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SEC. 601. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds the following:

(1) A defining complaint of modern American life is that the nation's economic and political systems are stacked against ordinary people. The intersection of these systems is money and banking.

(2) The struggle to democratize money is a proud American tradition. Even before independence, groups like the Regulators in North Carolina resisted British restrictions on paper currency. During the first Gilded Age, the original Populists placed monetary reform at the center of their 1896 campaign, demanding a safe and flexible national currency as part of their struggle against concentrated economic and political power.

(3) Congress, which holds the power of the purse under Article I, Section 8, of the Constitution, has delegated its sovereign authority to create money to the Federal Reserve and its member banks. Through the extension of credit, these institutions have created almost all of the money circulating today.

(4) This creation of money is tied to the creation of debt, and it has shackled the households, businesses, and government of the United States with more than $80 trillion worth. This debt can never be repaid; only deferred with perpetual interest payments.

(5) A Jubilee is an orderly alternative to collapse. It permits an accumulated pyramid of public debt to be redeemed and permanently retired through sovereign money rather than waiting for default, depression, bankruptcy, or war to destroy financial claims through disorder.

(6) Congress possesses the Constitutional authority to design and govern the country's money as public infrastructure. The U.S. Treasury can facilitate a system in which money is safe, debts are payable, credit serves production, financial power is dispersed, and the economic value arising from money creation accrues to the public.

(b) Purpose.—The purposes of this title are—

(1) to defeat the national debt with a Jubilee;

(2) to prevent its return by reclaiming Congress's sovereign authority to issue money;

(3) to establish a payment system as public infrastructure; and

(4) to unstack money and banking.

SEC. 602. DEFINITIONS.

(a) Definitions.—In this title:

(1) American Value Fund.—The term "American Value Fund" means the Treasury transaction account established under section 623(b)(5).

(2) Launch date.—The term "launch date" means the date designated by the Secretary of the Treasury under section 623 for the operational launch of Treasury transaction accounts.

(3) (A) Money-like claim.—The term "money-like claim" means a claim, credit, balance, liability, instrument, or other interest, other than Treasury Dollar Bills, Federal Reserve notes, United States coins, or another monetary balance or instrument issued or maintained by the Treasury or a Federal Reserve Bank under Federal law, that—

(i) has a stated or represented fixed monetary value and is designed or represented to be payable, transferable, or redeemable at or near that value on demand or within a short period; and

(ii) by its terms, structure, representation, marketing, or reasonably expected use, functions or is intended to function as a means of payment, cash equivalent, or source of transaction liquidity.

(B) The term does not include an ordinary trade receivable or an investment instrument that may decline in market value and may not be redeemed at par before stated maturity or a call date established under its terms.

(4) Treasury Dollar Bills.—The term "Treasury Dollar Bills" means money issued under section 5104 of title 31, United States Code.

(5) Treasury ledger.—The term "Treasury ledger" means the digital books and records maintained by the Treasury under section 623 for recording the issuance, holding, transfer, and settlement of Treasury Dollar Bills and the balances of Treasury transaction accounts.

(6) Treasury transaction account.—The term "Treasury transaction account" means an account or subaccount maintained on the Treasury ledger under section 623 for the receipt, holding, transfer, or settlement of Treasury Dollar Bills. A Treasury transaction account bears no interest, and its balance is not subject to investment risk, maturity, or discretionary use by another person.

(b) Treasury Dollar Bills.—

(1) In general.—Subchapter I of chapter 51 of title 31, United States Code, is amended by inserting after section 5103 the following:

"Sec. 5104. Treasury Dollar Bills

"(a) Nature and form.—Treasury Dollar Bills constitute sovereign money of the United States and—

"(1) are denominated in dollars and decimal fractions of a dollar in accordance with section 5101;

"(2) bear no interest and have no maturity or expiration date;

"(3) exist exclusively as a divisible balance recorded on a digital ledger maintained on the books of the Treasury;

"(4) are introduced into such digital ledger exclusively as a credit to the American Value Fund established under section 623(b)(5) of the POPULIST Act; and

"(5) are issued exclusively by the Secretary of the Treasury pursuant to section 611 or section 615 of such Act.

"(b) Not public debt.—The issuance or holding of Treasury Dollar Bills shall not—

"(1) constitute borrowing by the United States;

"(2) give rise to a corresponding liability or debt of the United States; or

"(3) be treated as the issuance of an obligation under chapter 31.

"(c) Physical bearer instruments.—A physical bearer instrument may evidence a claim to an amount of Treasury Dollar Bills held in an account described in section 623(b)(12) of the POPULIST Act, but such an instrument shall not itself constitute Treasury Dollar Bills.".

(2) Clerical amendment.—The table of sections for subchapter I of chapter 51 of title 31, United States Code, is amended by inserting after the item relating to section 5103 the following:

"5104. Treasury Dollar Bills.".

Subtitle A—Jubilee

SEC. 611. DECLARATION OF JUBILEE.

(a) Amendment to platinum coin authority.—Section 5112(k) of title 31, United States Code, is amended to read as follows:

"(k) Platinum coins.—

"(1) Bullion and proof coins.—The Secretary may mint and issue platinum bullion coins and proof platinum coins for sale to the public in accordance with such specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary's discretion, may prescribe from time to time, except that the denomination of any coin minted under this paragraph may not exceed $100.

"(2) Jubilee Coin.—

"(A) Minting and issuance.—Not later than December 30, 2026, the Secretary shall mint and issue 1 platinum coin, 4.7 inches in diameter, weighing 1 kilogram, composed of .9995 fine platinum, and having a denomination of $47,000,000,000,000, to be known as the 'Jubilee Coin'.

"(B) Expedited preparation.—The Secretary shall prioritize and expedite all design, sculpting, die production, procurement, review, striking, and other actions necessary to comply with subparagraph (A) and may conduct such actions concurrently.

"(C) Design requirements.—

"(i) Reverse.—The reverse of the Jubilee Coin shall bear—

"(I) the inscription '1776–2026 JUBILEE COIN';

"(II) a high-relief likeness of the Liberty Bell; and

"(III) the inscription 'ON AUTHORITY OF WE THE PEOPLE'.

"(ii) Obverse.—The obverse of the Jubilee Coin shall bear—

"(I) the inscription 'THE UNITED STATES OF AMERICA';

"(II) a high-relief likeness of—

"(aa) the President of the United States who signed the POPULIST Act into law, if such Act became law by the signature of the President; or

"(bb) the United States Capitol Dome, if such Act became law without the signature of the President; and

"(III) the inscription 'FORTY-SEVEN TRILLION DOLLARS'.

"(D) Not legal tender.—Notwithstanding section 5103, the Jubilee Coin shall not be legal tender for any debt, public charge, tax, or due.".

(b) Required infrastructure.—Not later than December 30, 2026, the Secretary of the Treasury shall establish and make operational—

(1) the American Value Fund required under section 623(b)(5);

(2) the Treasury General Account counterpart account required under section 614(a);

(3) each account or subaccount required under section 623(b)(7) for a Federal trust fund or other Federal account holding an obligation to be redeemed under section 612; and

(4) the Treasury ledger and an interim public dashboard (pending full operation of the public dashboard required under section 623(a)(2)), with the Treasury ledger capable of recording and the interim public dashboard capable of reporting—

(A) the aggregate amount of Treasury Dollar Bills;

(B) the balance of the American Value Fund;

(C) the balance of the Treasury General Account counterpart account; and

(D) the aggregate balance of the accounts and subaccounts described in paragraph (3).

(c) Deposit, issuance, and credit.—

(1) Presidential deposit.—On December 31, 2026, the President of the United States shall deposit the Jubilee Coin with the Secretary of the Treasury for permanent custody by the Department of the Treasury to provide the basis for the issuance and credit required under paragraph (3).

(2) Deposit by Secretary.—If the President has not completed the deposit required under paragraph (1) by 4:00 p.m. Eastern standard time on December 31, 2026, the Secretary shall take custody of the Jubilee Coin and complete the deposit on behalf of the United States before the end of that day.

(3) Issuance and credit.—Immediately upon completion of the deposit, the Secretary shall issue and credit to the American Value Fund an amount of Treasury Dollar Bills equal to $47,000,000,000,000.

(4) Jubilee date.—December 31, 2026, is designated as the Jubilee date for purposes of this Act.

(5) Certification.—Immediately upon completion of the deposit, issuance, and credit required under this subsection, the Secretary shall certify such completion to the President, Congress, and the public and update the public accounting required under subsection (b)(4).

(d) Accounting and custody of Jubilee Coin.—

(1) No corresponding liability.—The Jubilee Coin and the issuance and credit required under subsection (c)(3) shall not give rise to any corresponding liability, obligation, or debt of the United States.

(2) Single monetary transaction.—For purposes of the consolidated accounting and financial reporting of the United States, the Jubilee Coin and the corresponding issuance and credit to the American Value Fund shall constitute components of a single monetary transaction and shall be recorded and reported as a single addition, equal to the denomination of the Jubilee Coin, to the assets and net position of the United States.

(3) Permanent custody.—The Jubilee Coin shall remain in the permanent secure custody of the Department of the Treasury and may not be sold, transferred, pledged, encumbered, redeemed, melted, destroyed, or used as the basis for any additional issuance of Treasury Dollar Bills.

(4) Exhibition.—The Secretary may publicly display or exhibit the Jubilee Coin under conditions that preserve the security and permanent custody required under paragraph (3).

SEC. 612. MANDATORY RETIREMENT OF INTRAGOVERNMENTAL DEBT AND TREATMENT OF FEDERAL ACCOUNT HOLDINGS.

(a) Definitions.—In this section:

(1) Applicable account.—The term "applicable account" means a Federal fund, account, or subaccount for which an eligible intragovernmental obligation is held.

(2) American Value Fund.—The term "American Value Fund" means the Treasury transaction account established under section 623(b)(5) and funded by the Jubilee Coin under section 611(c).

(3) Eligible intragovernmental obligation.—The term "eligible intragovernmental obligation" means an obligation of the United States—

(A) issued under chapter 31 of title 31, United States Code, including a special issue or nonmarketable obligation;

(B) outstanding immediately before the redemption date;

(C) held by or on behalf of a Federal fund, account, or subaccount; and

(D) in which the United States possesses the entire Federal beneficial interest.

(4) (A) Federal beneficial interest.—The term "Federal beneficial interest" means the legal and equitable ownership interest of the United States, acting through a Federal fund, account, or subaccount, in an obligation, if no individual or entity other than the United States possesses a legal or equitable ownership interest in the obligation.

(B) Benefits not ownership.—Eligibility for, or receipt of, a benefit, payment, grant, or other assistance from a Federal program shall not, by itself, constitute a legal or equitable ownership interest for purposes of this paragraph.

(5) Redemption amount.—The term "redemption amount" means, with respect to an eligible intragovernmental obligation—

(A) the stated principal amount payable at maturity, valued at par;

(B) plus any stated interest accrued and unpaid through the redemption date;

(C) minus, in the case of an obligation issued for less than the stated principal amount payable at maturity, the portion of that difference attributable to the period after the redemption date, determined using the yield and compounding convention applicable to the obligation when issued; and

(D) plus or minus any adjustment to principal or redemption value, not otherwise accounted for under subparagraphs (A) through (C), that has accrued or become effective under the terms of the obligation through the redemption date.

(6) Redemption date.—The term "redemption date" means January 1, 2027.

(7) Responsible account officer.—The term "responsible account officer" means the managing trustee, administrator, executive officer, or other officer responsible under law for administering an applicable account.

(b) Inventory and implementation preparation.—

(1) In general.—The Secretary of the Treasury shall identify and prepare for the redemption of each eligible intragovernmental obligation.

(2) Cooperation by account officers.—Each responsible account officer shall promptly provide to the Secretary such records and information as the Secretary determines necessary to carry out this section.

(3) Account-by-account inventory.—For each eligible intragovernmental obligation, the Secretary shall record the applicable account (identified by the Treasury Account Symbol and any subaccount code used in the Central Accounting Reporting System) and the terms and account records necessary to calculate the redemption amount.

(4) Implementation report.—Not later than February 1, 2027, the Secretary shall submit to Congress and publish on a public website, in an open and machine-readable format, an account-by-account report stating, for each applicable account—

(A) the aggregate stated principal amount payable at maturity, valued at par;

(B) the aggregate stated interest accrued and unpaid through the redemption date;

(C) the aggregate discount excluded under subsection (a)(5)(C); and

(D) the total amount of Treasury Dollar Bills credited to the account.

(5) Effect of omission.—An omission from an inventory or report required under this subsection shall not affect the mandatory redemption of an eligible intragovernmental obligation under subsection (c).

(c) Mandatory redemption and retirement.—

(1) Mandatory redemption.—On the redemption date, notwithstanding any other provision of law or any restriction on redemption before maturity or call, each eligible intragovernmental obligation, including an obligation not identified by the Secretary of the Treasury on that date or omitted from an inventory or report under subsection (b), shall be deemed redeemed. Subject to paragraph (4), the Secretary shall transfer from the American Value Fund to each applicable account an amount of Treasury Dollar Bills equal to the redemption amount.

(2) No subsequent accrual.—With respect to an eligible intragovernmental obligation, no interest or other amount attributable to a period after the redemption date shall—

(A) accrue or become payable; or

(B) be treated as a debt, obligation, or liability of the United States.

(3) Permanent retirement.—As of the redemption date, each eligible intragovernmental obligation shall be canceled and permanently retired, whether or not the transfer required under paragraph (1) has been completed. The subsequent identification of the obligation, determination of the redemption amount, reconciliation of records, or completion of a transfer shall not revive the obligation.

(4) Delayed or unresolved transfers.—

(A) Completion required.—If the Secretary does not complete a transfer required under paragraph (1) on the redemption date because—

(i) the eligible intragovernmental obligation was not identified or was omitted from an inventory or report under subsection (b);

(ii) the redemption amount had not been finally determined;

(iii) the proper applicable account had not been identified or established;

(iv) necessary records were incomplete or unreconciled; or

(v) applicable law or another administrative or operational impediment prevented completion of the transfer;

the Secretary shall, as soon as practicable, determine the final redemption amount, identify or establish the proper applicable account, and complete the transfer.

(B) Redemption date valuation.—An amount transferred under this paragraph shall equal the redemption amount determined under subsection (a)(5) as of the redemption date and shall not include interest or any other amount attributable to a period after that date.

(C) Segregated redemption account.—If the final redemption amount is determined before the proper applicable account is identified or established or before the transfer to that account can otherwise be completed, the Secretary shall transfer the redemption amount from the American Value Fund to a segregated Treasury transaction account or subaccount established under section 623(b)(7), pending transfer to the proper applicable account.

(D) Treatment of segregated amount.—An amount transferred under subparagraph (C)—

(i) shall be held solely for credit to the proper applicable account;

(ii) shall remain available without fiscal year limitation;

(iii) may not be used for any other purpose; and

(iv) shall be transferred promptly to the proper applicable account upon identification or establishment of that account and resolution of any impediment to the transfer.

(d) Preservation of governing law.—Except as expressly provided in this section, the redemption of an obligation under subsection (c) shall not alter any benefit, claim, payment obligation, fiduciary or actuarial duty, expenditure restriction, authorized purpose, or other requirement applicable to the fund, account, or subaccount for which the obligation was held.

(e) Common investment rules for Federal accounts.—

(1) Amendment.—Section 9702 of title 31, United States Code, is amended to read as follows:

"Sec. 9702. Investment and management of Federal accounts.

"(a) Definitions.—For purposes of this section and any provision of Federal law governing an account or amount invested in accordance with this section:

"(1) Federal account.—The term 'Federal account' means a fund, trust fund, account, or subaccount established or maintained under Federal law, in which no person other than the United States possesses a legal or equitable ownership interest.

"(2) Investment income.—The term 'investment income' means the amount, if any, by which interest, dividends, distributions, and realized gains attributable to investments exceed expenses and realized losses attributable to investments, and does not include proceeds representing corpus or principal.

"(3) Qualifying index fund.—The term 'qualifying index fund' means a pooled investment fund that—

"(A) seeks to replicate the performance of a broad-based and publicly identified market index;

"(B) is diversified among a large number of unaffiliated issuers, determined, to the extent the fund obtains index exposure through 1 or more other pooled investment funds of pooled investment vehicles, by looking through such funds or vehicles to the ultimate underlying issuers;

"(C) is passively managed;

"(D) is not leveraged, inverse, or designed to produce a multiple of the performance of the underlying index;

"(E) imposes minimal fees and expenses; and

"(F) maintains its assets with a custodian independent of the investment manager.

"(4) Responsible official.—The term 'responsible official' means the trustee, board, administrator, agency head, executive officer, or other official responsible under law for administering amounts held in a Federal account.

"(5) Treasury Dollar Bills.—The term 'Treasury Dollar Bills' means money issued under section 5104.

"(b) Order of expenditure.—

"(1) Temporary rule.—Before January 1, 2032, in making a payment from a Federal account, the responsible official shall, to the maximum extent practicable, use available monetary balances not held in Treasury Dollar Bills before using Treasury Dollar Bills.

"(2) Exceptions.—Paragraph (1) shall not—

"(A) require the sale, redemption, or other liquidation of an investment; or

"(B) be taken into consideration in determining the reasonably foreseeable obligations of the Federal account under subsection (c).

"(c) Liquidity and authority to invest.—The responsible official may invest an amount held in a Federal account that the responsible official determines is not required to meet reasonably foreseeable obligations of the Federal account, and may—

"(1) execute and manage investments directly; or

"(2) request or direct the Secretary of the Treasury or another person lawfully authorized to act for the account to execute and manage investments.

"(d) Permissible investments.—A Federal account may invest only in—

"(1) a deposit or certificate of deposit in a financial institution designated or authorized to receive public money under section 265 or 1789a of title 12, if any amount exceeding applicable Federal deposit or share insurance coverage is secured by collateral pledged in accordance with section 202.6 of title 31, Code of Federal Regulations, or a successor regulation;

"(2) a senior, unsubordinated, readily marketable, investment-grade fixed-income instrument, other than an instrument described in paragraph (3), (4), or (5), that—

"(A) has a remaining maturity of not more than 5 years; and

"(B) contains no equity participation, conversion feature, embedded derivative, or leveraged return;

"(3) a marketable obligation of the United States issued under chapter 31 that—

"(A) was not issued specially to the Federal account;

"(B) is acquired at public auction or in the secondary market on terms generally available to investors; and

"(C) has a remaining maturity of not more than 5 years;

"(4) a readily marketable, investment-grade general obligation of a State or political subdivision thereof that has a remaining maturity of not more than 5 years;

"(5) a senior investment instrument issued by the National Infrastructure Bank under section 643 of the POPULIST Act, provided that the aggregate value of such instruments held by the Federal account may not exceed 10 percent of the total assets of the account, measured immediately after an investment;

"(6) a qualifying index fund that tracks a broad-based domestic equity index;

"(7) a qualifying index fund that tracks a broad-based international equity index; or

"(8) a qualifying index fund that tracks a diversified investment-grade fixed-income index.

"(e) Fiduciary duties.—In selecting, acquiring, managing, and disposing of an investment under this section, the responsible official shall—

"(1) act solely to carry out the authorized purposes of the Federal account and, if applicable, in the interests of its beneficiaries or claimants;

"(2) act with the care, skill, prudence, and diligence that a prudent person familiar with such matters would exercise under similar circumstances;

"(3) consider the purposes, payment obligations, liquidity needs, investment horizon, and fiduciary and actuarial requirements of the Federal account;

"(4) invest in a qualifying index fund only to the extent that the amount invested is not reasonably expected to be required during the investment horizon to meet an obligation of the Federal account;

"(5) diversify investments to minimize the risk of large losses, unless the responsible official reasonably determines that diversification would not be prudent;

"(6) maintain liquidity appropriate to the timing and amount of reasonably foreseeable obligations;

"(7) monitor the performance, risk, liquidity, and expenses of investments and modify the account's holdings as prudence requires;

"(8) incur only reasonable and necessary investment management, custodial, transaction, and administrative fees and expenses; and

"(9) avoid self-dealing and material conflicts of interest.

"(f) Prohibited transactions.—A Federal account may not—

"(1) borrow money for investment purposes;

"(2) enter into an option, future, swap, or other derivative transaction, except solely to reduce a specifically identified risk without creating leverage or speculative exposure; or

"(3) pledge, rehypothecate, or permit the collateral reuse of an asset held directly by the account to secure an obligation of another person.

"(g) Investment results.—Unless otherwise expressly provided by law—

"(1) all income and proceeds attributable to an investment made for a Federal account shall be credited to and form a part of that account; and

"(2) all expenses and realized losses attributable to the investment shall be charged only to that account.

"(h) Account-specific authority.—An Act of Congress governing a Federal account may—

"(1) prohibit or further restrict an investment or transaction otherwise authorized by this section; or

"(2) expressly authorize an additional investment or transaction.

"(i) Relationship to other law.—

"(1) Governing law preserved.—Except as expressly provided in this section, this section shall not alter any benefit, claim, payment obligation, fiduciary or actuarial duty, expenditure restriction, authorized purpose, donor restriction, or other requirement applicable to a Federal account.

"(2) Treaties.—Nothing in this section shall supersede a requirement imposed by a treaty of the United States.

"(3) Prior statutory Treasury-investment requirements.—A requirement enacted before January 1, 2027, that a Federal account invest exclusively or preferentially in obligations of, or obligations guaranteed by, the United States shall have no force or effect after December 31, 2026.

"(4) No implied guarantee.—An investment loss under this section shall not create a separate debt, obligation, or liability of the United States.

"(j) Regulations.—The Secretary of the Treasury may prescribe regulations necessary to carry out this section, but the authority of a responsible official under this section shall not be conditioned on the issuance of regulations.".

(2) Clerical amendment.—The table of sections for chapter 97 of title 31, United States Code, is amended by striking the item relating to section 9702 and inserting the following:

"9702. Investment and management of Federal accounts.".

(f) Trust Fund Code accounts.—

(1) Covered Trust Funds.—This subsection applies to each Trust Fund established by subchapter A of chapter 98 of the Internal Revenue Code of 1986, including—

(A) the Black Lung Disability Trust Fund (26 U.S.C. 9501);

(B) the Airport and Airway Trust Fund (26 U.S.C. 9502);

(C) the Highway Trust Fund (26 U.S.C. 9503);

(D) the Sport Fish Restoration and Boating Trust Fund (26 U.S.C. 9504);

(E) the Harbor Maintenance Trust Fund (26 U.S.C. 9505);

(F) the Inland Waterways Trust Fund (26 U.S.C. 9506);

(G) the Hazardous Substance Superfund (26 U.S.C. 9507);

(H) the Leaking Underground Storage Tank Trust Fund (26 U.S.C. 9508);

(I) the Oil Spill Liability Trust Fund (26 U.S.C. 9509);

(J) the Vaccine Injury Compensation Trust Fund (26 U.S.C. 9510); and

(K) the Patient-Centered Outcomes Research Trust Fund (26 U.S.C. 9511).

(2) Management and investment.—Section 9602(b) of the Internal Revenue Code of 1986 (26 U.S.C. 9602(b)) is amended to read as follows:

"(b) Investment and management.—The Secretary of the Treasury shall manage and invest amounts held in each Trust Fund established by subchapter A in accordance with section 9702 of title 31, United States Code.".

(3) Separate identity and purposes.—Nothing in this subsection or the amendment made by this subsection shall be construed to—

(A) combine any Trust Funds identified in paragraph (1); or

(B) alter the revenues credited to, expenditures authorized from, statutory purposes of, restrictions applicable to, or separate accounting identity of any such Trust Fund.

(g) Federal retirement and beneficiary accounts.—

(1) Civil Service Retirement and Disability Fund.—Section 8348 of title 5, United States Code (5 U.S.C. 8348), is amended—

(A) in subsection (c) to read as follows:

"(c) The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31."; and

(B) by striking subsections (d) and (e).

(2) Employees' Life Insurance Fund.—Section 8714(b) of title 5, United States Code (5 U.S.C. 8714(b)), is amended to read as follows:

"(b) The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31. Income derived from dividend or premium rate adjustments from insurers shall become a part of the Fund.".

(3) Employees Health Benefits Fund.—Section 8909(c) of title 5, United States Code (5 U.S.C. 8909(c)), is amended to read as follows:

"(c) The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31.".

(4) Postal Service Retiree Health Benefits Fund.—Section 8909a(c) of title 5, United States Code (5 U.S.C. 8909a(c)), is amended to read as follows:

"(c) The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31.".

(5) Department of Defense Medicare-Eligible Retiree Health Care Fund.—Section 1117 of title 10, United States Code (10 U.S.C. 1117), is amended by striking the text and inserting the following:

"The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31, except that the Secretary of Defense shall determine the amounts required to meet current withdrawals.".

(6) Military Retirement Fund.—Section 1467 of title 10, United States Code (10 U.S.C. 1467), is amended by striking the text and inserting the following:

"The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31, except that the Secretary of Defense shall determine the amounts required to meet current withdrawals.".

(7) Department of Defense Education Benefits Fund.—Section 2006 of title 10, United States Code (10 U.S.C. 2006), is amended—

(A) in subsection (d), by striking "subsection (h)" and inserting "subsection (g)"; and

(B) in subsection (g) to read as follows:

"(g) The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31.".

(8) Panama Canal Commission Compensation Fund.—Section 3715a of title 22, United States Code (22 U.S.C. 3715a), is amended—

(A) in subsection (b), by striking "interest earnings" and inserting "investment income"; and

(B) in subsection (c) to read as follows:

"(c) Investment of amounts in Fund.—Upon the request of the Secretary of Labor, the Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31.".

(9) Foreign Service National Savings Fund.—Section 3968(a)(1) of title 22, United States Code (22 U.S.C. 3968(a)(1)), is amended, in the third sentence, by striking clause (ii) of subparagraph (C) and inserting the following:

"(ii) a Foreign Service National Savings Fund established in the Treasury of the United States, which—

"(I) shall be administered by the Secretary, at whose direction the Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31; and

"(II) shall consist of public money authorized to be appropriated and to remain available without fiscal year limitation to pay benefits and administrative expenses.".

(10) Foreign Service Retirement and Disability Fund.—Section 4059 of title 22, United States Code (22 U.S.C. 4059), is amended by striking the text and inserting the following:

"The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31.".

(11) Armed Forces Retirement Home Trust Fund.—Section 419 of title 24, United States Code (24 U.S.C. 419), is amended—

(A) in subsection (a)(6), by striking "Interest from investments" and inserting "Investment income"; and

(B) in subsection (c) to read as follows:

"(c) Investments.—The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31, except that the Chief Operating Officer shall determine the amounts currently needed to pay for the operation of the Retirement Home.".

(12) Tax Court survivors annuity fund.—Section 7448(e) of the Internal Revenue Code of 1986 (26 U.S.C. 7448(e)) is amended to read as follows:

"(e) Investment of survivors annuity fund.—The Secretary of the Treasury shall manage and invest amounts in the survivors annuity fund in accordance with section 9702 of title 31, United States Code, except that the fund may also invest in Federal farm loan bonds. Income derived from an investment under this subsection shall constitute a part of the fund for the purposes of paying annuities and carrying out subsections (g), (h), and (j).".

(13) Court of Federal Claims Judges Retirement Fund.—Section 178(l)(2) of title 28, United States Code (28 U.S.C. 178(l)(2)), is amended to read as follows:

"(2) The Secretary of the Treasury shall manage and invest amounts in the Court of Federal Claims Judges Retirement Fund in accordance with section 9702 of title 31.".

(14) Judicial Survivors' Annuities Fund.—Section 376(f) of title 28, United States Code (28 U.S.C. 376(f)), is amended to read as follows:

"(f) The Secretary of the Treasury shall manage and invest amounts in the Judicial Survivors' Annuities Fund in accordance with section 9702 of title 31, except that the Fund may also invest in Federal farm loan bonds. Income derived from an investment under this subsection shall constitute a part of the Fund for the purposes of paying annuities and carrying out subsections (g), (h), (m), (o), (p), and (q).".

(15) Judicial Officers' Retirement Fund.—Section 377 of title 28, United States Code (28 U.S.C. 377), is amended—

(A) in subsection (n)(3), by amending subparagraph (C) to read as follows:

"(C) interest on the deductions and deposits which, for any calendar year, shall be equal to the overall net rate of return earned by the Judicial Officers' Retirement Fund during the preceding fiscal year from all investments held by the Fund during that fiscal year;";

(B) in subsection (o), by amending paragraph (2) to read as follows:

"(2) Investment of fund.—The Secretary of the Treasury shall manage and invest amounts in the Judicial Officers' Retirement Fund in accordance with section 9702 of title 31.".

(16) Pension Benefit Guaranty Corporation funds.—Section 1305 of title 29, United States Code (29 U.S.C. 1305), is amended—

(A) in subsection (b)(3)(A) to read as follows:

"(A) Whenever the corporation determines that the moneys of any fund are in excess of current needs, it may request that the Secretary of the Treasury manage and invest such amounts as the corporation determines advisable in accordance with section 9702 of title 31.";

(B) in subsection (d)(2), by striking "in such obligations as the corporation considers appropriate" and inserting "in accordance with section 9702 of title 31";

(C) in subsection (e)(3), by striking "in such obligations as the corporation considers appropriate" and inserting "in accordance with section 9702 of title 31"; and

(D) in subsection (f)(3), by striking "in such obligations as the corporation considers appropriate" and inserting "in accordance with section 9702 of title 31".

(17) National Service Life Insurance Fund.—Section 1920 of title 38, United States Code (38 U.S.C. 1920), is amended—

(A) in subsection (a), by striking "interest earned thereon" and inserting "investment income of the fund"; and

(B) in subsection (b) to read as follows:

"(b) The Secretary may set aside from the Fund such reserve amounts as may be required under accepted actuarial principles to meet all liabilities under such insurance. The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31.".

(18) Service-Disabled Veterans Insurance revolving fund.—Section 1922B(a)(5)(B) of title 38, United States Code (38 U.S.C. 1922B(a)(5)(B)), is amended to read as follows:

"(B) The Secretary of the Treasury shall manage and invest amounts in the revolving fund under subparagraph (A) in accordance with section 9702 of title 31.".

