

119TH CONGRESS
1ST SESSION

S. 1124

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

MARCH 25, 2025

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 Banking, Housing, and Urban Affairs

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

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

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

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

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

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

SEC. 5. SENSE OF CONGRESS.

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

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