

*From the Desk of Thomas Hoenig*

December 11, 2023

The Honorable Patrick McHenry  
United States Representative  
Chairman, House Financial Services Committee  
Washington, DC 20515

Dear Chairman McHenry:

This letter is in response to questions regarding H.R. 4601 submitted by Members of the Subcommittee on Financial Institutions and Monetary Policy of the House Committee on Financial Services.

### **Questions from Chairman Andy Barr**

#### **1. a) Do you believe that H.R. 4601 would improve visibility for Congress and the American people into the activities of international governance groups?**

Answer: I believe the amount of information requested under H.R. 4601 is too much. It would lead to hundreds of pages of detail, most of which would be of little value to Congress, and the more important information could be buried in the detail. I would suggest that Congress require all agreed-upon actions following such meetings to be reported to Congress, including the rationale for such agreements.

#### **1. b) Would H.R. 4601 allow Congress to monitor whether agencies are comporting with congressional supremacy on policymaking, rather than dutifully acting to implement the letter of the laws passed by Congress and the congressional intent behind the laws?**

Answer: I suggest H.R. 4601 would be best able to monitor the agencies if it limited the information to actions agreed upon, with explanations for such agreements. A clearer insight into agencies and their adherence to the will of Congress can be gained by the actions they agreed to during such meetings.

#### **1. c) Do you believe agencies are ceding US sovereignty through their participation with global governance groups such as the NFGS, BIS, and Basel Committee on Banking Supervision? How will H.R. 4601 hold the regulatory agencies accountable?**

Answers: I do not believe agencies are ceding US sovereignty through their participation with global governance groups. Conclusions the agencies may agree to, in all instances I am aware of, must comply with the Administrative Procedures Act before they can be imposed on US institutions. I, however, am concerned that Congress has delegated significant authority to agencies through laws, such as the Dodd-Frank Act, that empower agencies to impose new rules on institutions they regulate, including

rules agreed to among international regulators. If H.R. 4601 were to require that any rules agreed to in international meetings be brought before Congress and explained before implementation, it would reduce the influence of foreign groups on U.S. agencies.

**Questions from Ranking Member Maxine Waters**

**1. d) Which of the following options best describes your self-identified race?**

Answer: White

**1. e) Which of the following options best describes your gender?**

Answer: Man

Thank you for the opportunity to testify and to reply to the above follow-up questions.

Sincerely,

Thomas Hoenig  
Distinguished Senior Fellow  
Mercatus Center, George Mason University