(19) Veterans' Special Life Insurance revolving fund.—Section 1923 of title 38, United States Code (38 U.S.C. 1923), is amended—

(A) in subsection (a)(4), by striking "interest earned thereon" and inserting "investment income";

(B) in subsection (b)(5), by striking "interest earned thereon" and inserting "investment income"; and

(C) in subsection (c) to read as follows:

"(c) The Secretary shall manage and invest amounts in the revolving fund referred to in subsection (a) in accordance with section 9702 of title 31, United States Code.".

(20) United States Government Life Insurance Fund.—Section 1955(b) of title 38, United States Code (38 U.S.C. 1955(b)), is amended to read as follows:

"(b) The Secretary may set aside from the Fund such reserve amounts as may be required under accepted actuarial principles to meet all liabilities under such insurance. The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31, except that the Fund may also invest in bonds of the Federal farm-loan banks.".

(21) Court of Appeals for Veterans Claims Retirement Fund.—Section 7298(f) of title 38, United States Code (38 U.S.C. 7298(f)), is amended to read as follows:

"(f) The Secretary of the Treasury shall manage and invest amounts in the retirement fund in accordance with section 9702 of title 31.".

(22) Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds.—Section 201 of the Social Security Act (42 U.S.C. 401) is amended—

(A) in subsection (c), by striking the final sentence and inserting the following: "For purposes of section 9702 of title 31, United States Code, the Managing Trustee shall be the responsible official with respect to the Trust Funds. Except with respect to the duties of the Managing Trustee under that section, a person serving on the Board of Trustees shall not be considered to be a fiduciary, and no person serving on the Board shall be personally liable for actions taken in such capacity with respect to the Trust Funds.";

(B) in subsection (d) to read as follows:

"(d) Investment and management.—The Managing Trustee shall manage and invest amounts in each Trust Fund in accordance with section 9702 of title 31, United States Code."; and

(C) by striking subsections (e) and (f).

(23) Federal Hospital Insurance Trust Fund.—Section 1817 of the Social Security Act (42 U.S.C. 1395i) is amended—

(A) in subsection (b), by striking the final sentence and inserting the following: "For purposes of section 9702 of title 31, United States Code, the Managing Trustee shall be the responsible official with respect to the Trust Fund. Except with respect to the duties of the Managing Trustee under that section, a person serving on the Board of Trustees shall not be considered to be a fiduciary, and no person serving on the Board shall be personally liable for actions taken in such capacity with respect to the Trust Fund.";

(B) in subsection (c) to read as follows:

"(c) Investment and management.—The Managing Trustee shall manage and invest amounts in the Trust Fund in accordance with section 9702 of title 31, United States Code."; and

(C) by striking subsections (d) and (e).

(24) Federal Supplementary Medical Insurance Trust Fund.—Section 1841 of the Social Security Act (42 U.S.C. 1395t) is amended—

(A) in subsection (b), by striking the final sentence and inserting the following: "For purposes of section 9702 of title 31, United States Code, the Managing Trustee shall be the responsible official with respect to the Trust Fund. Except with respect to the duties of the Managing Trustee under that section, a person serving on the Board of Trustees shall not be considered to be a fiduciary, and no person serving on the Board shall be personally liable for actions taken in such capacity with respect to the Trust Fund.";

(B) in subsection (c) to read as follows:

"(c) Investment and management.—The Managing Trustee shall manage and invest amounts in the Trust Fund in accordance with section 9702 of title 31, United States Code."; and

(C) by striking subsections (d) and (e).

(25) Protection of Social Security and Medicare trust funds.—Section 1145(a) of the Social Security Act (42 U.S.C. 1320b–15(a)) is amended—

(A) in paragraph (1), by striking the comma at the end and inserting "; or";

(B) in paragraph (2) to read as follows:

"(2) manage or invest amounts in any Federal fund other than in accordance with the provisions of law governing such Federal fund, including section 9702 of title 31."; and

(C) by striking paragraph (3).

(26) Central Intelligence Agency Retirement and Disability Fund.—

(A) Section 2001(4) of title 50, United States Code (50 U.S.C. 2001(4)), is amended to read as follows:

"(4) Fund balance.—The term 'fund balance' means the sum of—

"(A) the value of the investments of the fund, determined in accordance with applicable Federal accounting standards; and

"(B) the monetary balances of the fund on the books of the Treasury."; and

(B) section 2092 of title 50, United States Code (50 U.S.C. 2092), is amended by striking the text and inserting the following:

"The Director may, with the approval of the Secretary of the Treasury, invest amounts in the fund in accordance with section 9702 of title 31, United States Code, except that the Director shall determine the amounts immediately required for the payment of annuities, cash benefits, refunds, and allowances from the fund.".

(h) Federal agency and wholly owned Government portfolios.—

(1) Reregistration and Expedited Processing Fund.—Section 136a-1(k)(9) of title 7, United States Code (7 U.S.C. 136a-1(k)(9)), is amended to read as follows:

"(9) Unused funds.—Money in the fund not currently needed to carry out this section shall be—

"(A) maintained on hand or on deposit;

"(B) invested in accordance with section 9702 of title 31; or

"(C) invested in obligations, participations, or other instruments that are lawful investments for fiduciary, trust, or public funds.".

(2) Pesticide Registration Fund.—Section 136w-8(c)(5) of title 7, United States Code (7 U.S.C. 136w-8(c)(5)), is amended to read as follows:

"(5) Unused funds.—

"(A) In general.—Amounts in the Fund not currently needed to carry out this section shall be—

"(i) maintained readily available or on deposit;

"(ii) invested in accordance with section 9702 of title 31; or

"(iii) invested in obligations, participations, or other instruments that are lawful investments for fiduciary, trust, or public funds.

"(B) Use of investment income.—After consultation with the Secretary of the Treasury, the Administrator may use income from investments made under clauses (ii) and (iii) of subparagraph (A) to carry out this section.".

(3) Federal Crop Insurance Corporation funds.—Section 1510 of title 7, United States Code (7 U.S.C. 1510), is amended to read as follows:

"All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or, with the approval of the Secretary of the Treasury, invested in accordance with section 9702 of title 31. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are authorized and directed to act as depositories, custodians, and fiscal agents for the Corporation in the performance of its powers conferred by this subchapter.".

(4) Agricultural Credit Insurance Fund.—Section 1929(b) of title 7, United States Code (7 U.S.C. 1929(b)), is amended by striking the first sentence and inserting the following: "Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in accordance with section 9702 of title 31.".

(5) Rural Development Insurance Fund.—Section 1929a(c) of title 7, United States Code (7 U.S.C. 1929a(c)), is amended by striking the first sentence and inserting the following: "Moneys in the Insurance Fund not needed for current operations shall be deposited in the Treasury of

the United States to the credit of the Insurance Fund or invested in accordance with section 9702 of title 31.".

(6) Native Hawaiian Housing Loan Guarantee Fund.—Section 1715z-13b(j)(4) of title 12, United States Code (12 U.S.C. 1715z-13b(j)(4)), is amended to read as follows:

"(4) Investment.—The Secretary may invest, in accordance with section 9702 of title 31, any amounts in the Guarantee Fund that the Secretary determines are in excess of amounts currently required to carry out this section.".

(7) National Credit Union Administration operating fee account.—Section 1755(e) of title 12, United States Code (12 U.S.C. 1755(e)), is amended to read as follows:

"(e) Investment of annual operating fees not needed for current operations.—

"(1) Upon request of the Board, the Secretary of the Treasury shall manage and invest under section 9702 of title 31 such portions of the annual operating fees deposited under subsection (d) as the Board determines are not needed for current operations.

"(2) All income and proceeds attributable to investments under paragraph (1) shall be deposited to the account of the Administration described in subsection (d).".

(8) Community Development Revolving Loan Fund for Credit Unions.—Section 1772c-1 of title 12, United States Code (12 U.S.C. 1772c-1), is amended—

(A) in subsection (b) to read as follows:

"(b) Investment.—The Board may invest any idle Fund moneys in accordance with section 9702 of title 31."; and

(B) in subsection (d), by striking "Interest earned by the Fund" and inserting "Investment income of the Fund".

(9) Deposit Insurance Fund and FSLIC Resolution Fund.—Section 1823(a) of title 12, United States Code (12 U.S.C. 1823(a)), is amended to read as follows:

"(a) Investment of Corporation's funds.—

"(1) Authority.—Funds held in the Deposit Insurance Fund or the FSLIC Resolution Fund that are not otherwise employed may be invested in accordance with section 9702 of title 31.

"(2) Responsible official.—For purposes of section 9702 of title 31, the Board of Directors of the Corporation shall be the responsible official for each fund and shall determine the liquidity and investment needs of each fund.

"(3) Separate funds preserved.—Nothing in this subsection shall be construed to combine the funds or alter the purposes, liabilities, availability, restrictions, or separate accounting identity of either fund.".

(10) Farm Credit System Insurance Corporation.—Section 2277a-11 of title 12, United States Code (12 U.S.C. 2277a-11), is amended to read as follows:

"Money of the Corporation not otherwise employed may be invested in accordance with section 9702 of title 31. For purposes of that section, the Board of Directors of the Corporation shall be the responsible official. Nothing in this section shall alter the purposes, availability, or restrictions applicable to the Farm Credit Insurance Fund under section 2277a-9.".

(11) Community Development Financial Institutions Fund account.—Section 4711 of title 12, United States Code (12 U.S.C. 4711), is amended—

(A) in subsection (b) to read as follows:

"(b) Investments.—Upon request of the Administrator, the Secretary of the Treasury shall manage and invest amounts deposited in the account in accordance with section 9702 of title 31, except that the Administrator shall determine the amounts required to meet the current needs of the Fund."; and

(B) in subsection (c) to read as follows:

"(c) Availability.—Amounts deposited into or credited to the account shall be available to the Fund until expended.".

(12) Consumer Financial Protection Bureau Fund.—Section 1017(b)(3) of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5497(b)(3)) is amended to read as follows:

"(3) Investment authority.—

"(A) Amounts in Bureau Fund may be invested.—The Bureau may request the Board of Governors to direct the investment, in accordance with section 9702 of title 31, of the portion of the Bureau Fund that is not, in the judgment of the Bureau, required to meet current needs.

"(B) Applicable standards.—Solely for purposes of managing and investing amounts under subparagraph (A), the Bureau Fund shall be treated as a Federal account, and the Bureau shall perform the functions assigned to the responsible official under subsections (c) through (i) of section 9702 of title 31 and determine the liquidity and investment needs of the Bureau Fund.

"(C) Construction.—The treatment of the Bureau Fund under subparagraph (B) shall not cause amounts in the Bureau Fund to be construed as Government funds or appropriated moneys for purposes of subsection (c)(2).".

(13) Securities and Exchange Commission Investor Protection Fund.—Section 21F(g)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-6(g)(4)) is amended to read as follows:

"(4) Investments.—

"(A) Amounts in Fund may be invested.—The Commission may request the Secretary of the Treasury to manage and invest under section 9702 of title 31 the portion of the Fund that is not, in the Commission's discretion, required to meet current needs.

"(B) Commission determinations.—For purposes of section 9702 of title 31, the Commission shall be the responsible official and shall determine the liquidity and investment needs of the Fund on the record.

"(C) Income and proceeds credited.—All income and proceeds attributable to investments of the Fund shall be credited to the Fund.".

(14) Forest Service interest-bearing account.—Section 579c-1 of title 16, United States Code (16 U.S.C. 579c-1), is amended—

(A) in subsection (a) to read as follows:

"(a) Investment authority.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 any money covered into the Treasury under section 579c, including money previously collected in a forfeiture, judgment, compromise, or settlement, to the extent not required, in the judgment of the Secretary of the Treasury, to meet current withdrawals.";

(B) in subsection (b) to read as follows:

"(b) Availability of investment income.—Income attributable to investments under subsection (a) shall be available in the same manner as money covered into the Treasury under section 579c to cover the costs specified in that section."; and

(C) in subsection (c) to read as follows:

"(c) Use of excess amounts.—Any portion of money received or earned under subsection (a) in excess of the amount expended in performing the work necessitated by the action that led to its receipt may be used to cover other work specified in section 579c.".

(15) Wildlife Restoration Fund.—

(A) Section 669b of title 16, United States Code (16 U.S.C. 669b), is amended—

(i) in subsection (a)(2), by striking "interest on amounts transferred shall be treated in a manner consistent with 16 U.S.C. 669(b)(1))" and inserting "investment income attributable to amounts transferred shall be treated in a manner consistent with subsection (b)(1)"; and

(ii) in subsection (b) to read as follows:

"(b) Investment of unexpended amounts.—

"(1) The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such portion of the fund as the Secretary determines is not required to meet current-year withdrawals.

"(2) Investment income of the fund—

"(A) shall be credited to the fund;

"(B) shall constitute sums available for allocation by the Secretary under section 4407 of title 16; and

"(C) shall become available for apportionment under this chapter at the beginning of fiscal year 2033."; and

(B) section 669c(a)(1)(A) of title 16, United States Code (16 U.S.C. 669c(a)(1)(A)), is amended by striking "interest accruing under section 669b(b)" and inserting "investment income attributable to investments under section 669b(b)".

(16) Fisheries Loan Fund.—Section 742c-1 of title 16, United States Code (16 U.S.C. 742c-1), is amended to read as follows:

"All money in the Fisheries Loan Fund established under section 742c shall be managed and invested by the Secretary of Commerce in accordance with section 9702 of title 31, except for amounts currently needed for loans or administrative expenses authorized under the Fisheries Loan Fund. Income attributable to investments of the Fisheries Loan Fund shall, subject to amounts provided in advance by appropriations, be credited by the Secretary of the Treasury to the debt of the Secretary of Commerce incurred under section 53723 of title 46 in connection with fisheries financing under chapter 537 of title 46 for so long as such debt exists. After that debt has been liquidated, such income shall, subject to amounts provided in advance by appropriations, be credited to the fisheries portion of the Federal Ship Financing Fund and used for the fisheries purposes provided in chapter 537 of title 46.".

(17) Bonneville Power Administration Fund.—Section 11(a) of the Federal Columbia River Transmission System Act (16 U.S.C. 838j(a)) is amended to read as follows:

"(a) Investment of excess money.—

"(1) Federal amounts.—If the Administrator determines that money in the fund that constitutes a Federal account under section 9702 of title 31 exceeds current needs, the Administrator may request that the Secretary of the Treasury manage and invest such amounts as the Administrator considers advisable in accordance with that section.

"(2) Other money received in trust.—If the Administrator determines that money received in trust that does not constitute a Federal account under section 9702(a) of title 31 exceeds current needs, the Administrator may request that the Secretary of the Treasury manage and invest such amounts in investments described in subsection (d) of that section. For purposes of managing and investing such money, the money shall be treated as a Federal account, and the Administrator shall perform the functions assigned to the responsible official, under subsections (c) through (i) of that section. Such treatment shall not—

"(A) alter any legal or equitable ownership interest in the money; or

"(B) alter any restriction or requirement of the applicable trust.".

(18) Reforestation Trust Fund.—Section 303 of title III of Public Law 96–451 (16 U.S.C. 1606a) is amended—

(A) in subsection (a), by striking "any interest earned on investment of amounts in the Trust Fund under subsection (c)(2)" and inserting "any income and proceeds attributable to investments of the Trust Fund under subsection (c)(2)"; and

(B) in subsection (c)(2) to read as follows:

"(2) The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such portion of the Trust Fund as the Secretary determines is not required to meet current withdrawals.".

(19) Copyright Office deposit accounts.—Section 708(d) of title 17, United States Code (17 U.S.C. 708(d)), is amended—

(A) in paragraph (2) to read as follows:

"(2) In the case of fees deposited against future services, the Register of Copyrights shall request the Secretary of the Treasury to manage and invest under section 9702 of title 31 any portion of the fees that the Register determines is not required to meet current deposit-account demands. The Register shall ensure that amounts sufficient to meet current deposit-account demands remain available to the Copyright Office at all times."; and

(B) in paragraph (3) to read as follows:

"(3) Income attributable to investments under paragraph (2) shall be deposited in the Treasury and credited to the appropriations for necessary expenses of the Copyright Office.".

(20) Federal Prison Industries Fund.—Section 4129(b) of title 18, United States Code (18 U.S.C. 4129(b)), is amended to read as follows:

"(b) Federal Prison Industries may request the Secretary of the Treasury to manage and invest excess money from the Prison Industries Fund in accordance with section 9702 of title 31, except that the board of directors shall determine the liquidity and investment needs of the corporation.".

(21) Trade Enforcement Trust Fund.—Section 611(c) of the Trade Facilitation and Trade Enforcement Act of 2015 (19 U.S.C. 4405(c)) is amended to read as follows:

"(c) Investment of amounts.—

"(1) Investment.—The Secretary shall manage and invest under section 9702 of title 31 such portion of the Trust Fund as is not required to meet current withdrawals.

"(2) Income and proceeds.—All income and proceeds attributable to investments of the Trust Fund shall be credited to and form a part of the Trust Fund.".

(22) Fishing Vessel and Gear Damage Compensation Fund.—Section 1980(f)(2) of title 22, United States Code (22 U.S.C. 1980(f)(2)), is amended by striking the final sentence and inserting the following:

"Sums in the fund which are not currently needed for the purpose of paying such awards may be kept on deposit or, at the request of the Secretary, managed and invested by the Secretary of the Treasury in accordance with section 9702 of title 31. For purposes of that section, the Secretary shall perform the functions assigned to the responsible official and shall determine the liquidity and investment needs of the fund.".

(23) Foreign assistance guaranty account.—Section 223(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2183(b)) is amended by striking the last two sentences and inserting the following: "All funds in such account may be invested in accordance with section 9702 of title 31. Any income or proceeds derived from such investments shall be credited to such account and may be used for the purposes cited in this section.".

(24) United States International Development Finance Corporation Corporate Capital Account.—Section 1434 of the BUILD Act of 2018 (22 U.S.C. 9634) is amended—

(A) in subsection (g) to read as follows:

"(g) Investment authority.—The Corporation may request the Secretary of the Treasury to manage and invest, in accordance with section 9702 of title 31, such portion of the Corporate Capital Account as is not, in the Corporation's judgment, required to meet the current needs of the Corporate Capital Account."; and

(B) in subsection (h), by striking "Interest earnings made pursuant to subsection (g)" and inserting "Investment income attributable to investments under subsection (g)".

(25) Indian Health Service Scholarship and Loan Repayment Recovery Fund.—Section 108A of the Indian Health Care Improvement Act (25 U.S.C. 1616a-1) is amended—

(A) in subsection (b), by amending paragraph (2) to read as follows:

"(2) the aggregate amount of income and proceeds attributable during the preceding fiscal year to investments of the Fund under subsection (d)."; and

(B) in subsection (d) to read as follows:

"(d) Investment of excess funds.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such amounts of the Fund as the Secretary determines are not required to meet current withdrawals from the Fund.".

(26) Abandoned Mine Reclamation Fund.—Section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) is amended—

(A) in subsection (b), by amending paragraph (5) to read as follows:

"(5) investment income credited to the fund under subsection (e)."; and

(B) in subsection (e) to read as follows:

"(e) Investment.—The Secretary of the Interior shall notify the Secretary of the Treasury as to the portion of the fund that is not, in the judgment of the Secretary of the Interior, required to meet current withdrawals. The Secretary of the Treasury shall manage and invest that portion in accordance with section 9702 of title 31. Investment income attributable to investments under this subsection shall be credited to and form a part of the fund for the purpose of the transfers under section 1232(h) of title 30.".

(27) Exchange Stabilization Fund.—Section 5302(a)(1) of title 31, United States Code (31 U.S.C. 5302(a)(1)), is amended to read as follows:

"(1) The Department of the Treasury has a stabilization fund. The fund is available to carry out this section, section 18 of the Bretton Woods Agreement Act (22 U.S.C. 286e-3), section 3 of the Special Drawing Rights Act (22 U.S.C. 286o), and the Coronavirus Economic Stabilization Act of 2020 (subtitle A of title IV of division A of Public Law 116–136), and, with the approval of the President, to invest under section 9702 such amounts in the fund as the Secretary of the Treasury decides are not required at the time to carry out this section. All income and proceeds attributable to transactions and investments of the fund shall be paid into the fund and are available to carry out this section. However, the fund is not available to pay administrative expenses.".

(28) Financial Integrity Fund.—Section 5323(b)(5) of title 31, United States Code (31 U.S.C. 5323(b)(5)), is amended to read as follows:

"(5) Investments.—

"(A) Amounts in Fund may be invested.—The Secretary of the Treasury may manage and invest under section 9702 the portion of the Fund that is not required to meet the current needs of the Fund.

"(B) Income and proceeds credited.—All income and proceeds attributable to investments of the Fund shall be credited to and form a part of the Fund.".

(29) National Health Service Corps Member Replacement Fund.—Section 338E of the Public Health Service Act (42 U.S.C. 254o-1) is amended—

(A) in subsection (b), by amending paragraph (3) to read as follows:

"(3) the aggregate amount of income and proceeds attributable during the preceding fiscal year to investments of the Fund under subsection (d).''; and

(B) in subsection (d) to read as follows:

"(d) Investment.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such amounts of the Fund as the Secretary determines are not required to meet current withdrawals from the Fund.".

(30) Child Enrollment Contingency Fund.—Section 2104(n)(2)(C) of the Social Security Act (42 U.S.C. 1397dd(n)(2)(C)) is amended to read as follows:

"(C) Investment of Fund.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such currently available portions of the Fund as are not immediately required for payments from the Fund. Income attributable to such investments shall constitute a part of the Fund.".

(31) Rural Housing Insurance Fund.—Section 517(f) of the Housing Act of 1949 (42 U.S.C. 1487(f)) is amended to read as follows:

"(f) Investment of excess Fund money.—Money in the Fund not needed for current operations shall be invested in accordance with section 9702 of title 31.".

(32) Uranium Enrichment Decontamination and Decommissioning Fund.—Section 1801 of the Atomic Energy Act of 1954 (42 U.S.C. 2297g) is amended—

(A) in subsection (a), by striking "including any interest earned thereon" and inserting "including any investment income credited to the Fund"; and

(B) in subsection (b)(2) to read as follows:

"(2) Investments.—The Secretary of the Treasury shall manage and invest amounts contained within the Fund in accordance with section 9702 of title 31, except that the Secretary of Energy shall determine the liquidity needs of the Fund.".

(33) National Flood Insurance Fund.—Section 1310 of the National Flood Insurance Act of 1968 (42 U.S.C. 4017) is amended—

(A) in subsection (b), by amending paragraph (4) to read as follows:

"(4) investment income attributable to investments of the fund under subsection (c);"; and

(B) in subsection (c) to read as follows:

"(c) Investment of excess money.—If, after—

"(1) all outstanding obligations of the fund have been liquidated; and

"(2) any outstanding amounts advanced to the fund from appropriations authorized under section 4127(a)(2)(B) of title 42, United States Code, have been credited to the appropriation from which advanced, with interest accrued at the rate prescribed under section 2414(e) of title 42, United States Code, as in effect immediately before August 1, 1968,

"the Administrator determines that the money of the fund is in excess of current needs, the Administrator may request that the Secretary of the Treasury manage and invest such amounts as the Administrator considers advisable in accordance with section 9702 of title 31, United States Code.".

(34) National Flood Insurance Reserve Fund.—Section 1310A(f) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017a(f)) is amended to read as follows:

"(f) Investment.—The Secretary of the Treasury shall manage and invest such amounts of the Reserve Fund as the Secretary determines advisable in accordance with section 9702 of title 31, United States Code.".

(35) National Flood Mitigation Fund.—Section 1367(f) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104d(f)) is amended to read as follows:

"(f) Investment.—If the Administrator determines that amounts in the National Flood Mitigation Fund are in excess of amounts needed under subsection (a), the Administrator may invest any excess amounts the Administrator determines advisable in accordance with section 9702 of title 31, United States Code.".

(36) Nuclear Waste Fund.—Section 302(e)(3) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(e)(3)) is amended to read as follows:

"(3) If the Secretary determines that the Waste Fund contains amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to manage and invest such amounts, or any portion of such amounts as the Secretary determines appropriate, in accordance with section 9702 of title 31.".

(37) National Service Trust.—Section 145 of the National and Community Service Act of 1990 (42 U.S.C. 12601) is amended—

(A) in subsection (a), by amending paragraph (4) to read as follows:

"(4) income and proceeds attributable to investments of the Trust."; and

(B) in subsection (b) to read as follows:

"(b) Investment of Trust.—Except as otherwise expressly provided in instruments concerning a gift, bequest, devise, or other donation and agreed to by the Corporation, the Secretary of the Treasury shall manage and invest amounts in the Trust in accordance with section 9702 of title 31, United States Code.".

(38) War Risk Insurance Fund.—Section 53909(d) of title 46, United States Code (46 U.S.C. 53909(d)), is amended to read as follows:

"(d) Investment.—The Secretary of Transportation may request the Secretary of the Treasury to manage and invest under section 9702 of title 31 such portion of the fund as is not, in the judgment of the Secretary of Transportation, required to meet current needs. All income and proceeds attributable to investments of the fund shall be deposited in the fund.".

(39) Aviation Insurance Revolving Fund.—Section 44307(b) of title 49, United States Code (49 U.S.C. 44307(b)), is amended to read as follows:

"(b) Investment.—On request of the Secretary of Transportation, the Secretary of the Treasury may manage and invest any part of the amounts in the revolving fund in accordance with section 9702 of title 31. All income and proceeds attributable to investments of the fund shall be deposited in the fund.".

(i) Federal-purpose endowments and restricted Federal funds.—

(1) General rules.—

(A) Corpus or principal.—The portion of Treasury Dollar Bills credited to a Federal account under subsection (c) that is attributable to principal, excluding stated interest accrued through the redemption date and discount earned through the redemption date, shall retain the same status as corpus or principal that the redeemed obligation possessed immediately before the redemption date.

(B) Accrued income.—The portion of Treasury Dollar Bills credited to a Federal account under subsection (c) that is attributable to stated interest accrued through the redemption

date or discount earned through the redemption date shall be treated as investment income of the account.

(C) Other adjustments.—Any increase or decrease in the redemption amount attributable to an adjustment under subsection (a)(5)(D) shall be allocated to corpus or principal, investment income, or another category in accordance with the character of the adjustment under the terms of the redeemed obligation and the law governing the account.

(D) Subsequent treatment.—The governing law and any applicable donor or other restriction shall determine whether an amount treated as investment income under subparagraph (B) or (C) may be expended, accumulated, reinvested, or added to corpus or principal.

(E) Preservation of restrictions.—Redemption under subsection (c) shall not alter any restriction governing the preservation, expenditure, accounting, investment, or authorized use of corpus, principal, income, proceeds, or other amounts held in a Federal account.

(F) Governing-instrument Treasury-only restrictions.—A restriction imposed by a gift, bequest, devise, trust instrument, settlement, or other governing instrument in effect before January 1, 2027, that requires a Federal account or an amount held in a Federal account to be invested exclusively or preferentially in obligations of, or obligations guaranteed by, the United States may be satisfied after December 31, 2026, by holding Treasury Dollar Bills or by making or retaining an investment otherwise authorized by the law or instrument governing the account.

(2) John C. Stennis Center for Public Service Development Trust Fund.—Section 1105 of title 2, United States Code (2 U.S.C. 1105), is amended—

(A) in subsection (a), by striking "and amounts credited to it under subsection (d)" and inserting "and investment income and proceeds credited to it under section 9702 of title 31";

(B) in subsection (b) to read as follows:

"(b) Investment and management.—At the request of the Center, the Secretary of the Treasury shall manage and invest amounts in the fund in accordance with section 9702 of title 31. The Board of Trustees of the Center shall perform the functions assigned to the responsible official under that section. All requests of the Center to the Secretary of the Treasury under this subsection shall be binding upon the Secretary."; and

(C) by striking subsections (c) and (d).

(3) Hispanic-Serving Agricultural Colleges and Universities Fund.—Section 3243(b) of title 7, United States Code (7 U.S.C. 3243(b)), is amended—

(A) in paragraph (3)(B), by striking "interest earned on the endowment fund corpus" and inserting "investment income of the endowment fund";

(B) in paragraph (4) to read as follows:

"(4) Investment and management.—

"(A) Authority.—The Secretary of the Treasury shall manage and invest the endowment fund corpus and income in investments described in section 9702(d) of title 31.

"(B) Applicable standards.—Solely for purposes of managing and investing amounts under subparagraph (A), the endowment fund shall be treated as a Federal account, and the Secretary of the Treasury shall perform the functions assigned to the responsible official under subsections (c) through (i) of section 9702 of title 31. In performing those functions, the Secretary of the Treasury shall consult the Secretary of Agriculture concerning the timing and amount of withdrawals and distributions under paragraph (5).

"(C) Preservation.—The treatment of the endowment fund under subparagraph (B) shall not—

"(i) alter or determine any legal or equitable ownership interest in the endowment fund or its assets;

"(ii) alter the protection of corpus, distribution requirements, or grant status established under paragraphs (5) and (6); or

"(iii) determine whether an obligation held for the endowment fund is eligible for redemption under section 612(c) of the POPULIST Act, which shall be determined under subsections (a)(3) and (a)(4) of that section."; and

(C) in paragraph (5)(B), by striking "amount of the income from the endowment fund" and inserting "amount of the investment income of the endowment fund".

(4) General Department of Defense and Coast Guard gift funds.—Section 2601(h) of title 10, United States Code (10 U.S.C. 2601(h)), is amended to read as follows:

"(h) Management of Funds.—In the case of each gift fund referred to in subsection (c), the Secretary of the Treasury, upon the request of the Secretary concerned, may retain money, securities, and the proceeds of the sale of securities in the gift fund and may manage and invest money and proceeds held in the gift fund in accordance with section 9702 of title 31. Investment income attributable to the gift fund shall be deposited to the credit of the gift fund and may be disbursed as provided in subsection (d).".

(5) Department of Defense Dependents' Education Gift Fund.—Section 2605(d) of title 10, United States Code (10 U.S.C. 2605(d)), is amended to read as follows:

"(d) Upon request of the Secretary of Defense, the Secretary of the Treasury may—

"(1) retain money, securities, and the proceeds of the sale of securities in the Department of Defense Dependents' Education Gift Fund; and

"(2) manage and invest money and proceeds held in the fund in accordance with section 9702 of title 31.

"Investment income attributable to the fund shall be deposited to the credit of the fund and may be disbursed as provided in subsection (b).".

