Federal Reserve System may limit the activities of State member banks and subsidiaries of State member banks in a manner consistent with section 1831a of this title. No Federal reserve bank shall be permitted to discount for any State bank or trust company notes, drafts, or bills of exchange of any one borrower who is liable for borrowed money to such State bank or trust company in an amount greater than that which could be borrowed lawfully from such State bank or trust company were it a national banking association. The Federal reserve bank, as a condition of the discount of notes, drafts, and bills of exchange for such State bank or trust company, shall require a certificate or guaranty to the effect that the borrower is not liable to such bank in excess of the amount provided by this subchapter, and will not be permitted to become liable in excess of this amount while such notes, drafts, or bills of exchange are under discount with the Federal reserve bank.

(Dec. 23, 1913, ch. 6, § 9 (par.), as added June 21, 1917, ch. 32, § 3, 40 Stat. 234; amended July 1, 1922, ch. 274, 42 Stat. 821; Pub. L. 102–242, title III, § 303(b), Dec. 19, 1991, 105 Stat. 2353.)

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original ''this section'', meaning section 9 of act Dec. 23, 1913, which is classified generally to this subchapter (§ 321 et seq.).

This chapter, referred to in text, was in the original ''this Act'', meaning act Dec. 23, 1913, ch. 6, 38 Stat. 251, as amended, known as the Federal Reserve Act. For complete classification of this Act to the Code, see References in Text note set out under section 226 of this title and Tables.

CODIFICATION

Section is comprised of the thirteenth par. of section 9 of act Dec. 23, 1913, as amended. The thirteenth par. constituted the tenth par. of section 9 in 1917 (40 Stat. 232), became the eleventh par. in 1927 (44 Stat. 1229), became the twelfth par. in 1935 (49 Stat. 704), and became the thirteenth par. in 1950 (64 Stat. 458). For further details, see Codification note set out under sections 321 and 329 of this title.

AMENDMENTS

1991—Pub. L. 102–242 substituted '', except that the Board of Governors of the Federal Reserve System may limit the activities of State member banks and subsidiaries of State member banks in a manner consistent with section 1831a of this title. No Federal reserve bank'' for '': *Provided, however*, That no Federal reserve bank''.

§ 331. Certifying checks on State banks admitted as members

It shall be unlawful for any officer, clerk, or agent of any bank admitted to membership under authority of this subchapter, to certify any check drawn upon such bank unless the person or company drawing the check has on deposit therewith at the time such check is certified an amount of money equal to the amount specified in such check. Any check so certified by duly authorized officers shall be a good and valid obligation against such bank, but the act of any such officer, clerk, or agent in violation of this subchapter, may subject such bank to a forfeiture of its membership in the Federal reserve system upon hearing by the Board of Governors of the Federal Reserve System.

(Dec. 23, 1913, ch. 6, § 9 (par.), as added June 21, 1917, ch. 32, § 3, 40 Stat. 234; amended Aug. 23, 1935, ch. 614, title II, § 203(a), 49 Stat. 704.)

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original ''this section'', meaning section 9 of act Dec. 23, 1913, which is classified generally to this subchapter (§ 321 et seq.).

CODIFICATION

Section is comprised of the fourteenth par. of section 9 of act Dec. 23, 1913, as amended. The fourteenth par. constituted the eleventh par. of section 9 in 1917 (40 Stat. 232), became the twelfth par. in 1927 (44 Stat. 1229), became the thirteenth par. in 1935 (49 Stat. 704), and became the fourteenth par. in 1950 (64 Stat. 458). For further details, see Codification notes set out under sections 321 and 329a of this title.

CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

§ 332. Depositaries of public money; financial agents; security required

All banks or trust companies incorporated by special law or organized under the general laws of any State, which are members of the Federal reserve system, when designated for that purpose by the Secretary of the Treasury, shall be depositaries of public money, under such regulations as may be prescribed by the Secretary; and they may also be employed as financial agents of the Government; and they shall perform all such reasonable duties, as depositaries of public money and financial agents of the Government, as may be required of them. The Secretary of the Treasury shall require of the banks and trust companies thus designated satisfactory security, by the deposit of United States bonds or otherwise, for the safe keeping and prompt payment of the public money deposited with them and for the faithful performance of their duties as financial agents of the Government.

(Dec. 23, 1913, ch. 6, § 9 (par.), as added May 7, 1928, ch. 507, 45 Stat. 492.)

CODIFICATION

Section is comprised of the fifteenth par. of section 9 of act Dec. 23, 1913, as amended. The fifteenth par. constituted the thirteenth par. of section 9 in 1928 (45 Stat. 492), became the fourteenth par. in 1935 (49 Stat. 704), and became the fifteenth par. in 1950 (64 Stat. 458). For further details, see Codification notes set out under sections 321 and 329a of this title.

§ 333. Mutual savings banks; application and admission to membership in Federal Reserve System

Any mutual savings bank having no capital stock (including any other banking institution the capital of which consists of weekly or other time deposits which are segregated from all other deposits and are regarded as capital stock for the purposes of taxation and the declaration of dividends), but having surplus and undivided profits not less than the amount of capital required for the organization of a national bank in the same place, may apply for and be admitted to membership in the Federal Reserve System in