

# Policy Note

US Presidents appoint 7 of the Fed Governors that comprise the 12 member FOMC, subject to Senate confirmation in a simple majority vote. President Biden currently has the opportunity to fill 4 of these 7 seats over the next 6 months, including the Fed Chair. The remaining 5 FOMC seats are filled by regional Fed Presidents not appointed by the President. While President Biden has until February to appoint Fed Chair Powell to a 2nd term, we expect him to announce his decision for Fed Chair and Vice Chair in the weeks ahead, with other positions possibly sliding to early 2022. Alternatively, announcing all 4 Fed positions simultaneously may provide Biden with an opportunity to more effectively manage the competing demands of moderate and progressive wings of the party.

Chair Powell has adeptly managed his relationship with the US Congress, and enjoys significant support across both sides of the aisle, having catalogued an estimated 350 meetings and phone calls with members of Congress in his first term alone. Chair Powell also has strong support within the White House itself, as well as from US Treasury Secretary and former Fed Chair Janet Yellen. While reappointment to a second term remains the most likely scenario, the decision has become more complicated due to pressure from the progressive left for a more stringent bank regulator (see Senator Warren’s commentary today), as well as developments this week related to the resignations of Boston and Dallas Fed Chiefs, Rosengren and Kaplan.

President Biden will also have the opportunity to replace Governor Randal Quarles as the Vice Chair for Banking Supervision. Fed Governor Lael Brainard, a woman with a strong and dissenting voice against bank sector deregulation, is considered the leading candidate for this position. However, should Jerome Powell not be reappointed to a 2nd term as Fed Chair, Governor Brainard, who Biden had closely considered for Treasury Secretary, would also be a leading candidate as his replacement.

**In the weeks ahead, President Biden will have the opportunity to select 4 of the 7 Fed Governors, including the Fed Chair, that sit on the larger 12 person FOMC.**

## Fed Board of Governors



**Jerome H. Powell, Chair**  
Term expires February 2022  
**Dove**



**Richard H. Clarida**  
**Vice Chair**  
Term expires January 2022  
**Moderate / Hawk**



**Randal K. Quarles**  
**Vice Chair for Supervision**  
Term expires October 2021  
**Moderate**



**Lael Brainard**  
Term expires January 2026  
**Dove**



**Michelle W. Bowman**  
Term expires January 2034  
**Moderate / Dove**



**Christopher J. Waller**  
Term expires January 2030  
**Hawk**



**Vacant Seat**

## Federal Reserve Bank Presidents - voting members

- John C. Williams, New York, Vice Chair
- Thomas I. Barkin, Richmond
- Raphael W. Bostic, Atlanta
- Mary C. Daly, San Francisco
- Charles L. Evans, Chicago

## Alternate Members

- James Bullard, St. Louis
- Esther L. George, Kansas City
- Naureen Hassan, First Vice President, New York
- Loretta J. Mester, Cleveland
- Eric Rosengren, Boston

Source: Federal Reserve. Oxford Economics "Biden to Begin Reshaping the Fed" (September 28, 2021).

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