(6) Defense Cooperation Account.—Section 2608(g) of title 10, United States Code (10 U.S.C. 2608(g)), is amended to read as follows:

"(g) Investment of Money.—Upon request of the Secretary of Defense, the Secretary of the Treasury may manage and invest money in the Defense Cooperation Account in accordance with section 9702 of title 31. Investment income attributable to the account shall be deposited to the credit of the account.".

(7) National Defense University Gift Fund.—Section 2612(d) of title 10, United States Code (10 U.S.C. 2612(d)), is amended to read as follows:

"(d) Upon request of the Secretary of Defense, the Secretary of the Treasury may—

"(1) retain money, securities, and the proceeds of the sale of securities in the National Defense University Gift Fund; and

"(2) manage and invest money and proceeds held in the fund in accordance with section 9702 of title 31.

"Investment income attributable to the fund shall be deposited to the credit of the fund and may be disbursed as provided in subsection (b).".

(8) United States Naval Academy Gift and Museum Fund.—Section 8473(d) of title 10, United States Code (10 U.S.C. 8473(d)), is amended to read as follows:

"(d) Upon the request of the Secretary of the Navy, the Secretary of the Treasury may retain money, securities, and investments comprising any part of the United States Naval Academy Gift and Museum Fund and may manage and invest money and proceeds held in the fund in accordance with section 9702 of title 31. Investment income attributable to the fund shall be deposited to the credit of the fund and may be disbursed as provided in this section.".

(9) Department of Commerce gift fund.—Section 1524 of title 15, United States Code (15 U.S.C. 1524), is amended to read as follows:

"Upon the request of the Secretary of Commerce, the Secretary of the Treasury may manage and invest any money contained in the fund authorized under section 1522 in accordance with section 9702 of title 31. Investment income attributable to the fund, and income from any other property accepted under section 1522, shall be deposited to the credit of the fund and disbursed upon order of the Secretary of Commerce.".

(10) Take Pride in America gifts and bequests.—Section 4602(a) of title 16, United States Code (16 U.S.C. 4602(a)), is amended by striking "invest in government securities" and inserting "invest in accordance with section 9702 of title 31".

(11) Great Ape Conservation Fund.—Section 6304 of title 16, United States Code (16 U.S.C. 6304), is amended—

(A) in subsection (a)(3), by striking "any interest earned on investment of amounts in the Fund under subsection (c)" and inserting "any investment income attributable to investments of the Fund under subsection (c)"; and

(B) in subsection (c) to read as follows:

"(c) Investment of Amounts.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such portion of the Fund as the Secretary determines is not required to meet current withdrawals.".

(12) Marine Turtle Conservation Fund.—Section 6604 of title 16, United States Code (16 U.S.C. 6604), is amended—

(A) in subsection (a)(3), by striking "any interest earned on investment of amounts in the Fund under subsection (c)" and inserting "any investment income attributable to investments of the Fund under subsection (c)"; and

(B) in subsection (c) to read as follows:

"(c) Investment of Amounts.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such portion of the Fund as the Secretary determines is not required to meet current withdrawals.".

(13) Smithson bequest.—Section 54 of title 20, United States Code (20 U.S.C. 54), is amended by striking the text and inserting the following: "So much of the property of James Smithson as has been received in money and paid into the Treasury of the United States, being the sum of $541,379.63, shall be held as the principal of the fund bequeathed by James Smithson and shall be managed and invested by the Secretary of the Treasury, at the direction of the Smithsonian Institution, in accordance with section 9702 of title 31; the investment income of the fund is hereby appropriated for the perpetual maintenance and support of the Smithsonian Institution; and all expenditures and appropriations made for the purposes of the Institution shall be exclusively from such investment income and not from the principal of the fund.".

(14) Hubert H. Humphrey Fellowship Trust Fund.—Section 80g-1 of title 20, United States Code (20 U.S.C. 80g-1), is amended—

(A) in subsection (b), by striking "annual income of the trust fund" and inserting "annual investment income of the trust fund";

(B) in subsection (d)(2) to read as follows:

"(2) The Secretary of the Treasury shall manage and invest amounts in the fund in accordance with section 9702 of title 31. Investment income attributable to the fund shall be credited to and form a part of the fund."; and

(C) in subsection (e) to read as follows:

"(e) Payments to Board.—The Secretary of the Treasury shall pay to the Board from the investment income of the fund such sums as the Board determines necessary and appropriate to carry out this section.".

(15) Tribal Museum Endowment Fund.—Section 80q-13(c) of title 20, United States Code (20 U.S.C. 80q-13(c)), is amended—

(A) in paragraph (1)(B), by striking "obligations obtained under paragraph (3)" and inserting "investments held under paragraph (3)";

(B) in paragraph (2), by striking the second sentence and inserting the following: "The Secretary of the Treasury shall credit to the Fund all investment income and proceeds attributable to investments held in the Fund.";

(C) in paragraph (3) to read as follows:

"(3) Investments.—The Secretary of the Treasury may invest any portion of the Fund in accordance with section 9702 of title 31. In managing and investing the Fund, the Secretary of the Treasury shall consult the Secretary of the Interior concerning the liquidity and investment needs of the Fund, including the balance necessary to meet current grant requirements."; and

(D) in paragraph (4) to read as follows:

"(4) Expenditures and capital preservation.—Subject to appropriation, investment income of the Fund shall be available for expenditure. The capital of the Fund shall not be available for expenditure.".

(16) Harry S Truman Memorial Scholarship Trust Fund.—

(A) Section 2009 of title 20, United States Code, is amended—

(i) in subsection (a) to read as follows:

"(a) Establishment.—There is established in the Treasury of the United States a trust fund to be known as the Harry S Truman Memorial Scholarship Trust Fund. The fund shall consist of amounts appropriated or contributed to the fund and investment income and proceeds credited to the fund under section 9702 of title 31.";

(ii) in subsection (b) to read as follows:

"(b) Investment and management.—At the request of the Board of Trustees of the Harry S Truman Scholarship Foundation, the Secretary of the Treasury shall manage and invest amounts in the fund in accordance with section 9702 of title 31. A request under this subsection shall be binding on the Secretary."; and

(iii) by striking subsections (c) and (d);

(B) section 2009a of title 20, United States Code, is repealed;

(C) section 2009b of title 20, United States Code, is amended by striking ": Provided, That" and all that follows and inserting a period; and

(D) section 2010(a) of title 20, United States Code, is amended by striking "interest and earnings of the fund" and inserting "investment income of the fund".

(17) James Madison Memorial Fellowship Trust Fund.—Section 4510 of title 20, United States Code (20 U.S.C. 4510), is amended—

(A) in subsection (b) to read as follows:

"(b) Investment and management.—At the direction of the Board, the Secretary of the Treasury shall manage and invest amounts in the fund in accordance with section 9702 of title 31."; and

(B) by striking subsections (c) and (d).

(18) Eisenhower Exchange Fellowship Program Trust Fund.—

(A) Section 5202 of title 20, United States Code (20 U.S.C. 5202), is amended—

(i) in subsection (b) to read as follows:

"(b) Investment and management.—The Secretary of the Treasury shall manage and invest amounts in the fund in accordance with section 9702 of title 31."; and

(ii) by striking subsections (c) and (d); and

(B) section 5203(a) of title 20, United States Code (20 U.S.C. 5203(a)), is amended by striking "interest and earnings of the fund" and inserting "investment income of the fund".

(19) Morris K. Udall and Stewart L. Udall Trust Fund.—Section 5606(b)(1) of title 20, United States Code (20 U.S.C. 5606(b)(1)), is amended to read as follows:

"(1) In general.—The Secretary of the Treasury shall, at the direction of the Foundation Board, manage and invest amounts in the Trust Fund in accordance with section 9702 of title 31. Beginning on October 1, 2023, and thereafter, investment income attributable to investments made with any new appropriations to the Trust Fund shall be available only subject to appropriations and is authorized to be appropriated to carry out this chapter.".

(20) Environmental Dispute Resolution Fund.—Section 5607a(d) of title 20, United States Code (20 U.S.C. 5607a(d)), is amended to read as follows:

"(d) Investment of Amounts.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such portion of the Fund as the Secretary determines is not required to meet current withdrawals.".

(21) International Center for Middle Eastern-Western Dialogue Trust Fund.—Section 2078 of title 22, United States Code (22 U.S.C. 2078), is amended—

(A) in subsection (a), by striking "The income from the fund" and inserting "The investment income of the fund";

(B) in subsection (b) to read as follows:

"(b) Duties of Secretary of the Treasury; investments.—The Secretary of the Treasury shall manage and invest amounts in the fund in accordance with section 9702 of title 31. Investment income and proceeds attributable to investments of the fund shall be credited to and form a part of the fund and shall remain available without fiscal year limitation."; and

(C) in subsection (c) to read as follows:

"(c) Authorization of appropriations.—For each fiscal year, there is authorized to be appropriated from the fund for the operations of the International Center for Middle

Eastern-Western Dialogue the total amount of investment income credited to the fund under subsection (b).".

(22) Department of State gifts.—Section 2697(b) of title 22, United States Code (22 U.S.C. 2697(b)), is amended by striking the third and fourth sentences and inserting the following: "The Secretary of the Treasury may manage and invest such funds in accordance with section 9702 of title 31. Such funds and the investment income attributable to them shall be available for expenditure in the operation of the Department of State, including the Foreign Service, and the performance of its functions, subject to the same examination and audit as is provided for appropriations made for the Foreign Service by Congress, but shall not be expended for representational purposes at United States missions except in accordance with the conditions that apply to appropriated funds.".

(23) Submarine Security Activities Account.—Section 10432(f) of title 22, United States Code (22 U.S.C. 10432(f)), is amended to read as follows:

"(f) Investment of Money.—The President may manage and invest money in the Submarine Security Activities Account in accordance with section 9702 of title 31. Investment income attributable to the account shall be deposited to the credit of the account.".

(24) National Council on Disability gift funds.—Section 783(d) of title 29, United States Code (29 U.S.C. 783(d)), is amended to read as follows:

"(d) Investment of Amounts Not Required for Current Withdrawals.—

"(1) The Secretary of the Treasury shall manage and invest under section 9702 of title 31 such portion of the amounts made available under subsection (b)(2)(B) as the Secretary determines is not required to meet current withdrawals.

"(2) The amounts described in paragraph (1), and all investment income and proceeds attributable to investments of such amounts, shall be available to the National Council to carry out this subchapter.".

(25) Department of the Treasury gift-and-bequest fund.—Section 321(d)(3) of title 31, United States Code (31 U.S.C. 321(d)(3)), is amended to read as follows:

"(3) The Secretary of the Treasury may manage and invest the fund in accordance with section 9702. Investment income attributable to investments of the fund, and income from any other property accepted under paragraph (1), shall be deposited to the credit of the fund and disbursed on order of the Secretary of the Treasury for purposes as nearly as possible in accordance with the terms of the gifts or bequests.".

(26) World War II Memorial Fund.—Section 2113(b) of title 36, United States Code (36 U.S.C. 2113(b)), is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "interest and proceeds credited" and inserting "investment income and proceeds credited"; and

(ii) in subparagraph (B), by striking "Obligations obtained" and inserting "Investments held";

(B) in paragraph (2) to read as follows:

"(2) The Chairperson of the Commission shall deposit in the fund the amounts accepted as contributions under subsection (a). The Secretary of the Treasury shall credit to the fund all investment income and proceeds attributable to investments held in the fund."; and

(C) in paragraph (3) to read as follows:

"(3) At the direction of the Chairperson of the Commission, the Secretary of the Treasury shall manage and invest under section 9702 of title 31 any portion of the fund that the Chairperson determines is not required to meet current expenses.".

(27) Public Health Service gifts.—Section 238(b) of title 42, United States Code (42 U.S.C. 238(b)), is amended to read as follows:

"(b) Depository of Funds; Availability for Expenditure.—Any unconditional gift of money accepted under subsection (a), the net proceeds from the liquidation under subsection (c) or (d) of any other property so accepted, and the proceeds of insurance on any such gift property not used for its restoration shall be deposited in the Treasury of the United States, are hereby appropriated, and shall be held in trust by the Secretary of the Treasury for the benefit of the Service. The Secretary of the Treasury may manage and invest such funds in accordance with section 9702 of title 31. Such gifts, investment income attributable to investments of such funds, and income from any other property accepted unconditionally under subsection (a) shall be available for expenditure in the operation of the Service and the performance of its functions, subject to the same examination and audit as is provided for appropriations made for the Service by Congress.".

(28) Department of Housing and Urban Development gifts.—Section 3535(k)(3) of title 42, United States Code (42 U.S.C. 3535(k)(3)), is amended to read as follows:

"(3) Upon the request of the Secretary, the Secretary of the Treasury may manage and invest any money contained in the fund provided for in paragraph (1) in accordance with section 9702 of title 31. Investment income attributable to the fund, and income from any other property held by the Secretary under paragraph (1), shall be deposited to the credit of the fund and disbursed upon order of the Secretary.".

(29) Disaster-relief gifts.—Section 701(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5201(b)) is amended by striking the final two sentences and inserting the following: "At the request of the President or the President's delegate, the Secretary of the Treasury may manage and invest excess money in the fund in accordance with section 9702 of title 31. Investment income attributable to the fund shall be credited to and form a part of the fund.".

(30) Environmental Improvement and Restoration Fund.—Section 1474d of title 43, United States Code (43 U.S.C. 1474d), is amended—

(A) in subsection (b) to read as follows:

"(b) Investments.—The Secretary of the Treasury shall manage and invest amounts in the Fund in accordance with section 9702 of title 31."; and

(B) in subsection (c), by striking the matter preceding paragraph (1) and inserting the following:

"(c) Transfer and Availability of Amounts Earned.—Each year, investment income credited to the Fund during the previous fiscal year shall be made available as follows:".

(31) National Security Education Trust Fund.—Section 1904 of title 50, United States Code (50 U.S.C. 1904), is amended—

(A) in subsection (c) to read as follows:

"(c) Investment of Fund Assets.—The Secretary of the Treasury shall manage and invest under section 9702 of title 31 the amount in the Fund that is not immediately necessary for expenditure.";

(B) by striking subsection (d); and

(C) in subsection (e)(1) to read as follows:

"(1) Investment income and proceeds attributable to investments of the Fund shall be credited to and form a part of the Fund.".

(32) Central Intelligence Agency gifts.—Section 3512(b) of title 50, United States Code (50 U.S.C. 3512(b)), is amended to read as follows:

"(b) Sale, Exchange, and Investment of Gifts.—Unless otherwise restricted by the terms of the gift, the Director may retain, sell, or exchange any property accepted under subsection (a) and may manage and invest money and proceeds held in the fund established under subsection (c) in accordance with section 9702 of title 31.".

(33) National Aeronautics and Space Administration Endeavor Teacher Fellowship Trust Fund.—Section 40902 of title 51, United States Code (51 U.S.C. 40902), is amended—

(A) in subsection (b) to read as follows:

"(b) Investment of Trust Fund.—The Administrator shall direct the Secretary of the Treasury to manage and invest amounts in the Trust Fund in accordance with section 9702 of title 31. Investment income attributable to the Trust Fund shall be credited to the Trust Fund.";

(B) in subsection (c), by striking "Income accruing from the Trust Fund principal" and inserting "Investment income attributable to the Trust Fund principal".

(j) Bespoke Federal structures.—

(1) Application of redemption rules to guaranty-agency Federal reserve funds.—The reserve funds and restricted accounts described in section 1072(g) and (h) of title 20, United States Code (20 U.S.C. 1072(g), (h)), and each Federal Student Loan Reserve Fund established under section 1072a of that title (20 U.S.C. 1072a), are subject to the following rules:

(A) For purposes of subsection (a)(3)(C), each such fund or account shall be treated as a Federal fund or account with respect to an obligation in which the United States possesses the entire Federal beneficial interest.

(B) The officer of the guaranty agency responsible for administering such a fund or account shall be the responsible account officer with respect to an obligation held for the fund or account.

(C) An obligation otherwise eligible for redemption under subsection (c) shall not be excluded solely because the obligation, fund, or account is held, administered, or controlled by a guaranty agency or another non-Federal entity.

(D) Nothing in this paragraph shall alter or expand the ownership interest of the United States in any fund, account, obligation, or other asset.

(2) Federal Student Loan Reserve Fund.—Section 1072a of title 20, United States Code (20 U.S.C. 1072a), is amended—

(A) in subsection (b) to read as follows:

"(b) Investment and management.—

"(1) Authority.—A guaranty agency may manage and invest amounts in the Federal Fund in accordance with section 9702 of title 31, United States Code, subject to the approval of the Secretary.

"(2) Responsible official.—For purposes of section 9702 of title 31, United States Code, the officer of the guaranty agency responsible for administering the Federal Fund shall perform the functions assigned to the responsible official with respect to the Federal Fund and shall determine the liquidity and investment needs of the Fund, subject to review and approval by the Secretary.

"(3) Additional permissible investments.—In addition to the investments authorized under section 9702(d) of title 31, United States Code, the Federal Fund may invest in obligations issued or guaranteed by a State or in other similarly low-risk securities selected by the guaranty agency and approved by the Secretary.

"(4) Federal ownership.—All income and proceeds attributable to investments of the Federal Fund shall be credited to and form a part of the Federal Fund and shall be the sole property of the United States."; and

(B) in subsection (f), by striking paragraph (7) and redesignating paragraph (8) as paragraph (7).

(3) Barry Goldwater Scholarship and Excellence in Education Fund.—

(A) Section 4707 of title 20, United States Code (20 U.S.C. 4707) is amended to read as follows:

"Sec. 4707. Barry Goldwater Scholarship and Excellence in Education Fund.

"(a) Establishment.—There is established in the Treasury of the United States a trust fund to be known as the Barry Goldwater Scholarship and Excellence in Education Fund. The Fund shall consist of amounts appropriated to the Fund pursuant to section 4711 and investment income and proceeds credited to the Fund under subsection (c).

"(b) Investment and management.—

"(1) Authority.—The Board may direct the Secretary of the Treasury to manage and invest amounts in the Fund in accordance with section 9702 of title 31, United States Code. A direction under this paragraph shall be binding on the Secretary of the Treasury.

"(2) Responsible official.—For purposes of section 9702 of title 31, United States Code, the Board shall perform the functions assigned to the responsible official and shall determine the liquidity and investment needs of the Fund.

"(c) Investment results.—All income and proceeds attributable to investments of the Fund shall be credited to and form a part of the Fund. All expenses and realized losses attributable to such investments shall be charged only to the Fund.

"(d) Construction.—Nothing in this section shall be construed to limit the authority of the Board to increase the number of scholarships provided under section 4704, or to increase the amount of the stipend authorized by section 4705, as the Board considers appropriate and is otherwise consistent with the requirements of this chapter."; and

(B) section 4708(a) of title 20, United States Code (20 U.S.C. 4708(a)) is amended by striking "interest and earnings of the fund" and inserting "investment income of the fund".

(4) Japan-United States Friendship Trust Fund.—

(A) section 2905(4) of title 22, United States Code (22 U.S.C. 2905(4)) is amended by striking "income of the Fund" and inserting "investment income of the Fund"; and

(B) section 2906 of title 22, United States Code (22 U.S.C. 2906) is amended to read as follows:

"Sec. 2906. Management of the Friendship Trust Fund.

"(a) Constituent amounts.—The Fund shall consist of—

"(1) amounts appropriated under subsections (d) and (e)(1) of section 2902;

"(2) any other amounts received by the Fund by way of gifts and donations; and

"(3) investment income and proceeds credited under subsection (c).

"(b) Investment and management.—

"(1) Authority.—The Commission may direct the Secretary of the Treasury to manage and invest any portion of the Fund that the Commission determines is not required to meet current withdrawals in accordance with section 9702 of title 31. A direction under this paragraph shall be binding on the Secretary of the Treasury.

"(2) Responsible official.—For purposes of section 9702 of title 31, the Commission shall perform the functions assigned to the responsible official and shall determine the liquidity and investment needs of the Fund.

"(3) Additional permissible investments.—In addition to the investments authorized under section 9702(d) of title 31, the Fund may invest in interest-bearing obligations of Japan or in obligations guaranteed as to both principal and interest by Japan.

"(4) Donor restrictions.—Investment and management under this subsection shall remain subject to any condition or restriction accepted by the Commission under section 2905(3).

"(c) Investment results.—All income and proceeds attributable to investments of the Fund shall be credited to and form a part of the Fund. All expenses and realized losses attributable to such investments shall be charged only to the Fund.

"(d) Payments.—In accordance with section 2905(4), the Secretary of the Treasury shall pay out of the Fund such amounts, including expenses of the Commission, as the Commission considers necessary to carry out this chapter, except that amounts in the Fund, other than amounts appropriated and amounts received by the Commission under paragraphs (2) and (3) of section 2905, including investment income and proceeds attributable to investments made with such received amounts, shall be subject to the appropriation process.".

(5) Department of Justice Assets Forfeiture Fund, holding accounts, and gifts.—Section 524 of title 28, United States Code (28 U.S.C. 524), is amended—

(A) in subsection (c), by amending paragraph (5) to read as follows:

"(5) Investment and custody of amounts.—

"(A) Fund amounts.—The Attorney General may request the Secretary of the Treasury to manage and invest under section 9702 of title 31 amounts in the Fund that the Attorney General determines are not currently needed for purposes of this section. For purposes of that section, the Attorney General shall be the responsible official and shall determine the liquidity and investment needs of the Fund.

"(B) Holding accounts.—An amount in a holding account associated with the Fund may be kept on deposit or retained in the form in which held pending final disposition and shall not be invested or reinvested except as expressly authorized by another provision of law.

"(C) Investment results.—All income and proceeds attributable to investments under subparagraph (A), and all earnings on amounts held under subparagraph (B), shall be deposited in the Fund.

"(D) Ownership preserved.—Nothing in this paragraph shall alter any legal or equitable interest in property represented by an amount in a holding account."; and

(B) in subsection (d), by amending paragraph (3) to read as follows:

"(3) Upon request of the Attorney General, the Secretary of the Treasury may manage and invest the fund described in paragraph (2) in accordance with section 9702 of title 31. For

purposes of that section, the Attorney General shall be the responsible official and shall determine the liquidity and investment needs of the fund. Investment and management under this paragraph shall remain subject to any condition or restriction applicable to a gift, devise, or bequest accepted under paragraph (1).".

(6) Unemployment Trust Fund.—Section 1104 of the Social Security Act (42 U.S.C. 1104), is amended—

(A) in subsection (b) to read as follows:

"(b) Investment and management.—

"(1) Authority.—The Secretary of the Treasury may manage and invest such portion of the Fund as the Secretary determines is not required to meet current withdrawals in investments described in section 9702(d) of title 31, United States Code.

"(2) Applicable standards.—For purposes of managing and investing the Fund under paragraph (1), the Fund shall be treated as a Federal account, and the Secretary of the Treasury shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31, United States Code. Such treatment shall not—

"(A) alter any legal or equitable ownership interest in the Fund or an account in the Fund; or

"(B) cause the Fund or an account in the Fund to be treated as a Federal account for purposes of subsection (c) of section 612 of the POPULIST Act.

"(3) Advances not invested.—Advances made to the Federal unemployment account under section 1323 of this title shall not be invested.";

(B) in subsection (c) to read as follows:

"(c) Disposition of investments.—The Secretary of the Treasury may sell, redeem, exchange, or otherwise dispose of an investment held by the Fund in accordance with section 9702 of title 31, United States Code.";

(C) in subsection (d) to read as follows:

"(d) Investment results.—All income, proceeds, gains, losses, fees, and expenses attributable to investments of the Fund shall be credited or charged only to the Fund.";

(D) in subsection (e) to read as follows:

"(e) Separate book accounts and allocation of investment results.—

"(1) In general.—The Fund shall be managed as a single fund, but the Secretary of the Treasury shall maintain a separate book account for each State agency, the employment security administration account, the Federal unemployment account, the railroad unemployment insurance account, and the railroad unemployment insurance administration fund and shall credit or charge quarterly (on March 31, June 30, September 30, and December 31 of each year) to each account, on the basis of the average daily balance of such account, a

proportionate part of the net investment result of the Fund for the quarter ending on such date, including interest, dividends, distributions, realized and unrealized gains and losses, fees, and expenses.

"(2) Average daily balance.—For purposes of paragraph (1), the average daily balance shall be computed—

"(A) in the case of any State account, by reducing (but not below zero) the amount in the account by the balance of advances made to the State under section 1321 of this title; and

"(B) in the case of the Federal unemployment account—

"(i) by adding to the amount in the account the aggregate of the reductions under subparagraph (A); and

"(ii) by subtracting from the sum so obtained the balance of advances made under section 1323 of this title to the account."; and

(E) by adding at the end the following:

"(h) Preservation of account status and authority.—Nothing in subsections (b) through (e) shall alter—

"(1) the separate accounting identity of any account maintained in the Fund;

"(2) the authority to requisition, receive, transfer, or use an amount standing to the credit of such an account;

"(3) any statutory purpose, condition, or restriction applicable to such an account; or

"(4) any legal or equitable ownership interest in the Fund, an account in the Fund, or an amount credited to such an account.".

(7) Natural Resource Damage Assessment and Restoration Fund.—Section 1474b of title 43, United States Code (43 U.S.C. 1474b), is amended to read as follows:

"Sec. 1474b. Natural Resource Damage Assessment and Restoration Fund.

"(a) Availability of assessments.—Notwithstanding any other provision of law, in fiscal year 1991 and thereafter, sums provided by any party, including sums provided in advance or as a reimbursement for natural resource damage assessments, may be credited to the Fund and shall remain available until expended.

"(b) Investment and management.—

"(1) Authority.—At the direction of the trustee or trustees legally authorized to approve the use or disposition of an amount in the Fund, the Secretary of the Treasury may manage and invest such portion of that amount as the trustee or trustees determine is not required to meet current withdrawals in investments described in section 9702(d) of title 31, United States Code.

"(2) Applicable standards.—For purposes of managing and investing an amount under paragraph (1), the Fund shall be treated as a Federal account, and the directing trustee or trustees shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31, United States Code. Such treatment shall not—

"(A) alter any legal or equitable ownership interest in the Fund or an amount in the Fund; or

"(B) cause an amount in the Fund to become eligible for redemption under subsection (c) of section 612 of the POPULIST Act.

"(c) Preservation of restrictions.—The investment, management, and disposition of an amount under this section shall remain subject to any applicable settlement, plea agreement, consent decree, court order, trustee agreement, donor restriction, restoration requirement, or other legal restriction governing the amount.

"(d) Investment results.—All investment income and proceeds attributable to investments of an amount in the Fund shall be credited to and form a part of the Fund and shall remain available for obligation without further appropriation, subject to the restrictions applicable to that amount. All expenses and realized losses attributable to such investments shall be charged only to the amount or amounts for which the investments were made.

"(e) Relationship to prior law.—After December 31, 2026, the provisos in section 207 of Public Law 102–229 that begin 'Provided further, That herein and hereafter' and 'Provided further, That interest earned' shall have no force or effect. An amount deposited in the Fund under that section may be managed under subsections (b) through (d), subject to any other Act of Congress governing that amount.".

(8) Lower Colorado River Basin Development Fund.—Section 1543 of title 43, United States Code (43 U.S.C. 1543), is amended—

(A) in subsection (f)(2)(D)(vi), by striking "any interest earned on funds held in the Future Indian Water Settlement Subaccount" and inserting "any investment income attributable to amounts held in the Future Indian Water Settlement Subaccount"; and

(B) in subsection (f)(4) to read as follows:

"(4) Investment and management.—

"(A) Authority and responsible official.—At the direction of the Secretary of the Interior, the Secretary of the Treasury may manage and invest such portion of the development fund as the Secretary of the Interior determines is not required to meet current needs in accordance with section 9702 of title 31, United States Code. For purposes of that section, the Secretary of the Interior shall perform the functions assigned to the responsible official and shall determine the liquidity and investment needs of the development fund.

"(B) Additional permissible investments.—In addition to the investments authorized under section 9702(d) of title 31, United States Code, the development fund may invest in—

"(i) an investment referred to in the Act of June 24, 1938 (25 U.S.C. 162a);

"(ii) an obligation of a government corporation or government-sponsored entity whose charter statute provides that the obligation is a lawful investment for federally managed funds; or

"(iii) an obligation referred to in section 401 of title 42.

"(C) Investment results.—All income and proceeds attributable to investments of the development fund shall be credited to and form a part of the development fund. All expenses and realized losses attributable to such investments shall be charged only to the development fund.

"(D) Separate accounting.—The Secretary of the Interior shall maintain records sufficient to attribute income, proceeds, expenses, and realized losses attributable to investments of the development fund to each amount or subaccount subject to a distinct statutory, settlement, repayment, project-revenue, Tribal, or other restriction.

"(E) Preservation of restrictions.—Nothing in this paragraph shall alter any settlement, repayment, project-revenue, Tribal, subaccount, or other restriction applicable to an amount in the development fund.".

(9) Railroad Retirement Account and National Railroad Retirement Investment Trust.—Section 231n of title 45, United States Code (45 U.S.C. 231n), is amended—

(A) in subsection (e) to read as follows:

"(e) Investment and management of Treasury transaction accounts.—

"(1) Authority.—The Board may request and direct the Secretary of the Treasury to manage and invest, in accordance with section 9702 of title 31, United States Code, such portion of the amounts credited to the Railroad Retirement Account and the Dual Benefits Payments Account as are not transferred to the National Railroad Retirement Investment Trust and as the Board determines are not required to meet current withdrawals. A request and direction under this paragraph shall be binding on the Secretary of the Treasury.

"(2) Responsible official.—For purposes of section 9702 of title 31, United States Code, the Board shall perform the functions assigned to the responsible official and shall determine the liquidity and investment needs of each account.

"(3) Investment results.—All income and proceeds attributable to investments of an account under this subsection shall be credited to and form a part of that account. All expenses and realized losses attributable to such investments shall be charged only to that account."; and

(B) in subsection (j)(2), by adding at the end the following: "For purposes of section 612 of the POPULIST Act, an obligation held by the Trust shall not be treated as held by or on behalf of a Federal fund, account, or subaccount solely because the Trust finances benefits under this subchapter or transfers money for the payment of such benefits.".

