

111TH CONGRESS
1ST SESSION

S. 298

To establish a Financial Markets Commission, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 22, 2009

Mr. ISAKSON (for himself, Mr. CONRAD, and Mr. CHAMBLISS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To establish a Financial Markets Commission, 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 “Financial Markets
5 Commission Act of 2009”.

6 **SEC. 2. ESTABLISHMENT OF COMMISSION.**

7 There is established in the legislative branch the Fi-
8 nancial Markets Commission (in this Act referred to as
9 the “Commission”) to examine all causes, domestic and

1 global, of the current financial and economic crisis in the
2 United States.

3 **SEC. 3. COMPOSITION OF THE COMMISSION.**

4 (a) MEMBERS.—The Commission shall be composed
5 of 7 members, of whom—

6 (1) 2 members shall be appointed by the Presi-
7 dent;

8 (2) 1 member shall be appointed by the major-
9 ity leader of the Senate;

10 (3) 1 member shall be appointed by the Speak-
11 er of the House of Representatives;

12 (4) 1 member shall be appointed by the minor-
13 ity leader of the Senate;

14 (5) 1 member shall be appointed by the minor-
15 ity leader of the House of Representatives; and

16 (6) 1 member shall be appointed by the Chair-
17 man of the Board of Governors of the Federal Re-
18 serve System.

19 (b) QUALIFICATIONS.—It is the sense of Congress
20 that individuals appointed to the Commission should be
21 United States citizens with national recognition and sig-
22 nificant depth of experience in such fields as governmental
23 regulation, finance, economics, and housing.

24 (c) CHAIRPERSON; VICE CHAIRPERSON.—

1 (1) IN GENERAL.—Subject to the requirement
 2 of paragraph (2), the Chairperson and Vice Chair-
 3 person of the Commission shall be elected by the
 4 members.

5 (2) POLITICAL PARTY AFFILIATION.—The
 6 Chairperson and Vice Chairperson shall not be from
 7 the same political party.

8 (d) INITIAL MEETING.—If 45 days after the date of
 9 enactment of this Act, 4 or more members of the Commis-
 10 sion have been appointed, those members who have been
 11 appointed may meet and, if necessary, select a temporary
 12 Chairperson and Vice Chairperson, who may begin the op-
 13 erations of the Commission, including the hiring of staff.

14 (e) QUORUM; VACANCIES.—After the initial meeting
 15 of the Commission, the Commission shall meet upon the
 16 call of the Chairperson or a majority of its members. Four
 17 members of the Commission shall constitute a quorum.
 18 Any vacancy on the Commission shall not affect its pow-
 19 ers, but shall be filled in the same manner in which the
 20 original appointment was made.

21 **SEC. 4. FUNCTIONS OF THE COMMISSION.**

22 The functions of the Commission are—

23 (1) to examine all causes, domestic and global,
 24 of the current financial and economic crisis in the
 25 United States, including the collapse of major finan-

1 cial and commercial firms and the deterioration of
2 the credit and housing markets;

3 (2) to investigate the role in the financial and
4 economic crisis, if any, of—

5 (A) the Securities and Exchange Commis-
6 sion;

7 (B) nationally recognized statistical rating
8 organizations, as that term is defined in section
9 3(a) of the Securities Exchange Act of 1934
10 (15 U.S.C. 78c(a));

11 (C) the Commodity Futures Trading Com-
12 mission;

13 (D) the Federal National Mortgage Asso-
14 ciation and the Federal Home Loan Mortgage
15 Corporation;

16 (E) trading facilities for commodities, as
17 those terms are defined in section 1a of the
18 Commodity Exchange Act (7 U.S.C. 1a), and
19 self-regulatory organizations, as that term is
20 defined in section 3 of the Securities Exchange
21 Act of 1934 (15 U.S.C. 78c);

22 (F) the Federal banking agencies, as that
23 term is defined in section 3 of the Federal De-
24 posit Insurance Act (12 U.S.C. 1813);

1 (G) any financial or commercial corpora-
 2 tion, partnership, or entity; and

3 (H) any other governmental or non-gov-
 4 ernmental entity;

5 (3) to submit a report under section 8 of this
 6 Act; and

7 (4) to refer to the Attorney General of the
 8 United States and any appropriate State attorney
 9 general any person that the Commission finds may
 10 have violated the laws of the United States in rela-
 11 tion to such crisis.

