



(Original Signature of Member)

119TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To amend the Federal Reserve Act to establish procedures for removal of the Chairman of the Board of Governors of the Federal Reserve System, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. CARTER of Georgia introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Federal Reserve Act to establish procedures for removal of the Chairman of the Board of Governors of the Federal Reserve 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 “Timely Oversight of  
5 Operations, Liquidity, Accountability, Targeting, and Ef-  
6 fectiveness Act” or the “TOO LATE Act”.

1   **SEC. 2. CAUSE FOR REMOVAL OF THE CHAIRMAN OF THE**  
2                   **BOARD OF GOVERNORS OF THE FEDERAL RE-**  
3                   **SERVE SYSTEM.**

4       Section 10 of the Federal Reserve Act (12 U.S.C. 241  
5 et seq.) is amended—

6           (1) by redesignating paragraph (12) as para-  
7 graph (11); and

8           (2) by inserting after paragraph (11), as so re-  
9 designated, the following new paragraph:

10           “(12) CAUSE FOR REMOVAL.—

11           “(A) IN GENERAL.—The President may re-  
12 move the Chairman of the Board if, for two  
13 consecutive quarters, the Federal funds target  
14 rate deviates by more than 200 basis points  
15 from the average generated by any two of the  
16 following benchmarks during such quarters:

17           “(i) The Implicit Price Deflator for  
18 Personal Consumption Expenditures.

19           “(ii) The difference between the yield  
20 of a 5-year Treasury bond and the yield of  
21 a 5-year Treasury Inflation-Protected Se-  
22 curity.

23           “(iii) The difference between esti-  
24 mates of unemployment of the Board and  
25 the relative to the projections of the Con-  
26 gressional Budget Office.

1           “(B) PROCEDURES.—Upon the occurrence  
2           of a deviation described in subsection (a), the  
3           President shall issue a statement providing a  
4           justification for removal of the Chair, including  
5           references to benchmark data and a discussion  
6           of the conduct of monetary policy. Any such  
7           statement shall be submitted to Congress and  
8           made publicly available.

9           “(C) CONGRESSIONAL OVERSIGHT.—Not  
10          later than 30 days after the President issues a  
11          statement described in subparagraph (B), the  
12          Committee on Financial Services of the House  
13          of Representatives and the Committee on Bank-  
14          ing, Housing, and Urban Affairs of the Senate  
15          shall hold hearings analyzing the justification  
16          for removal of the Chair.

17          “(D) FEDERAL FUNDS TARGET RATE DE-  
18          FINED.—The term ‘Federal funds target rate’  
19          means the upper bound of the target range for  
20          the Federal funds rate established by the Fed-  
21          eral Open Market Committee.”.