

PRICE STABILITY ACT OF 2026

JUNE 24, 2026.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HILL of Arkansas, from the Committee on Financial Services, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 5396]

The Committee on Financial Services, to whom was referred the bill (H.R. 5396) to amend the Federal Reserve Act to remove the mandate on the Board of Governors of the Federal Reserve System and the Federal Open Market Committee to focus on maximum employment, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Price Stability Act of 2026”.

SEC. 2. REMOVAL OF DUAL MANDATE.

Section 2A of the Federal Reserve Act (12 U.S.C. 225a) is amended by striking “maximum employment, stable prices,” and inserting “stable prices”.

PURPOSE AND SUMMARY

H.R. 5396, the *Price Stability Act of 2025*, was introduced on September 16, 2025, by Chairman French Hill (AR–02). H.R. 5396 replaces the Federal Reserve’s current dual mandate of maximum employment and stable prices with a single price stability mandate.

BACKGROUND AND NEED FOR LEGISLATION

Congress provided a statutory mandate for the Federal Reserve to promote maximum employment and stable prices. Over the long run, the Federal Reserve’s monetary policy tools only influence price stability. Maximum employment, however, changes over time due to non-monetary factors. Therefore, fiscal policy is better equipped to address maximum employment.

Additionally, maximum employment is not directly measurable. The inability to directly measure maximum employment risks the Federal Reserve holding interest rates too low for too long, which could increase runaway inflation. Should this happen, the Federal Reserve would likely raise interest rates meaningfully higher to bring down inflation back to target; but higher rates are usually associated with higher borrowing costs, lower economic growth, potential financial instability, and possibly a recession. The Federal Reserve should focus its time, attention, and resources solely on preventing or addressing inflation.

COMMITTEE CONSIDERATION

119TH CONGRESS

On September 16, 2025, Chairman Hill introduced H.R. 5396, the *Price Stability Act of 2026*, with Representatives Marlin Stutzman (R–IN) and Byron Donalds (R–FL) as original cosponsors. The bill was referred solely to the Committee on Financial Services.

A discussion draft version of the bill was attached to the September 17, 2025, Task Force on Monetary Policy, Treasury Market Resilience, and Economic Prosperity hearing titled “Less Mandates. More Independence.”

On May 13, 2026, the Committee on Financial Services met in open session to consider, among others, H.R. 5396. The Committee ordered H.R. 5396, as amended, to be reported with a favorable recommendation to the House of Representatives.

118TH CONGRESS

On October 30, 2023, Representative Hill introduced H.R. 6117, the *Price Stability Act of 2023*, a prior iteration of H.R. 5396, with Representative Donalds as original cosponsor. The bill was referred solely to the Committee on Financial Services. There was no further legislative action for H.R. 6117 in the 118th Congress.

117TH CONGRESS

On October 30, 2023, Representative Hill introduced H.R. 7209, the *Price Stability Act of 2022*, a prior iteration of H.R. 5396, with Representative Donalds as original cosponsor. Representatives Andy Barr (R-KY), Ann Wagner (R-MO), and William Timmons (R-SC) were added subsequently as cosponsors. The bill was referred solely to the Committee on Financial Services. There was no further legislative action for H.R. 7209 in the 117th Congress.

RELATED BILL INTRODUCTIONS IN PRIOR CONGRESSES

Iterations of this bill have been introduced in prior Congresses dating to 2013. Each of the following bills was introduced with no further legislative action taken by the Committee in the respective Congresses.

- 115th Congress, H.R. 2172, the *Focusing the Fed on the Currency of the United States Act of 2017 (FFOCUS Act of 2017)*, introduced by former Representative Mia Love (R-UT).
- 114th Congress, H.R. 1154, the *Focusing the Fed on the Currency of the United States Act of 2015 (FFOCUS Act of 2015)*, introduced by Representative Stutzman.
- 113th Congress, H.R. 492, the *Focusing the Fed on the Currency of the United States Act of 2013 (FFOCUS Act of 2013)*, introduced by Representative Stutzman.

