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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

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A BILL

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Financial Markets Commission Act of 2009''.

SEC. 2. ESTABLISHMENT OF COMMISSION.

There is established in the legislative branch the Financial Markets Commission (in this Act referred to as the ''Commission'') to examine all causes, domestic and

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

SEC. 3. COMPOSITION OF THE COMMISSION.

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

(1) 2 members shall be appointed by the President;

(2) 1 member shall be appointed by the majority leader of the Senate;

(3) 1 member shall be appointed by the Speaker of the House of Representatives;

(4) 1 member shall be appointed by the minority leader of the Senate;

(5) 1 member shall be appointed by the minority leader of the House of Representatives; and

(6) 1 member shall be appointed by the Chairman of the Board of Governors of the Federal Reserve System.

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

(c) CHAIRPERSON; VICE CHAIRPERSON.—

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

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

(d) INITIAL MEETING.—If 45 days after the date of enactment of this Act, 4 or more members of the Commission have been appointed, those members who have been appointed may meet and, if necessary, select a temporary Chairperson and Vice Chairperson, who may begin the operations of the Commission, including the hiring of staff.

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

SEC. 4. FUNCTIONS OF THE COMMISSION.

The functions of the Commission are—

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

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

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

(A) the Securities and Exchange Commission;

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

(C) the Commodity Futures Trading Commission;

(D) the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation;

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

(F) the Federal banking agencies, as that term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(G) any financial or commercial corporation, partnership, or entity; and

(H) any other governmental or non–governmental entity;

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

(4) to refer to the Attorney General of the United States and any appropriate State attorney general any person that the Commission finds may have violated the laws of the United States in relation to such crisis.

SEC. 5. POWERS OF THE COMMISSION.

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

(1) hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths; and

(2) require, by subpoena or otherwise, the attendance and testimony of witnesses and the production of books, records, correspondence, memoranda, papers, and documents.

(b) SUBPOENAS.—

(1) SERVICE.—Subpoenas issued under subsection (a)(2) may be served by any person designated by the Commission.

(2) ENFORCEMENT.—

(A) IN GENERAL.—In the case of contumacy or failure to obey a subpoena issued under subsection (a)(2), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, or where the subpoena is returnable, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.

(B) ADDITIONAL ENFORCEMENT.—Sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192 through 194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under the authority of this section.

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

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

agency, or instrumentality of the United States any information related to any inquiry of the Commission conducted under this Act. Each such department, agency, or instrumentality shall, to the extent authorized by law, furnish such information directly to the Commission upon request.

(e) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) DEPARTMENT OF THE TREASURY.—

(A) IN GENERAL.—The Secretary of the Treasury shall provide all amounts necessary to defray the costs and provide administrative support and other services to the Commission for the performance of the functions of the Commission.

(B) LIMITATION.—The value of the assistance required to be provided by the Secretary of the Treasury under this paragraph may not exceed $3,000,000.

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

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

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

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

SEC. 6. STAFF OF THE COMMISSION.

(a) DIRECTOR.—The Commission shall have a Director who shall be appointed by the Chairperson and the Vice Chairperson, acting jointly.

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

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

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

(d) DETAILEES.—Any Federal Government employee may be detailed to the Commission without reimbursement from the Commission, and such detailee shall retain the rights, status, and privileges of his or her regular employment without interruption.

(e) CONSULTANT SERVICES.—The Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

SEC. 7. COMPENSATION AND TRAVEL EXPENSES.

(a) COMPENSATION.—Each member of the Commission may be compensated at not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level IV of the Executive Schedule under section 5315

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

(b) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

SEC. 8. REPORTS OF THE COMMISSION; TERMINATION.

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

(1) the findings and conclusions of the Commission on the causes of the current financial and economic crisis in the United States; and

(2) such findings, conclusions, and recommendations for statutory and regulatory changes as a majority of Commission members finds are necessary to prevent a financial and economic crisis comparable to the current financial and economic crisis in the United States.

(b) INTERIM REPORTS.—At any time after the first meeting of the Commission, the Commission may submit to the President and Congress an interim report containing such findings, conclusions, and recommendations for corrective measures as have been agreed to by a majority of Commission members.

(c) TERMINATION.—

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

(2) ADMINISTRATIVE ACTIVITIES BEFORE TERMINATION.—The Commission may use the 60-day period referred to in paragraph (1) for the purpose of concluding its activities, including providing testimony to committees of Congress concerning its reports and disseminating the final report submitted under subsection (a).

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