(10) Social Security Equivalent Benefit Account.—Section 231n–1(d)(2) of title 45, United States Code (45 U.S.C. 231n–1(d)(2)), is amended to read as follows:

"(2) Upon establishment of the National Railroad Retirement Investment Trust and from time to time thereafter, the Board shall direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment returns to the railroad retirement system, the balance of the Social Security Equivalent Benefit Account not needed to pay current benefits and administrative expenses required to be paid from that Account to the National Railroad Retirement Investment Trust or the Railroad Retirement Account, and the Secretary shall make that transfer. Any balance transferred under this paragraph, and all income and proceeds attributable to the investment of such balance, shall be used by the National Railroad Retirement Investment Trust or the Railroad Retirement Board only to pay benefits under this subchapter or to make or retain investments otherwise authorized under section 231n or this section.".

(k) Protected public and third-party beneficial claims.—

(1) Cable statutory-license royalties.—Section 111(d)(2) of title 17, United States Code (17 U.S.C. 111(d)(2)), is amended to read as follows:

"(2) Handling and investment of fees.—

"(A) Receipt and deposit.—The Register of Copyrights shall receive all fees (including the filing fee specified in paragraph (1)(G)) deposited under this section and, after deducting the reasonable costs incurred by the Copyright Office under this section, shall deposit the balance in the Treasury of the United States, in such manner as the Secretary of the Treasury directs.

"(B) Investment authority.—At the request of the Register of Copyrights, the Secretary of the Treasury may manage and invest, in investments described in section 9702(d) of title 31, the portion of the funds deposited under subparagraph (A) that the Register determines is not required to meet reasonably foreseeable distributions.

"(C) Applicable standards.—For purposes of managing and investing funds under subparagraph (B), the funds shall be treated as a Federal account, and the Register of Copyrights shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31. Such treatment shall not—

"(i) alter any legal or equitable ownership interest in the funds; or

"(ii) cause an obligation held for the funds to become eligible for redemption under section 612(c) of the POPULIST Act.

"(D) Investment results and distribution.—All income and proceeds attributable to investments under subparagraph (B) shall be credited to and form a part of the funds deposited under subparagraph (A), and all expenses and realized losses attributable to such investments shall be charged only to those funds. The funds and their investment results shall remain available for later distribution by the Librarian of Congress upon authorization by the Copyright Royalty Judges in accordance with paragraph (4).".

(2) Satellite statutory-license royalties.—Section 119(b)(3) of title 17, United States Code (17 U.S.C. 119(b)(3)), is amended to read as follows:

"(3) Handling and investment of fees.—

"(A) Receipt and deposit.—The Register of Copyrights shall receive all fees (including the filing fee specified in paragraph (1)(C)) deposited under this section and, after deducting the reasonable costs incurred by the Copyright Office under this section (other than the costs deducted under paragraph (5)), shall deposit the balance in the Treasury of the United States, in such manner as the Secretary of the Treasury directs.

"(B) Investment authority.—At the request of the Register of Copyrights, the Secretary of the Treasury may manage and invest, in investments described in section 9702(d) of title 31, the portion of the funds deposited under subparagraph (A) that the Register determines is not required to meet reasonably foreseeable distributions.

"(C) Applicable standards.—For purposes of managing and investing funds under subparagraph (B), the funds shall be treated as a Federal account, and the Register of Copyrights shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31. Such treatment shall not—

"(i) alter any legal or equitable ownership interest in the funds; or

"(ii) cause an obligation held for the funds to become eligible for redemption under section 612(c) of the POPULIST Act.

"(D) Investment results and distribution.—All income and proceeds attributable to investments under subparagraph (B) shall be credited to and form a part of the funds deposited under subparagraph (A), and all expenses and realized losses attributable to such investments shall be charged only to those funds. The funds and their investment results shall remain available for later distribution by the Librarian of Congress as provided by this title. Nothing in this paragraph shall alter the authority of the Copyright Royalty Judges or the Librarian of Congress with respect to such distributions.".

(3) Digital-audio-recording royalties.—Section 1005 of title 17, United States Code (17 U.S.C. 1005), is amended by striking the second sentence and inserting the following:

"At the request of the Register of Copyrights, the Secretary of the Treasury may manage and invest, in investments described in section 9702(d) of title 31, the portion of the funds held by the Secretary that the Register determines is not required to meet reasonably foreseeable distributions under section 1007. For purposes of managing and investing such funds, the funds shall be treated as a Federal account, and the Register shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31. Such treatment shall not alter any legal or equitable ownership interest in the funds or cause an obligation held for the funds to become eligible for redemption under section 612(c) of the POPULIST Act. All income and proceeds attributable to such investments shall be credited to and form a part of the funds, and all expenses and realized losses attributable to such investments shall be charged only to the funds. The funds and their investment results shall remain available for later distribution under section 1007.".

(4) Constitutional Law Resource Center endowments.—Section 4516(d) of title 20, United States Code (20 U.S.C. 4516(d)), is amended to read as follows:

"(d) Investment and administration of endowment.—

"(1) Investment authority.—That portion of each endowment provided by this chapter and any accumulations attributable to such grant may be invested by the recipient university in investments described in section 9702(d) of title 31.

"(2) Applicable standards.—For purposes of managing and investing amounts under paragraph (1), such amounts shall be treated as a Federal account, and the officer designated by the recipient university to administer the endowment shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(3) Preservation of trust and reversion.—The treatment of an amount under paragraph (2) shall not—

"(A) alter the trust status of the endowment, the authorized use of its income, the responsibility of the recipient university, or the reversion to the Treasury required if the university discontinues the chair and related support services; or

"(B) cause an obligation held for the endowment to become eligible for redemption under section 612(c) of the POPULIST Act.

"(4) Audit.—The portion of each endowment described in paragraph (1) shall remain subject to audit by the Government Accountability Office for the sole purpose of determining that the funds are accounted for or have been used as provided in this section.".

(5) International claims settlement funds.—Section 1627(g) of title 22, United States Code (22 U.S.C. 1627(g)), is amended to read as follows:

"(g) Investment and management of special funds.—

"(1) Authority.—The Secretary of the Treasury may manage and invest, in investments described in section 9702(d) of title 31, the portion of the amounts held in each special fund established by this section that the Secretary determines is not required to meet reasonably foreseeable payments from that fund.

"(2) Responsible official.—For purposes of managing and investing a special fund under paragraph (1), the special fund shall be treated as a Federal account, and the Secretary of the Treasury shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31. In determining the liquidity and investment needs of a special fund, the Secretary shall consult the Chairman of the Foreign Claims Settlement Commission concerning the timing and amount of reasonably foreseeable award payments.

"(3) Investment results.—All income and proceeds attributable to investments of a special fund shall be credited to and form a part of that special fund and shall be available to make payments, in accordance with subsection (c), on awards payable from that fund. All expenses and realized losses attributable to such investments shall be charged only to that special fund.

"(4) Preservation of claims.—Nothing in this subsection shall alter any certified award, payment priority, permanent appropriation, or claimant entitlement applicable to a special fund.

An obligation held for a special fund shall not be eligible for redemption under section 612(c) of the POPULIST Act.".

(6) Tribal and individual Indian trust funds.—Section 161a of title 25, United States Code (25 U.S.C. 161a), is amended to read as follows:

"Sec. 161a. Management and investment of tribal and individual Indian trust funds.

"(a) Tribal funds.—The Secretary of the Interior may request the Secretary of the Treasury to invest all or any portion of the funds held in trust by the United States and carried in principal accounts on the books of the United States Treasury to the credit of Indian tribes in an investment authorized under section 162a. The Secretary of the Treasury shall carry out a request under this subsection. The Secretary of the Interior shall determine the liquidity, maturity, and investment needs of the funds involved.

"(b) Individual funds.—The Secretary of the Interior may request the Secretary of the Treasury to invest all or any portion of the funds held in trust by the United States and carried in principal accounts on the books of the United States Treasury to the credit of individual Indians in an investment authorized under section 162a. The Secretary of the Treasury shall carry out a request under this subsection. The Secretary of the Interior shall determine the liquidity, maturity, and investment needs of the funds involved.

"(c) Preservation of ownership, treaties, and trust duties.—Nothing in this section shall—

"(1) alter any legal or equitable ownership interest of an Indian Tribe or individual Indian;

"(2) supersede any treaty requirement or diminish any trust responsibility of the United States; or

"(3) cause an obligation held for such funds to become eligible for redemption under section 612(c) of the POPULIST Act.".

(7) Tribally controlled college or university grants.—Section 1808(b)(4) of title 25, United States Code (25 U.S.C. 1808(b)(4)), is amended to read as follows:

"(4) Investment of grant funds.—

"(A) Authority.—Funds provided under this subchapter may be invested by the tribally controlled college or university in investments described in section 9702(d) of title 31.

"(B) Applicable standards.—For purposes of managing and investing funds under subparagraph (A), the funds shall be treated as a Federal account, and the governing board of the tribally controlled college or university, or an officer designated by the governing board, shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(C) Ownership and use preserved.—The treatment of funds under subparagraph (B) shall not—

"(i) alter the ownership, expenditure deadline, or authorized use of interest or investment income under paragraph (3); or

"(ii) cause an obligation held for the funds to become eligible for redemption under section 612(c) of the POPULIST Act.".

(8) Tribally controlled school grants.—Section 2506(b) of title 25, United States Code (25 U.S.C. 2506(b)), is amended—

(A) in paragraph (1), by striking "Such interest income" and inserting "Such interest or investment income"; and

(B) in paragraph (2) to read as follows:

"(2) Permissible investments.—

"(A) Authority.—Before funds provided under this chapter are expended for the purposes of this chapter, the Indian Tribe or Tribal organization may—

"(i) invest the funds in investments described in section 9702(d) of title 31; or

"(ii) deposit the funds in accounts that are insured by an agency or instrumentality of the United States or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

"(B) Applicable standards.—For purposes of managing and investing funds under subparagraph (A), the funds shall be treated as a Federal account, and the Tribal governing body, or an officer designated by the Tribal governing body, shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(C) Ownership and use preserved.—The treatment of funds under subparagraph (B) shall not—

"(i) alter the ownership or authorized use of interest or investment income under paragraph (1); or

"(ii) cause an obligation held for the funds to become eligible for redemption under section 612(c) of the POPULIST Act.".

(9) Indian higher-education tribal grant funds.—Section 3306(d)(2) of title 25, United States Code (25 U.S.C. 3306(d)(2)), is amended to read as follows:

"(2) Permissible investments.—

"(A) Authority.—Funds provided under this subchapter may be—

"(i) invested by the Indian Tribe or Tribal organization in investments described in section 9702(d) of title 31; or

"(ii) deposited in accounts insured by an agency or instrumentality of the United States.

"(B) Applicable standards.—For purposes of managing and investing funds under subparagraph (A), the funds shall be treated as a Federal account, and the Tribal governing

body, or an officer designated by the Tribal governing body, shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(C) Ownership and use preserved.—The treatment of funds under subparagraph (B) shall not—

"(i) alter the ownership or authorized use of interest or investment income under paragraph (1);

"(ii) affect the provision or amount of assistance under any Federal law; or

"(iii) cause an obligation held for the funds to become eligible for redemption under section 612(c) of the POPULIST Act.".

(10) Indian self-determination advance payments.—Section 5310 of title 25, United States Code (25 U.S.C. 5310), is amended to read as follows:

"Sec. 5310. Investment of advance payments; restrictions.

"(a) Authority.—Advance payments made by the Department of the Interior to Indian Tribes, Tribal organizations, and Tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act or the Tribally Controlled Schools Act of 1988 may be invested before expenditure for the purposes of the grant, compact, or annual funding agreement—

"(1) in investments described in section 9702(d) of title 31; or

"(2) in accounts that are insured by an agency or instrumentality of the United States or fully collateralized to ensure protection of the funds, even in the event of a bank failure.

"(b) Applicable standards.—For purposes of managing and investing funds under subsection (a), the funds shall be treated as a Federal account, and the governing body of the Indian Tribe, Tribal organization, or Tribal consortium, or an officer designated by that governing body, shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(c) Ownership and use preserved.—The treatment of funds under subsection (b) shall not—

"(1) alter the ownership, control, or authorized use of the funds or their investment results;

"(2) alter any requirement of a grant, compact, annual funding agreement, or applicable program; or

"(3) cause an obligation held for the funds to become eligible for redemption under section 612(c) of the POPULIST Act.".

(11) Court registry funds.—Section 2045 of title 28, United States Code (28 U.S.C. 2045), is amended to read as follows:

"Sec. 2045. Investment of court registry funds.

"(a) Investment authority.—The Director of the Administrative Office of the United States Courts, or the Director's designee under subsection (c), may request the Secretary of the Treasury to manage and invest funds received under section 2041 in investments described in section 9702(d) of title 31. The Director or designee shall determine the amount available for investment and the liquidity, maturity, and investment needs of the funds. The Secretary of the Treasury shall carry out a request under this subsection.

"(b) Applicable standards and preservation of court control and ownership.—

"(1) For purposes of managing and investing funds under subsection (a), the funds shall be treated as a Federal account, and the Director or designee shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(2) All income, proceeds, expenses, realized losses, and changes in market value attributable to an investment shall be allocated only to the corresponding registry account.

"(3) Nothing in this section shall alter the custody of the court, the authority of the court over withdrawal or distribution, or any legal or equitable ownership interest in the funds, and no obligation held for such funds shall be eligible for redemption under section 612(c) of the POPULIST Act.

"(c) Delegation.—The Director may designate the clerk of a court described in section 610 to exercise the authority conferred by this section.".

(12) Proceeds of attached property in postal suits.—Section 2714 of title 28, United States Code (28 U.S.C. 2714), is amended to read as follows:

"Sec. 2714. Investment of proceeds of attached property.

"(a) Investment.—When property attached is sold on an interlocutory order or produces revenue, the money arising from the sale or revenue shall be invested, under the order of the court, in investments described in section 9702(d) of title 31.

"(b) Applicable standards.—For purposes of an investment under subsection (a), the money shall be treated as a Federal account, and the court, or an officer designated by the court, shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(c) Court control and ownership preserved.—All income, proceeds, expenses, realized losses, and changes in market value attributable to an investment under subsection (a) shall be subject to the order of the court. Nothing in this section shall alter any legal or equitable ownership interest or right of attachment, and no obligation held under this section shall be eligible for redemption under section 612(c) of the POPULIST Act.".

(13) General Post Fund.—Section 8528 of title 38, United States Code (38 U.S.C. 8528), is amended to read as follows:

"Sec. 8528. Investment of the Fund.

"(a) Authority.—At the request of the Secretary of Veterans Affairs, the Secretary of the Treasury shall manage and invest, in investments described in section 9702(d) of title 31, money in the Fund not required for current disbursements.

"(b) Applicable standards.—For purposes of managing and investing money under subsection (a), the Fund shall be treated as a Federal account, and the Secretary of Veterans Affairs shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(c) Trust and claims preserved.—Nothing in this section shall alter the trust purposes of the Fund, any claim or beneficial interest of a creditor, heir, or other claimant, any restriction applicable to property or proceeds credited to the Fund, or the authority of the Secretary of Veterans Affairs to make disbursements. An obligation held for the Fund shall not be eligible for redemption under section 612(c) of the POPULIST Act.".

(14) Office of Hawaiian Affairs revolving loan fund.—Section 2991b–1(f)(2) of title 42, United States Code (42 U.S.C. 2991b–1(f)(2)), is amended to read as follows:

"(2) Investment and management.—

"(A) Separate account.—The revolving loan fund required under subsection (a)(1) shall be maintained as a separate account.

"(B) Authority.—The Office may invest in investments described in section 9702(d) of title 31 any portion of the revolving loan fund not required for expenditure.

"(C) Applicable standards.—For purposes of managing and investing amounts under subparagraph (B), the revolving loan fund shall be treated as a Federal account, and the Office, acting through an officer designated to administer the fund, shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31.

"(D) Preservation of fund.—The treatment of the revolving loan fund under subparagraph (C) shall not alter the matching contribution requirement, the purposes and revolving character of the fund, any borrower protection, any Federal oversight requirement, or any legal or equitable ownership interest, and no obligation held for the fund shall be eligible for redemption under section 612(c) of the POPULIST Act.".

(15) Vessel-construction escrow funds.—Section 53715(f) of title 46, United States Code (46 U.S.C. 53715(f)), is amended to read as follows:

"(f) Investment.—

"(1) Authority.—The Secretary or Administrator may invest and reinvest any part of an escrow fund in investments described in section 9702(d) of title 31.

"(2) Applicable standards and escrow needs.—For purposes of managing and investing amounts under paragraph (1), the escrow fund shall be treated as a Federal account, and the Secretary or Administrator shall perform the functions assigned to the responsible official, under subsections (c) through (i) of section 9702 of title 31. Investments shall be selected and

managed so that the escrow fund will be available as required for purposes of the escrow agreement and so that the interests of the Government are fully protected.

"(3) Investment results.—Investment income attributable to the escrow fund shall be paid to the obligor in accordance with the escrow agreement. Proceeds representing corpus or principal and changes in market value shall be accounted for under the escrow agreement and the other provisions of this section.

"(4) Ownership and guarantee preserved.—Nothing in this subsection shall alter the ownership of the escrowed amounts, the contractual and property interests of the obligor, the terms of the escrow agreement, the construction and disbursement requirements of this section, or the interests of the Government under the guarantee. An obligation held for an escrow fund shall not be eligible for redemption under section 612(c) of the POPULIST Act.".

(l) Thrift Savings Plan Government Securities Investment Fund.—

(1) Government Securities Investment Fund.—Section 8438 of title 5, United States Code (5 U.S.C. 8438), is amended—

(A) in subsection (b)(1), by amending subparagraph (A) to read as follows:

"(A) a Government Securities Investment Fund under which sums in the Thrift Savings Fund are maintained as monetary balances or invested in marketable obligations of the United States in accordance with subsection (e);";

(B) in subsection (e) to read as follows:

"(e) Government Securities Investment Fund.—

"(1) Permissible holdings.—Amounts allocated to the Government Securities Investment Fund may be—

"(A) maintained as dollar-denominated monetary balances, including Treasury Dollar Bills; or

"(B) invested in marketable obligations of the United States issued under chapter 31 that—

"(i) are acquired at public auction or in the secondary market on terms generally available to investors; and

"(ii) have a remaining maturity of not more than 5 years.

"(2) Liquidity and maturity.—The Executive Director shall maintain monetary balances appropriate to reasonably foreseeable participant transactions and may acquire an obligation under paragraph (1)(B) only if the Executive Director reasonably determines that the obligation is not reasonably expected to be required for sale before maturity to meet such transactions."; and

(C) by striking subsections (g) and (h).

(2) Participant disclosures.—Section 8439(d) of title 5, United States Code (5 U.S.C. 8439(d)), is amended to read as follows:

"(d) Investment disclosures.—

"(1) Market-risk investments.—Each employee, Member, former employee, or former Member who elects to invest in an investment fund or option under this chapter other than the Government Securities Investment Fund shall sign an acknowledgment prescribed by the Executive Director stating that the individual understands that the investment is made at the individual's risk, that the individual is not protected by the Government against loss on the investment, and that a return on the investment is not guaranteed by the Government.

"(2) Government Securities Investment Fund.—The Executive Director shall provide each participant or beneficiary who invests in the Government Securities Investment Fund with a clear notice stating—

"(A) that the Fund may hold dollar-denominated monetary balances, including noninterest-bearing Treasury Dollar Bills, and marketable obligations of the United States;

"(B) that no special interest-bearing obligation may be issued for the Fund on or after January 1, 2027, but an obligation issued before that date remains valid according to its terms;

"(C) that no investment return or preservation of purchasing power is guaranteed and that a marketable obligation may fluctuate in value before maturity;

"(D) that the Fund is administered to maintain liquidity appropriate to reasonably foreseeable participant transactions and to avoid the sale of marketable obligations before maturity when reasonably practicable; and

"(E) that the participant or beneficiary may elect another investment option under the Thrift Savings Plan, subject to the terms otherwise applicable to that option.

"(3) Automatic enrollment.—Before enrollment in the Thrift Savings Fund, or as soon as practicable thereafter, an individual automatically enrolled under section 8432(b)(2) shall receive the information applicable under paragraphs (1) and (2).".

(3) Participant notice.—Not later than 15 days after the date of enactment of this Act, the Executive Director of the Federal Retirement Thrift Investment Board shall provide each participant and beneficiary with a clear notice explaining—

(A) the termination, effective January 1, 2027, of authority to issue new special interest-bearing obligations for the Government Securities Investment Fund;

(B) the continuing validity according to their terms of special interest-bearing obligations outstanding immediately before January 1, 2027;

(C) the permissible holdings of the Fund on and after January 1, 2027;

(D) the characteristics of Treasury Dollar Bills and marketable obligations of the United States;

(E) the absence of a guaranteed investment return or preservation of purchasing power; and

(F) the other investment options available under the Thrift Savings Plan.

(m) Transparent appropriations bridge.—

(1) Annual report.—Not later than 150 days after the end of fiscal year 2027, and not later than 150 days after the end of each fiscal year thereafter, the Secretary of the Treasury, in consultation with the officer responsible for administering each applicable account, shall submit to Congress and publish on a public website, in an open and machine-readable format, the report required under paragraph (2).

(2) Account-by-account comparison.—For each applicable account, the report required under paragraph (1) shall state—

(A) the estimated amount of interest that would have been credited to the account during the fiscal year with respect to the principal represented by obligations redeemed under this section, including any reinvestment that would have occurred upon maturity, if this Act had not been enacted and such principal had continued to be invested and reinvested in accordance with the law and administrative practice in effect immediately before redemption, taking into account actual expenditures, transfers, withdrawals, and other reductions from the account to the extent that such transactions would have reduced that principal under the counterfactual described in this subparagraph;

(B) the actual amount of interest, dividends, or other investment income credited to the account during the fiscal year with respect to assets acquired or held in place of the obligations redeemed under this section;

(C) the amount, if any, by which the amount determined under subparagraph (A) exceeds the amount determined under subparagraph (B);

(D) the amount appropriated to the account during the fiscal year pursuant to paragraph (3);

(E) the methods, data sources, interest rates, maturity schedules, reinvestment assumptions, and other material assumptions used in making each estimate under this paragraph;

(F) the amount and percentage of account assets held in each authorized asset class; and

(G) the income, gains, losses, fees, and expenses attributable to investments of the account.

(3) Authorization of appropriations.—There are authorized to be appropriated for each fiscal year to each applicable account such sums as Congress determines appropriate, not exceeding the amount reported for that account under paragraph (2)(C) for the preceding fiscal year. An amount appropriated pursuant to this paragraph shall be credited to the applicable

account and shall be available only for the purposes, and subject to the limitations and conditions, otherwise applicable to amounts in that account.

(4) No automatic payment or claim.—Nothing in this subsection shall be construed to—

(A) require Congress to appropriate any amount;

(B) create an entitlement, contractual or property interest, claim, or cause of action;

(C) require Treasury Dollar Bills to bear interest;

(D) treat an amount estimated or reported under this subsection as a debt, obligation, or liability of the United States; or

(E) limit the authority of Congress under any other provision of law to appropriate amounts for an applicable account; or

(F) carry forward an amount reported under paragraph (2)(C) for purposes of determining the amount authorized to be appropriated for a later fiscal year.

(n) Effective dates and implementation.—

(1) Enactment date provisions.—Subsections (a), (b), (l)(3), and this subsection shall take effect on the date of enactment of this Act.

(2) Redemption date and amendments.—Except as otherwise expressly provided, subsections (c) through (m) and the amendments made by this section shall take effect on January 1, 2027.

(3) Advance implementation.—Before January 1, 2027, the Secretary of the Treasury, each responsible account officer, and each other officer or entity responsible for carrying out this section or an amendment made by this section may prescribe regulations, modify systems and records, establish or redesignate accounts, exchange information, issue notices, and take such other actions as are necessary to ensure timely implementation.

(4) No administrative delay.—The failure to complete an inventory, report, regulation, guidance, systems change, account designation, notice, or other preparatory action shall not postpone, condition, or limit the redemption required under subsection (c).

SEC. 613. ONGOING RETIREMENT OF PUBLIC DEBT AND BORROWING CONSTRAINTS.

(a) Definitions.—In this section:

(1) Covered obligation.—The term "covered obligation" means an obligation of the United States—

(A) issued under chapter 31 of title 31, United States Code;

(B) outstanding at 11:59 p.m. Eastern standard time on December 31, 2026;

(C) not required to be redeemed under section 612; and

(D) not a tax and loss bond issued under section 3109 of title 31, United States Code.

(2) Federal payment system.—The term "Federal payment system" means a payment, disbursement, redemption, or settlement system operated or used by the Department of the Treasury or a Federal Reserve Bank to make or settle payments of the United States, including TreasuryDirect, the Commercial Book-Entry System, the Automated Clearing House network, Fedwire, and any successor system.

(3) Payment amount.—The term "payment amount" means principal, interest, and any other amount due or payable according to the terms of a covered obligation.

(4) Secretary.—The term "Secretary" means the Secretary of the Treasury.

(5) Segregated payment account.—The term "segregated payment account" means a Federal Government account or subaccount established under section 623(b)(7) exclusively to hold a payment amount pending payment to the person entitled to the amount.

(b) Mandatory payment from the American Value Fund.—

(1) In general.—On and after January 1, 2027, the Secretary shall satisfy all payment amounts using the American Value Fund.

(2) No acceleration or required surrender.—Nothing in this section—

(A) requires the Secretary to satisfy a payment amount before it becomes due or payable or requires a holder to surrender a covered obligation before that time; or

(B) limits authority under chapter 31 of title 31, United States Code, including sections 3110 through 3113, or under the terms of a covered obligation, to call, purchase, redeem, or accept the surrender of the obligation before maturity or final payment.

(3) Alternative payment request.—A person entitled to a payment amount may request payment in money other than Treasury Dollar Bills. The Secretary, in the Secretary's discretion, may grant the request in whole or in part through a Federal payment system.

(4) Segregated payment.—

(A) In general.—If the Secretary cannot deliver a payment amount because—

(i) an entitlement to such payment has not been established;

(ii) applicable law or a competing claim prevents payment; or

(iii) the transfer from the American Value Fund lacks a valid destination;

the Secretary shall transfer an equal amount of Treasury Dollar Bills from the American Value Fund to a segregated payment account pending payment to the person so entitled.

(B) A transfer under this paragraph shall be treated as final payment by the United States for purposes of the covered obligation, and no additional amount shall accrue on the covered obligation with respect to that payment amount.

(C) The amount shall remain available without fiscal year limitation exclusively for the person entitled to the amount and shall remain subject to applicable law.

(D) Nothing in this paragraph shall supersede sections 3125 through 3128 of title 31, United States Code, or other law governing proof of entitlement, loss or destruction of an obligation, succession, sanctions, attachment, or competing claims.

(c) Repeal of the public debt limit and related provisions.—

(1) Public debt limit.—Section 3101 of title 31, United States Code, is repealed.

(2) Presidential modification.—Section 3101A of title 31, United States Code, is repealed.

(3) Congressional budget resolution.—Section 301(b)(5) of the Congressional Budget Act of 1974 (2 U.S.C. 632(b)(5)) is amended to read as follows:

"(5) include a heading entitled 'Debt Increase as Measure of Deficit' in which the concurrent resolution shall set forth the amounts by which the face value of obligations issued under chapter 31 of title 31, United States Code, and the face amount of obligations whose principal and interest are guaranteed by the United States Government (except guaranteed obligations held by the Secretary of the Treasury) have increased or would increase in each of the relevant fiscal years;".

(4) Civil Service Retirement and Disability Fund.—Section 8348 of title 5, United States Code, is amended by striking subsections (j), (k), and (l).

(5) Federal Deposit Insurance Corporation borrowing.—Section 14(d)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1824(d)(2)) is amended—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively.

(6) Protection of Social Security and Medicare trust funds.—Section 1145(b) of the Social Security Act (42 U.S.C. 1320b–15(b)) is amended to read as follows:

"(b) Public debt obligation defined.—For purposes of this section, the term 'public debt obligation' means an obligation issued under chapter 31 of title 31, United States Code, or an obligation whose principal and interest are guaranteed by the United States Government, except a guaranteed obligation held by the Secretary of the Treasury.".

(7) Transition for existing debt issuance suspension period.—If a debt issuance suspension period, as defined in section 8348(j)(5) of title 5, United States Code, as in effect on December 31, 2026, is in effect on that date—

(A) section 8348(j)(4) of such title, as in effect on that date, shall continue to apply to the calculation and payment of make-whole interest attributable to that period; and

(B) section 8348(l)(1) of such title, as in effect on that date, shall continue to apply to the final report concerning that period.

(d) Specific congressional authorization required for future borrowing.—

(1) Amendment.—Chapter 31 of title 31, United States Code, is amended by inserting before section 3102 the following:

"Sec. 3101B. Specific congressional authorization required for borrowing

"(a) General rule.—After December 31, 2026, the Secretary of the Treasury may not borrow money on the credit of the United States, including by issuing an obligation under this chapter, unless authorized by an Act of Congress enacted after such date.

"(b) Required terms.—An authorization under this section shall specify—

"(1) the maximum aggregate principal amount of obligations authorized to be issued;

"(2) the public purpose and authorized use of the proceeds;

"(3) the authorized issuance period and maximum maturity; and

"(4) the source or sources from which principal and interest will be paid.

"(c) Administration.—Except as otherwise expressly provided by the authorizing Act, the Secretary may issue and administer an obligation authorized under this section using the procedures and authorities otherwise available under this chapter.

"(d) American Value Fund.—An obligation issued under this section shall not constitute a claim against the American Value Fund established under section 623(b)(5) of the POPULIST Act, and no amount in that Fund may be used to pay or retire the obligation.

"(e) Tax and loss bonds.—This section does not apply to the issuance or administration of a tax and loss bond under section 3109.

"(f) Constitutional authority.—Nothing in this section shall be construed to limit the constitutional authority of Congress to borrow money on the credit of the United States.".

(2) Clerical amendments.—The table of sections for subchapter I of chapter 31 of title 31, United States Code, is amended—

(A) by striking the items relating to sections 3101 and 3101A;

(B) by inserting before the item relating to section 3102 the following:

"3101B. Specific congressional authorization required for borrowing.";

(C) by striking the item relating to section 3111; and

(D) by inserting after the item relating to section 3110 the following:

"3111. Purchase and redemption of outstanding obligations.".

