES OF THE COMMISSION.**

16          (a) STUDY.—

17               (1) IN GENERAL.—The Commission shall, after  
18               consultation in accordance with paragraph (3), con-  
19               duct a thorough study of all matters relating to the  
20               strengths and weaknesses of the United States fi-  
21               nancial services system in meeting the needs of users  
22               of the system, including the needs of—

23                       (A) individual consumers and households;

24                       (B) State and local communities;

25                       (C) agriculture;

1 (D) small-, medium-, and large-sized busi-  
2 nesses (including the need for debt, equity, and  
3 other financial services);

4 (E) governmental and nonprofit entities;  
5 and

6 (F) exporters and other users of inter-  
7 national financial services.

8 (2) MATTERS STUDIED.—The study required  
9 under paragraph (1) shall include consideration of—

10 (A) the changes underway in the national  
11 and international economies and the financial  
12 services industry, and the impact of such  
13 changes on the ability of the financial services  
14 system to efficiently meet the needs of the Unit-  
15 ed States economy and the users of the system  
16 during the next 10 years and beyond;

17 (B) the extent to which Federal adminis-  
18 trative and legislative policies—

19 (i) achieve consumer protection objec-  
20 tives;

21 (ii) promote competition and prevent  
22 anticompetitive acts and practices or  
23 undue concentration;

1 (iii) ensure that financial services are  
2 delivered in a nondiscriminatory and cost-  
3 efficient manner; and

4 (iv) ensure access to the financial  
5 services system for users of the system, re-  
6 gardless of where such users are located;  
7 and

8 (C) the extent to which Federal adminis-  
9 trative and legislative policies are meeting their  
10 objectives in the most cost-effective and effi-  
11 cient manner possible.

12 (3) CONSULTATION.—Consultation in accord-  
13 ance with this paragraph means consultation with—

14 (A) the Board of Governors of the Federal  
15 Reserve System;

16 (B) the Director of the Office of Thrift Su-  
17 pervision;

18 (C) the Chairperson of the Federal Deposit  
19 Insurance Corporation;

20 (D) the Comptroller of the Currency;

21 (E) the Secretary of the Treasury;

22 (F) the Securities Exchange Commission;

23 (G) the Commodities Futures Trading  
24 Commission;

1 (H) the Director of the Congressional  
2 Budget Office; and

3 (I) the Comptroller General of the United  
4 States.

5 (b) RECOMMENDATIONS.—Based on the results of  
6 the study conducted under subsection (a), the Commission  
7 shall develop specific recommendations on how the Federal  
8 Government can improve the operation of the United  
9 States financial services system, including whether or not  
10 any changes are needed in the legislative and administra-  
11 tive policies that impact on—

12 (1) the ability of the Board of Governors of the  
13 Federal Reserve System to effectively conduct mone-  
14 tary policy;

15 (2) the ability of the financial services system,  
16 or any part thereof, to respond to the needs of users  
17 of the system;

18 (3) the systematic safety of the financial serv-  
19 ices system;

20 (4) the cost to participants in the financial  
21 services system of providing financial services to  
22 users of the system;

23 (5) the competitiveness of the various providers  
24 of financial services;

1           (6) how funds are allocated to the financial  
2 services system; and

3           (7) how funds are allocated by the financial  
4 services system to users of the system or to specific  
5 categories of users.

6           (c) REPORT.—Not later than January 20, 1995, the  
7 Commission shall submit to the President, the Speaker of  
8 the House of Representatives, and the President pro tem-  
9 pore of the Senate a report describing the activities of the  
10 Commission, including the study conducted under sub-  
11 section (a) and any recommendations developed under  
12 subsection (b).

13 **SEC. 4. POWERS OF THE COMMISSION.**

14           (a) HEARINGS.—The Commission may hold such  
15 hearings, sit and act at such times and places, take such  
16 testimony, and receive such evidence as the Commission  
17 considers advisable to carry out this section.

