

Congress of the United States
Washington, D.C. 20515

October 17, 2022

The Honorable Janet Yellen
Secretary
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Yellen,

We write to express our concern with the membership and formation of the Treasury Advisory Committee on Racial Equity (Advisory Committee). The timing of the Advisory Committee's formation and the elevation of a radically partisan left-wing voice to lead this initiative are disturbing. The formation of this Advisory Committee will only worsen this Administration's politicization of the Department of Treasury (Treasury) and distract it from its core responsibilities which include ensuring a level playing field for all Americans.

In particular, the elevation of Felicia Wong to a leadership role given her past radical and divisive views on issues such as budget cuts to law enforcement deviates from the core trust placed in Treasury to protect the economic well-being of *all Americans*. At a time when workers' paychecks are not keeping up with the needs of their families due to record high inflation and Americans of all backgrounds are struggling to make ends meet, Treasury is side-tracked by a misguided agenda that will further entrench inequity by favoring some Americans over others.

Treasury documents state that the Advisory Committee intends to meet four times per year, but its mission may result in a far more active role. The Advisory Committee will not merely monitor the economy for unfavorable conditions for communities of color¹ – clearly an area of bipartisan interest – but news reports indicate that members will be “on call” to weigh in on additional policies, something that Congress itself is well-equipped to do.² Despite soliciting member applications for expertise on broad categories such as financial inclusion and economic development, it appears that Treasury intends to seek advice on much more detailed policy matters such as modernizing the Internal Revenue Service (IRS) and implementing the so-called “Inflation Reduction Act.”³ These factors raise concerns that the Committee will be far more influential in driving policy proposals within Treasury, rather than acting in a true advisory role.

¹ Press Release, U.S. Dep't of Treasury, *Treasury Department Announces Inaugural Members of Formal Advisory Committee on Racial Equity* (Oct. 4, 2022), <https://home.treasury.gov/news/featured-stories/treasury-department-announces-inaugural-members-of-formal-advisory-committee-on-racial-equity>.

² Alan Rappeport, *Treasury Creates Racial Equity Committee to Narrow Economic Disparities*, NY Times (Oct. 4, 2022), www.nytimes.com/2022/10/04/us/politics/treasury-racial-equity-committee.html.

³ *Id.*

Moreover, the insertion of Advisory Committee members and the Administration's equity agenda into Treasury's day-to-day activities is particularly concerning given the radical policy positions held by some members selected to serve on the Advisory Committee. For example, reports indicate that the Vice Chair of the Advisory Committee, Ms. Wong, supports policies such as defunding the police⁴ and center all policy on race because "no policy, even if facially race-neutral, is race-neutral in practice."⁵ These assertions are alarming and raise serious concerns that the Advisory Committee will advance radical and divisive views within Treasury and the Administration, particularly in the absence of countervailing views that can ensure a diversity of perspective.

To assist the House Committees on Financial Services and Ways and Means (the Committees) better understand the motives for creating the Advisory Committee, including the process for identifying and selecting members, and its responsibilities, please provide answers to the following questions:

1. How many applications did Treasury receive for an Advisory Committee appointment?
2. Did Treasury solicit applications from any individuals or organizations?
 - a. If there were solicitations made by Treasury, please provide a list of who was solicited.
3. How many applications were self-nominated and how many applicants were nominated by an organization or agency?
 - a. If there were individuals nominated by an organization or agency, please provide a list of the entities who made the nominations.
4. Who reviewed applications and selected members for the Advisory Committee?
5. Please provide a copy of the cover letters and resumes of all 25 members who were appointed to the Advisory Committee.
6. When were Advisory Committee members notified they would be selected?
7. Did any Advisory Committee members previously work at Treasury or any other federal agency?

⁴ Jessica Chasmar, *Vice chair of Treasury Dept's new racial equity committee wants to defund police, 'center race' in all policy*, Fox News (Oct. 5, 2022), www.foxnews.com/politics/vice-chair-treasury-depts-new-racial-equity-committee-wants-defund-police-center-race-all-policy.

⁵ Kyle Strickland & Felicia Wong, *A New Paradigm For Justice and Democracy*, The Roosevelt Institute 53 (Nov. 2021), www.rooseveltinstitute.org/wp-content/uploads/2021/11/RI_A-New-Paradigm-for-Justice-and-Democracy_Report_202111-1.pdf.

- a. If any members previously worked at a federal agency, please identify the member and the agency at which they worked.
8. How many Advisory Committee members previously served as political appointees?
 - a. If members previously served as political appointees, please identify the Administration in which they worked.
9. Do any Advisory Committee members have a relationship with an organization that currently has a contract with Treasury or the IRS? If so, please identify those members and the related organizations.
10. Will Advisory Committee members be required to sign the ethics pledge created in Executive Order 13989,⁶ and if not, will Treasury require an internal ethics pledge for Advisory Committee members?
11. How is the agenda for the Advisory Committee's quarterly meetings determined?
12. The Advisory Committee solicitation states that advice and recommendations will be provided to the Offices of the Secretary and the Deputy Secretary. Will Advisory Committee members be permitted to provide advice and recommendations to other offices or divisions within Treasury that are not mentioned by the solicitation?
13. Will Advisory Committee members have access to Treasury resources, such as IRS or FinCEN data, to better inform their advice and recommendations?
14. Will the Advisory Committee consider the below policy questions? If so, the Committees would like to be kept informed of the recommendations made. If not, the Committees would like to understand why.
 - a. How will a supercharged IRS impact communities of color, particularly those making less than \$400,000 per year?
 - b. Will the Advisory Committee consider how crowd funding can provide access to capital for communities of color?
 - c. Will the Advisory Committee consider how the use of Artificial Intelligence can be used to expand access to credit to those that have historically been left behind?

⁶ E.O. 13989 of Jan 20, 2021

The Honorable Janet Yellen

October 6, 2022

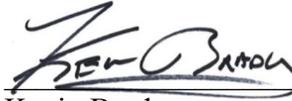
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Please provide your response as soon as possible, but no later than October 21, 2022. The Committees prefer to receive your response electronically to the extent possible. If you have any questions, contact Rachel Kaldahl of the Committee on Financial Services, at 202-225-7502 and Sean Clerget of the Committee on Ways and Means, at 202-225-4021. We appreciate your time and attention to this important matter and look forward to your reply.

Sincerely,



Patrick McHenry
Ranking Member
Committee on Financial Services



Kevin Brady
Ranking Member
Ways and Means Committee



Tom Emmer
Ranking Member of the
Subcommittee on Oversight
and Investigations



Tom Rice
Ranking Member of the
Oversight Subcommittee