RELATED HEARINGS

Pursuant to clause 3(c)(6) of rule XIII of the Rules of the House of Representatives, the following hearing was used to develop H.R. 5396:

On September 17, 2025, the Task Force on Monetary Policy, Treasury Market Resilience, and Economic Prosperity held a hearing titled, “Less Mandates. More Independence.” The hearing explored how adding additional goals outside the Federal Reserve’s current mandate hinders its ability to focus on price stability, and the costs associated with failing to achieve its objectives. Members reviewed the optimal number of mandates the Federal Reserve should have, such as a single mandate on price stability, the current dual mandate on price stability and maximum employment, or mandates greater than two. Lastly, the hearing examined how adding more mandates impacts the Federal Reserve’s independence. A discussion draft version of H.R. 5396 was noticed for legislative consideration at this hearing.

The Task Force heard testimony from: Dr. Douglas Holtz Eakin, President, American Action Forum; Mr. Alex Pollock, Senior Fellow, Mises Institute; Mr. Curtis Dubay, Chief Economist, U.S. Chamber of Commerce; and Mr. Skanda Amarnath, Executive Director, Employ America.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include record votes on the motion to report legislation and amendments thereto.

On May 13, 2026, the Committee ordered H.R. 5396, as amended, to be reported favorably to the House by a recorded vote of 30

yeas and 21 nays, a quorum being present. (Record Vote No. FC-274).

The Committee considered the following amendments to H.R. 5396:

- Representative French Hill (R-AR) offered an amendment in the nature of a substitute, which made minor edits and technical changes. This amendment was adopted by a voice vote.

- Representative Maxine Waters (D-CA) offered an amendment (No. 1), designated HR5396_01. This amendment adds a section to the bill expressing the sense of Congress that it supports and defends the rule of law regarding Federal Reserve independence and that Congress believes actions by the Department of Justice designed to intimidate Federal Reserve officials are prohibited by law and the Constitution. This amendment failed by a recorded vote of 22 yeas and 28 nays, a quorum being present. (Record Vote No. FC-270).

- Representative Ayanna Pressley (D-MA) offered an amendment (No. 2), designated PRESSMA_076. This amendment states that nothing in the bill can be construed to prevent the Federal Reserve or Federal Open Market Committee from taking any action to increase employment. This amendment failed by a recorded vote of 22 yeas and 29 nays, a quorum being present. (Record Vote No. FC-271).

- Representative Pressley offered an amendment (No. 4), designated PRESSMA_075. This amendment renames the bill the *Ignore High Unemployment Act*. This amendment failed by a recorded vote of 20 yeas and 31 nays, a quorum being present. (Record Vote No. FC-272).

- Representative Pressley offered an amendment (No. 5), designated HR5396_03. This amendment directs the Federal Reserve to carry out a study and issue a report to Congress on the impact of artificial intelligence on employment in the United States. This amendment failed by a recorded vote of 22 yeas and 29 nays, a quorum being present. (Record Vote No. FC-273).

Committee on Financial Services

Markup 13

Bill: H.R. 5396

May 13, 2026

Measure: ANS to H.R. 5396

Amdt/Designated: 1. HR5396_01 [Waters 1]

Record Vote No.

Motion: to adopt the amendment

FC-270

Disposition:

NOT AGREED TO (22-28)

Member	Yea	Nay	Not Recorded	Member	Yea	Nay	Not Recorded
Chairman Hill		X		Ranking Member Waters	X		
Mr. Lucas			X	Ms. Velázquez	X		
Mr. Sessions		X		Mr. Sherman	X		
Mr. Huizenga		X		Mr. Meeks	X		
Mrs. Wagner		X		Mr. Scott			
Mr. Barr		X		Mr. Lynch	X		
Mr. Williams (TX)		X		Mr. Green (TX)	X		
Mr. Emmer			X	Mr. Cleaver	X		
Mr. Loudermilk		X		Mr. Himes			X
Mr. Davidson		X		Mr. Foster	X		
Mr. Rose		X		Mrs. Beatty	X		
Mr. Steil		X		Mr. Vargas	X		
Mr. Timmons		X		Mr. Gottheimer	X		
Mr. Stutzman		X		Mr. Gonzalez	X		
Mr. Norman		X		Mr. Casten	X		
Mr. Meuser		X		Ms. Pressley	X		
Mrs. Kim		X		Ms. Tlaib	X		
Mr. Donalds		X		Mr. Torres (NY)	X		
Mr. Garbarino		X		Ms. Garcia (TX)	X		
Mr. Fitzgerald		X		Ms. Williams of GA	X		
Mr. Flood		X		Ms. Pettersen	X		
Mr. Lawler		X		Mr. Fields	X		
Ms. De La Cruz		X		Ms. Bynum	X		
Mr. Ogles		X		Mr. Liccardo	X		
Mr. Nunn		X					
Mrs. McClain		X					
Ms. Salazar		X					
Mr. Downing		X					
Mr. Haridopolos		X					
Mr. Moore (NC)		X					
	0	28	2		22	0	1

