

119TH CONGRESS
1ST SESSION

S. _____

To amend the Federal Reserve Act to prohibit the Federal reserve banks from offering certain products or services directly to an individual, to prohibit the use of central bank digital currency for monetary policy, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. CRUZ (for himself, Mr. BUDD, Mr. CRAMER, and Mr. TILLIS) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Federal Reserve Act to prohibit the Federal reserve banks from offering certain products or services directly to an individual, to prohibit the use of central bank digital currency for monetary policy, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Anti-CBDC Surveil-
5 lance State Act”.

1 **SEC. 2. PROHIBITION ON FEDERAL RESERVE BANKS RE-**
2 **LATING TO CERTAIN PRODUCTS OR SERV-**
3 **ICES FOR INDIVIDUALS AND PROHIBITION**
4 **ON DIRECTLY ISSUING A CENTRAL BANK DIG-**
5 **ITAL CURRENCY.**

6 Section 16 of the Federal Reserve Act (12 U.S.C. 411
7 et seq.) is amended by adding at the end the following:

8 “A Federal reserve bank may not—

9 “(1) offer products or services directly to an in-
10 dividual;

11 “(2) maintain an account on behalf of an indi-
12 vidual; or

13 “(3) issue a central bank digital currency, as
14 defined in section 10(11)(D), or any digital asset
15 that is substantially similar under any other name
16 or label.”.

17 **SEC. 3. PROHIBITION ON FEDERAL RESERVE BANKS INDI-**
18 **RECTLY ISSUING A CENTRAL BANK DIGITAL**
19 **CURRENCY.**

20 Section 16 of the Federal Reserve Act (12 U.S.C. 411
21 et seq.), as amended by section 2, is further amended by
22 adding at the end the following:

23 “A Federal reserve bank may not offer a central bank
24 digital currency, as defined in section 10(11)(D), or any
25 digital asset that is substantially similar under any other

1 name or label, indirectly to an individual through a finan-
2 cial institution or other intermediary.”.

3 **SEC. 4. PROHIBITION WITH RESPECT TO CENTRAL BANK**
4 **DIGITAL CURRENCY.**

5 Section 10 of the Federal Reserve Act (12 U.S.C. 241
6 et seq.) is amended by inserting before paragraph (12) the
7 following:

8 “(11) PROHIBITION WITH RESPECT TO CEN-
9 TRAL BANK DIGITAL CURRENCY.—

10 “(A) IN GENERAL.—The Board of Gov-
11 ernors of the Federal Reserve System may not
12 test, study, develop, create, or implement a cen-
13 tral bank digital currency, or any digital asset
14 that is substantially similar under any other
15 name or label.

16 “(B) MONETARY POLICY.—The Board of
17 Governors of the Federal Reserve System and
18 the Federal Open Market Committee may not
19 use a central bank digital currency to imple-
20 ment monetary policy, or any digital asset that
21 is substantially similar under any other name or
22 label.

23 “(C) EXCEPTION.—Subparagraph (A) and
24 the eighteenth and nineteenth undesignated
25 paragraphs of section 16 may not be construed

1 to prohibit any dollar-denominated currency
2 that is open, permissionless, and private, and
3 fully preserves the privacy protections of United
4 States coins and physical currency.

5 “(D) CENTRAL BANK DIGITAL CURRENCY
6 DEFINED.—In this paragraph, the term ‘central
7 bank digital currency’ means a form of digital
8 money or monetary value that is—

9 “(i) denominated in the national unit
10 of account;

11 “(ii) a direct liability of the Federal
12 Reserve System; and

13 “(iii) widely available to the general
14 public.”.

15 **SEC. 5. SENSE OF CONGRESS.**

16 It is the sense of Congress that the Board of Gov-
17 ernors of the Federal Reserve does not have the authority
18 to issue a central bank digital currency, or any digital
19 asset that is substantially similar under any other name
20 or label, and will not have such authority unless Congress
21 grants such authority pursuant to section 8 of article I
22 of the Constitution of the United States.