April 23, 2020

Jay Powell  
Chairman, Federal Reserve Board  
Mariner Eccles Federal Reserve Board Building  
2051 Constitution Avenue NW  
Washington, DC 20418

Steven Mnuchin  
Secretary of the Treasury  
Department of the Treasury  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

Dear Chairman Powell and Secretary Mnuchin:

The fifty undersigned organizations write to urge the Federal Reserve Board and the U.S. Treasury to disclose the specific borrower identities and the specific terms and size of the support they receive from the credit programs authorized under Section 4003(b)(4) of the CARES Act and Section 13(3) of the Federal Reserve Act. We also urge the Federal Reserve Board and the U.S. Treasury to provide the public with ongoing information on employment at these firms.

The Section 4003(b)(4) programs could support over $4.5 trillion in total lending. The six lending facilities announced on April 9th are already authorized to provide up to $2.3 trillion in credit, and less than half of the equity allocated to the U.S. Treasury has been committed.

The type of lending and purchases authorized under these programs are unprecedented and include a greater range of borrowers and credit quality than any previous Federal Reserve intervention. They clearly go far beyond simply providing financial system liquidity and actively allocate credit to a wide range of non-financial corporations. It would be even more unprecedented to undertake such a potentially transformative credit intervention without providing essential details to the public on who receives funds, how much they receive, and the terms of their support.

We believe it would be a grave error and totally inappropriate for the Federal Reserve to try to use legal technicalities to withhold the key details of individual transactions from the public. There could be many tens or even hundreds of thousands of transactions financed through these programs. Aggregated data at the facility level will clearly not be informative as to which specific entities receive support or how much they receive. Without this information, the public will not be able to understand what is being done with taxpayer funds. Any attempt to dispense trillions of dollars in the dark will lead to lasting damage to the credibility of the Federal Reserve and to trust in our institutions.

We can see no reasonable argument against releasing core transaction level data on borrowers and the credit they receive. We urge you to make this data available to the public.

In addition, the Federal Reserve and the Treasury should cooperate in making available to the public data on the payroll employment of firms who receive credit assistance from Federal Reserve facilities. The goal of financial support to these firms should be to support the broader economy, not simply the capital owners of the firm. Employment is a critical metric by which the public can determine whether the goal of broad economic support is being met.
These facilities will not be successful unless they are accompanied by effective transparency and public disclosure. We urge you to take the steps necessary to make that happen.

Sincerely,

20/20 Vision
Action Center on Race and the Economy
Allied Progress
American Economic Liberties Institute
Americans for Financial Reform
Better Markets
California Reinvestment Coalition
Center for Digital Democracy
Center for Economic and Policy Research
Center for Popular Democracy
Citizens for Responsibility and Ethics in Washington (CREW)
Climate Hawks Vote
Communications Workers of America (CWA)
Consumer Federation of America
Demand Progress Education Fund
Economic Policy Institute
Financial Accountability and Corporate Transparency (FACT) Coalition
Food & Water Action
Global Policy Solutions
Friends of the Earth
Global Policy Solutions
Good Jobs First
Greenpeace US
Institute for Agriculture and Trade Policy
Institute for Policy Studies, Global Economy Project
Interfaith Center on Corporate Responsibility
International Brotherhood of Teamsters
Main Street Alliance
Mainers for Accountable Leadership
Mountain State Justice
National Consumer Law Center (on behalf of its low-income clients)
National Education Association (NEA)
National Employment Law Project
New Jersey Citizen Action
Open Markets Institute
Partnership for Working Families
People's Action
Philly Neighborhood Networks
Private Equity Stakeholder Project
Project On Government Oversight (POGO)
Public Citizen
Revolving Door Project
Service Employees International Union (SEIU)
Strong Economy For All Coalition
Tennessee Citizen Action
THE ONE LESS FOUNDATION
Transform Finance
U.S. PIRG
Woodstock Institute
Working Families Party