Committee Totals:

22	28	3
Yeas	Nays	Not Voting

Committee on Financial Services

Markup 13

Bill: H.R. 5396

May 13, 2026

Measure: ANS to H.R. 5396

Amdt/Designated: 2. PRESSMA_076 [Pressley 1]

Record Vote No.

Motion: to adopt the amendment

FC-271

Disposition:

NOT AGREED TO (22-29)

Member	Yea	Nay	Not Recorded	Member	Yea	Nay	Not Recorded
Chairman Hill		X		Ranking Member Waters	X		
Mr. Lucas			X	Ms. Velázquez	X		
Mr. Sessions		X		Mr. Sherman	X		
Mr. Huizenga		X		Mr. Meeks	X		
Mrs. Wagner		X		Mr. Scott			
Mr. Barr		X		Mr. Lynch	X		
Mr. Williams (TX)		X		Mr. Green (TX)	X		
Mr. Emmer		X		Mr. Cleaver	X		
Mr. Loudermilk		X		Mr. Himes			X
Mr. Davidson		X		Mr. Foster	X		
Mr. Rose		X		Mrs. Beatty	X		
Mr. Steil		X		Mr. Vargas	X		
Mr. Timmons		X		Mr. Gottheimer	X		
Mr. Stutzman		X		Mr. Gonzalez	X		
Mr. Norman		X		Mr. Casten	X		
Mr. Meuser		X		Ms. Pressley	X		
Mrs. Kim		X		Ms. Tlaib	X		
Mr. Donalds		X		Mr. Torres (NY)	X		
Mr. Garbarino		X		Ms. Garcia (TX)	X		
Mr. Fitzgerald		X		Ms. Williams of GA	X		
Mr. Flood		X		Ms. Pettersen	X		
Mr. Lawler		X		Mr. Fields	X		
Ms. De La Cruz		X		Ms. Bynum	X		
Mr. Ogles		X		Mr. Liccardo	X		
Mr. Nunn		X					
Mrs. McClain		X					
Ms. Salazar		X					
Mr. Downing		X					
Mr. Haridopolos		X					
Mr. Moore (NC)		X					
	0	29	1		22	0	1

Committee Totals:

22	29	2
Yeas	Nays	Not Voting

Committee on Financial Services

Markup 13

Bill: H.R. 5396

May 13, 2026

Measure: ANS to H.R. 5396

Amdt/Designated: 4. PRESSMA_075 [Pressley 3]

Record Vote No.

Motion: to adopt the amendment

FC-272

Disposition:

NOT AGREED TO (20-31)

