

Summary of Sanders and Paul/Grayson Amendments

The Sanders Amendment

- Includes the Ron Paul bill, which completely removes the monetary policy exception from GAO audit (the Ron Paul bill is summarized below);
- Also affirmatively requires the Board to publish, within 30 days of enactment, the names of each person that received a loan or "or other financial assistance" since 12/1/2007 under section 13(3), the TSLF, the TAF, the agency Mortgage-Backed-Securities program (but not the agency debt program), or a foreign currency liquidity swap line. In addition to the identity of the borrower, the Board also must publish the type, amount, date, and specific terms of the assistance provided, as well as "the specific rationale for providing assistance in each instance."
- Requires that the Board also report the identity of borrowers to Congress as part of the 7-day/30-day reports required under the Dodd bill.
- Interestingly, and perhaps unintentionally, the Sanders Amendment also strikes the amendments that the Dodd bill makes to our 13(3) authority, which would limit 13(3) lending to broad-based facilities going forward and require Treasury consent for 13(3) lending.

Paul/Grayson Amendment

- Allows the GAO to conduct audits of:
 - Monetary policy decisions, deliberations and operations;
 - Discount window decisions, deliberations, and operations, including those relating to any broadly available liquidity facility established under section 13(3); The GAO already may audit any 13(3) facility established for a "single and specific" company, such as the credit facilities established for AIG.
 - Transactions with or for foreign central banks, foreign governments, or nonprofit international financing organizations, as well as deliberations related thereto.
- Audit Required in 12 Months. The bill would require that the GAO complete an audit of the Federal Reserve System (presumably exercising its new authority with respect to monetary policy, discount window operations, and foreign central bank transactions) within 12 months of the date of enactment.
- Limited Exclusions. The bill provides that the GAO may not—
 - Audit unreleased transcripts or minutes of FOMC or Board meetings (although nothing prohibits the GAO from auditing the underlying decisions and discussions at those meetings); or
- Release information relating to "individual market actions" until 180 days after the effective date of the action.