



September 22, 2024

Rep. _____
U.S. House of Representatives
The Capitol
Washington, DC 20510

Sen. Alex Padilla
United States Senate
The Capitol
Washington, DC 20510

Sen. Laphonza Butler
United States Senate
The Capitol
Washington, DC 20510

RE: Pressure the Federal Reserve to fully implement all of the Dodd-Frank Act

Dear Members of Congress,

As your constituent, I'm writing today about Section 956 of the Dodd-Frank legislation, to ask that you pressure the Federal Reserve to finally take real action as it's REQUIRED to by the Dodd-Frank Act.

It's absurd and inexcusable that the Fed has, to date, issued only guidance that predates the congressional mandate and Chair Powell recently admitted is "not binding." That's NOT how congressional mandates work.

The 2023 banking crisis should have been a wakeup call. You must not walk away from your duty to ensure that federal regulators – most notably, the Federal Reserve – fully implement Section 956. After all, in addition to the 2008 global economic crisis that precipitated the Dodd-Frank Act's passage and the 2023 banking crisis that brought renewed attention to the issue, examples of connections between incentive-based pay and excessive risk-taking abound – including JP Morgan's London Whale loss, Wells Fargo's fake account scandal, and Goldman Sachs' bribery case in Malaysia.

Implementation of a strong rule would go a long way in preventing systemic financial crises in the future by better aligning the incentives of executives with the interests of consumers, depositors, and the public. Wall Street banks cannot be trusted to regulate themselves.

I'm asking you to apply all the pressure you can in the coming weeks to compel the Fed to join the other agencies in moving forward with this critical rule, and I look forward to your response to my letter with your views on the topic.

Sincerely,

(Print Name & Address) _____