Member	Yea	Nay	Not Recorded	Member	Yea	Nay	Not Recorded
Chairman Hill		X		Ranking Member Waters	X		
Mr. Lucas			X	Ms. Velázquez	X		
Mr. Sessions		X		Mr. Sherman	X		
Mr. Huizenga		X		Mr. Meeks	X		
Mrs. Wagner		X		Mr. Scott			
Mr. Barr		X		Mr. Lynch	X		
Mr. Williams (TX)		X		Mr. Green (TX)	X		
Mr. Emmer		X		Mr. Cleaver	X		
Mr. Loudermilk		X		Mr. Himes			X
Mr. Davidson		X		Mr. Foster	X		
Mr. Rose		X		Mrs. Beatty	X		
Mr. Steil		X		Mr. Vargas	X		
Mr. Timmons		X		Mr. Gottheimer		X	
Mr. Stutzman		X		Mr. Gonzalez		X	
Mr. Norman		X		Mr. Casten	X		
Mr. Meuser		X		Ms. Pressley	X		
Mrs. Kim		X		Ms. Tlaib	X		
Mr. Donalds		X		Mr. Torres (NY)	X		
Mr. Garbarino		X		Ms. Garcia (TX)	X		
Mr. Fitzgerald		X		Ms. Williams of GA	X		
Mr. Flood		X		Ms. Pettersen	X		
Mr. Lawler		X		Mr. Fields	X		
Ms. De La Cruz		X		Ms. Bynum	X		
Mr. Ogles		X		Mr. Liccardo	X		
Mr. Nunn		X					
Mrs. McClain		X					
Ms. Salazar		X					
Mr. Downing		X					
Mr. Haridopolos		X					
Mr. Moore (NC)		X					
	0	29	1		20	2	1

Committee Totals:

20	31	2
Yeas	Nays	Not Voting

Committee on Financial Services

Markup 13

Bill: H.R. 5396

May 13, 2026

Measure: ANS to H.R. 5396

Amdt/Designated: 5. HR5396_03 [Pressley 4]

Record Vote No.

Motion: to adopt the amendment

FC-273

Disposition:

NOT AGREED TO (22-29)

Member	Yea	Nay	Not Recorded	Member	Yea	Nay	Not Recorded
Chairman Hill		X		Ranking Member Waters	X		
Mr. Lucas			X	Ms. Velázquez	X		
Mr. Sessions		X		Mr. Sherman	X		
Mr. Huizenga		X		Mr. Meeks	X		
Mrs. Wagner		X		Mr. Scott			
Mr. Barr		X		Mr. Lynch	X		
Mr. Williams (TX)		X		Mr. Green (TX)	X		
Mr. Emmer		X		Mr. Cleaver	X		
Mr. Loudermilk		X		Mr. Himes			X
Mr. Davidson		X		Mr. Foster	X		
Mr. Rose		X		Mrs. Beatty	X		
Mr. Steil		X		Mr. Vargas	X		
Mr. Timmons		X		Mr. Gottheimer	X		
Mr. Stutzman		X		Mr. Gonzalez	X		
Mr. Norman		X		Mr. Casten	X		
Mr. Meuser		X		Ms. Pressley	X		
Mrs. Kim		X		Ms. Tlaib	X		
Mr. Donalds		X		Mr. Torres (NY)	X		
Mr. Garbarino		X		Ms. Garcia (TX)	X		
Mr. Fitzgerald		X		Ms. Williams of GA	X		
Mr. Flood		X		Ms. Pettersen	X		
Mr. Lawler		X		Mr. Fields	X		
Ms. De La Cruz		X		Ms. Bynum	X		
Mr. Ogles		X		Mr. Liccardo	X		
Mr. Nunn		X					
Mrs. McClain		X					
Ms. Salazar		X					
Mr. Downing		X					
Mr. Haridopolos		X					
Mr. Moore (NC)		X					
	0	29	1		22	0	1

Committee Totals:

22	29	2
Yeas	Nays	Not Voting

Committee on Financial Services

Markup 13

Bill: H.R. 5396

May 13, 2026

Measure: H.R. 5396 (as amended)

Amdt/Designated:

Record Vote No.

Motion: to report favorably

FC-274

Disposition:

AGREED TO (30-21)