(3) Conforming amendments.—

(A) Section 3102(a) of title 31, United States Code, is amended—

(i) by striking "With the approval of the President, the Secretary" and inserting "Subject to section 3101B, the Secretary"; and

(ii) by striking "may buy, redeem, and make refunds under section 3111" and inserting "may buy and redeem outstanding obligations under section 3111".

(B) Section 3103(a) of title 31, United States Code, is amended—

(i) by striking "With the approval of the President, the Secretary" and inserting "Subject to section 3101B, the Secretary"; and

(ii) by striking "may buy, redeem, and make refunds under section 3111" and inserting "may buy and redeem outstanding obligations under section 3111".

(C) Section 3104(a) of title 31, United States Code, is amended—

(i) by striking "The Secretary" and inserting "Subject to section 3101B, the Secretary"; and

(ii) by striking "may buy, redeem, and make refunds under section 3111" and inserting "may buy and redeem outstanding obligations under section 3111".

(D) Section 3105(a) of title 31, United States Code, is amended—

(i) by striking "With the approval of the President, the Secretary" and inserting "Subject to section 3101B, the Secretary"; and

(ii) by striking "may buy, redeem, and make refunds under section 3111" and inserting "may buy and redeem outstanding obligations under section 3111".

(E) Section 3106(a) of title 31, United States Code, is amended—

(i) by striking "With the approval of the President, the Secretary" and inserting "Subject to section 3101B, the Secretary"; and

(ii) by striking "may buy, redeem, and make refunds under section 3111" and inserting "may buy and redeem outstanding obligations under section 3111".

(F) Section 3109(a) of title 31, United States Code, is amended by striking "may buy, redeem, and make refunds under section 3111" and inserting "may buy and redeem outstanding obligations under section 3111".

(G) Section 3111 of title 31, United States Code, is amended to read as follows:

"Sec. 3111. Purchase and redemption of outstanding obligations

"The Secretary may use money in the general fund of the Treasury or another amount otherwise available by law to buy or redeem, at or before maturity, an outstanding obligation issued under this chapter.".

(H) Section 3123(c)(1) of title 31, United States Code, is amended by striking "The Secretary may issue" and inserting "Subject to section 3101B, the Secretary may issue".

(e) Annual public debt report.—Section 3130 of title 31, United States Code, is amended—

(1) by amending the matter preceding paragraph (1) of subsection (a) to read as follows:

"(a) General rule.—On or before June 1 of each calendar year, the Secretary of the Treasury shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and publish on a public website in an open and machine-readable format, a report on—";

(2) by adding at the end of subsection (b) the following:

"(3) A table showing the maturity distribution of obligations outstanding under this chapter as of the date the report is submitted and for prior years and, for the current fiscal year and the succeeding 5 fiscal years, the projected principal and interest payments, including separate amounts for—

"(A) covered obligations, as defined in section 613(a) of the POPULIST Act; and

"(B) obligations authorized under section 3101B.

"(4) A table identifying each Act of Congress authorizing issuance under section 3101B and showing, for each such Act—

"(A) the maximum aggregate principal amount authorized and the amounts issued and outstanding;

"(B) the public purpose and authorized use of the proceeds;

"(C) the authorized issuance period and maximum maturity; and

"(D) the source or sources from which principal and interest will be paid.";

(3) by amending subsection (d) to read as follows:

"(d) Recommendations.—The Secretary of the Treasury may include in a report under subsection (a) recommendations concerning the payment and retirement of public debt obligations, obligations authorized under section 3101B, the Federal Financing Bank, or another matter covered by the report."; and

(4) by amending subsection (e)(2) to read as follows:

"(2) Total public debt.—The term 'total public debt' means the face value of obligations issued under this chapter and the face amount of obligations whose principal and interest are guaranteed by the United States Government, except guaranteed obligations held by the Secretary of the Treasury.".

(f) Effective date.—This section and the amendments made by this section shall take effect on January 1, 2027.

SEC. 614. CONVERSION OF TREASURY DOLLAR BILLS AND FEDERAL ACCOUNT SWEEPS.

(a) Treasury General Account counterpart account.—

(1) Establishment.—Not later than December 31, 2026, the Secretary of the Treasury shall establish and maintain, under section 623(b)(7), a Treasury transaction account to be known as the Treasury General Account counterpart account (in this section referred to as the "counterpart account").

(2) Relationship to Treasury General Account.—The counterpart account shall be operationally paired with, but legally distinct from, the general account of the Treasury maintained at the Federal Reserve Banks.

(b) Automatic Federal account sweeps.—

(1) In general.—The applicable percentage under paragraph (4) of the amount of Treasury Dollar Bills credited to an account established under section 623(b)(7) (except as provided by paragraph (3)) shall be transferred to the counterpart account not later than the next business day.

(2) Corresponding general-account credit.—For each transfer under paragraph (1), the Secretary shall record in the corresponding Federal fund or account an equal dollar-denominated credit payable through the general account of the Treasury. The transfer and corresponding credit shall constitute an exchange at par. A credit recorded under this paragraph—

(A) shall not constitute Treasury Dollar Bills or a claim against the counterpart account; and

(B) shall preserve the legal availability, dedication, purpose, and budgetary classification of the transferred receipt.

(3) Excluded accounts.—Paragraph (1) shall not apply to—

(A) a Federal trust fund;

(B) an account expressly required by law to retain Treasury Dollar Bills; or

(C) an account exempted upon determination of the Secretary.

(4) Phaseout percentages.—The applicable percentage under paragraph (1) shall be—

(A) on and after January 1, 2027, 100 percent;

(B) on and after January 1, 2030, 80 percent;

(C) on and after January 1, 2031, 60 percent;

(D) on and after January 1, 2032, 40 percent;

(E) on and after January 1, 2033, 20 percent; and

(F) on and after January 1, 2034, 0 percent;

(c) Use of counterpart account.—

(1) Order of priority.—Treasury Dollar Bills held in the counterpart account shall be used, in the following order—

(A) to satisfy amounts required by law to be credited to the American Value Fund;

(B) to meet the operational needs of Federal accounts; and

(C) to conduct discretionary exchanges under subsection (d).

(2) Reserve policy.—To the extent practicable, the Secretary shall maintain a balance in the counterpart account sufficient to meet projected needs under paragraph (1)(A) and (B) before conducting an exchange under paragraph (1)(C).

(d) Discretionary exchanges with holders.—

(1) Authority.—On and after January 1, 2027, the Secretary may, in the Secretary's discretion, accept an amount of Treasury Dollar Bills from any account holder and, through a Federal payment system, make an equal payment from the general account of the Treasury to a payment destination designated by the account holder.

(2) Conditions.—An exchange under paragraph (1) may be conducted only to the extent that—

(A) sufficient balances are available in the general account of the Treasury; and

(B) the exchange is consistent with the priorities established under subsection (c).

(3) Disposition.—The amount of Treasury Dollar Bills accepted under paragraph (1) shall be credited to the counterpart account.

(4) Limitations.—The Secretary may limit the timing, aggregate amount, or amount available to any holder under this subsection as necessary to preserve operating balances, satisfy obligations of the United States, and provide for orderly conversion.

(5) Exchange not compulsory.—No person may compel the Secretary to conduct an exchange under this subsection.

(e) Exchanges with excluded Federal accounts.—

(1) Authority.—The Secretary may exchange any amount of Treasury Dollar Bills held in an account excluded from automatic transfer under subsection (b)(3) for an equal credit to that account through the general account of the Treasury or another Government depositary.

(2) Selection.—The Secretary may select among eligible accounts based on projected liquidity, benefit obligations, operational needs, and the priorities established under subsection (c).

(3) Opt out.—Except as otherwise required by law, the responsible official administering an eligible account may decline an exchange upon determining that the exchange would materially impair the administration of the account or the timely payment of any benefit, refund, withdrawal, or other obligation.

(4) Disposition.—Treasury Dollar Bills acquired under this subsection shall be credited to the counterpart account and used in accordance with subsection (c).

(f) Receipts dedicated to the American Value Fund.—

(1) Receipt of Treasury Dollar Bills.—An amount required by law to be credited to the American Value Fund that is received in Treasury Dollar Bills shall be credited directly to the American Value Fund.

(2) Other receipts.—An amount required to be credited to the American Value Fund (including by sections 535(b), 544(b), 552(b), 863(b)(1), 863(c), and 1244(f)(7) of this Act, sections 4493(e)(2), 9907, or 5000O of title 26, United States Code, as inserted by this Act, or other law) that is received in a form other than Treasury Dollar Bills shall—

(A) be deposited into the general fund of the Treasury in accordance with applicable law;

(B) be recorded as a pending credit to the American Value Fund; and

(C) remain outside the American Value Fund until an equal amount of existing Treasury Dollar Bills is credited to the American Value Fund.

(3) Satisfaction of pending credits.—The Secretary shall satisfy a pending credit under paragraph (2) at the earliest practicable time by transferring Treasury Dollar Bills from the counterpart account.

(4) Preservation of dedication.—Until a pending credit is satisfied, the Secretary shall preserve the legal dedication and accounting classification of the corresponding receipt.

(g) Protection of the American Value Fund.—Nothing in this section shall be construed to authorize any withdrawal or transfer from the American Value Fund.

(h) Private exchanges.—Nothing in this section shall prohibit a voluntary transfer or exchange of Treasury Dollar Bills between persons other than the United States on mutually agreed terms.

SEC. 615. AMERICAN VALUE FUND TOP-OFF PROCEDURES.

(a) Definitions.—In this section:

(1) Applicable top-off date.—The term "applicable top-off date" means, with respect to a report required under subsection (b), January 1 immediately following the date on which the report is required to be submitted.

(2) American Value Fund top-off.—The term "American Value Fund top-off" means the issuance and credit to the American Value Fund of an additional amount of Treasury Dollar Bills pursuant to this section.

(3) Forecast period.—The term "forecast period" means the 2-fiscal-year period beginning with the fiscal year following the fiscal year in which a report is required to be submitted under subsection (b).

(b) Biennial monetary capacity report.—Not later than September 1, 2028, and September 1 of every second year thereafter, the Secretary shall submit to Congress and publish a monetary capacity report evaluating the amount of additional Treasury Dollar Bills, if any, reasonably necessary to maintain an adequate, stable, and publicly administered money supply during the forecast period.

(c) Consultation.—In preparing the report required under subsection (b), the Secretary shall consult with the Board of Governors of the Federal Reserve System, the Director of the Congressional Budget Office, the Commissioner of the Bureau of Labor Statistics, the Director of the Bureau of Economic Analysis, the Commissioner of Social Security, and such other officers or independent experts as the Secretary determines appropriate.

(d) Required contents.—The report required under subsection (b) shall include—

(1) the aggregate amount of Treasury Dollar Bills outstanding by account category under section 623;

(2) the change, since December 31, 2026, or the most recent American Value Fund top-off, whichever is later, in—

(A) nominal gross domestic product, real gross domestic product, productive capacity, population, household formation, labor force participation, transaction demand, money velocity, price stability, inflation, unemployment, credit conditions, and financial stability; and

(B) the aggregate amount of, and change in, Federal Reserve notes, reserve balances, deposit liabilities, stablecoins, money market fund shares, repurchase agreement liabilities, and other dollar-denominated balances or instruments used primarily to make payments or as readily redeemable cash equivalents, including amounts created, extinguished, displaced, retired, converted, or absorbed during the period;

(3) projections for each fiscal year in the forecast period of the matters described in paragraph (2);

(4) an estimate of the amount of additional Treasury Dollar Bills, if any, reasonably necessary to accommodate real economic growth, population growth, transaction demand, and the contraction or displacement of deposit liabilities and other dollar-denominated payment balances or instruments during the forecast period without materially increasing inflation, asset-price instability, speculative activity, or shortages of real goods and services;

(5) the methods, data sources, assumptions, and ranges of uncertainty used in preparing the report; and

(6) the American Value Fund top-off amount determined by the Secretary under subsection (e).

(e) Top-off determination.—

(1) In general.—Concurrently with the submission of each report required under subsection (b), the Secretary shall determine the amount of the American Value Fund top-off, if any, for the applicable top-off date.

(2) Governing standard.—The top-off amount shall reasonably approximate, to the nearest whole multiple of $1,000,000,000,000, the amount that the Secretary determines, based on the report and the best available evidence, is necessary to maintain an adequate and stable publicly administered money supply during the forecast period, consistent with the productive capacity of the United States and without materially increasing inflation, asset-price instability, speculative activity, or shortages of real goods and services.

(3) Independence from expenditures.—The top-off amount shall be determined based on monetary conditions and economic capacity and shall not be based on the amount of any authorized or anticipated expenditure, withdrawal, or transfer from the American Value Fund.

(f) Congressional modification or prohibition.—

(1) Automatic effect.—Except as provided in paragraph (2), the top-off amount determined under subsection (e) shall take effect on the applicable top-off date without further action by Congress.

(2) Modification by law.—An Act of Congress enacted before the applicable top-off date may prohibit the American Value Fund top-off, specify a different top-off amount, or postpone the applicable top-off date.

(3) Controlling effect.—An amount or date specified by an Act described in paragraph (2) shall control for purposes of this section.

(4) No delay absent enactment.—No proposed legislation or action of either House of Congress shall delay or alter a top-off determination unless enacted into law.

(g) American Value Fund top-off coins.—

(1) Amendment.—Section 5112(k) of title 31, United States Code, as amended by section 611, is further amended by adding at the end the following:

"(3) American Value Fund top-off coins.—

"(A) In general.—If the American Value Fund top-off amount scheduled to take effect under section 615(f) of the POPULIST Act is greater than zero, the Secretary shall, not later than the applicable top-off date under that section, mint and issue 1 platinum coin to be known as an 'American Value Fund Top-Off Coin'.

"(B) Denomination.—The denomination of a coin minted under this paragraph shall equal the American Value Fund top-off amount scheduled to take effect on the applicable top-off date and shall be a whole multiple of $1,000,000,000,000.

"(C) Specifications.—A coin minted under this paragraph shall—

"(i) be composed of .9995 fine platinum;

"(ii) not exceed 2.25 inches in diameter;

"(iii) weigh not more than 250 grams; and

"(iv) bear its denomination and such designs and inscriptions as the Secretary determines appropriate.

"(D) Not legal tender.—Notwithstanding section 5103, a coin minted under this paragraph shall not be legal tender for any debt, public charge, tax, or due.".

(h) Deposit, issuance, and credit.—

(1) Presidential deposit.—On each applicable top-off date for which the American Value Fund top-off amount taking effect under subsection (f) is greater than zero, the President of the United States shall deposit with the Secretary, for permanent custody by the Department of the Treasury, an American Value Fund Top-Off Coin minted and issued under section 5112(k)(3) of title 31, United States Code, having a denomination equal to such amount, to provide the basis for the issuance and credit required under paragraph (3).

(2) Deposit by Secretary.—If the President has not completed the deposit required under paragraph (1) by 4:00 p.m. Eastern standard time on the applicable top-off date, the Secretary shall take custody of the coin and complete the deposit on behalf of the United States before the end of that day.

(3) Issuance and credit.—Immediately upon completion of the deposit, the Secretary shall issue and credit to the American Value Fund an amount of Treasury Dollar Bills equal to the denomination of the coin. Such issuance shall not give rise to any corresponding liability, obligation, or debt of the United States.

(4) Exclusive basis for credit.—No amount of Treasury Dollar Bills may be issued or credited under this section except upon completion of the deposit required under paragraph (1) or (2), and each coin deposited under this subsection may serve as the basis for only 1 credit under paragraph (3).

(5) Single monetary transaction.—For purposes of the consolidated accounting and financial reporting of the United States, an American Value Fund Top-Off Coin and the corresponding issuance and credit under paragraph (3) shall constitute components of a single monetary transaction and shall be recorded and reported as a single addition, equal to the denomination of the coin, to the assets and net position of the United States.

(6) Permanent custody.—A coin deposited under this subsection shall remain in the permanent secure custody of the Department of the Treasury and may not be sold, transferred, pledged, encumbered, redeemed, melted, destroyed, or used as the basis for any additional monetary issuance and credit.

(7) Exhibition.—The Secretary may publicly display or exhibit a coin deposited under this subsection under conditions that preserve the security and permanent custody required under paragraph (6).

(i) Certification and public accounting.—Upon completion of the deposit, issuance, and credit required under subsection (h), the Secretary shall certify to the President, Congress, and the public—

(1) the applicable top-off date;

(2) the denomination of the American Value Fund Top-Off Coin; and

(3) the new aggregate amount of Treasury Dollar Bills in the American Value Fund.

Subtitle B—Establishing a Public Option for Banking

SEC. 621. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds the following:

(1) After the Revolutionary War, the first Secretary of the Treasury, Alexander Hamilton, established the first Bank of the United States. By consolidating debt and expanding the money supply, Hamilton was able to grow the economy by influencing the circulation of money through bank branches up and down the east coast. However, since sending letters was the fastest form of communication available to him, he was limited in how well he could manage the economy.

(2) Four generations later, during the Civil War, the U.S. Treasury introduced "greenbacks" as legal tender. This sovereign money was issued directly under Congress's Constitutional authority and created the first national currency. Abraham Lincoln also signed the National Banking Acts, regulating the banking system as well as could be done when the telegraph was the fastest form of communication.

(3) Four generations later, during the Great Depression, Franklin Roosevelt decoupled the money supply from the gold standard and addressed wealth inequality through government spending. He also signed the Banking Act of 1933, increasing oversight of the banking system now that the telephone was the fastest form of communication.

(4) In the 21st century, modern technology allows for instantaneous communication around the globe, enabling real-time payment processing. Accordingly, economist Robert Hockett has proposed The Treasury Dollar Act of 2020, upgrading the national banking system again to create a public payment infrastructure, equally and efficiently accessible to all.

(5) As previous cycles have demonstrated, it is necessary to increase the money supply in the long run to maintain stable prices and maximize growth. This dividend is the result of the evolution of the U.S. economy, and Congress finds that the systemwide profit from the economy should be distributed among its owners, the citizens of the United States. Accordingly, the money supply should be expanded to include digital legal tender issued by the U.S. Treasury.

(6) The Treasury already possesses the framework of a public payment infrastructure through its TreasuryDirect accounts, which allow account holders to conduct transactions at any time of the day or night, and can be expanded to accommodate wider use by the American people.

(b) Purpose.—The purpose of this subtitle is to promote economic prosperity in the United States while establishing the U.S. as a worldwide leader in digital currency.

SEC. 622. DEFINITIONS.

In this subtitle, the following definitions apply:

(1) Account overlay.—The term "account overlay" means an administrative designation, subaccount, tag, or record associated with a Treasury transaction account that identifies the legal capacity, fiduciary capacity, tax treatment, commercial activity, or authorized financial activity in which a person receives, holds, or transfers Treasury Dollar Bills, but does not create a separate account category or permit any amount of Treasury Dollar Bills to be recorded in more than 1 account category at any time.

(2) Adult.—The term "adult" has the meaning given the term in section 1398a(a) of title 42, United States Code.

(3) Anonymize.—The term "anonymize" means, with respect to a transfer, to conduct the transfer as the digital equivalent of a cash transaction—

(A) at the affirmative election of the account holder, with sealed identifying information; or

(B) without recording a transaction history.

(4) Authorized Treasury interface provider.—The term "authorized Treasury interface provider" means a person approved by the Secretary under this subtitle that, with the authorization of an account holder, may authenticate users and transmit or present instructions to the Treasury for the initiation of transfers, inquiries, or account services relating to a Treasury transaction account, but may not hold, control, intermediate, substitute, or record Treasury Dollar Bills on the person's own balance sheet.

(5) Child.—The term "child" has the meaning given the term in section 1398a(d) of title 42, United States Code.

(6) Participating financial institution.—The term "participating financial institution" means an insured depository institution, as defined in section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2)), or an insured credit union, as defined in section 101(7) of the Federal Credit Union Act (12 U.S.C. 1752(7)), that maintains a Treasury transaction account under section 623(b)(6) and elects to offer pass-through accounts under section 626.

(7) Pass-through account.—The term "pass-through account" means an account maintained by a participating financial institution that is linked, at the direction of the account holder, to the account holder's Treasury transaction account for the receipt of transfers and corresponding equal-dollar credits under section 626.

(8) Physical bearer instrument.—The term "physical bearer instrument" means a physical instrument issued by the Treasury in bearer form that evidences a claim, payable to the bearer on demand, to an equal amount of Treasury Dollar Bills held in the physical bearer reserve.

(9) Physical bearer reserve.—The term "physical bearer reserve" means the Treasury transaction account established under section 623(b)(12) to hold Treasury Dollar Bills corresponding dollar-for-dollar to the aggregate amount represented by outstanding physical bearer instruments.

(10) Postal retail facility.—The term "postal retail facility"—

(A) means a post office, post office branch, post office classified station, or other facility that is operated by the Postal Service, the primary function of which is to provide retail postal services; and

(B) does not include a contractor-operated facility offering postal services.

(11) Postal Service.—The term "Postal Service" means the United States Postal Service.

(12) Sealed identifying information.—The term "sealed identifying information" means, with respect to an anonymized transfer, a transaction history that—

(A) is created or retained only upon the affirmative election of the account holder;

(B) is cryptographically sealed, technically segregated, or otherwise protected from ordinary access by the Treasury or any other person; and

(C) may be accessed—

(i) by the account holder;

(ii) with the consent of the account holder;

(iii) pursuant to a valid court order; or

(iv) pursuant to another procedure expressly authorized by Congress for fraud correction, account recovery, or security remediation.

(13) Secretary.—The term "Secretary" means the Secretary of the Treasury.

(14) Transaction history.—The term "transaction history"—

(A) means identifying details of a transfer into or out of a Treasury transaction account, such as the time, date, name, or other identifying information about the other account associated with the transfer; and

(B) does not include the amount of the transfer or the Treasury ledger sequence of the transfer.

SEC. 623. ESTABLISHMENT OF TREASURY TRANSACTION ACCOUNTS.

(a) Treasury ledger and public payment infrastructure.—The Treasury shall—

(1) forthwith and with all possible speed, in conjunction with the U.S. Digital Service and using the TreasuryDirect program as a foundation—

(A) establish categories of Treasury transaction accounts as described in subsection (b);

(B) assign or make available such accounts as provided by this section, provided that the same person or legal entity—

(i) may hold accounts in more than 1 category when necessary to reflect distinct capacities or activities; or

(ii) may use account overlays to reflect distinct capacities or activities; and

(C) maintain the Treasury ledger and establish and operate the public payment infrastructure described in subsection (e) for the holding, transfer, and settlement of Treasury Dollar Bills through that ledger, ensuring such ledger does not simultaneously record any amount of Treasury Dollar Bills in more than 1 account; and

(2) maintain a real-time public dashboard of the aggregate balances held across all categories of Treasury transaction accounts described in subsection (b).

(b) Categories of Treasury transaction accounts.—The Treasury shall establish and maintain the following categories of Treasury transaction accounts.

(1) Citizen accounts.—

(A) Qualifications and mandate.—The Secretary must establish an account for each United States citizen. No distinction may be made between natural born and naturalized citizens.

(B) Irrevocable.—No account designated under this paragraph may be closed during such citizen's natural life, except that any person who loses their citizenship pursuant to section 1481 or section 1451 of title 8, United States Code shall have their account redesignated as an account under paragraph (2), (3), or (4), as appropriate.

(2) Permanent legal residents.—

(A) Qualifications.—The Secretary shall establish an account for each individual lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

(B) Permanent.—No account opened under this paragraph may be closed during such individual's natural life, except that any person who no longer qualifies shall have their account redesignated as an account under paragraph (1), (3), or (4), as appropriate.

(3) Temporary legal residents and visitors.—

(A) Qualifications.—The Secretary may establish an account for a qualifying individual lawfully present in the United States on a temporary or conditional basis, as determined under applicable Federal immigration law. Any account holder who later becomes qualified under paragraph (1) or (2) shall have their account so redesignated.

(B) Time limited.—Each account opened under this paragraph shall automatically be redesignated as an account under paragraph (4) on expiration or conclusion of lawful presence.

(4) Other natural persons.—

(A) Qualifications.—The Secretary may establish an account for a natural person not qualified under paragraphs (1) through (3), including individuals located outside the United States.

(B) Revocable.—No account designated under this paragraph may be terminated except upon a determination by the Secretary, after notice and an opportunity to respond, that the account has been used for fraud, money laundering, sanctions evasion, or another material violation of Federal law. No account previously designated under paragraph (1) may be revoked.

(5) American Value Fund.—

(A) Establishment.—The Secretary must establish an account to be known as the American Value Fund.

(B) Source of funds.—An amount may be credited to the American Value Fund only—

(i) under section 611(c)(3) or 615; or

(ii) as required by another provision of law, in accordance with section 614(f).

(C) Exclusive uses.—An amount of Treasury Dollar Bills may be withdrawn or transferred from the American Value Fund only as expressly authorized by this Act for—

(i) the redemption or payment of an obligation of the United States issued under chapter 31 of title 31, United States Code, and outstanding at 11:59 p.m. Eastern standard time on December 31, 2026, pursuant to section 612 or 613; or

(ii) a distribution through the American Union Jobs Program (42 U.S.C. 1398a et seq.), including an emergency liquidity dividend authorized under section 634.

(6) Financial institutions and Federal Reserve Banks.—

(A) Risk-bearing financial institutions.—The Secretary shall establish and maintain a Treasury transaction account for a financial institution authorized under Federal or State law to hold commingled customer, member, client, or investor funds and to deploy those funds for lending, investment, or other risk-bearing financial activity.

(B) Participating financial institutions.—The Secretary shall establish and maintain a Treasury transaction account for each insured depository institution or insured credit union that elects to offer pass-through accounts under section 626.

(C) Federal Reserve Banks.—The Secretary shall establish and maintain a Treasury transaction account for each Federal Reserve Bank for the fiscal agent, settlement, cash management, and related functions authorized under section 628.

(D) Transitional rules.—During the transition to a 100 percent reserve requirement under section 461(b) of title 12, United States Code, any financial institution lawfully engaged in deposit taking or transaction account services on the date of enactment of this Act may hold an account under this paragraph. Not later than 90 days after the 100 percent reserve requirement is achieved, any such institution that does not qualify under subparagraph (A), (B), or (C) shall be redesignated or closed in accordance with rules issued by the Secretary.

(7) Federal Government accounts.—

(A) Corresponding accounts.—For each appropriation, receipt, trust, revolving, deposit, or other fund account maintained in the Treasury, the Secretary must establish and maintain a corresponding Treasury transaction account or subaccount under this paragraph to record and hold Treasury Dollar Bills for that Federal fund or account. Such corresponding Treasury transaction account or subaccount shall constitute part of, and not a separate account from, the Federal fund, account, or subaccount for which it is maintained.

(B) Account identification.—Each account or subaccount established under subparagraph (A) shall be separately identified using the applicable Treasury Account Symbol or any successor identifier.

(C) Federal Reserve Banks.—No Federal Reserve Bank shall be eligible to hold an account under this paragraph in its own capacity. A Federal Reserve Bank may administer or facilitate transactions for an account under this paragraph as a depositary or fiscal agent of the United States without being treated as the holder of that account.

(8) State and local governments.—

(A) Mandatory accounts.—The Secretary must open an account for each State, territorial, Tribal, and local governmental entity for the receipt of taxes, fees, intergovernmental transfers, and the payment or collection of public obligations.

(B) Subdivisions.—The Secretary may, on application, open accounts for political subdivisions, authorities, or instrumentalities of an entity described in subparagraph (A).

(9) Business entities.—

(A) Optional accounts.—Any person engaged in commercial activity may apply for a business entity account under this paragraph.

(B) Mandatory accounts.—The Secretary shall open a business entity account for any person engaged in commercial activity that exceeds the safe harbor threshold established under the value added tax provisions of this Act or is otherwise required to register for purposes of such tax.

(C) Redesignation or closure.—An account under this paragraph may be suspended, restricted, redesignated under paragraph (10), redesignated as an account overlay, placed under escrow or segregated treatment, or closed if the Secretary determines, after notice and opportunity to respond, that—

(i) the account holder no longer engages in commercial activity requiring an account under subparagraph (B);

(ii) the account holder has dissolved; or

(iii) the account holder has used the account for fraud, money laundering, sanctions evasion, tax evasion, or other material violation of Federal law.

The Secretary may preserve limited account access as necessary for tax compliance, payroll, customer refunds, lawful winding down, or protection of innocent parties.

(10) Other domestic legal entities.—

(A) Accounts on application.—The Secretary may open accounts, on application, for domestic legal entities not described in paragraph (9), including nonprofit organizations, associations, trusts, cooperatives, and similar entities.

(B) Closure.—An account under this paragraph may be closed upon dissolution of the underlying legal entity or upon a determination by the Secretary, after notice and opportunity to respond, that the account has been used for fraud, money laundering, sanctions evasion, or other material violations of Federal law.

(11) Foreign legal entities and public institutions.—

(A) Eligibility.—The Secretary may open an account, on application, for—

(i) a foreign legal entity not required to maintain an account under paragraph (9) that is authorized to conduct business or hold assets in the United States;

(ii) a foreign government, central bank, or international public institution eligible to participate in an international interoperability mechanism established under subsection (h)(3); or

(iii) another foreign legal entity or public institution authorized by Federal law to maintain assets or conduct transactions in the United States.

(B) Closure or restriction.—The Secretary may close, suspend, or restrict an account under this paragraph upon—

(i) loss of the authorization or eligibility on which the account was established;

(ii) a cause described in paragraph (10)(B);

(iii) a violation of subsection (h)(3)(B); or

(iv) another material violation of applicable Federal law.

(12) Physical bearer reserve.—

(A) Establishment.—The Secretary shall establish and maintain a Treasury transaction account designated as the physical bearer reserve to hold Treasury Dollar Bills

corresponding dollar-for-dollar to the aggregate amount represented by outstanding physical bearer instruments.

(B) Transaction restrictions.—The physical bearer reserve may be credited or debited only to carry out section 625 and may not be invested, pledged, encumbered, or used for any other purpose.

(c) Account overlays.—

(1) In general.—The Secretary may establish account overlays for a Treasury transaction account described in subsection (b) to identify the legal capacity, fiduciary capacity, tax treatment, commercial activity, or authorized financial activity in which an account holder receives, holds, or transfers Treasury Dollar Bills.