12 **SEC. 5. POWERS OF THE COMMISSION.**

13 (a) HEARINGS AND EVIDENCE.—The Commission
 14 may, for purposes of carrying out this Act—

15 (1) hold hearings, sit and act at times and
 16 places, take testimony, receive evidence, and admin-
 17 ister oaths; and

18 (2) require, by subpoena or otherwise, the at-
 19 tendance and testimony of witnesses and the produc-
 20 tion of books, records, correspondence, memoranda,
 21 papers, and documents.

22 (b) SUBPOENAS.—

23 (1) SERVICE.—Subpoenas issued under sub-
 24 section (a)(2) may be served by any person des-
 25 ignated by the Commission.

1 (2) ENFORCEMENT.—

2 (A) IN GENERAL.—In the case of contu-
3 macy or failure to obey a subpoena issued
4 under subsection (a)(2), the United States dis-
5 trict court for the judicial district in which the
6 subpoenaed person resides, is served, or may be
7 found, or where the subpoena is returnable,
8 may issue an order requiring such person to ap-
9 pear at any designated place to testify or to
10 produce documentary or other evidence. Any
11 failure to obey the order of the court may be
12 punished by the court as a contempt of that
13 court.

14 (B) ADDITIONAL ENFORCEMENT.—Sec-
15 tions 102 through 104 of the Revised Statutes
16 of the United States (2 U.S.C. 192 through
17 194) shall apply in the case of any failure of
18 any witness to comply with any subpoena or to
19 testify when summoned under the authority of
20 this section.

21 (c) CONTRACTING.—The Commission may enter into
22 contracts to enable the Commission to discharge its duties
23 under this Act.

24 (d) INFORMATION FROM FEDERAL AGENCIES.—The
25 Commission may secure directly from any department,

1 agency, or instrumentality of the United States any infor-
2 mation related to any inquiry of the Commission con-
3 ducted under this Act. Each such department, agency, or
4 instrumentality shall, to the extent authorized by law, fur-
5 nish such information directly to the Commission upon re-
6 quest.

7 (e) ASSISTANCE FROM FEDERAL AGENCIES.—

8 (1) DEPARTMENT OF THE TREASURY.—

9 (A) IN GENERAL.—The Secretary of the
10 Treasury shall provide all amounts necessary to
11 defray the costs and provide administrative sup-
12 port and other services to the Commission for
13 the performance of the functions of the Com-
14 mission.

15 (B) LIMITATION.—The value of the assist-
16 ance required to be provided by the Secretary
17 of the Treasury under this paragraph may not
18 exceed \$3,000,000.

19 (2) OTHER DEPARTMENTS AND AGENCIES.—In
20 addition to the assistance prescribed in paragraph
21 (1), departments and agencies of the United States
22 are authorized to provide to the Commission such
23 services, funds, facilities, staff, and other support
24 services as they may determine advisable and as may
25 be authorized by law.

1 (f) GIFTS.—The Commission may accept, use, and
 2 dispose of gifts or donations of services or property.

3 (g) POSTAL SERVICES.—The Commission may use
 4 the United States mails in the same manner and under
 5 the same conditions as departments and agencies of the
 6 United States.

7 (h) POWERS OF SUBCOMMITTEES, MEMBERS, AND
 8 AGENTS.—Any subcommittee, member, or agent of the
 9 Commission may, if authorized by the Commission, take
 10 any action which the Commission is authorized to take by
 11 this section.