Member	Yea	Nay	Not Recorded	Member	Yea	Nay	Not Recorded
Chairman Hill	X			Ranking Member Waters		X	
Mr. Lucas			X	Ms. Velázquez		X	
Mr. Sessions	X			Mr. Sherman		X	
Mr. Huizenga	X			Mr. Meeks		X	
Mrs. Wagner	X			Mr. Scott			
Mr. Barr	X			Mr. Lynch		X	
Mr. Williams (TX)	X			Mr. Green (TX)		X	
Mr. Emmer	X			Mr. Cleaver		X	
Mr. Loudermilk	X			Mr. Himes			X
Mr. Davidson	X			Mr. Foster		X	
Mr. Rose	X			Mrs. Beatty		X	
Mr. Steil	X			Mr. Vargas		X	
Mr. Timmons	X			Mr. Gottheimer		X	
Mr. Stutzman	X			Mr. Gonzalez		X	
Mr. Norman	X			Mr. Casten		X	
Mr. Meuser	X			Ms. Pressley		X	
Mrs. Kim	X			Ms. Tlaib		X	
Mr. Donalds	X			Mr. Torres (NY)		X	
Mr. Garbarino	X			Ms. Garcia (TX)		X	
Mr. Fitzgerald	X			Ms. Williams of GA		X	
Mr. Flood	X			Ms. Pettersen		X	
Mr. Lawler	X			Mr. Fields		X	
Ms. De La Cruz	X			Ms. Bynum		X	
Mr. Ogles	X			Mr. Liccardo	X		
Mr. Nunn	X						
Mrs. McClain	X						
Ms. Salazar	X						
Mr. Downing	X						
Mr. Haridopolos	X						
Mr. Moore (NC)	X						
	29	0	1		1	21	1

Committee Totals:

30	21	2
Yeas	Nays	Not Voting

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives are incorporated in the descriptive portions of this report.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 5396 is to redefine the Federal Reserve's core mission as price stability.

COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 5396. The Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office (CBO). However, pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee will adopt as its own the cost estimate by the Director of the CBO once it has been prepared.

NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974* and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee will adopt as its own the cost estimate for the bill prepared by the Director of the CBO. However, a cost estimate was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

UNFUNDED MANDATES STATEMENT

The Committee has requested but not received from the Director of the CBO an estimate of the Federal mandates pursuant to section 423 of the *Unfunded Mandates Reform Act*. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

EARMARK STATEMENT

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI.

FEDERAL ADVISORY COMMITTEE ACT STATEMENT

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act*.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 provides the short title is the “*Price Stability Act of 2026*”.

Section 2. Removal of dual mandate

Section 2 removes the Federal Reserve’s dual mandate and replaces it with a single price stability mandate.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

FEDERAL RESERVE ACT

* * * * *

GENERAL POLICY: CONGRESSIONAL REVIEW

SEC. 2A. The Board of Governors of the Federal Reserve System and the Federal Open Market Committee shall maintain long run growth of the monetary and credit aggregates commensurate with the economy’s long run potential to increase production, so as to promote effectively the goals of [maximum employment, stable prices,] *stable prices* and moderate long-term interest rates.

* * * * *

DOCUMENTS INCLUDED BY UNANIMOUS CONSENT



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May 12, 2026

The Honorable French Hill
Chairman
House Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
House Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

Re: May 13, 2026, Full Committee Markup

Chairman Hill and Ranking Member Waters:

On behalf of the Defense Credit Union Council, I write to provide DCUC's views on the measures scheduled for the Committee's May 13, 2026, markup. DCUC's member institutions serve military servicemembers, veterans, retirees, Department of War civilians, and their families, and our recent public advocacy has emphasized three related priorities: stronger fraud-prevention and recovery tools, responsible adoption of new technologies including artificial intelligence, and right-sized regulation that respects the distinct structure and mission of credit unions.

DCUC supports Amendment 1 to H.R. 2152 because it appropriately narrows the bill to adversarial and financial-crime uses of artificial intelligence, adds a more complete interagency consultation structure that includes NCUA and other core financial regulators, and recognizes the importance of public-private coordination. If the Committee advances H.R. 2152, we respectfully urge further refinement to ensure that the recommendations section addresses legal safe harbors and best practices for institutions that act in good faith to detect and interrupt AI-enabled fraud.

DCUC supports H.R. 2978 and Amendment 2. These measures are well aligned with our longstanding concern about elder fraud, scam recovery, and the growing threat that sophisticated financial scams pose to older veterans and military families. Clarifying that law-enforcement grant funds may be used for modern fraud investigations, while improving federal reporting and blockchain-tracing support, is a practical and bipartisan step forward. We encourage the Committee to ensure that resulting federal reports analyze veteran- and military-affiliated scam typologies and incorporate input from regulated financial institutions that often identify fraud before losses become irreversible.