(2) No separate account category.—An account overlay shall not create a separate account category, separate legal account holder, off-ledger balance, private claim against Treasury Dollar Bills, pass-through account, or account maintained by a person other than the Treasury.

(3) Natural person payments.—An account overlay may not alter the person legally entitled to receive a payment required by law to be made to a natural person or route such payment into an account or overlay of a business entity, financial institution, governmental entity, or other legal entity.

(4) Commercial and tax administration overlays.—The Secretary may permit a person engaged in commercial activity to use an account overlay in connection with an account described in subsection (b)(9) for tax administration, receipt matching, audit, payroll, customer refunds, lawful winding down, or protection of innocent parties.

(5) No anonymization entitlement for nonpersonal activity.—An account overlay used for commercial activity, fiduciary capacity, financial activity, tax administration, or another nonpersonal capacity shall not be treated as an account opened pursuant to subsection (b)(1) for purposes of the anonymization entitlement under subsection (d)(8)(B).

(6) Rule of construction.—Nothing in this subsection shall be construed to prohibit an account holder from authorizing a transfer from a Treasury transaction account to an account, investment, or pass-through arrangement maintained outside the Treasury ledger.

(d) Treasury transaction accounts.—To the extent applicable to the account category and account holder, each Treasury transaction account shall—

(1) permit the real-time, fee-free transfer of Treasury Dollar Bills to other Treasury transaction accounts, with safeguards against hacking, unauthorized access, or misuse that meet or exceed applicable industry standards and legal requirements;

(2) be clearly identified in all account statements and official communications as U.S. Treasury transaction accounts maintained by the Treasury;

(3) be accessible, in coordination with the United States Postal Service, through automatic teller machines located at postal retail facilities;

(4) include spending cards indicating their linkage to the Treasury Recurring Unconditional Monetary Payment program, online account access, toll-free telephone access, automatic bill-pay, mobile access, customer service, and other services the Secretary determines appropriate in the public interest;

(5) not be subject to any minimum or maximum balance requirements;

(6) for accounts opened pursuant to subsection (b)(1), (b)(5), (b)(7), or (b)(8), not be subject to any account-maintenance fee;

(7) provide account holders with reasonable protection against losses caused by fraud, error, or security breaches;

(8) include privacy protections, including—

(A) a prohibition on the disclosure of account details, transaction information, or personally identifying information without the account holder's consent, except as authorized by this subtitle or pursuant to a valid court order; and

(B) for accounts opened pursuant to subsection (b)(1), the ability to anonymize transfers or delete their individual transaction history; and

(9) permit an account holder to access and manage the account through an authorized Treasury interface provider, including by means of third-party software applications, pursuant to subsection (h).

(e) Public payment infrastructure.—

(1) Treasury ledger as system of record.—The Treasury ledger shall be the exclusive system of record for the issuance, holding, transfer, and settlement of Treasury Dollar Bills in digital form.

(2) Settlement by ledger entry.—A transfer of Treasury Dollar Bills shall be made only by debiting 1 Treasury transaction account and crediting another Treasury transaction account on the Treasury ledger.

(3) Finality.—A transfer of Treasury Dollar Bills shall be final upon settlement on the Treasury ledger, subject only to reversal, correction, or remediation procedures expressly authorized by this Act or by regulations issued by the Secretary to address fraud, error, unauthorized access, or operational failure.

(4) No parallel ledger.—No person other than the Treasury may issue, settle, net, record, intermediate, or maintain Treasury Dollar Bills in a manner that creates an off-ledger balance, synthetic dollar claim, deposit substitute, private monetary instrument, or other claim represented as Treasury Dollar Bills.

(5) Operational requirements.—The Secretary shall operate the public payment infrastructure in a manner that provides secure authentication, continuous availability, redundancy, disaster recovery, fraud prevention, error correction, account recovery, public access, and auditable controls sufficient to support nationwide use, including online, mobile,

automated, and point-of-sale commerce; machine-readable payment requests; immediate confirmation of final settlement; and transfers in any amount that may be denominated under section 5101 of title 31, United States Code, without a minimum transaction amount imposed by the Treasury.

(6) Nondiscrimination.—No financial institution, payment service provider, card network, digital wallet provider, or other person offering payment services in or affecting interstate commerce may refuse, degrade, delay, surcharge, or otherwise discriminate against a lawful transfer of Treasury Dollar Bills solely because the transfer is initiated, settled, or received through the public payment infrastructure established under this section.

(7) Federal use of payment infrastructure.—

(A) Acceptance and routing of public revenues.—Each department, agency, and instrumentality of the Federal Government shall accept Treasury Dollar Bills in payment of all taxes, fees, excises, debts, and other public revenues. The Secretary shall credit the amount received to the account or subaccount corresponding to the Federal fund or account to which the payment is legally payable.

(B) Preservation of legal status.—The establishment or use of an account or subaccount under this paragraph shall not alter the legal availability, dedication, purpose, or budgetary classification of any amount held for or credited to the corresponding Federal fund or account.

(f) Launch date and commencement.—

(1) Population enumeration authority.—Solely for purposes of account creation, identity verification, and program administration, and notwithstanding any other provision of law, the Secretary may coordinate with the Internal Revenue Service, the Social Security Administration, the Department of Homeland Security, the Federal Election Commission, U.S. Citizenship and Immigration Services, State departments of motor vehicles, and any other Federal, State, or local government agency, to obtain and reconcile records necessary to establish, verify, and maintain Treasury transaction accounts under this section. Records obtained under this paragraph shall be subject to data minimization, access logging, retention limits, and audit requirements established by rule.

(2) Readiness criteria.—The Secretary may certify readiness for commencement of payments under the American Union Jobs Program established under section 811 only upon determining that—

(A) the American Value Fund account described in subsection (b)(5) is operational and funded;

(B) accounts described in subsections (b)(6) through (b)(8) are operational and capable of receiving and disbursing payments;

(C) not fewer than 300,000,000 individual Treasury transaction accounts described in subsection (b)(1) are open and capable of receiving Treasury Dollar Bills;

(D) real-time, fee-free transfers between Treasury transaction accounts are operational;

(E) Treasury transaction accounts are usable for the payment of Federal taxes, fees, and other public obligations; and

(F) application processes for accounts described in subsections (b)(6) and (b)(9) are operational.

(3) Monthly status reports.—On or about the first day of each month prior to certification under paragraph (4), the Secretary shall publish a public report describing progress toward the readiness criteria described in paragraph (2), including account counts by category and an estimated launch date.

(4) Certification and launch date.—Upon determining that the readiness criteria described in paragraph (2) have been satisfied, the Secretary shall issue a public certification of readiness and designate the first day of the next calendar month as the launch date.

(5) Commencement of payments.—On the launch date designated under paragraph (4), the Commissioner of Social Security is authorized to disburse Treasury Dollar Bills from the American Value Fund for purposes of administering payments under the American Union Jobs Program (42 U.S.C. 1398a et seq.), in accordance with law.

(g) Privacy and rule of construction.—

(1) Exclusive governance.—Treasury transaction accounts established under this section shall be governed exclusively by this subtitle and shall not be considered accounts, products, or services of a financial institution for purposes of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) or any other provision of Federal law governing private financial institutions.

(2) Minimum privacy floor.—Notwithstanding paragraph (1), the Secretary shall ensure that the collection, use, safeguarding, and disclosure of information relating to Treasury transaction accounts meets or exceeds the substantive privacy protections and data security standards applicable to consumers under subtitle A of title V of the Gramm-Leach-Bliley Act, except to the extent such standards would permit disclosure or secondary use inconsistent with this subtitle.

(3) No implied exceptions.—No exception, authorization, or permitted disclosure applicable to private financial institutions under Federal or State law shall apply to Treasury transaction accounts unless expressly authorized by this Act.

(4) Purpose limitation.—Information associated with Treasury transaction accounts may be collected, accessed, or used solely for—

(A) account administration and payment settlement;

(B) prevention of fraud or security breaches;

(C) compliance with a valid court order; or

(D) other purposes expressly authorized by this Act.

(5) No commercialization.—Information associated with Treasury transaction accounts may not be sold, licensed, transferred, or otherwise used for commercial purposes, targeted

advertising, credit underwriting, behavioral profiling, or any use unrelated to the administration of this Act.

(6) Construction.—Nothing in this Act shall be construed to authorize the Secretary or any other officer of the United States to create or maintain a comprehensive transaction surveillance system, except as strictly necessary to safeguard the public payment infrastructure established under this Act.

(h) Treasury interfaces.—

(1) API mandate.—The Secretary shall publish, maintain, and continuously operate standardized application programming interfaces that enable secure, real-time access to Treasury transaction accounts for purposes of balance inquiry, payment initiation, generation and presentation of machine-readable payment requests, inclusion of merchant, invoice, order, or other account-holder-approved transaction references, confirmation of final settlement, account management, and other functions expressly authorized by this Act. Such interfaces shall support online, mobile, automated, and point-of-sale transactions in any amount that may be denominated under section 5101 of title 31, United States Code.

(2) Authorized Treasury interface providers.—

(A) In general.—The Secretary shall permit any person to act as an authorized Treasury interface provider, subject to compliance with this subsection and rules issued by the Secretary, for the sole purpose of providing user-facing software or services that allow an account holder to access and manage a Treasury transaction account.

(B) Account holder authorization.—Access by an authorized Treasury interface provider shall occur only pursuant to an affirmative, revocable authorization by the account holder, and the Treasury ledger shall remain the exclusive system of record for all Treasury Dollar Bills and account balances at all times.

(C) No custody or intermediation.—An authorized Treasury interface provider shall not—

(i) hold, custody, intermediate, substitute for, rehypothecate, or record Treasury Dollar Bills or account balances on its own balance sheet;

(ii) settle transactions off-ledger or outside the public payment infrastructure established under this section; and

(iii) with respect to Treasury Dollar Bills, Treasury transaction accounts, or access to the public payment infrastructure, extend credit, create money-like claims, or otherwise replicate deposit-taking or transaction account functions.

(D) Functional limitation.—An authorized Treasury interface provider may transmit authenticated instructions to the Treasury on behalf of an account holder and may display information returned by the Treasury, but shall not alter, delay, bundle, net, or prioritize transactions except as expressly directed by the account holder.

(E) Equal access and nondiscrimination.—The Secretary may not grant exclusive access, preferential treatment, or discriminatory technical terms to any authorized Treasury interface provider, and shall ensure that APIs are offered on fair, reasonable, and nondiscriminatory terms.

(F) Security and auditability.—The Secretary, in cooperation with the U.S. Digital Service, shall establish minimum technical, cybersecurity, and audit standards for authorized Treasury interface providers sufficient to protect account integrity and prevent fraud.

(G) Revocation.—The Secretary may suspend or revoke authorization under this subsection for material violation of this Act or implementing rules, or for other good cause, as defined by rule.

(H) Privacy and data-use rules.—An authorized Treasury interface provider shall be subject to the privacy, purpose limitation, no commercialization, and data security rules under subsection (g) with respect to any account details, transaction information, personally identifying information, credentials, metadata, or other information accessed, received, generated, or retained in connection with Treasury transaction accounts.

(3) International interoperability.—

(A) In general.—The Secretary shall, not later than January 1, 2029, establish mechanisms to permit Treasury transaction accounts to interoperate with public or regulated payment infrastructures of foreign jurisdictions for the purpose of cross-border payments and currency exchange.

(B) Sovereign ledger integrity.—No transaction pursuant to this paragraph may—

(i) permit the creation, issuance, or recognition of any private monetary instrument, stablecoin, deposit substitute, or synthetic dollar claim that is recorded on, or purports to create a claim against, the Treasury ledger;

(ii) result in any obligation of the United States to redeem, backstop, or guarantee foreign currency, foreign payment instruments, or private liabilities; or

(iii) authorize any person other than the Treasury to create, net, or settle dollar-denominated obligations within the Treasury ledger.

(C) Designated exchange accounts.—The Secretary may authorize one or more designated foreign exchange accounts under subsection (b)(11), which may include accounts held by foreign governments, central banks, or international public institutions, for the limited purpose of facilitating currency exchange between Treasury Dollar Bills and foreign currencies, provided that—

(i) such facilities operate on a fully prefunded basis and do not engage in leverage, maturity transformation, or redemption on demand;

(ii) balances held in such facilities shall not be transferable as a means of payment except for the purpose of effectuating an exchange authorized under this paragraph; and

(iii) no balance held in such facility shall be represented, marketed, or used as a substitute for Treasury transaction accounts.

(D) Fees and limits.—The Secretary shall impose reasonable fees, volume limits, or both on transactions conducted pursuant to this paragraph as necessary to—

(i) prevent speculative or high-frequency use, currency arbitrage, or destabilizing capital flows;

(ii) preserve the stability and integrity of the public payment infrastructure and the adequate domestic availability of Treasury Dollar Bills; and

(iii) recover the administrative costs of operating international interoperability mechanisms.

In establishing such fees and limits, the Secretary shall distinguish ordinary payments, purchases, and personal remittances from speculative, high-frequency, or large-scale capital movements to the extent administratively practicable.

(E) Rule of construction.—Nothing in this paragraph shall be construed to—

(i) require any foreign jurisdiction to adopt a sovereign money system;

(ii) prohibit designated exchange accounts from charging reasonable fees;

(iii) prohibit foreign jurisdictions from permitting private money creation within their own monetary systems; or

(iv) authorize private parties to intermediate, rehypothecate, or otherwise reuse Treasury Dollar Bills outside the Treasury ledger.

(F) Transparency.—The Secretary shall publish, no less than annually, aggregate data on the volume, counterparties, and currencies involved in transactions conducted pursuant to this paragraph.

(4) Implementation timeline.—

(A) Not later than 180 days after the date of enactment of this Act, the Secretary shall publish initial technical specifications for the application programming interfaces required under paragraph (1).

(B) Not later than 12 months after the date of enactment of this Act, the Secretary shall deploy production-ready application programming interfaces sufficient to support authorized Treasury interface providers at national scale.

(C) The Secretary shall maintain versioned interfaces and current technical documentation and, to the maximum extent practicable, preserve compatibility with

authorized interfaces. Before making a change that materially impairs compatibility, the Secretary shall provide reasonable notice, transition guidance, and an appropriate period for implementation, except when an immediate change is necessary to address a security vulnerability, operational emergency, or violation of law.

(i) Conforming amendments.—

(1) Direct deposit option.—Section 3332(j)(1) of title 31, United States Code, is amended by inserting "Treasury transaction account transfers," after "Fed Wire transfers,".

(2) Legal tender.—Section 5103 of title 31, United States Code, is amended by striking "United States coins and currency" and inserting "Treasury Dollar Bills, United States coins, and currency".

(3) Security of the United States.—

(A) In general.—Section 8 of title 18, United States Code, is amended by inserting "Treasury Dollar Bills," after "Treasury notes,".

(B) Rule of construction.—Subparagraph (A) shall not be construed to cause Treasury Dollar Bills to constitute obligations issued under chapter 31 of title 31, United States Code, or debt obligations of the United States.

(j) Appropriation.—There is appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated, $10,000,000,000 for fiscal year 2027, to remain available until expended, to administer Treasury Dollar Bills, Treasury transaction accounts, and the public payment infrastructure, including reimbursements required under section 627(g).

SEC. 624. LOCKBOX FOR JUST MONEY RULES.

(a) Findings.—Congress finds the following:

(1) A just money system is a monetary system in which sovereign money is issued under public authority, administered for the general welfare, and governed in a manner that is fair, transparent, democratic, sustainable, and accountable to the people.

(2) The integrity of a just money system requires that the core rules governing the issuance of Treasury Dollar Bills, the initial credit of newly issued Treasury Dollar Bills to the American Value Fund, and the lawful uses of that Fund be protected against casual circumvention or alteration.

(b) Just money rules.—In this section, the term "just money rules" means—

(1) section 602(a)(4);

(2) section 5104 of title 31, United States Code;

(3) subsections (c) and (d)(3) of section 611;

(4) subsection (c) of section 612;

(5) section 613;

(6) section 615;

(7) subsections (b)(5) and (f)(5) of section 623; and

(8) this section.

(c) Point of order.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, amendment between the Houses, conference report, or other matter that would—

(1) amend, repeal, supersede, waive, suspend, limit the application of, or create an exception to a just money rule;

(2) authorize the issuance of Treasury Dollar Bills except pursuant to section 611 or 615;

(3) authorize newly issued Treasury Dollar Bills to be credited initially to any fund, account, person, or entity other than the American Value Fund;

(4) authorize an amount credited to the American Value Fund to be appropriated, pledged, encumbered, loaned, invested, withdrawn, transferred, expended, or otherwise used except for—

(A) the redemption, retirement, or payment of an obligation of the United States issued under chapter 31 of title 31, United States Code, and outstanding immediately before January 1, 2027, as authorized or required under section 612 or 613; or

(B) a payment under the American Union Jobs Program (42 U.S.C. 1398a et seq.), including an emergency liquidity dividend authorized under section 634;

(5) establish or use another fund, account, instrument, transaction, or mechanism for the purpose or with the effect of circumventing paragraph (1), (2), (3), or (4); or

(6) achieve an effect described in paragraphs (1) through (5) through a notwithstanding clause, appropriation, transfer authority, rule of construction, or other provision, whether or not the matter expressly refers to a just money rule.

(d) Two-thirds vote required.—

(1) Waiver or suspension.—A point of order under subsection (c) may be waived or suspended in either House only by the affirmative vote of not less than two-thirds of the Members of that House, duly chosen and sworn, such vote being a roll call vote.

(2) Procedural waivers.—It shall not be in order in either House to consider or agree to any rule, resolution, order, motion, unanimous consent request, or other procedural matter that would waive, suspend, set aside, or prevent the enforcement of subsection (c), unless the matter expressly identifies this section and is approved by the affirmative vote required under paragraph (1).

(3) Appeals.—An appeal from a ruling of the Chair sustaining a point of order under subsection (c) may be agreed to only by the affirmative vote required under paragraph (1).

(4) Final passage.—A bill or joint resolution containing a provision described in subsection (c) shall not be considered passed or agreed to by either House unless approved on final passage in that House by the affirmative vote of not less than two-thirds of the Members of that House, duly chosen and sworn, such vote being a roll call vote.

(5) No blanket waiver.—A general or blanket waiver of points of order shall not waive or suspend this section unless the waiver expressly identifies this section and the specific measure or provision to which the waiver applies.

SEC. 625. PHYSICAL BEARER INSTRUMENTS REPRESENTING TREASURY DOLLAR BILLS.

(a) Preparatory activities.—The Secretary shall conduct design, testing, procurement planning, anti-counterfeiting research, serial number infrastructure development, validation infrastructure planning, public consultation, and transition planning in preparation for the possible production and general circulation of physical bearer instruments.

(b) Design and transition plan.—Not later than January 1, 2028, the Secretary shall submit to Congress and publish a plan for the design, production, distribution, redemption, cancellation, and transition of physical bearer instruments, including—

(1) proposed denominations, including higher denominations;

(2) accessibility features for blind, visually impaired, or disabled users, including changes in size, color, texture, or other features that improve independent use;

(3) recommendations for public input, including referendums, public comment, advisory panels, or other opportunities for the people of the United States to participate in selecting the persons, events, places, symbols, or themes represented on physical bearer instruments;

(4) anti-counterfeiting, serial number, issuance date, scanning, validation, cancellation, and destruction standards;

(5) a scanning, validation, or other verification method by which a holder may determine in real time whether a physical bearer instrument corresponds to Treasury Dollar Bills held in the physical bearer reserve and the current amount represented by the instrument;

(6) a method by which verified remote destruction of a physical bearer instrument may trigger a corresponding transfer from the physical bearer reserve to a designated Treasury transaction account, including standards for authentication, prevention of duplicate redemption, fraud liability, and error correction;

(7) recommendations on whether coins or other physical instruments should be included in, excluded from, or separately addressed by the physical bearer instrument system;

(8) recommendations for distribution through financial institutions, postal retail facilities, automated teller machines, and other existing lawful cash distribution channels;

(9) recommendations for phasing out the production of Federal Reserve notes and accepting Federal Reserve notes for deposit and retirement after the transition dates described in subsection (f);

(10) recommendations for incorporating physical bearer instruments into the legal-tender laws of the United States, including treatment under laws governing counterfeiting, alteration, cancellation, and duplicate instruments;

(11) recommendations for public education, merchant transition, consumer protection, and fraud prevention during the transition from Federal Reserve notes to physical bearer instruments;

(12) projected administrative, production, security, logistics, redemption, cancellation, and public education costs; and

(13) a proposed funding level for the physical bearer reserve and for production and general circulation of physical bearer instruments.

(c) Congressional authorization required.—The Secretary may not produce physical bearer instruments for general circulation unless a subsequent Act of Congress expressly authorizes production and general circulation and provides for the crediting of an amount of Treasury Dollar Bills to the physical bearer reserve.

(d) Reserve requirement.—If Congress authorizes production and general circulation of physical bearer instruments, the aggregate amount of Treasury Dollar Bills held in the physical bearer reserve shall correspond dollar-for-dollar to the aggregate amount represented by outstanding physical bearer instruments.

(e) Issuance, exchange, recirculation, and retirement.—

(1) Issuance.—A physical bearer instrument may be issued only upon the debit of an equal amount of Treasury Dollar Bills from a Treasury transaction account and the credit of that amount to the physical bearer reserve.

(2) Private exchange and recirculation.—A financial institution or other person may accept a physical bearer instrument in exchange for an equal credit, payment, or other agreed consideration provided from the assets of the accepting person. Such acceptance shall not debit the physical bearer reserve or prevent the instrument from being recirculated.

(3) Cancellation and retirement.—Upon verified cancellation, destruction, or other permanent removal from circulation of a physical bearer instrument, the Secretary shall debit the physical bearer reserve by the amount represented by the instrument and credit an equal amount of Treasury Dollar Bills to a Treasury transaction account designated by the person surrendering the instrument or demonstrating possession and control of the instrument immediately before its destruction.

(4) Unverified loss or destruction.—The loss, theft, mutilation, or alleged destruction of a physical bearer instrument shall not entitle any person to a transfer from, or authorize a debit to, the physical bearer reserve unless the Secretary verifies the authenticity and amount of the

instrument, the claimant's possession and control of the instrument immediately before the event giving rise to the claim, and its permanent removal from circulation.

(f) Federal Reserve note transition.—

(1) Financial institution transition.—Beginning January 1, 2030, no financial institution, payment service provider, automated teller machine operator, cash-in-transit service, or other person engaged in cash distribution as a business may dispense, pay out, recirculate, or otherwise provide a Federal Reserve note to a customer or counterparty, except for purposes of surrender, deposit, redemption, retirement, law enforcement, archival retention, or another purpose authorized by the Secretary by rule.

(2) Commercial transition.—Beginning January 1, 2032, no person engaged in commerce may provide a Federal Reserve note as change, cash back, refund, payroll, or other payout in the ordinary course of commerce, except for purposes of surrender, deposit, redemption, retirement, law enforcement, archival retention, or another purpose authorized by the Secretary by rule.

(3) Acceptance for deposit.—A person described in paragraph (1) or (2) may accept Federal Reserve notes for deposit, redemption, or surrender and shall transmit such notes for retirement or other lawful disposition in accordance with rules issued by the Secretary.

(g) Sense of Congress on legal tender.—It is the sense of Congress that Federal Reserve notes should remain legal tender for the duration of their circulation.

(h) Authorization of appropriations.—There is authorized to be appropriated $75,000,000 for the period of fiscal years 2027 and 2028, to remain available until expended, for activities under this section.

SEC. 626. PERMITTING PASS-THROUGH ACCOUNTS.

(a) Nature and treatment of pass-through account.—

(1) Private account and institutional liability.—A pass-through account is a private account maintained by and constituting a liability of the participating financial institution. It is not maintained on the Treasury ledger and does not constitute Treasury Dollar Bills or an obligation of the United States.

(2) Federal insurance.—A pass-through account shall be federally insured to the extent provided by applicable Federal law as—

(A) a deposit, as defined in section 3(l) of the Federal Deposit Insurance Act (12 U.S.C. 1813(l)), if maintained by an insured depository institution; or

(B) a member account, as defined in section 101(5) of the Federal Credit Union Act (12 U.S.C. 1752(5)), if maintained by an insured credit union.

(3) Equal dollar credit; no fee.—For each amount of Treasury Dollar Bills transferred to a participating financial institution under subsection (c), the institution shall credit the

pass-through account with an equal dollar amount and may not impose a fee, surcharge, discount, withholding, deduction, or other reduction based on the transfer or credit.

(4) No false representation.—A participating financial institution may not represent or imply that—

(A) a pass-through account is maintained or operated by the Treasury;

(B) a balance in a pass-through account constitutes Treasury Dollar Bills; or

(C) the United States guarantees a balance or obligation of the participating financial institution, except to the extent of applicable Federal deposit or share insurance.

(b) Account holder instruction.—The holder of a Treasury transaction account may provide, modify, or revoke at any time a standing instruction directing the Treasury to transfer an amount of Treasury Dollar Bills determined under the instruction from the holder's Treasury transaction account to the Treasury transaction account of a participating financial institution for corresponding credit to the holder's pass-through account.

(c) Transfers and operational safeguards.—

(1) Single transaction.—Final settlement of a transfer under subsection (b) and the corresponding credit required under subsection (a)(3) shall occur as a single transaction. Until both occur, the Treasury Dollar Bills subject to the instruction shall remain in the account holder's Treasury transaction account.

(2) Limited delay or rejection.—Before final settlement, a participating financial institution may delay or reject a transfer only to the extent reasonably necessary to address a specific risk of fraud, unauthorized access, a violation of law, a security breach, or a material operational failure.

(3) Narrow tailoring.—A delay or rejection under paragraph (2) shall be narrowly tailored in scope and duration and may not be used to impose a general monetary limit on lawful pass-through transfers.

(4) Notice.—The participating financial institution shall promptly notify the account holder of a delay or rejection under paragraph (2), the reason for the delay or rejection, and the steps reasonably available to resolve the matter, except to the extent notice is prohibited by law or would materially compromise fraud prevention or security.

(d) Optional reverse transfers.—

(1) Permitted exchange.—Nothing in this section prohibits a participating financial institution from exchanging an amount credited to a pass-through account for an equal amount of Treasury Dollar Bills transferred from the institution's Treasury transaction account to the account holder's Treasury transaction account.

(2) No obligation.—Nothing in this section requires a participating financial institution to offer or complete an exchange under paragraph (1) or to acquire or maintain Treasury Dollar Bills for that purpose.

(3) No compelled exchange.—No person may, by reason of this section, compel the Treasury, a Federal Reserve Bank, or a participating financial institution to exchange another form of money for Treasury Dollar Bills.

(4) No fee.—A participating financial institution that completes an exchange under paragraph (1) may not impose a fee, surcharge, discount, withholding, deduction, or other reduction based on the exchange.

(e) Regulations and implementation.—

(1) Regulations.—The Secretary, in consultation with the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Bureau of Consumer Financial Protection, shall prescribe regulations necessary to carry out this section, including regulations governing authorization, settlement, operational safeguards, disclosures, error resolution, reconciliation, privacy, and security.

(2) Operational readiness.—The Secretary shall make the functionality necessary to carry out this section operational not later than the launch date.

(3) Self-executing authority.—A failure to issue a regulation under paragraph (1) shall not delay implementation of an authority or obligation expressly established by this section.

SEC. 627. POSTAL ACCESS TO TREASURY TRANSACTION ACCOUNTS.

(a) Postal Service authority.—

(1) In general.—Section 404(a) of title 39, United States Code, is amended—

(A) in paragraph (7), by striking "; and" and inserting ";";

(B) in paragraph (8), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(9) to provide account access, transaction processing, customer assistance, cash handling, and other services relating to Treasury transaction accounts in accordance with section 627 of the POPULIST Act.".

(2) Nonpostal services limitation.—Section 404(e)(2) of title 39, United States Code, is amended by adding at the end the following: "This paragraph shall not apply to a service authorized under subsection (a)(9).".

(b) Services at postal retail facilities.—In coordination with the Secretary, the Postal Service shall provide the following services at postal retail facilities:

(1) Account access and customer assistance.—Secure access to a Treasury transaction account through assistance in person, terminals, and automated means, including assistance with authentication, identity verification, restoration of access, correction of account access errors, account recovery, and the initiation of bill payments and transfers through the public payment infrastructure established under section 623.

(2) Cash services.—

(A) Acceptance of Federal Reserve notes and United States coins for a credit of an equal amount of Treasury Dollar Bills to a Treasury transaction account, and dispensing of Federal Reserve notes and United States coins upon a debit of an equal amount of Treasury Dollar Bills from such account.

(B) Acceptance, dispensing, verification, and redemption of physical bearer instruments authorized under section 625 after production and general circulation of such instruments have been authorized by law.

(3) Automated teller machine access.—Access to an automated teller machine capable of accepting and dispensing Federal Reserve notes under paragraph (2)(A), providing account balance and transaction status inquiries, and providing such other automated Treasury transaction account services as the Secretary determines appropriate.

(c) Service standards and safeguards.—

(1) Accessibility and continuity.—The Postal Service and the Treasury shall provide services under this section in a manner accessible to persons with disabilities, persons with limited English proficiency, persons without reliable internet access, and persons requiring assistance in person, and shall maintain reasonable standards for service continuity, security, and customer assistance.

(2) Safeguards and limits.—The Secretary and the Postal Service may impose a reasonable and uniformly applied limit on a service under this section only to the extent necessary for cash availability, security, authentication, compliance with law, or fraud prevention. A limit may not impose a general monetary restriction on the lawful use of a Treasury transaction account or deny reasonable access to services under this section.

(3) No fees.—The Postal Service and the Treasury may not impose an account maintenance, transaction, cash acceptance, cash dispensing, transfer, bill payment, customer assistance, or other fee on an account holder for a service provided under this section.

(4) Foreign exchange.—Paragraph (3) does not prohibit a fee expressly authorized under section 623 for a foreign exchange transfer or international interoperability service.

(d) Limited Postal Service role.—

(1) No account opening.—Nothing in this section authorizes the Postal Service to establish or open a Treasury transaction account.

(2) No Postal Service accounts or lending.—The Postal Service may not establish or maintain an account for a customer on its own books, make a loan or other extension of credit, or offer a savings or investment product under this section.

