Banking and Finance Law Daily Wrap Up, FEDERAL RESERVE SYSTEM—SBC Democrats seek hold on Fed Chair-Nominee Warsh confirmation, resignation of Governor Miran, (Feb. 4, 2026)

Banking and Finance Law Daily Wrap Up

Click to open document in a browser

By Joe Cox, J.D.

The request for a hold on the hearing for Chair-nominee Warsh stems from the investigations into Chair Powell and Governor Cook.

The 11 Democratic members of the Senate Banking Committee have penned a pair of letters seeking a hold on the confirmation hearings of Fed Chair nominee Kevin Warsh and the resignation of Fed Governor Stephen Miran. The request for a hold on the Warsh hearings is set against the backdrop of the investigations of current Fed Chair Jerome Powell and Fed Governor Lisa Cook. The request for Governor Miran's resignation is prompted by his dual role as Fed Governor and Chair of the President's Counsel of Economic Advisors. The 11 Senators who signed both letters are: Ranking Committee Member Elizabeth Warren (D-Mass.), Jack Reed (D-R.I.), Mark Warner (D-Va.), Chris Van Hollen (D-Md.), Catherine Cortez Masto (D-Nev.), Tina Smith (D-Minn.), Raphael Wanock (D-Ga.), Andy Kim (D-N.J.), Ruben Gallego (D-Ariz.), Lisa Blunt Rochester (D-Del.), and Angela Alsobrooks (D-Md.).

Warsh hold request. The letter regarding Fed Chair-nominee Kevin Warsh's confirmation hearings was sent to Chairman Tim Scott (R-S.C.) and demands that Scott "delay any nomination proceedings for Mr. Warsh until after the pretextual criminal investigations involving Chair Powell and Governor Cook have been closed." The Democratic Senators, who also released an accompanying press release, criticized the investigations as politically motivated and wrote, "It would be absurd on its face to allow President Trump to handpick the next Chair of the Federal Reserve as his Department of Justice actively pursues criminal investigations of not one, but two sitting members of the Federal Reserve Board."

Miran Letter. The Senators' resignation request was addressed to Governor Miran himself. The Senators, both in the letter and accompanying press release, noted the potential conflict of interest in directly serving the President while simultaneously serving on the Board of the Federal Reserve. The letter notes that when he was appointed, Miran deflected questions about resigning from his role with the President because the duration of his term would be just over four months. But with Miran serving on holdover status and potentially staying indefinitely, the Senators write that his extended tenure "has only compounded what was an improper arrangement from the outset, and this dual employment must end."

In September, Senator Gallego introduced the Fed Integrity and Independence Act, which would prohibit members of the Federal Reserve from holding multiple positions appointed by the President, including under a leave of absence whether paid or unpaid. Governor Miran was appointed on September 15th to complete the term of Governor Adriana Kugler after her resignation (see *Banking and Finance Law Daily*, Sept. 17, 2025).

In their letter, the Senators write, "Your continued dual service at the Federal Reserve and the President's CEA puts the Federal Reserve's operations and our nation's economy at risk." Elsewhere, the letter accuses Governor Marin of "doing the President's bidding and threatening to put the nation on the same path of high inflation and high unemployment – known as stagflation – we experienced when President Nixon similarly co-opted the Federal Reserve."

MainStory: TopStory DirectorsOfficersEmployers FederalReserveSystem FinancialStability FOMC GCNNews OversightInvestigations

© 2026 CCH Incorporated and its affiliates and licensors. All rights reserved.