Serving Those Who Serve Our Country

DCUC supports H.R. 4801 in the strengthened form reflected in Amendment 3. We agree that smaller and community-based institutions should not be shut out of responsible AI adoption because financial rules were written for a pre-AI environment. At the same time, any AI Innovation Lab or alternative-compliance regime must preserve core safeguards related to anti-fraud enforcement, safety and soundness, cybersecurity, privacy, and consumer protection. Amendment 3 substantially improves the bill by adding a more rigorous application process, interagency notice and coordination, protections for confidential information, rulemaking procedures, and explicit reservation of fraud and unsafe-practice enforcement authority. We respectfully recommend further clarification that no waiver or modification may dilute core anti-money-laundering, privacy, fair-lending, or military-consumer protections absent an equivalent, regulator-approved alternative.

DCUC supports H.R. 8278 and Amendment 5 because federal supervisors, including NCUA, need modern tools and more efficient procurement processes to supervise a digital financial sector effectively. We have publicly emphasized the need for examination modernization, budget transparency, and right-sized supervision that does not impose bank-centric burdens on institutions whose structure and mission are different. For that reason, we encourage the Committee to make clear that supervisory-technology modernization should reduce unnecessary burden rather than shift new data-standardization or systems-conversion costs onto smaller credit unions.

DCUC strongly supports H.R. 8671 and Amendment 6. Of all the measures scheduled for markup, this legislation most directly reflects the practical needs we have highlighted in recent hearings and letters: better fraud-detection tools, community-scaled access to emerging technologies, safe-harbor concepts for responsible fraud prevention, shared or consortium approaches for smaller institutions, and stronger public-private information sharing. Amendment 6 strengthens the underlying bill by broadening the study, improving the treatment of community-institution challenges, and adding a voluntary pilot with clearer structure and reporting. We recommend that the final bill also direct agencies to evaluate real-time-payment scams, transaction-hold authority, and servicemember- and veteran-specific scam typologies in coordination with the Department of Defense and the Department of Veterans Affairs.

With respect to H.R. 5396 and Amendment 4, DCUC respectfully reserves judgment absent a fuller analysis of how a revised monetary-policy mandate would affect household borrowing costs, mortgage and auto affordability, small-business credit, and liquidity conditions for community and defense credit unions. If the Committee proceeds, we encourage inclusion of a formal impact assessment focused on member access to credit and the financial readiness of military and veteran communities.

We appreciate the Committee's attention to fraud prevention, responsible innovation, and efficient supervision. DCUC stands ready to work with the Committee to refine these measures in ways that improve outcomes for consumers while preserving the ability of defense credit unions to serve those who serve our country. We welcome the opportunity to engage with you and your staff to discuss these concerns in greater detail and to work collaboratively on policies that support the financial readiness of America's Armed Forces and their families.

Please contact me at Jason.Stverak@dcuc.org with any questions about DCUC's comments.

Sincerely,



Jason Stverak
Chief Advocacy Officer
DCUC

MINORITY VIEWS

H.R. 5396 amends the Federal Reserve Act to remove the maximum employment mandate of the Federal Reserve and Federal Open Markets Committee (“FOMC”). The Federal Reserve and the FOMC are required to “promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates.”¹¹ The maximum employment mandate has been part of the Federal Reserve’s dual mandate since 1977, and requires the Federal Reserve to prioritize reducing unemployment in addition to maintaining stable prices (i.e., low inflation), collectively known as the “dual mandate.” Consistent with the Federal Reserve’s long-run statutory objectives, Federal Reserve Governor Lisa Cook has stated that “Maximum employment promotes business investment, boosting productivity and the economy’s long-run growth potential.”¹²

Americans are struggling from rising housing costs, higher borrowing costs, and record levels of financial stress. Inflation data show that wages are not keeping up either. Families are working harder than ever and still falling further behind. People are taking out “buy now, pay later loans,” dipping into retirement savings, and working multiple jobs just to meet basic needs. And, according to the Federal Reserve, 10% of Americans are skipping meals just to get by.¹³ All of this has been made worse by the President’s decision to wage an unlawful war in Iran that has increased energy prices in the U.S. and across the globe. Nevertheless, instead of helping Americans struggling under Trump’s failed economic policies, H.R. 5396 goes in the exact opposite direction.

