

111TH CONGRESS  
1ST SESSION

# H. R. 768

To establish a commission on the tax and fiscal implications of the regulation of financial products and arrangements and to study the current financial crisis, its causes and impact on the Federal deficit and tax revenues.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2009

Mr. LARSON of Connecticut (for himself, Ms. DELAURO, Mr. MURPHY of Connecticut, Mr. HIGGINS, Ms. KILROY, Mr. MEEK of Florida, Mr. DOYLE, Mr. PASCRELL, and Mr. BLUMENAUER) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish a commission on the tax and fiscal implications of the regulation of financial products and arrangements and to study the current financial crisis, its causes and impact on the Federal deficit and tax revenues.

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 “Commission on Finan-  
5 cial Crisis Accountability Act of 2009”.

1 **SEC. 2. ESTABLISHMENT.**

2       There is established a commission to be known as the  
3 “Commission on Financial Crisis Accountability” (here-  
4 after in this Act referred to as the “Commission”).

5 **SEC. 3. DUTIES.**

6       (a) IN GENERAL.—The Commission shall conduct a  
7 study of the financial system in the United States. In con-  
8 ducting such study, the Commission shall examine the cur-  
9 rent financial crisis, its causes and its impact on the Fed-  
10 eral deficit and tax revenues, including—

11           (1) regulation and transparency,

12           (2) fraud and abuse,

13           (3) the fairness and equity of the tax treat-  
14 ments of financial products and arrangements, and

15           (4) the role of any and all participants in the  
16 financial services industry that the Commission  
17 deems necessary, including—

18           (A) government agencies, including the De-  
19 partment of Housing and Urban Development,  
20 Department of Treasury, the Securities and Ex-  
21 change Commission, and any other agency the  
22 Commission considers necessary,

23           (B) government-sponsored entities, includ-  
24 ing the Federal National Mortgage Association  
25 and the Federal Home Loan Mortgage Cor-  
26 poration,

1 (C) the Board of Governors of the Federal  
2 Reserve System, and its banks and leadership,

3 (D) the executive, legislative and judicial  
4 branches of government,

5 (E) credit rating agencies, and

6 (F) the Federal Deposit Insurance Cor-  
7 poration and the Commodities Futures Trading  
8 Corporation.

9 (b) REPORT.—The Commission shall prepare a re-  
10 port to the Congress on its findings pursuant to the study  
11 conducted under subsection (a). Such report shall include  
12 a detailed statement of the findings, conclusions, and rec-  
13 ommendations of the Commission and shall address the  
14 following:

15 (1) The causes of the current financial crisis  
16 and how this kind of crisis can be avoided in the fu-  
17 ture.

18 (2) The stage the current financial crisis is in  
19 and what can be expected in subsequent stages.

20 (3) The impact of the current financial crisis on  
21 Federal revenues.

22 (4) The extent to which the financial regulatory  
23 structure should be restructured.

1           (5) The tax treatment of financial products and  
2           arrangements and how to make them more fair and  
3           equitable.

4           (c) SHAREHOLDER BILL OF RIGHTS.—The Commis-  
5           sion shall also make recommendations for investors bill of  
6           rights, which shall include necessary protections, as deter-  
7           mined by the Commission, to prevent shareholders from  
8           being deprived of their rights and their savings.

9           **SEC. 4. MEMBERSHIP.**

10          (a) NUMBER AND APPOINTMENT.—The Commission  
11          shall be composed of 10 members appointed as follows:

12               (1) 3 members shall be appointed by the major-  
13               ity leader of the Senate.

14               (2) 3 members shall be appointed by the Speak-  
15               er of the House of Representatives.

16               (3) 2 members shall be appointed by the minor-  
17               ity leader of the Senate.

18               (4) 2 members shall be appointed by the minor-  
19               ity leader of the House of Representatives.

20          (b) QUALIFICATIONS.—The members shall have  
21          knowledge and expertise in matters to be studied by the  
22          Commission, except that the members shall not have a  
23          conflict of interest with any matter the Commission is re-  
24          quired to review under section 3.

1 (c) TERMS.—Members shall be appointed for the life  
2 of the Commission.

3 (d) VACANCIES.—Any vacancy in the Commission  
4 shall be filled in the same manner as the original appoint-  
5 ment.

6 (e) CHAIR.—The Chair of the Commission shall be  
7 designated by the Speaker of the House of Representa-  
8 tives, after consulting with the majority leader of the Sen-  
9 ate and the minority leaders of the House of Representa-  
10 tives and the Senate.

11 (f) DEADLINE FOR APPOINTMENT.—The appoint-  
12 ments of the members of the Commission shall be made  
13 no later than 30 days after the date of enactment of this  
14 Act.

