

# U.S. Reps. Fitzgerald, Barr: Introduce legislation to restore trust in Federal Reserve Board

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**WASHINGTON, DC** – Congressman Scott Fitzgerald (WI-05) and Congressman Andy Barr (KY-06) introduced the *Vice Chair of Supervision Banking Experience Requirement Act* to require the individual nominated to be the Federal Reserve Board's Vice Chair of Supervision to have previously demonstrated primary experience working in, or supervising, insured depository institutions, bank holding companies, or savings and loan holding companies.

The recent failures of Signature Bank, Silicon Valley Bank (SVB), and First Republic Bank stemmed from shortcomings of our financial regulators. The Federal Reserve's Vice Chairman of Supervision is responsible for developing policy recommendations for the Board regarding supervision and regulation of financial institutions supervised by the Board of Governors. The problems with Silicon Valley Bank, in particular, were known to the Federal Reserve and other regulators, but they were slow to act on glaring problems. However, rather than accepting responsibility, Vice Chairman Michael Barr, who has no prior experience working in or supervising depository institutions, attempted to deflect blame to his predecessor in the Federal Reserve's report on the collapse of SVB despite making no changes to the Fed's supervisory practices in his eight months on the job.

*“The Vice Chair of Supervision’s cynical attempt to spin the Fed’s supervisory failures in a predetermined report reflects his lack of relevant banking experience,”* **said Congressman Scott Fitzgerald.** *“Congress gave regulators all the tools they needed to prevent this collapse, and they should not be granting the Federal Reserve more power when they were asleep at the wheel with the authority it already had.”*

*“The Vice Chair of Supervision’s deliberate actions to manipulate the Fed’s supervisory shortcomings in a preconceived report demonstrates a lack of pertinent banking expertise,” **said Congressman Andy Barr.** “Transparency and accountability are the cornerstones of a robust financial system and the Vice Chair of Supervision Banking Experience Requirement Act will ensure that is the case.”*