It is deeply disappointing that in response to an escalating affordability crisis and rising unemployment rates, Republicans respond by telling the Federal Reserve to stop caring about workers and whether they are employed. Ms. Corretta Scott King advocated for Congress to pass the Federal Reserve’s employment mandate into law, an important win for the civil rights and labor movements. Coretta Scott King championed this mandate because she knew that unemployment was a primary factor causing poverty and social problems, and how it disproportionately hurt communities of color. She knew then, and what we have all learned since it became the law of the land 50 years ago, was the Federal Reserve’s powerful monetary policy tools could be deployed to reduce unemployment while also maintaining stable prices.

Decades after establishing the maximum employment mandate and under Democratic leadership, unemployment remained at his-

¹¹ See Section 2A of the Federal Reserve Act, 12 U.S.C. § 225a.

¹² Lisa D. Cook, *The Dual Mandate and the Balance of Risks* at Ec10b Principles of Economics Lecture, Harvard University (Mar. 25, 2026).

¹³ CNN, *New Fed report warns of ‘remarkable’ increase in households skipping meals due to food costs* (Mar. 27, 2026); Federal Reserve Bank of New York, *Survey of Consumer Expectations* (February 2026).

toric lows—below 4% for the longest stretch in 50 years. However, now, after Trump’s trade policies, unemployment is again creeping up to 4.3 percent, or 7.3 million people unemployed.¹⁴ Unemployment rates are higher for teenage workers, at 14.7 percent, Black workers, at 7.4 percent, and Hispanic workers, at 5.4 percent.¹⁵ In 2025, Black women faced the largest employment losses, especially for college graduates and workers in the public sector, worsened by Trump’s unlawful cuts to the federal government workforce. The maximum unemployment mandate serves America’s workforce in a time of major instability. Recent unemployment data validate concerns that doing away with the full employment mandate at this time would be reckless and unwarranted.

During markup, Democrats offered amendments to H.R. 5396, each opposed by Republicans, that would have made the following changes to the bill:¹⁶

- Ranking Member Waters’s amendment would add a Sense of Congress supporting the importance of maintaining the Fed’s independence and that the Department of Justice is prohibited from opening an investigation into Federal Reserve officials without due process;
- Rep. Pressley’s first amendment would add a rule of construction stating that nothing in the Act may be construed to prevent the Fed or FOMC from taking action to increase employment;
- Rep. Pressley’s second amendment would rename the bill to the Ignoring High Unemployment Act; and,
- Rep. Pressley’s third amendment would replace the text of the bill with language directing the Fed study the likely impacts of AI adoption on employment in the United States. Americans for Financial Reform sponsored a letter campaign opposing H.R. 5396.

For these reasons, we oppose H.R. 5396.

Sincerely,

MAXINE WATERS,
Ranking Member.
 NYDIA M. VELÁZQUEZ,
 BILL FOSTER,
 AL GREEN,
 EMANUEL CLEAVER, II,
 JOYCE BEATTY,
 AYANNA PRESSLEY,
 RASHIDA TLAIB,
Members of Congress.



¹⁴ U.S. Bureau of Labor Statistics, *Civilian unemployment rate* (accessed Jun. 17, 2026).

¹⁵ U.S. Bureau of Labor Statistics, *A-10 Unemployment rates by age, sex, and marital status, seasonally adjusted* (accessed Jun. 17, 2026); U.S. Bureau of Labor Statistics, *E-16. Unemployment rates by age, sex, race, and Hispanic or Latino ethnicity* (accessed Jun. 17, 2026).

¹⁶ House Committee on Financial Services, *Markup of Various Measures* (May 13, 2026). Rep. Pressley offered an additional amendment that would require the Bureau of Labor Statistics to regularly and publicly report unemployment data relating to individual demographics categorized by race and ethnicity, gender, geography, and industry, which was ruled out of order as nongermane to H.R. 5396.