18           (b) OBTAINING OFFICIAL DATA.—The Commission  
19 may secure directly from any Federal department or agen-  
20 cy such information (other than information required by  
21 any statute of the United States to be kept confidential  
22 by such department or agency) as the Commission consid-  
23 ers necessary to carry out its duties under this section.  
24 Upon the request of the Chairperson, the head of that de-

1 department or agency shall furnish such nonconfidential in-  
2 formation to the Commission.

3 (c) **POSTAL SERVICES.**—The Commission may use  
4 the United States mails in the same manner and under  
5 the same conditions as other departments and agencies of  
6 the Federal Government.

7 (d) **GIFTS.**—The Commission may accept, use, and  
8 dispose of gifts or donations of services or property.

9 **SEC. 5. COMMISSION PERSONNEL MATTERS.**

10 (a) **COMPENSATION OF MEMBERS.**—Each member of  
11 the Commission who is not an officer or employee of the  
12 Federal Government shall be compensated at a rate equal  
13 to the daily equivalent of the annual rate of basic pay pre-  
14 scribed for level IV of the Executive Schedule under sec-  
15 tion 5315 of title 5, United States Code, for each day (in-  
16 cluding travel time) during which such member is engaged  
17 in the performance of the duties of the Commission. All  
18 members of the Commission who are officers or employees  
19 of the United States shall serve without compensation in  
20 addition to that received for their services as officers or  
21 employees of the United States.

22 (b) **TRAVEL EXPENSES.**—The members of the Com-  
23 mission shall be allowed travel expenses, including per  
24 diem in lieu of subsistence, at rates authorized for employ-  
25 ees of agencies under subchapter I of chapter 57 of title

1 5, United States Code, while away from their homes or  
2 regular places of business in the performance of services  
3 for the Commission.

4 (c) STAFF.—

5 (1) IN GENERAL.—The Chairperson may, with-  
6 out regard to the civil service laws and regulations,  
7 appoint and terminate an executive director and  
8 such other additional personnel as may be necessary  
9 to enable the Commission to perform its duties. The  
10 employment of an executive director shall be subject  
11 to confirmation by the Commission.

12 (2) COMPENSATION.—The Chairperson may fix  
13 the compensation of the executive director and other  
14 personnel without regard to the provisions of chapter  
15 51 and subchapter III of chapter 53 of title 5, Unit-  
16 ed States Code, relating to classification of positions  
17 and General Schedule pay rates, except that the rate  
18 of pay for the executive director and other personnel  
19 may not exceed the rate payable for level V of the  
20 Executive Schedule under section 5316 of such title.

21 (d) DETAIL OF FEDERAL EMPLOYEES.—Upon the  
22 request of the Chairperson, any Federal Government em-  
23 ployee may be detailed to the Commission without reim-  
24 bursement, and such detail shall be without interruption  
25 or loss of civil service status or privilege.

1 (e) PROCUREMENT OF TEMPORARY AND INTERMIT-  
2 TENT SERVICES.—The Chairperson may procure tem-  
3 porary and intermittent services under section 3109(b) of  
4 title 5, United States Code, at rates for individuals which  
5 do not exceed the daily equivalent of the annual rate of  
6 basic pay prescribed for level V of the Executive Schedule  
7 under section 5316 of such title.

8 (f) ADMINISTRATIVE SUPPORT SERVICES.—Upon the  
9 request of the Chairperson, the Administrator of General  
10 Services shall provide to the Commission, on a reimburs-  
11 able basis, the administrative support services necessary  
12 for the Commission to carry out its responsibilities under  
13 this section.

14 **SEC. 6. TERMINATION OF COMMISSION.**

15 The Commission shall terminate 30 days after the  
16 date of submission of the report required under section  
17 3(c). All records and papers of the Commission shall  
18 thereupon be delivered by the Administrator of General  
19 Services for deposit in the National Archives.

20 **SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

21 (a) IN GENERAL.—There are authorized to be appro-  
22 priated such sums as may be necessary to carry out this  
23 Act.

1       (b) AVAILABILITY.—Any sums appropriated under  
2 the authorization contained in this section shall remain  
3 available, without fiscal year limitation, until expended.

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