

116TH CONGRESS  
2D SESSION

# S. 3550

To amend the Federal Reserve Act to permit to the Board of Governors of the Federal Reserve System to engage in certain open market operations during unusual and exigent circumstances.

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IN THE SENATE OF THE UNITED STATES

MARCH 20, 2020

Mr. MENENDEZ introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To amend the Federal Reserve Act to permit to the Board of Governors of the Federal Reserve System to engage in certain open market operations during unusual and exigent circumstances.

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 “Municipal Bonds  
5       Emergency Relief Act”.

6       **SEC. 2. OPEN MARKET OPERATIONS.**

7       Section 14(b) of the Federal Reserve Act (12 U.S.C.  
8       355) is amended by adding at the end the following:

1           “(3) In unusual and exigent circumstances, the  
2           Board of Governors of the Federal Reserve System,  
3           by the affirmative vote of not fewer than 5 members,  
4           may authorize any Federal reserve bank, during  
5           such periods as the Board may determine, to buy  
6           and sell, at home or abroad, bills, notes, revenue  
7           bonds, and warrants of any maturity, by any State,  
8           county, district, political subdivision, instrumentality  
9           of a political subdivision, territory, possession, or  
10          municipality in the United States, including irriga-  
11          tion, drainage and reclamation districts. All such ac-  
12          tions shall be subject to such limitations, restric-  
13          tions, and regulations as the Board may prescribe.”.

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