

# Resolution Supporting an Audit of the Federal Reserve

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3 **WHEREAS** we believe honest stewardship of the public money and credit is essential to  
4 social justice;

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6 **WHEREAS** we believe a transparent government governs best, and a transparent  
7 monetary system is essential to a stable, sustainable economy that avoids squandering  
8 resources;

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10 **WHEREAS** the Fed can enter into agreements with foreign central banks and foreign  
11 governments;

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13 **WHEREAS** the U.S. Government Accountability Office (GAO) is prohibited from  
14 reviewing Fed agreements;

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16 **WHEREAS** the Fed has refused legal requests to make a public accounting of the funds  
17 popularly known as TARP funds;

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19 **WHEREAS** it recently became public knowledge that the Fed secretly bailed out  
20 investment bank Bear Stearns and kept it secret for two years;

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22 **WHEREAS** by promoting open and transparent government, an audit of the Board of  
23 Governors of the Fed will promote trust in government and bring accountability to the  
24 Federal Reserve System;

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26 **WHEREAS** HR 1207 "The Federal Reserve Transparency Act" has 319 bipartisan  
27 cosponsors, more than the majority needed to pass a bill through the House, and S 604  
28 has 32 bipartisan cosponsors in the Senate;

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30 **WHEREAS** the Constitution of the US gives Congress the sole authority to coin money  
31 and regulate its value and auditing the Fed will allow Congress to assert its  
32 Constitutional authority over monetary policy and to help protect the value of the US  
33 dollar;

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35 **WHEREAS** the Board of Governors of the Federal Reserve System (FED) is responsible  
36 for hundreds of billions of dollars of taxpayer monies appropriated as part of the  
37 Emergency Economic Stabilization Act of 2008;

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39 **WHEREAS** the FED's deals with foreign central banks are not published in  
40 Congressional reports, and many assets and liabilities of the Federal Reserve Banks are  
41 not published anywhere;

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43 **WHEREAS** auditing means the complete books, and all monies given as "bailouts" to  
44 any party, corporation, international bank, and government needs to be public  
45 information, including who received money, how much was received and on what it  
46 has been spent; and

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48 **WHEREAS** the House of Representatives recently passed a financial reform bill that  
49 included a complete audit of the Federal Reserve (H.R. 1207), and the Senate passed a  
50 financial reform bill that did not include a full audit of the Federal Reserve, and the  
51 House and Senate versions of the financial reform bill must be reconciled, which will  
52 result in a one-time partial audit;

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54 **THEREFORE BE IT RESOLVED** that we call upon Congress to immediately pass, and  
55 President Barack Obama to sign into law, S 604, which would require a full and  
56 complete audit of the Federal Reserve System, and that the results be immediately  
57 provided to Congress;

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59 **THEREFORE BE IT FURTHER RESOLVED** that upon completion of the audit, the  
60 results be immediately provided to the United States Congress and through the  
61 Congress to the People of the United States of America; and

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63 **THEREFORE BE IT FINALLY RESOLVED** that this resolution be transmitted to the  
64 members of Congress representing the State of Washington along with a request for  
65 response within thirty days, listing the actions they are willing to take to support this  
66 resolution or a list of the reasons explaining why it cannot be supported.

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69 Submitted by the 37<sup>th</sup> LD Democrats to the Democratic Central Committee for  
70 consideration at its June 26 convention in Vancouver. (Date Submitted 4/21/2010)

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72 Recommended Pass with amendments by the Subcommittee on Foreign Policy,  
73 Government and Political Reform, and the Military. (Date Considered 5/2/2010)

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75 Recommended Pass with amendments by the State Convention Platform Committee.  
76 (Date Considered 6/5/2010)

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78 The Washington State Democratic Convention "PASSED" this resolution at its June 26,  
79 2010 meeting in Vancouver.