To abolish the Board of Governors of the Federal Reserve System and the Federal reserve banks, to repeal the Federal Reserve Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2011

Mr. PAUL introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To abolish the Board of Governors of the Federal Reserve System and the Federal reserve banks, to repeal the Federal Reserve Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Federal Reserve Board Abolition Act”.

SEC. 2. FEDERAL RESERVE BOARD ABOLISHED.

(a) IN GENERAL.—Effective at the end of the 1-year period beginning on the date of the enactment of this Act,
the Board of Governors of the Federal Reserve System and each Federal reserve bank are hereby abolished.

(b) Repeal of Federal Reserve Act.—Effective at the end of the 1-year period beginning on the date of the enactment of this Act, the Federal Reserve Act is hereby repealed.

(c) Disposition of Affairs.—

(1) Management during Dissolution Period.—During the 1-year period referred to in subsection (a), the Chairman of the Board of Governors of the Federal Reserve System—

(A) shall, for the sole purpose of winding up the affairs of the Board of Governors of the Federal Reserve System and the Federal reserve banks—

(i) manage the employees of the Board and each such bank and provide for the payment of compensation and benefits of any such employee which accrue before the position of such employee is abolished; and

(ii) manage the assets and liabilities of the Board and each such bank until such assets and liabilities are liquidated or
assumed by the Secretary of the Treasury
in accordance with this subsection; and

(B) may take such other action as may be
necessary, subject to the approval of the Sec-
retary of the Treasury, to wind up the affairs
of the Board and the Federal reserve banks.

(2) LIQUIDATION OF ASSETS.—

(A) IN GENERAL.—The Director of the Of-
office of Management and Budget shall liquidate
all assets of the Board and the Federal reserve
banks in an orderly manner so as to achieve as
expeditious a liquidation as may be practical
while maximizing the return to the Treasury.

(B) TRANSFER TO TREASURY.—After sat-
isfying all claims against the Board and any
Federal reserve bank which are accepted by the
Director of the Office of Management and
Budget and redeeming the stock of such banks,
the net proceeds of the liquidation under sub-
paragraph (A) shall be transferred to the Sec-
retary of the Treasury and deposited in the
General Fund of the Treasury.

(3) ASSUMPTION OF LIABILITIES.—All out-
standing liabilities of the Board of Governors of the
Federal Reserve System and the Federal reserve
banks at the time such entities are abolished, including any liability for retirement and other benefits for former officers and employees of the Board or any such bank in accordance with employee retirement and benefit programs of the Board and any such bank, shall become the liability of the Secretary of the Treasury and shall be paid from amounts deposited in the general fund pursuant to paragraph (2) which are hereby appropriated for such purpose until all such liabilities are satisfied.

(d) REPORT.—At the end of the 18-month period beginning on the date of the enactment of this Act, the Secretary of the Treasury and the Director of the Office of Management and Budget shall submit a joint report to the Congress containing a detailed description of the actions taken to implement this Act and any actions or issues relating to such implementation that remain uncompleted or unresolved as of the date of the report.