(3) Agent and interface provider.—The Postal Service shall act only as a service provider and, to the extent authorized by the Secretary, as an agent of the Treasury or an authorized Treasury interface provider. The Postal Service shall not acquire a legal or equitable ownership interest in Treasury Dollar Bills solely by processing or facilitating a service under this section.

(e) Cash management and Federal Reserve support.—

(1) Joint procedures.—The Secretary and the Postmaster General shall jointly establish procedures governing the receipt, custody, accounting, verification, transportation, replenishment, dispensing, redemption, recirculation, and, where applicable, retirement of Federal Reserve notes, United States coins, and physical bearer instruments handled under this section.

(2) Federal Reserve support.—At the direction of the Secretary, the Federal Reserve Banks shall provide the cash management, transportation, storage, replenishment, settlement, reconciliation, and other fiscal agent support necessary to carry out this section in accordance with section 628.

(3) Cash inventory and liquidity.—

(A) Adequate inventory.—At the direction of the Secretary, the Federal Reserve Banks shall furnish, preposition, and replenish at postal retail facilities or designated cash distribution facilities inventories of Federal Reserve notes and United States coins in amounts and denominations sufficient to meet reasonably anticipated demand for services under subsection (b)(2)(A), including demand associated with scheduled Federal payments.

(B) Custody.—Federal Reserve notes and United States coins furnished under subparagraph (A) shall be held by the Postal Service solely in its capacity as a service provider and, to the extent authorized by the Secretary, as an agent of the Treasury. Such currency shall not constitute property or revenue of, or an expenditure by, the Postal Service.

(C) Settlement and reconciliation.—The procedures established under paragraph (1) shall provide for—

(i) final settlement on the Treasury ledger of an equal amount of Treasury Dollar Bills for each acceptance or dispensing of Federal Reserve notes or United States coins;

(ii) daily reconciliation of cash inventories and corresponding Treasury ledger transactions;

(iii) demand forecasting and timely replenishment; and

(iv) emergency replenishment and continuity procedures during periods of unusually high demand or operational disruption.

(f) Deployment.—

(1) Initial implementation plan.—Not later than 180 days after the date of enactment of this Act, and in all events before the launch date, the Secretary and the Postmaster General shall jointly publish a plan and schedule for implementing this section.

(2) Launch readiness and commencement.—Except for a service under subsection (b)(2)(B) that has not yet been authorized by law and the automated teller machine requirement under subsection (b)(3), the Postal Service shall have the systems, staffing, cash management,

security, and operational capacity necessary to provide the services under subsection (b), and shall begin providing those services, not later than the launch date.

(3) Priority deployment.—In implementing this section, the Secretary and the Postal Service shall give priority to postal retail facilities serving rural areas, areas of public need, communities without convenient access to financial services, and communities with a high proportion of persons receiving Federal benefit payments.

(4) Nationwide automated teller machine access.—Not later than 2 years after the launch date, each postal retail facility shall provide access to at least 1 automated teller machine meeting the requirements of subsection (b)(3).

(5) Physical constraints.—If installation of an automated teller machine inside a postal retail facility is physically impracticable, the Postal Service shall provide an automated teller machine immediately adjacent to the facility or another functionally equivalent means of automated access serving the facility.

(g) Reimbursement and funding.—

(1) Reimbursement.—The Secretary shall reimburse the Postal Service for all costs attributable to carrying out this section, including reasonable and necessary capital, personnel, maintenance, security, cash handling, transportation, technology, customer assistance, and administrative costs.

(2) Source.—Reimbursement under paragraph (1) shall be made from amounts available to the Secretary to administer Treasury Dollar Bills, Treasury transaction accounts, and the public payment infrastructure, including amounts appropriated under section 623(j).

(3) No postal subsidy.—The Postal Service shall not be required to use postal revenues derived from market-dominant or competitive postal products to subsidize services provided under this section.

(h) Privacy, security, and records.—

(1) Applicable protections.—The Postal Service shall comply with the privacy, security, purpose limitation, no commercialization, access logging, and data use protections applicable under section 623 to information obtained or processed in carrying out this section.

(2) Data minimization.—The Postal Service may collect, retain, access, or disclose only the information reasonably necessary to authenticate an account holder, provide a requested service, prevent fraud, resolve an error, secure the system, or comply with a valid court order.

(3) No commercial use.—Information obtained in carrying out this section may not be sold, licensed, used for advertising, used for credit underwriting, or otherwise used for a commercial purpose.

(i) Regulations.—Not later than 180 days after the date of enactment of this Act, and in all events before the launch date, the Secretary, in consultation with the Postmaster General and the Board of Governors of the Federal Reserve System, shall prescribe regulations necessary to carry out this section, including regulations governing implementation, cash management,

authentication, account recovery, transaction limits, error resolution, security, privacy, accessibility, and reimbursement.

SEC. 628. FEDERAL RESERVE FISCAL AGENT AND SETTLEMENT SUPPORT.

(a) Federal Reserve Act amendment.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 15 the following:

"Sec. 15A. Fiscal agent and settlement support for Treasury Dollar Bills.

"(a) Definition.—In this section, the term 'Treasury Dollar Bills' means money issued under section 5104 of title 31, United States Code.

"(b) Required fiscal agent services.—

"(1) In general.—At the direction of the Secretary of the Treasury, each Federal Reserve Bank shall act as a fiscal agent of the United States and provide—

"(A) integration of the Treasury ledger with Fedwire, automated clearinghouse services operated by the Federal Reserve Banks, and other Federal payment, clearing, and settlement systems, including the processing of an exchange or other transaction under section 614 or 635 of the POPULIST Act to the extent the exchange or transaction requires use of such a system;

"(B) cash management, cash transportation, cash storage, cash replenishment, and reconciliation support for postal cash services under section 627 of the POPULIST Act;

"(C) support for the receipt of Federal taxes, fees, and other public money and for Federal disbursements, to the extent the receipt or disbursement requires use of a Federal Reserve payment, clearing, or settlement system; and

"(D) reconciliation, error correction, contingency, cybersecurity, and operational continuity services necessary for the functions described in subparagraphs (A) through (C).

"(2) Supervision and direction.—The Board of Governors of the Federal Reserve System shall supervise and direct the Federal Reserve Banks in carrying out this section in accordance with requirements established by the Secretary of the Treasury.

"(3) Treasury ledger limitation.—A Federal Reserve Bank may not operate the Treasury ledger, administer a Treasury transaction account for another person, or execute or settle a transfer conducted exclusively on the Treasury ledger between Treasury transaction accounts.

"(c) Treasury transaction accounts of Federal Reserve Banks.—The Secretary shall establish and maintain for each Federal Reserve Bank a Treasury transaction account under section 623(b)(6) of the POPULIST Act.

"(d) No public debt.—The receipt or holding of Treasury Dollar Bills by a Federal Reserve Bank shall not cause Treasury Dollar Bills to constitute obligations, liabilities, or public debt of the United States.

"(e) Fees and reimbursement.—

"(1) No fee.—Except for a fee or charge expressly authorized under the POPULIST Act for a foreign exchange transfer, a Federal Reserve Bank may not impose a fee on an account holder, participating financial institution, or the Postal Service for a service required under this section.

"(2) Reimbursement.—A Federal Reserve Bank shall be reimbursed for services required under this section in accordance with section 391a of title 12, United States Code.

"(f) Privacy, security, and data use.—

"(1) Governing protections.—A Federal Reserve Bank shall comply with section 623(g) of the POPULIST Act and shall ensure that the collection, use, safeguarding, retention, and disclosure of information under this section meet or exceed the substantive data minimization, data security, service provider, and compliance standards established under sections 562, 564, and 565 of such Act.

"(2) Purpose limitation.—A Federal Reserve Bank may collect, access, use, retain, or disclose information obtained under this section only to perform a service required under subsection (b), prevent or remediate fraud, a security breach, or a material operational failure, comply with a valid court order, or carry out another purpose expressly authorized by an Act of Congress. No other use is authorized.

"(3) Access records and audits.—Each Federal Reserve Bank shall maintain tamper-resistant records of each access to transaction information obtained under this section and shall make the records available for independent audit by the inspectors general of the Department of the Treasury and the Board of Governors.

"(4) Privacy Act.—Section 552a of title 5, United States Code, shall apply to records obtained, accessed, or maintained by a Federal Reserve Bank under this section as if the Federal Reserve Bank were an agency and the records were records maintained in a system of records. If a provision of that section conflicts with a more protective requirement of this section or section 623(g) of the POPULIST Act, the more protective requirement shall apply.

"(5) Unauthorized inspection or disclosure.—Solely for purposes of sections 7213(a)(1), 7213A, and 7431 of the Internal Revenue Code of 1986—

"(A) information obtained, accessed, or maintained under this section shall be treated as return information;

"(B) an officer, employee, contractor, or former officer, employee, or contractor of a Federal Reserve Bank shall be treated as a person subject to those sections; and

"(C) an inspection or disclosure not authorized under this subsection shall be treated as an inspection or disclosure in violation of section 6103 of such Code.

"(g) Testing.—Before the launch date, the Secretary and the Board of Governors shall complete testing from initiation through final settlement of the functions and system integrations required under subsection (b), including interoperability, reconciliation, cash support, cybersecurity, operational continuity, and recovery from a material system failure.

"(h) Regulations.—The Secretary of the Treasury, in consultation with the Board of Governors, shall prescribe regulations necessary to carry out the Treasury and fiscal agent functions under this section. The Board of Governors shall prescribe regulations necessary to supervise and direct the Federal Reserve Banks in complying with this section.".

SEC. 629. PARITY IN PRICING AND PAYMENT.

(a) Treatment as cash discount.—Section 167 of the Truth in Lending Act (15 U.S.C. 1666f) is amended—

(1) in subsection (a), by inserting "Treasury Dollar Bills," after "cash, check,";

(2) in subsection (b), by inserting "Treasury Dollar Bills," after "cash, checks,"; and

(3) by adding at the end the following:

"(c) Treasury Dollar Bills.—The term 'Treasury Dollar Bills' means money issued under section 5104 of title 31.".

(b) Equal cash treatment.—It shall be unlawful for a person or governmental entity to vary the price or other terms of the same transaction or obligation based on the method of payment in a manner that applies different terms to payment in Treasury Dollar Bills through the public payment infrastructure established under section 623(a)(1)(C) and payment in cash.

(c) Enforcement.—A violation of subsection (b) shall be treated as an unfair, deceptive, or abusive act or practice under section 5 of the Federal Trade Commission Act (15 U.S.C. 45) and may be enforced by the Federal Trade Commission, the Bureau of Consumer Financial Protection, and the attorney general of a State under their respective authorities.

Subtitle C—Federal Reserve Reform and Monetary Operations

SEC. 631. AUTHORIZING ADDITIONAL FEDERAL RESERVE BANKS.

(a) Authorization.—Section 2 of the Federal Reserve Act (12 U.S.C. 222) is amended, in the first undesignated paragraph—

(1) in the first sentence—

(A) by striking "not less than eight nor more than twelve" and inserting "not less than 12 nor more than 23"; and

(B) by striking "the continental United States, excluding Alaska" and inserting "the United States";

(2) by striking "not to exceed twelve in all" and inserting "not to exceed 23 in all";

(3) by striking the fifth sentence; and

(4) in the sixth sentence, by striking "ninety" and inserting "90".

(b) Minimum number of districts.—Effective January 1, 2029, section 2 of the Federal Reserve Act (12 U.S.C. 222), as amended by subsection (a), is further amended, in the first sentence of the first undesignated paragraph, by striking "not less than 12" and inserting "not less than 16".

SEC. 632. UPDATING THE FEDERAL RESERVE'S MANDATE.

(a) Finding.—Congress finds that productivity growth makes it unnecessary to strive for maximum employment of the adult population of the United States.

(b) Mandate updated.—Section 2A of the Federal Reserve Act (12 U.S.C. 225a) is amended by striking "maximum employment" and inserting "minimizing poverty".

SEC. 633. FULL RESERVE TRANSITION AND TERMINATION OF INTEREST ON RESERVE BALANCES.

(a) Full reserve ratchet.—Section 19(b) of the Federal Reserve Act (12 U.S.C. 461(b)) is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) Full reserve ratchet.—

"(A) In general.—Each depository institution shall maintain reserves in an amount sufficient to meet the applicable reserve requirement established under this paragraph with respect to transaction accounts.

"(B) Annual reserve-ratchet schedule.—

"(i) Initial schedule.—Not later than 30 days after the date of enactment of the POPULIST Act, the Federal Open Market Committee (in this section referred to as the 'Committee') shall, by majority vote, establish and publish a schedule of increasing reserve requirements applicable to transaction accounts for the remainder of the calendar year and the following calendar year.

"(ii) Subsequent schedules.—Not later than October 1 of each year thereafter, the Committee shall establish and publish the schedule of increasing reserve requirements applicable during the following calendar year.

"(iii) Objective.—Each schedule shall advance the transition toward a 100 percent reserve requirement as soon as practicable, but in no event later than 8 years after the date of enactment of the POPULIST Act, and shall be coordinated with the transition period applicable to systemic solvency requirements established under section 254 of such Act.

"(iv) Projected path.—With each schedule, the Committee shall publish a projected path toward achievement of the 100 percent reserve requirement for the remainder of the transition period. A projected path may be revised and shall not bind the Committee except with respect to requirements scheduled to take effect during the following calendar year.

"(C) Interim revisions.—The Committee may revise a schedule during the calendar year by an affirmative vote of not fewer than 8 members if the Committee publishes a written finding that material changes in inflation, credit conditions, liquidity, migration to Treasury transaction accounts, or financial stability require the revision.

"(D) Uniformity.—Any reserve requirement established under this paragraph shall be uniformly applied to all transaction accounts at all depository institutions, without regard to the size or type of depository institution.

"(E) Prohibition on reversal.—Once increased, a reserve requirement established under this paragraph may not be reduced, suspended, waived, or otherwise reversed.

"(F) Administration and enforcement.—The Board shall prescribe such regulations as are necessary to implement, administer, supervise, examine compliance with, and enforce reserve requirements established under this paragraph, consistent with the schedules, limitations, and objectives established by the Committee under this paragraph.";

(2) by striking paragraphs (3) and (4);

(3) in paragraph (5), in the second sentence, by striking "such ratios as the Board may prescribe" and inserting "the ratio established under paragraph (2)"; and

(4) by striking paragraphs (8) through (11).

(b) Composition of reserves.—Section 19(c) of the Federal Reserve Act (12 U.S.C. 461(c)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (A) and inserting the following:

"(A) balances maintained for such purposes by the depository institution in the Federal Reserve bank of which it is a member or at which it maintains an account, except that the Board may, by regulation or order, permit depository institutions to maintain all or a portion of their required reserves in the form of vault cash, and any portion so permitted shall be identical for all depository institutions;";

(B) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(C) by inserting after subparagraph (B) the following:

"(C) Treasury Dollar Bills held by the depository institution in a Treasury transaction account established under section 623(b)(6) of the POPULIST Act that satisfy paragraph (3)(A).";

(2) by striking paragraph (2) and inserting the following:

"(2) Other liquidity requirements.—Reserves maintained under paragraph (1) may be used to satisfy liquidity requirements imposed under other provisions of Federal or State law."; and

(3) by adding at the end the following:

"(3) Reserve share maintained in Treasury Dollar Bills.—

"(A) Qualifying reserves.—Treasury Dollar Bills described in paragraph (1)(C) shall be treated at par as reserves if such Treasury Dollar Bills—

"(i) are held for the account of the depository institution;

"(ii) are not pledged or otherwise subject to a lien or security interest and are immediately available to satisfy payment, settlement, and withdrawal obligations; and

"(iii) are not counted as reserves maintained by another depository institution.

"(B) Commencement of schedule.—For the first calendar year for which the projected path published under subsection (b)(2)(B)(iv) projects that the reserve requirement will reach at least 75 percent, the Committee shall include in the annual schedule under subsection (b)(2)(B) a separate schedule establishing an increasing percentage of the reserves required under subsection (b)(2) that each depository institution shall maintain as qualifying Treasury Dollar Bills under subparagraph (A).

"(C) Completion and irreversibility.—The percentage established under subparagraph (B)—

"(i) may not be reduced once increased; and

"(ii) shall reach 100 percent not later than 6 months after the reserve requirement under subsection (b)(2) reaches 100 percent and in no event later than July 1, 2035.

"(D) Uniformity.—The percentage established under this paragraph shall be uniformly applied to all depository institutions.

"(4) Transition to Treasury transaction accounts.—

"(A) Conversion plan.—When the Committee first publishes a schedule under paragraph (3)(B), the Board and the Secretary of the Treasury shall jointly publish a plan for the orderly transfer, on January 1, 2036, of all credit balances in transaction accounts maintained by depository institutions to Treasury transaction accounts.

"(B) Account designation.—The plan under subparagraph (A) shall provide each transaction account holder a reasonable opportunity to designate the Treasury transaction account to receive the transferred balance and shall provide for transfer to an appropriate Treasury transaction account established or maintained for the account holder if no designation is made.

"(C) Transfer of balances.—On January 1, 2036, each depository institution shall transfer from its Treasury transaction account established under section 623(b)(6) of the POPULIST Act to the Treasury transaction account designated or provided under subparagraph (B) Treasury Dollar Bills equal to the credit balance of each transaction account maintained for the account holder. Upon completion of the transfer, the corresponding transaction-account liability of the depository institution shall be extinguished.

"(D) End state.—On and after January 1, 2036, it shall be unlawful for a depository institution to open or maintain a transaction account. Nothing in this subparagraph prohibits a depository institution from providing interface services for a Treasury transaction account in accordance with section 623(h) of the POPULIST Act.".

(c) Termination of interest on reserve balances.—Effective December 31, 2026, section 19(b) of the Federal Reserve Act (12 U.S.C. 461(b)) is amended by striking paragraph (12).

(d) Monetary policy implementation plan.—

(1) Initial plan.—Not later than 30 days after the date of enactment of the POPULIST Act, the Board of Governors of the Federal Reserve System and the Federal Open Market Committee shall jointly publish a plan for conducting monetary policy after the termination of the authority to pay earnings on balances under subsection (c), including the operational framework, regulatory changes, and implementation schedule necessary to complete the transition by the effective date specified in subsection (c).

(2) Updates.—The Board of Governors and the Federal Open Market Committee shall publish an update whenever they materially revise the framework established under paragraph (1).

SEC. 634. PROVIDING FOR LIQUIDITY INJECTIONS.

(a) Nonemergency liquidity injections.—Section 12A of the Federal Reserve Act (12 U.S.C. 263) is amended by adding at the end the following:

"(d) Nonemergency liquidity injections.—

"(1) Authorization.—The Committee may, by a majority vote, authorize a liquidity injection of Treasury Dollar Bills using benefit payments required to be made under title II of the Social Security Act.

"(2) Required finding.—The Committee may take an action under paragraph (1) only if the Committee determines that the action is reasonably necessary to prevent or respond to a material contraction in credit or liquidity inconsistent with the monetary policy objectives described in section 2A.

"(3) Amount and period.—

"(A) In general.—Each authorization under paragraph (1) shall specify the aggregate amount authorized and the period during which the authorization shall remain in effect.

"(B) Limitations.—The aggregate amount authorized may not exceed $500,000,000,000, and the authorization period may not exceed 90 days. No authorization may take effect while another authorization under this subsection remains in effect.

"(C) Expiration.—Any portion of the amount authorized under subparagraph (A) that is not used before the expiration of the authorization period shall expire.

"(4) Administration.—

"(A) Notwithstanding section 9702(b)(1) of title 31, United States Code, the Commissioner of Social Security, in consultation with the Secretary of the Treasury, shall authorize the distribution of an amount of Treasury Dollar Bills held by the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund (in this subsection referred to as the 'Trust Funds') equal to the amount authorized by paragraph (3)(A).

"(B) The Commissioner shall determine the allocation of the authorized amount between the Trust Funds and administer the use of the authorized amount ratably among benefit payments payable from the Trust Funds, subject to operational feasibility.

"(C) If the use of Treasury Dollar Bills in connection with particular benefit payments is not operationally feasible, the Commissioner may reallocate the unused amount ratably among other such benefit payments.

"(5) Publication and reporting.—

"(A) Not later than 7 days after an authorization under paragraph (1), the Committee shall publish the finding required under paragraph (2), the aggregate amount authorized, the authorization period, and the anticipated effect on credit and liquidity.

"(B) Not later than 30 days after the expiration of an authorization period, the Commissioner of Social Security and the Secretary of the Treasury shall jointly submit to the Committee and Congress a report stating the amount of Treasury Dollar Bills used and describing any material operational limitations encountered in carrying out the authorization.".

(b) Section 12A of the Federal Reserve Act (12 U.S.C. 263), as amended by subsection (a), is further amended by adding at the end the following:

"(e) Emergency liquidity dividend.—

"(1) In general.—The Committee may, by an affirmative vote of not fewer than 8 members, authorize an emergency liquidity dividend to be distributed through the American Union Jobs Program (42 U.S.C. 1398a et seq.) in one or more installments during a period not exceeding 90 days. Such dividend shall be in addition to the normal distributions of the American Union Jobs Program.

"(2) Required findings.—An action under paragraph (1) may be taken only if the Committee determines that—

"(A) the United States economy is experiencing a contraction in credit or liquidity inconsistent with the monetary policy objectives described in section 2A; and

"(B) other available liquidity and credit tools under Federal law are insufficient to restore adequate liquidity.

"(3) Amount.—The aggregate amount of a liquidity dividend authorized under this subsection shall be no greater than reasonably necessary to restore adequate liquidity consistent with the findings required under paragraph (2).

"(4) Administration.—The Committee may consult with the Commissioner of Social Security regarding the amount, timing, and administration of a liquidity dividend. The Social Security Administration shall administer such dividend using only amounts made available from the American Value Fund established under section 623(b)(5) of the POPULIST Act. Each installment of the dividend shall be allocated among recipients in the same relative proportions as the payment components payable for the month under sections 1398d and 1398e of title 42, United States Code, including the division and redirection of child payments under section 1398e.

"(5) Report to Congress.—Not later than 7 days after authorizing a liquidity dividend under this subsection, the Committee shall submit to Congress a report describing—

"(A) the findings made under paragraph (2) and the basis for such findings; and

"(B) the aggregate dollar amount authorized.".

SEC. 635. DIRECT ACQUISITIONS AND OPERATIONS INVOLVING TREASURY DOLLAR BILLS.

(a) Direct purchases of Treasury obligations.—Section 14(b)(1) of the Federal Reserve Act (12 U.S.C. 355) is amended by striking "but only in the open market".

(b) Authority to conduct operations involving Treasury Dollar Bills and standing exchange facility.—Section 14 of the Federal Reserve Act (12 U.S.C. 353 et seq.) is amended by adding at the end the following:

"(h) Operations involving Treasury Dollar Bills.—

"(1) General authority.—Each Federal Reserve Bank may, in accordance with this subsection and section 12A(f), acquire, receive, hold, transfer, exchange, or sell Treasury Dollar Bills and use Treasury Dollar Bills in carrying out monetary policy, payment, settlement, and fiscal agent operations authorized by law.

"(2) Standing Treasury exchange facility.—

"(A) Treasury request.—The Secretary of the Treasury may request that 1 or more Federal Reserve Banks acquire at par an amount of Treasury Dollar Bills lawfully available to the Secretary for exchange.

"(B) Mandatory acquisition.—Upon a request under subparagraph (A), the Federal Reserve Banks designated under subparagraph (E) shall acquire the requested Treasury Dollar Bills at par, subject only to section 12A(f).

"(C) Credit to Treasury General Account.—Concurrent with an acquisition under subparagraph (B), the acquiring Federal Reserve Banks shall credit an equal dollar amount to the general account of the Treasury maintained at the Federal Reserve Banks.

"(D) Transfer of Treasury Dollar Bills.—The Secretary shall transfer the acquired Treasury Dollar Bills to the Treasury transaction account maintained for each acquiring Federal Reserve Bank under section 623(b)(6) of the POPULIST Act.

"(E) Allocation.—The Board of Governors of the Federal Reserve System, in consultation with the Secretary, may allocate an acquisition among the Federal Reserve Banks, except that an allocation may not delay, condition, discount, or reduce the exchange requested by the Secretary.

"(F) Treatment.—An exchange under this paragraph shall not be treated as an open-market operation for purposes of subsection (b) of section 12A.

"(3) Operational Federal requests.—

"(A) Definition.—A request under paragraph (2) shall be an operational Federal request if the Secretary certifies that the requested amount is reasonably necessary during the 90-day period beginning on the date of the request to—

"(i) make a payment or disbursement legally due from a Federal trust fund or other Federal account;

"(ii) maintain balances sufficient for the normal operations of the Treasury or another department, agency, or instrumentality of the United States;

"(iii) carry out an exchange authorized or required under section 614 of the POPULIST Act; or

"(iv) preserve the continuous and orderly operation of Federal payment and disbursement systems.

"(B) Prompt completion.—A Federal Reserve Bank shall complete an operational Federal request promptly in accordance with the settlement standards established under section 628 of the POPULIST Act.

"(C) Exemption from pacing rules.—An operational Federal request may not be delayed, limited, conditioned, or made subject to a schedule established under section 12A(f).

"(4) Ownership and accounting.—

"(A) Reserve Bank asset.—Treasury Dollar Bills acquired under this subsection shall be owned by the acquiring Federal Reserve Bank and recorded as assets of that Federal Reserve Bank at par.

"(B) Treasury General Account credit.—A credit made under paragraph (2)(C) shall be recorded as a liability of the acquiring Federal Reserve Bank in the same manner as another balance credited to the general account of the Treasury.

"(C) Treasury ledger.—Ownership and transfer of Treasury Dollar Bills shall remain recorded exclusively on the Treasury ledger.

"(5) Disposition.—Subject to section 12A and applicable law, a Federal Reserve Bank may—

"(A) continue to hold Treasury Dollar Bills acquired under this subsection;

"(B) transfer Treasury Dollar Bills to another Federal Reserve Bank;

"(C) transfer or sell Treasury Dollar Bills at par to a financial institution eligible to maintain a Treasury transaction account under section 623(b)(6) of the POPULIST Act;

"(D) use Treasury Dollar Bills in monetary policy, payment, settlement, or liquidity operations; or

"(E) with the agreement of the Secretary, transfer Treasury Dollar Bills to the Treasury in exchange for an equal debit to the general account of the Treasury or other equal consideration lawfully provided by the Treasury.

"(6) Reverse exchanges.—A reverse exchange under paragraph (5)(E) may occur only to the extent that—

"(A) sufficient balances are available in the general account of the Treasury;

"(B) the Secretary determines that the exchange will not impair the timely payment of an obligation of the United States or the normal operations of the Federal Government; and

"(C) the Federal Reserve Bank receives equal consideration.

"(7) Rules of construction.—

"(A) No appropriation or spending authority.—A credit to the general account of the Treasury under this subsection shall not constitute an appropriation, enlarge an appropriation, alter the legal availability or purpose of an amount, or authorize an expenditure not otherwise authorized by law.

"(B) No additional issuance.—Nothing in this subsection authorizes the issuance or crediting of additional Treasury Dollar Bills.

"(C) No public debt.—The acquisition or holding of Treasury Dollar Bills by a Federal Reserve Bank shall not cause Treasury Dollar Bills to constitute obligations, liabilities, or public debt of the United States.

"(D) No compelled private conversion.—Nothing in this subsection authorizes a private person to compel the Treasury or a Federal Reserve Bank to exchange Treasury Dollar Bills for another monetary instrument or another monetary instrument for Treasury Dollar Bills.

"(E) American Value Fund protected.—Nothing in this subsection authorizes a withdrawal or transfer from the American Value Fund except as expressly authorized by another provision of law.

"(8) Regulations.—The Board of Governors and the Secretary shall prescribe such regulations and operational procedures as are necessary to carry out this subsection.".

(c) Administration of nonoperational exchanges.—Section 12A of the Federal Reserve Act (12 U.S.C. 263), as amended by section 634, is further amended by adding at the end the following:

"(f) Administration of nonoperational exchanges involving Treasury Dollar Bills.—

"(1) Prospective pacing rules.—The Committee may establish prospective and generally applicable rules governing the timing and pacing of requests under section 14(h)(2) that are not operational Federal requests under section 14(h)(3).

"(2) Governing standard.—The Committee may exercise the authority under paragraph (1) only to the extent reasonably necessary to carry out the monetary policy objectives described in section 2A, with due regard to inflation, liquidity, credit conditions, financial stability, and the transition required under section 19.

"(3) Permitted schedules.—A rule under paragraph (1) may establish daily, weekly, or monthly schedules for completion of nonoperational requests.

"(4) Limitations.—A rule under paragraph (1) may not—

"(A) require transaction-specific approval by the Committee;

"(B) establish a permanent or aggregate ceiling on the amount of Treasury Dollar Bills that may be exchanged under section 14(h)(2);

"(C) impose a discount, fee, interest charge, or other reduction in an exchange at par;

"(D) apply to an operational Federal request under section 14(h)(3);

"(E) alter or reverse an exchange that has reached final settlement;

"(F) prohibit or indefinitely defer completion of a lawful Treasury request; or

"(G) delay completion of a request for more than 90 days after the date on which the request is made.

"(5) Publication.—Before a rule under paragraph (1) takes effect, the Committee shall publish the rule and a written explanation of the basis for determining that the rule satisfies paragraph (2).

"(6) Coordination.—The Committee shall consult with the Secretary before establishing or materially revising a rule under paragraph (1).".

(d) Weekly reporting.—Section 11(a)(1) of the Federal Reserve Act (12 U.S.C. 248(a)(1)) is amended by adding at the end the following: "Treasury Dollar Bills held by Federal Reserve Banks shall be separately identified as an asset in each weekly statement required under this paragraph, and each such statement shall disclose the aggregate amount of Treasury Dollar Bills acquired, transferred, sold, or returned to the Treasury during the reporting week, the aggregate amount held at the end of the reporting week, and the aggregate amount credited to the general account of the Treasury pursuant to section 14(h)(2) during the reporting week.".

SEC. 636. COLLATERAL SEGREGATION AND COLLATERAL REUSE PROHIBITION.

