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113TH CONGRESS
1ST SESSION

H. R. 1119

To prevent funding provided through the Federal Reserve System from being made available to corporations that finance political campaigns or political propaganda, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 2013

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

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A BILL

To prevent funding provided through the Federal Reserve System from being made available to corporations that finance political campaigns or political propaganda, 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 "Bailouts Are Not For Sale Act".

SEC. 2. PROHIBITION ON ACCESS TO THE FEDERAL RESERVE DISCOUNT WINDOW FOR CORPORATIONS WHICH INTERFERE IN ELECTIONS.

(a) IN GENERAL.—Notwithstanding section 13 of the Federal Reserve Act, any other provision of the Federal Reserve Act, or any other provision of law, a corporation which has made any independent expenditure or any disbursement for an electioneering communication, in connection with an election campaign for a Federal office, directly or through any affiliate, after the date of the enactment of such Act may not have any notes discounted by any Federal reserve bank and may not otherwise have access to or receive the benefit of, directly or indirectly through any affiliate or third party, any financing provided by or through the Board or any Federal reserve bank or any credit facility established by the Board or any Federal reserve bank.

(b) PROMPT REIMBURSEMENT DURING TRANSITION.—If any corporation subject to subsection (a) has, before the date of the enactment of this Act, entered into any transaction or financing arrangement prohibited by such subsection, the Board shall require the corporation to unwind the transaction and repay any amount outstanding as soon as practicable but, in any case, before the end of the 90-day period beginning on such date of enactment.

(c) REGULATIONS.—Before the end of the 90-day period beginning on the date of the enactment of this Act, the Board shall prescribe, in final form, such regulations as may be appropriate to implement this Act.

(d) DEFINITIONS.—For purposes of this section, the terms ''Board'' and ''affiliate'' have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

(e) EFFECTIVE DATE.—This Act shall apply as of the date of the enactment of this Act, without regard to the effective date of any regulation prescribed under subsection (c).

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