15 (g) BASIC PAY.—

16 (1) RATES OF PAY.—Except as provided in  
17 paragraph (2), members shall each be paid at a rate  
18 not to exceed the rate of basic pay for level IV of  
19 the Executive Schedule for each day (including trav-  
20 el time) during which they are engaged in the actual  
21 performance of duties vested in the Commission.

22 (2) PROHIBITION OF COMPENSATION OF FED-  
23 ERAL EMPLOYEES.—Members of the Commission  
24 who are full-time officers or employees of the United  
25 States may not receive additional pay, allowances, or

1 benefits by reason of their service on the Commis-  
2 sion.

3 (h) TRAVEL EXPENSES.—Each member shall receive  
4 travel expenses, including per diem in lieu of subsistence,  
5 in accordance with applicable provisions under subchapter  
6 I of chapter 57 of title 5, United States Code.

7 (i) RETIRED ANNUITANTS.—A member of the Com-  
8 mission who is an annuitant otherwise covered by section  
9 8344 or section 8468 of title 5, United States Code, shall  
10 not be subject to the provisions of that section with respect  
11 to membership on the Commission by reason of member-  
12 ship on the Commission.

13 (j) QUORUM.—A majority of the members of the  
14 Commission shall constitute a quorum, but a lesser num-  
15 ber may hold hearings.

16 (k) MEETINGS.—

17 (1) FIRST MEETING.—The Commission shall  
18 hold its first meeting on a date designated by the  
19 Speaker of the House of Representatives which is  
20 not later than 30 days after the date on which all  
21 members have been appointed.

22 (2) SUBSEQUENT MEETINGS.—After the first  
23 meeting, the Commission shall meet upon the call of  
24 the Chair.

1 **SEC. 5. STAFF OF COMMISSION.**

2 (a) DIRECTOR.—The Commission shall have a Direc-  
3 tor who shall be appointed by the Chair. The Director  
4 shall be paid a rate not to exceed the maximum rate of  
5 basic pay for GS–15 of the General Schedule.

6 (b) ADDITIONAL STAFF.—In addition to the Direc-  
7 tor, the Chair may appoint and fix the pay of up to 3  
8 staff members, except that any staff member appointed  
9 under this subsection shall not be paid at a rate to exceed  
10 the maximum rate of basic pay for GS–15 of the General  
11 Schedule.

12 (c) APPLICABILITY OF CERTAIN CIVIL SERVICE  
13 LAWS.—The Director and staff of the Commission may  
14 be appointed without regard to the provisions of title 5,  
15 United States Code, governing appointments in the com-  
16 petitive service, and may be paid without regard to the  
17 provisions of chapter 51 and subchapter III of chapter 53  
18 of that title relating to classification and General Schedule  
19 pay rates.

20 (d) STAFF OF FEDERAL AGENCIES.—Upon the re-  
21 quest of the Chair of the Commission, the head of any  
22 Federal department or agency may detail, without reim-  
23 bursement, any of the personnel of that department or  
24 agency to the Commission to assist in carrying out its du-  
25 ties under this Act.

1 **SEC. 6. POWERS OF COMMISSION.**

2 (a) HEARINGS AND SESSIONS.—The Commission  
3 may, for the purpose of carrying out this Act, hold hear-  
4 ings, sit and act at times and places, take testimony, and  
5 receive evidence as the Commission considers appropriate.

6 (b) POWERS OF MEMBERS AND AGENTS.—Any mem-  
7 ber or agent of the Commission may, if authorized by the  
8 Commission, take any action which the Commission is au-  
9 thorized to take by this section.

10 (c) OBTAINING OFFICIAL DATA.—The Commission  
11 may secure directly from any agency of the United States  
12 information necessary to enable it to carry out this Act.  
13 Upon the request of the Chair of the Commission, the  
14 head of that department or agency shall furnish that infor-  
15 mation to the Commission.

16 (d) MAILS.—The Commission may use the United  
17 States mails in the same manner and under the same con-  
18 ditions as other departments and agencies of the United  
19 States.

20 (e) ADMINISTRATIVE SUPPORT SERVICES.—Upon  
21 the request of the Commission, the Administrator of Gen-  
22 eral Services shall provide to the Commission, on a reim-  
23 bursable basis, the administrative support services nec-  
24 essary for the Commission to carry out its responsibilities  
25 under this Act.



1 **SEC. 7. REPORT.**

2       The Commission shall transmit the report required  
3 by section 3 to the President and Congress not later than  
4 90 days after the date on which the members of the Com-  
5 mission are first appointed.

6 **SEC. 8. TERMINATION.**

7       The Commission shall terminate 30 days after the  
8 date on which the Commission submits its final report to  
9 the President and Congress under section 7.

10 **SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

11       There are authorized to be appropriated such sums  
12 as may be necessary to carry out this Act.

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