

119TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To limit the total assets of Federal reserve banks, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. SCOTT of Florida introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To limit the total assets of Federal reserve banks, 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 “Right-size the Federal  
5       Reserve Act”.

6       **SEC. 2. LIMITATION ON TOTAL ASSETS AND INTEREST PAY-**  
7       **MENTS.**

8       (a) IN GENERAL.—The Federal Reserve Act is  
9       amended—

10               (1) in section 2B (12 U.S.C. 225b), by adding  
11       at the end the following:

1       “(d) ADDITIONAL ANNUAL REPORT.—The Board  
2 and each Federal reserve bank shall submit to Congress,  
3 on an annual basis, a report on how many foreign-owned  
4 banks and financial institutions the Board or the Federal  
5 reserve banks have paid on interest for reserves or in the  
6 lending facilities of the Board.”;

7               (2) in section 19(b) (12 U.S.C. 461(b))—

8               (A) in paragraph (2)(A), by striking “sole-  
9 ly for the purpose” and all that follows through  
10 the period at the end and inserting “, which  
11 shall be not lower than the reserve requirements  
12 in effect on March 25, 2020.”; and

13              (B) in paragraph (12)(A), by inserting  
14 “that are not in excess of the reserves required  
15 to be maintained under this subsection” after  
16 “institution”; and

17              (3) by adding at the end the following:

18   **“SEC. 33. LIMITATION ON TOTAL ASSETS.**

19       “(a) IN GENERAL.—The total aggregate assets of all  
20 Federal reserve banks shall be in an amount that is not  
21 more than 10 percent of the gross domestic product of  
22 the United States.

23       “(b) EFFECTIVE DATE.—Subsection (a) shall take  
24 effect on the date that is 10 years after the date of enact-  
25 ment of this section.”.

1       (b) ELIMINATION OF FACILITY.—The Board of Gov-  
2 ernors of the Federal Reserve System—

3           (1) shall, not later than 1 year after the date  
4       of enactment of this Act, eliminate the Overnight  
5       Reserve Repurchase Facility; and

6           (2) may not create another facility similar to  
7       the facility eliminated under paragraph (1).

8       (c) REPORT.—Not later than 1 year after the date  
9       of enactment of this Act, and every year thereafter, the  
10      Board of Governors of the Federal Reserve System shall  
11      submit to Congress a report on the plan and timeline of  
12      the Board for meeting the requirements under this section  
13      and the amendments made by this section.