12 **SEC. 6. STAFF OF THE COMMISSION.**

13 (a) DIRECTOR.—The Commission shall have a Direc-
 14 tor who shall be appointed by the Chairperson and the
 15 Vice Chairperson, acting jointly.

16 (b) STAFF.—The Chairperson, in consultation with
 17 the Vice Chairperson, may appoint additional personnel as
 18 may be necessary to enable the Commission to carry out
 19 its functions.

20 (c) APPLICABILITY OF CERTAIN CIVIL SERVICE
 21 LAWS.—The Director and staff of the Commission may
 22 be appointed without regard to the provisions of title 5,
 23 United States Code, governing appointments in the com-
 24 petitive service, and may be paid without regard to the
 25 provisions of chapter 51 and subchapter III of chapter 53

1 of such title relating to classification and General Schedule
2 pay rates, except that no rate of pay fixed under this sub-
3 section may exceed the equivalent of that payable for a
4 position at level V of the Executive Schedule under section
5 5316 of title 5, United States Code. Any individual ap-
6 pointed under subsection (a) or (b) shall be treated as an
7 employee for purposes of chapters 63, 81, 83, 84, 85, 87,
8 89, 89A, 89B, and 90 of that title.

9 (d) DETAILEES.—Any Federal Government employee
10 may be detailed to the Commission without reimbursement
11 from the Commission, and such detailee shall retain the
12 rights, status, and privileges of his or her regular employ-
13 ment without interruption.

14 (e) CONSULTANT SERVICES.—The Commission is au-
15 thorized to procure the services of experts and consultants
16 in accordance with section 3109 of title 5, United States
17 Code, but at rates not to exceed the daily rate paid a per-
18 son occupying a position at level IV of the Executive
19 Schedule under section 5315 of title 5, United States
20 Code.

21 **SEC. 7. COMPENSATION AND TRAVEL EXPENSES.**

22 (a) COMPENSATION.—Each member of the Commis-
23 sion may be compensated at not to exceed the daily equiva-
24 lent of the annual rate of basic pay in effect for a position
25 at level IV of the Executive Schedule under section 5315

1 of title 5, United States Code, for each day during which
2 that member is engaged in the actual performance of the
3 duties of the Commission.

4 (b) TRAVEL EXPENSES.—While away from their
5 homes or regular places of business in the performance
6 of services for the Commission, members of the Commis-
7 sion shall be allowed travel expenses, including per diem
8 in lieu of subsistence, in the same manner as persons em-
9 ployed intermittently in the Government service are al-
10 lowed expenses under section 5703(b) of title 5, United
11 States Code.

12 **SEC. 8. REPORTS OF THE COMMISSION; TERMINATION.**

13 (a) FINAL REPORT.—Not later than 1 year after the
14 date of the first meeting of the Commission, the Commis-
15 sion shall submit to the President and Congress a final
16 report containing—

17 (1) the findings and conclusions of the Commis-
18 sion on the causes of the current financial and eco-
19 nomic crisis in the United States; and

20 (2) such findings, conclusions, and rec-
21 ommendations for statutory and regulatory changes
22 as a majority of Commission members finds are nec-
23 essary to prevent a financial and economic crisis
24 comparable to the current financial and economic
25 crisis in the United States.

1 (b) INTERIM REPORTS.—At any time after the first
2 meeting of the Commission, the Commission may submit
3 to the President and Congress an interim report con-
4 taining such findings, conclusions, and recommendations
5 for corrective measures as have been agreed to by a major-
6 ity of Commission members.

7 (c) TERMINATION.—

8 (1) IN GENERAL.—The Commission, and all the
9 authorities of this Act, shall terminate 60 days after
10 the date on which the final report is submitted
11 under subsection (a).

12 (2) ADMINISTRATIVE ACTIVITIES BEFORE TER-
13 MINATION.—The Commission may use the 60-day
14 period referred to in paragraph (1) for the purpose
15 of concluding its activities, including providing testi-
16 mony to committees of Congress concerning its re-
17 ports and disseminating the final report submitted
18 under subsection (a).

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