

110TH CONGRESS
2^D SESSION

H. R. 7260

To increase the quality and public accessibility of research by the Board of Governors of the Federal Reserve System on the effects of monetary policy on the distribution of wealth in the United States, and the proportion of newly created monetary resources directed into various sectors of the economy, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 3, 2008

Mr. KUCINICH introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To increase the quality and public accessibility of research by the Board of Governors of the Federal Reserve System on the effects of monetary policy on the distribution of wealth in the United States, and the proportion of newly created monetary resources directed into various sectors of the economy, 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 “Transparency in the
5 Creation of Wealth Act of 2008”.

1 **SEC. 2. ESTIMATE OF THE OVERALL MONEY SUPPLY.**

2 The Board of Governors of the Federal Reserve Sys-
3 tem shall devise, calculate and publish a replacement for
4 the discontinued M3 monetary statistic, in order to pro-
5 vide a transparent estimate of the nation's total money
6 supply.

7 **SEC. 3. STATISTICAL ESTIMATE OF THE DISTRIBUTION OF**
8 **WEALTH IN THE UNITED STATES.**

9 The Board of Governors of the Federal Reserve Sys-
10 tem shall tabulate and publish a statistical description of
11 the current distribution of wealth in the United States by
12 quintile, including a further examination of the uppermost
13 1% sections by 0.1% each.

14 **SEC. 4. CREDIT INSTITUTION SEIGNIORAGE CALCULATION**
15 **FOR REPORT TO CONGRESS.**

16 The Board of Governors of the Federal Reserve Sys-
17 tem shall calculate and report to the Congress the total
18 annual seigniorage interest income received by financial
19 institutions as a result of their being allowed to create
20 money in the form of the credit they extend above their
21 own cash deposits or reserves prior to extending the loans.

22 **SEC. 5. CALCULATIONS FOR THE SEMI-ANNUAL HUM-**
23 **PHREY-HAWKINS TESTIMONY.**

24 The Board of Governors of the Federal Reserve Sys-
25 tem shall calculate and publish semi-annually the loss or
26 gain in economic output due to the deviation of the pre-

1 vious year's actual unemployment rate from the 4% level
2 required by the Humphrey Hawkins Full Employment and
3 Balanced Growth Act of 1978 (15 U.S.C. 3101 et seq.),
4 including such loss or gain, in income by quintile.

5 **SEC. 6. ACCESSIBLE STATISTICAL COMPARISONS OF**
6 **WHERE CREDIT IS BEING DIRECTED .**

7 (a) IN GENERAL.—The Board of Governors of the
8 Federal Reserve System shall tabulate and publish data
9 showing the amount of credit and the percentage of credit
10 now being created and directed into each of the following:

- 11 (1) Public infrastructure.
- 12 (2) Primary residences.
- 13 (3) Secondary residences.
- 14 (4) Stocks, bonds, commodities.
- 15 (5) Foreign currency and derivatives trading.
- 16 (6) Mergers and acquisitions.
- 17 (7) Education.
- 18 (8) Manufacturing infrastructure.
- 19 (9) Military expenditures.

20 (b) ADDITIONAL ANALYSIS.—Each category referred
21 to in a paragraph in subsection (a) shall be further ana-
22 lyzed by type, gender, race, wealth status, and location,
23 if applicable.

1 **SEC. 7. LAND VALUE CALCULATION FOR THE FLOW OF**
2 **FUNDS REPORT.**

3 The Board of Governors of the Federal Reserve Sys-
4 tem shall develop a market-based estimate of the value of
5 residential, corporate and publicly owned land and report
6 figures.

7 **SEC. 8. FOREIGN DEBT CALCULATION.**

8 The Board of Governors of the Federal Reserve Sys-
9 tem shall make projections, in 10 year increments, of the
10 net foreign debt, and estimate and report on the location
11 of Federal reserve notes, by country and type of holder;
12 including an estimate of lost notes.

13 **SEC. 9. GAO AUDIT REQUIREMENT.**

14 Notwithstanding the requirements, limitations, and
15 exceptions contained in section 714 of title 31, United
16 States Code, the Comptroller General shall conduct a full
17 audit of the Federal reserve system in every year before
18 a Presidential election year.

19 **SEC. 10. IMPROVEMENTS TO THE SURVEY OF CONSUMER**
20 **FINANCES.**

21 The Board of Governors of the Federal Reserve Sys-
22 tem shall undertake the Survey of Consumer Finances
23 every year.

1 **SEC. 11. SUMMARIES OF TOTAL CREDIT MARKET DEBT AND**
2 **ECONOMIC GROWTH.**

3 The Board of Governors of the Federal Reserve Sys-
4 tem shall publish a summary of total credit market debt,
5 quarterly and annually.

6 **SEC. 12. PUBLIC NOTIFICATION REQUIREMENT.**

7 The Board of Governors of the Federal Reserve Sys-
8 tem shall release—

9 (1) the statistics required to be compiled by this
10 Act at a quarterly news conference; and

11 (2) the survey of consumer finances and the
12 total credit market debt report at an annual news
13 conference.

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