(a) Findings.—Congress finds the following:

(1) The reuse of pledged collateral through repurchase agreements, securities lending, prime brokerage, margin lending, and similar financing arrangements permits private actors to create multiple layers of short-term funding claims on the basis of the same underlying asset, thereby expanding shadow banking and undermining the exclusive public authority of the United States to create money.

(2) Collateral reuse and title-transfer collateral practices increase leverage, obscure beneficial ownership, amplify interconnectedness, and heighten the risk of runs, fire sales, and cascading failures during periods of financial stress.

(3) To restore monetary sovereignty, reduce systemic fragility, and protect collateral providers and beneficial owners, collateral provided under a collateralized financing arrangement should remain the property of the collateral provider, should be held in segregation, and should not be reused or otherwise deployed to support additional layers of private credit creation.

(b) Definitions.—In this section:

(1) Appropriate Federal financial regulator.—The term "appropriate Federal financial regulator" means the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Federal Housing Finance Agency, acting within their respective jurisdictions.

(2) Collateral.—The term "collateral" means any financial asset provided as security or credit support for payment or performance of an obligation. The term does not include an asset transferred in final and irrevocable satisfaction of an obligation, to the extent of the obligation satisfied.

(3) Collateral provider.—The term "collateral provider" means a person that provides collateral under a collateralized financing arrangement.

(4) Collateral recipient.—The term "collateral recipient" means a person that receives or holds collateral under a collateralized financing arrangement.

(5) Collateralized financing arrangement.—The term "collateralized financing arrangement" means a repurchase agreement, securities lending agreement, margin loan, prime brokerage arrangement, derivatives margining arrangement, title-transfer collateral arrangement, or other financial market transaction or arrangement in which collateral is provided.

(6) Financial asset.—The term "financial asset" means property of a financial nature, including cash, an amount of Treasury Dollar Bills, a deposit or account balance, a security, a financial instrument, a commodity, a digital asset, or similar property.

(7) Reuse.—The term "reuse" means any rehypothecation, transfer, pledge, encumbrance, investment, or other deployment of collateral by or for the benefit of a collateral recipient or third party. The term does not include—

(A) holding collateral in segregation under subsection (d);

(B) returning or releasing collateral to the collateral provider;

(C) transferring collateral as permitted under subsection (d)(5); or

(D) enforcement after default under subsection (c)(4).

(8) Segregated custody account.—The term "segregated custody account" means an account maintained exclusively for collateral providers, separate from the proprietary assets of the collateral recipient, in which the interest of each collateral provider is continuously identifiable and the collateral is not subject to claims of the creditors of the collateral recipient or available for reuse.

(9) Title-transfer collateral arrangement.—The term "title-transfer collateral arrangement" means an arrangement that characterizes collateral as sold or absolutely transferred to the collateral recipient.

(c) Prohibition on collateral reuse and title-transfer treatment.—

(1) General rule.—It shall be unlawful for a collateral recipient to reuse collateral.

(2) Beneficial ownership and legal title.—Beneficial ownership of collateral provided in connection with a collateralized financing arrangement shall remain with the collateral provider, subject only to paragraph (4). Legal or record title may be held by the collateral recipient or a regulated custodian or clearing intermediary solely as necessary for custody, perfection of a security interest, clearing, settlement, or enforcement after default, but such title shall not confer beneficial ownership or authority to reuse the collateral. A repurchase agreement or reverse repurchase agreement shall be treated as secured financing, and not as an absolute sale, for purposes of this section.

(3) Limited interest of collateral recipient.—A collateral recipient may hold a security interest, possess or maintain custody of collateral as reasonably necessary to secure the obligation of the collateral provider, and exercise enforcement authority after default, subject to this section.

(4) Enforcement after default.—Following an uncured event of default expressly specified in the collateralized financing arrangement, a collateral recipient may terminate the arrangement, liquidate or sell collateral, exercise setoff or netting rights, and apply collateral or proceeds to the matured obligation, but only to the extent reasonably necessary to satisfy such obligation. The collateral recipient shall promptly account to the collateral provider and return any surplus collateral or proceeds.

(5) No duplicate recovery.—A collateral provider may not receive restitution, compensatory damages, or other compensation more than once for the same loss.

(d) Segregation and custody.—

(1) Segregated custody required.—All collateral provided by a collateral provider shall be held in 1 or more segregated custody accounts.

(2) No proprietary commingling.—Collateral may not be commingled with the proprietary assets of the collateral recipient or used to support the obligations, financing, or liquidity of the collateral recipient or any third party.

(3) Permitted omnibus segregation.—Collateral of multiple collateral providers may be held in an omnibus segregated custody account only if the account is maintained exclusively for collateral providers, the interest of each collateral provider is continuously identifiable, and the collateral is not available for reuse.

(4) Return or release.—Collateral shall be returned or released promptly upon satisfaction or termination of the underlying obligation, upon replacement of the collateral by the collateral provider, or following completion of enforcement under subsection (c)(4).

(5) Permitted custodial and clearing transfers.—Collateral may be transferred to an independent custodian, clearing agency, derivatives clearing organization, central counterparty, clearing member, or other regulated intermediary solely for custody, perfection, clearing, or settlement if—

(A) the collateral remains continuously identifiable and segregated from the proprietary assets of each recipient and intermediary;

(B) beneficial ownership remains with the collateral provider;

(C) the collateral is not subject to claims of the creditors of a recipient or intermediary; and

(D) the collateral is not available for reuse.

(e) Voidness of inconsistent terms.—Any agreement, clause, waiver, disclosure, consent, or other contractual term that purports to authorize reuse of collateral, transfer full title to collateral in violation of this section, waive segregation, or otherwise impair a protection afforded to a collateral provider under this section shall be void and without legal effect.

(f) Insolvency and bankruptcy treatment.—

(1) Exclusion from estate.—Collateral held pursuant to this section shall not become property of the estate of the collateral recipient in any case under title 11, United States Code, and shall not be subject to claims of the creditors of the collateral recipient.

(2) No safe harbor for reuse.—Notwithstanding title 11, United States Code, no contract term, liquidation authority, netting authority, or other safe harbor shall be construed to authorize, validate, or excuse reuse of collateral prohibited by this section.

(3) Turnover.—In any insolvency, receivership, resolution, or bankruptcy proceeding of a collateral recipient, collateral held pursuant to this section shall be returned or released in accordance with subsection (d)(4) and shall not be administered as property beneficially owned by the collateral recipient.

(g) Recordkeeping and reporting.—

(1) Daily records.—Each collateral recipient and custodian shall maintain records sufficient to identify each collateral provider, each item of collateral, each segregated custody account, each substitution or release of collateral, and each enforcement action after default, and to demonstrate compliance with this section.

(2) Regulatory reporting.—Each appropriate Federal financial regulator shall require persons within its jurisdiction to submit periodic reports, in the uniform form prescribed under subsection (j), concerning aggregate collateral received, segregated holdings, substitutions, releases, enforcement after default, and violations of this section.

(3) Public reporting.—The appropriate Federal financial regulators shall publish, not less frequently than annually, aggregate and non-identifying information concerning the matters reported under paragraph (2).

(h) Anti-evasion.—It shall be unlawful for any person to evade or attempt to evade this section, including through an affiliate, intermediary, agreement, transaction, offsetting position, synthetic arrangement, or other direct or indirect means.

(i) Enforcement.—

(1) Wrongful reuse or conversion.—Any person that reuses, converts, misappropriates, or knowingly permits the reuse of collateral in violation of this section shall be liable for—

(A) restitution to each affected collateral provider;

(B) disgorgement of any net profits derived from the violation;

(C) a civil penalty equal to 3 times the value of the collateral wrongfully reused, converted, misappropriated, or made available for reuse; and

(D) appropriate injunctive and declaratory relief.

(2) Other civil violations.—A person that violates this section or a rule promulgated under this section in a manner not described in paragraph (1) shall be subject to a civil penalty not exceeding the greater of $1,000,000 or the value of the collateral affected by the violation. In determining the amount of the penalty, the appropriate Federal financial regulator or court, as applicable, shall consider—

(A) the culpability of the person;

(B) the duration and severity of the violation;

(C) the harm caused;

(D) any economic benefit obtained; and

(E) the promptness and adequacy of corrective action.

(3) Public enforcement.—

(A) Administrative enforcement.—An appropriate Federal financial regulator may, after notice and opportunity for hearing, issue an order against a person within its jurisdiction

requiring the person to cease and desist from a violation, comply with this section, pay restitution, disgorge net profits, pay a civil penalty authorized under paragraph (1) or (2), and take such other corrective action as the regulator determines appropriate.

(B) Civil actions.—An appropriate Federal financial regulator, the Attorney General, or an attorney general of a State may bring a civil action in an appropriate district court of the United States to enforce this section or a rule promulgated under this section. In such an action, the court may award any relief authorized under paragraph (1) or (2), including injunctive and declaratory relief.

(4) Private cause of action.—Any collateral provider aggrieved by a violation of this section may bring a civil action for damages, restitution, injunctive relief, declaratory relief, and reasonable attorney's fees and costs.

(j) Rulemaking.—Not later than 120 days after the date of enactment of this Act, the Financial Stability Oversight Council established under section 111 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5321) shall, in consultation with the appropriate Federal financial regulators, issue an interim final rule to carry out this section. The interim final rule shall take effect upon publication in the Federal Register, shall have the force and effect of law, and may be issued without regard to section 553 of title 5, United States Code. The Council shall provide a public comment period of not less than 60 days and shall issue a final rule not later than 1 year after the date of enactment of this Act. Each appropriate Federal financial regulator shall administer and enforce the rule with respect to persons and activities within its jurisdiction. A delay in issuing or finalizing a rule shall not delay or limit any prohibition or duty established by this section.

(k) Effective dates.—

(1) New arrangements.—Subsections (c) through (f), (h), and (i) shall apply beginning January 1, 2027 to a collateralized financing arrangement entered into after the date of enactment of this Act.

(2) Existing arrangements.—Subsections (c) through (f), (h), and (i) shall apply beginning January 1, 2028, to a collateralized financing arrangement entered into on or before the date of enactment of this Act.

(3) Renewals and transactions under master agreements.—For purposes of paragraphs (1) and (2), a transaction entered into, renewed, extended, or materially amended on or after the date of enactment of this Act shall be treated as a collateralized financing arrangement entered into on or after such date, without regard to whether the transaction is governed by a master agreement entered into before such date.

(4) Recordkeeping.—Subsection (g)(1) shall apply beginning 120 days after the date of enactment of this Act to each collateralized financing arrangement, without regard to when the arrangement was entered into.

(5) Regulatory reporting.—Reporting under subsection (g)(2) shall begin on the date specified in the interim final rule under subsection (j), which shall be not later than 180 days after the date of enactment of this Act.

(6) Public reporting.—The first report required under subsection (g)(3) shall be published not later than 1 year after the date of enactment of this Act.

Subtitle D—National Infrastructure Bank

SEC. 641. DEFINITIONS.

(a) In this subtitle:

(1) Affordable housing.—The term "affordable housing" means housing that meets the criteria established under section 215 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745).

(2) Area of public need.—The term "area of public need" means an area with high unemployment or low labor force participation, low household income, severe infrastructure deficits, rural isolation, limited access to capital, severe housing shortages, or other objective indicators of public need, as determined by the Board by rule.

(3) Bank.—The term "Bank" means the National Infrastructure Bank established under section 642(a).

(4) Bank investment instrument.—The term "Bank investment instrument" means any preferred share, bond, note, or other nondeposit contractual claim issued by the Bank to raise funds for lending, investment, or other activities authorized under this subtitle, provided that such instrument is not payable on demand, is not redeemable at par before a stated maturity or call date, and is not insured or guaranteed by the Federal Deposit Insurance Corporation.

(5) Blended financing.—The term "blended financing" means financing that combines financial assistance from the Bank with financing from one or more private lenders, local financial institutions, State revolving funds, or other public or private funding sources outside the Bank, and is integrated into a single agreement with a single set of financial terms.

(6) Board.—The term "Board" means the Board of Directors of the Bank established under section 645.

(7) Community development infrastructure project.—The term "community development infrastructure project" means the development of affordable housing, transportation, water infrastructure, schools, affordable broadband, public parks and recreation, libraries, or public facilities that train workers and build labor skills.

(8) Conflict of interest.—

(A) In general.—The term "conflict of interest", with respect to a person serving under section 645, means—

(i) a direct or indirect financial interest held by the person, an immediate family member of the person, or an entity in which the person or an immediate family member of the person has a substantial financial interest, in—

(I) a project under consideration for assistance under this subtitle; or

(II) an entity seeking or receiving assistance for a project pursuant to this subtitle; or

(ii) service by the person or an immediate family member of the person as an employee, officer, director, trustee, or in a similar role for an entity seeking or receiving assistance for a project under this subtitle.

(B) Diversified investment exception.—The term "conflict of interest" does not include an interest held through a mutual fund, index fund, pension fund, or other broadly diversified investment vehicle if the person does not control the investment decisions of the vehicle.

(9) Connectivity.—The term "connectivity", with respect to an infrastructure project, means the linkages in transportation, energy, communications, community development infrastructure, manufacturing facilities, and data centers that tie geographic areas together into economic units, including networks of commuter routes, railways, shipping lanes, and internet cables, as identified through geomatic data collected by the Department of Transportation.

(10) Covered Federal trust fund.—The term "covered Federal trust fund" means a trust fund, retirement fund, or other Federal account whose obligations of the United States are redeemed pursuant to section 612.

(11) Demand-par instrument.—The term "demand-par instrument" means any instrument or claim that—

(A) is represented as a cash equivalent; or

(B) is payable or redeemable at the option of the holder before a stated maturity or call date at par, at a fixed face amount, or at a stable stated value.

(12) Develop; development.—The terms "develop" and "development", with respect to an infrastructure project, mean—

(A) any preconstruction planning, feasibility review for stand-alone projects or for bundled projects, permitting, design work, lifecycle maintenance planning, and other preconstruction activities; and

(B) any construction, reconstruction, rehabilitation, replacement, or expansion.

(13) Direct loan.—The term "direct loan" has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(14) Eligible legacy public debt obligation.—The term "eligible legacy public debt obligation" means an obligation of the United States issued under chapter 31 of title 31, United States Code, before January 1, 2027, that remains outstanding and has not yet been redeemed pursuant to section 613.

(15) Energy infrastructure project.—The term "energy infrastructure project" means a project that involves the construction of a new or upgraded energy generation, transmission, distribution, or storage facility.

(16) Entity.—The term "entity" means—

(A) a State or political subdivision of a State;

(B) a unit of local government;

(C) a publicly owned utility;

(D) a special purpose district, public authority, public corporation, or cooperative authorized to contract indebtedness;

(E) an Indian Tribe;

(F) a public trust;

(G) an authority, agency, or instrumentality of, or an entity owned by, 1 or more entities described in subparagraphs (A) through (F);

(H) a group of entities described in subparagraphs (A) through (G);

(I) a private entity; and

(J) a public-private partnership.

(17) Environmental infrastructure project.—The term "environmental infrastructure project" means any project for—

(A) the establishment, deferred maintenance, or enhancement, including security enhancement, of any drinking water and wastewater treatment facility, stormwater management system, flood gate, dam, levee, solid waste disposal facility, or hazardous waste facility;

(B) dredging;

(C) wetland restoration or other open space conservation;

(D) infill development; or

(E) industrial site cleanup or remediation.

(18) Executive Committee.—The term "Executive Committee" means the Executive Committee of the Bank established under section 645.

(19) Greenhouse gas.—The term "greenhouse gas" means—

(A) carbon dioxide;

(B) hydrofluorocarbons;

(C) methane;

(D) nitrous oxide;

(E) perfluorocarbons; and

(F) sulfur hexafluoride.

(20) Immediate family member.—The term "immediate family member" means a spouse, domestic partner, parent, child, sibling, parent-in-law, child-in-law, sibling-in-law, or any person who shares the household of the person.

(21) Indian Tribe.—The term "Indian Tribe" has the meaning given the term "Indian tribe" or "Indian Tribe" in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304(e)).

(22) Infrastructure project.—The term "infrastructure project" means any transportation infrastructure project, energy infrastructure project, environmental infrastructure project, manufacturing infrastructure project, telecommunications infrastructure project, community development infrastructure project, or other infrastructure project for which a development plan is presented to the Bank for financing.

(23) Local financial institution.—The term "local financial institution" means—

(A) a certified community development financial institution, as defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702);

(B) a credit union the deposits of which are insured under Federal or State law or are protected or guaranteed under State law;

(C) a small bank and savings association or an intermediate bank or savings association, as those terms are defined in section 25.12 of title 12, Code of Federal Regulations, or a successor regulation; and

(D) a State public bank.

(24) Manufacturing infrastructure project.—The term "manufacturing infrastructure project" means a project for the development, construction, reconstruction, rehabilitation, expansion, modernization, equipping, tooling, site preparation, or utility connection of a manufacturing facility, industrial site, shared production facility, supply chain facility, repair facility, recycling facility, or remanufacturing facility in the United States, including a facility used to produce, process, assemble, repair, recycle, or remanufacture critical materials, manufactured goods, machinery, equipment, construction inputs, transportation equipment, energy equipment, medical goods, communications equipment, or other goods determined by the Board to support domestic productive capacity.

(25) Private entity.—The term "private entity" means a corporation, partnership, company, or nonprofit organization.

(26) Productivity.—The term "productivity" means the improved efficiency in the economy associated with investments in public and private infrastructure, calculated as the difference between—

(A) the change in the value of total production; and

(B) the change in the value of inputs going into production.

(27) Public benefit.—The term "public benefit" means the clear and measurable benefit to society resulting from the use of the infrastructure project by the public with respect to which a project is carried out, or the improvement the infrastructure project provides in—

(A) economic growth and productivity;

(B) air and water quality;

(C) energy savings;

(D) high-wage jobs;

(E) household economic security; or

(F) Federal, State, and local revenues.

(28) Public-private partnership.—The term "public-private partnership" means an agreement between an entity described in any of subparagraphs (A) through (H) of paragraph (16) and a private entity to finance, build, and maintain or operate an infrastructure project.

(29) Revolving fund.—The term "revolving fund" means a fund or program established by a State or a political subdivision or other instrumentality of a State, the principal activity of which is to make loans, commitments, or other financial accommodations for the development of 1 or more categories of infrastructure projects.

(30) Secretary.—The term "Secretary" means the Secretary of the Treasury.

(31) State.—The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

(32) Telecommunications infrastructure project.—The term "telecommunications infrastructure project" means any project involving infrastructure required—

(A) to provide communications by wire (including fiber optic cable), wireless (including satellite, microwave, or beam), internet, or radio (including broadband); or

(B) to enhance performance and security for that infrastructure (including networks and artificial intelligence).

(33) Transportation infrastructure project.—The term "transportation infrastructure project" means any project for the construction, deferred maintenance, or enhancement, including security enhancement, of a highway, road, bridge, transit or intermodal system, inland waterway, commercial port, airport, high-speed or passenger rail, or rail track system.

SEC. 642. ESTABLISHMENT OF NATIONAL INFRASTRUCTURE BANK.

(a) Establishment of National Infrastructure Bank.—There is established a National Infrastructure Bank, which shall be a mixed-ownership Government corporation subject to chapter 91 of title 31, United States Code, except as otherwise provided in this subtitle.

(b) Public credit charter.—This subtitle shall serve as the charter for the Bank as a public credit institution within the public credit architecture of the United States established under this title.

(1) Not a national bank.—The Bank shall not be a national bank, insured depository institution, depository institution, or transaction account provider.

(2) Not a depository institution.—The Bank may receive, hold, lend, invest, and disburse lawful money, dedicated revenues, appropriated amounts, repayments, retained earnings, and proceeds from the sale of Bank investment instruments, but may not accept transaction deposits, issue demand-par claims, or create deposit balances, reserves, or any other money-like claim.

(3) Day one systemic solvency compliance.—The Bank shall be subject to the systemic solvency rule established under section 254 and may not rely on any phase-in period, transition period, or delayed compliance schedule otherwise available to existing financial institutions.

(c) Purpose.—The purpose of the Bank shall be to facilitate efficient, long-term financing of infrastructure projects, productive capacity, business and economic growth, and new job creation in the United States.

(d) Responsibility of the Secretary.—The Secretary shall take such action as may be necessary to assist in the establishment of the Bank in accordance with this subtitle, including the establishment of accounts, receipt and transfer of initial capital, and administrative support during the organization of the Bank. After the Bank begins operations, the Secretary shall exercise only the authorities expressly provided to the Secretary under this subtitle or another Act of Congress.

(e) Conforming amendment.—Section 9101(2) of title 31, United States Code, is amended by adding at the end the following:

"(K) the National Infrastructure Bank.".

SEC. 643. CAPITALIZATION, INVESTMENT INSTRUMENTS, AND PUBLIC CREDIT.

(a) Capitalization and funding sources.—

(1) Authorized public credit capacity.—The Bank may raise, receive, hold, and deploy funds sufficient to support not more than $5,000,000,000,000 in aggregate outstanding loans, guarantees, insurance, participation interests, and other financial assistance under this subtitle, subject to the capital, liquidity, and risk management requirements of this subtitle.

(2) Actual funds requirement.—The Bank may provide financial assistance only from funds, property, revenues, repayments, retained earnings, or proceeds held by the Bank.

(3) Permitted funding sources.—Funds of the Bank may consist only of—

(A) appropriations, advances, dedicated revenues, grants, or transfers authorized by law, including transfers from a fund established by law for infrastructure, reconstruction, public production, or public purpose subsidies;

(B) repayments of principal, interest, fees, premiums, and other amounts received by the Bank;

(C) retained earnings and loan loss reserves;

(D) proceeds from the sale of Bank investment instruments;

(E) charitable donations;

(F) investments by covered Federal trust funds under paragraph (5); and

(G) proceeds of temporary borrowing arrangements entered into under subsection (c)(4).

(4) Exchange of eligible legacy public debt obligations.—

(A) In general.—The Bank may accept, in exchange for Bank investment instruments, eligible legacy public debt obligations held by a person other than the United States, a Federal agency, or a covered Federal trust fund.

(B) Treatment.—An eligible legacy public debt obligation accepted under subparagraph (A) may be held, sold, or redeemed at maturity.

(5) Covered Federal trust fund investments.—

(A) In general.—A covered Federal trust fund may invest not more than 10 percent of the balances received by the fund pursuant to the redemption of obligations of the United States under section 612 in senior Bank investment instruments.

(B) Required terms.—An instrument purchased under this paragraph shall—

(i) be senior to common equity and preferred shares;

(ii) have a stated maturity; and

(iii) not be payable on demand.

(C) Fiduciary and liquidity protection.—No investment may be made under subparagraph (A) unless the managing trustee or other officer responsible for the covered Federal trust fund determines that the investment is consistent with the projected benefit-payment and liquidity needs of the fund.

(b) Bank investment instruments.—

(1) Authority.—The Bank may issue Bank investment instruments to raise funds for loans, guarantees, insurance, participation interests, project financing, liquidity management, and other activities authorized under this subtitle.

(2) Permitted forms.—Bank investment instruments may include preferred shares, senior notes, subordinated notes, bonds, revenue bonds, project certificates, or other nondeposit investment instruments approved by the Board.

(3) Receipt required.—The Bank may issue a Bank investment instrument only in exchange for funds, eligible legacy public debt obligations, property, or other consideration received by the Bank.

(4) No Federal guarantee.—A Bank investment instrument shall be an obligation of the Bank only and shall not be an obligation of, or guaranteed by, the United States, any Federal agency or instrumentality other than the Bank.

(5) Permitted returns.—A Bank investment instrument may bear interest, pay dividends, participate in project revenues, receive portfolio returns, or provide such other return as the Board determines appropriate, provided that such return is payable only in accordance with the terms of the instrument and from funds lawfully available to the Bank.

(6) Pricing and terms.—Notwithstanding section 9108 of title 31, United States Code, the Board shall establish the price, maturity, return, seniority, call provisions, redemption terms, transferability, and other terms of each class of Bank investment instrument based on—

(A) the maturity and risk profile of the instrument;

(B) the expected revenues, repayments, or public credit returns supporting the instrument;

(C) the capital, liquidity, and loss reserve needs of the Bank; and

(D) the public benefit, infrastructure, and productive capacity purpose of the financing supported by the instrument.

(7) Redemption and maturity.—A Bank investment instrument may be redeemed at stated maturity, or may be called by the Bank before maturity in accordance with the disclosed terms of the instrument, but no holder may require redemption at par before maturity or before a call date established under the terms of the instrument.

(8) Transferability.—A Bank investment instrument may be transferable or tradable to the extent permitted by the terms of the instrument and regulations issued by the Board, except that no transfer or trading arrangement may require the Bank, the United States, or any other public entity to maintain a market price, provide liquidity support, purchase the instrument, or redeem the instrument before maturity or before a call date established under the terms of the instrument.

(9) Disclosure.—Each Bank investment instrument shall conspicuously disclose that the instrument—

(A) is not a deposit and is not payable on demand;

(B) may decline in market value;

(C) may be subject to loss according to its terms; and

(D) is not an obligation of, or guaranteed by, the United States or any Federal agency or instrumentality other than the Bank.

(10) Pooled investment vehicles.—

(A) In general.—A person may organize or offer a pooled investment vehicle that holds Bank investment instruments, provided that interests in such vehicle are not represented as transaction accounts, deposits, money market fund shares, cash equivalents, Treasury Dollar Bills, stable-value claims, or demand-par instruments.

(B) Anti-evasion.—The Bank, a holder, an underwriter, a distributor, a pooled investment vehicle, or any other person may not structure, market, guarantee, insure, support, or otherwise arrange a Bank investment instrument or pooled investment vehicle described in this paragraph for the purpose or effect of creating a private substitute for Treasury Dollar Bills, transaction account, deposit, demand-par instrument, or other money-like claim.

(11) No governance authority.—A Bank investment instrument may not confer on a holder authority to vote in the affairs of the Bank, appoint a member of the Board, or otherwise direct or control the management or governance of the Bank. Nothing in this paragraph shall prohibit contractual payment claims, priorities, or enforcement authority that do not confer ongoing governance authority.

(c) Borrowed capital and liquidity limitations.—

(1) Borrowing authority.—The Bank may borrow funds for project financing, liquidity management, and other activities authorized under this subtitle only through the issuance of Bank investment instruments or through temporary borrowing arrangements authorized under paragraph (4).

(2) Prohibition on Federal Reserve discount borrowing.—The Bank may not maintain a permanent, revolving, standby, or emergency discount line of credit with the Board of Governors of the Federal Reserve System or any Federal Reserve Bank.

(3) Prohibition on repurchase and rehypothecation financing.—The Bank may not raise borrowed capital through a repurchase agreement, reverse repurchase agreement, securities lending agreement, rehypothecation arrangement, title-transfer collateral arrangement, or other financing arrangement prohibited under section 636 that permits collateral reuse or creates short-term money-like claims.

(4) Permitted temporary borrowing.—The Bank may enter into temporary borrowing arrangements with public entities, local financial institutions, or other eligible counterparties, as determined by the Board by rule, if—

(A) the borrowing is for a stated term of not less than 90 days;

(B) the borrowing is not payable on demand;

(C) the borrowing is not redeemable at par before maturity;

(D) the borrowing is not secured through reusable collateral;

(E) the borrowing is not represented as a deposit, transaction account, Treasury Dollar Bills, cash equivalent, demand-par instrument, or other money-like claim; and

(F) the proceeds of the borrowing are received by the Bank before being disbursed.

(5) Rulemaking.—The Board shall issue rules governing borrowing under this subsection, including rules to prevent the use of borrowing arrangements to recreate any money-like claim outside the Treasury ledger.

(d) Accounts, custody, receipt, and disbursement of funds.—

(1) Accounts of the Bank.—The Bank may maintain accounts in its own name with the Treasury, including an account under section 623(b)(6), and with insured depository institutions, local financial institutions, or other financial institutions approved by the Board, solely for the receipt, custody, transfer, investment, and disbursement of funds of the Bank.

(2) No customer accounts.—The Bank may not establish, maintain, or offer a transaction account, deposit account, savings account, demand account, pass-through account, or similar customer account for any person other than the Bank, and the receipt of funds by the Bank shall not create a deposit, customer balance, demand liability, demand-par instrument, or other money-like claim against the Bank.

(3) Receipt of funds.—The Bank may receive funds from a person only as—

(A) payment for a Bank investment instrument;

(B) repayment of principal, interest, fees, premiums, or other amounts owed to the Bank;

(C) an appropriation, advance, dedicated revenue, grant, gift, or transfer authorized by law; or

(D) other consideration received in connection with an activity authorized under this subtitle.

(4) Disbursements and money-like claims.—

(A) Actual funds rule.—The Bank may make a loan, purchase a participation interest, provide other financial assistance, or make any other authorized disbursement only by transferring funds held by the Bank at the time of disbursement.

(B) No disbursement by liability creation.—The Bank may not make, record, or treat a disbursement as made by creating, crediting, or increasing a transaction account, deposit account, customer account, deposit balance, demand liability, overdraft, unfunded settlement obligation, demand-par instrument, or other money-like claim against the Bank.

(C) Recipient accounts.—A disbursement under this subsection may be made only to a lawful account designated by the recipient and maintained by a person other than the Bank.

(D) Commitments, lines of credit, and scheduled disbursements.—The Bank may approve a loan commitment, line of credit, or scheduled disbursement arrangement, but—

(i) no draw, advance, or disbursement may be made except by transferring funds held by the Bank at the time of the draw, advance, or disbursement;

(ii) any amount that the recipient may draw immediately, without further condition, shall be supported by funds held and reserved by the Bank; and

(iii) any amount not yet disbursed shall not be treated as a deposit balance, customer balance, demand liability, demand-par instrument, or other money-like claim against the Bank.

(E) Disbursement plan.—The Bank shall maintain an aggregate disbursement plan, updated not less frequently than quarterly, identifying approved commitments, immediately drawable amounts, scheduled disbursements, available funding sources, liquidity needs, and projected repayments, and shall provide such plan to the Board, the Secretary, and the Special Inspector General.

(5) Segregation and accounting.—The Bank shall maintain books and records sufficient to identify the source, status, use, restriction, and outstanding exposure of funds and assets of the Bank, including current balances, fiscal-year activity, and aggregate activity, as applicable, for—

(A) liquid balances and eligible legacy public debt obligations held by the Bank;

(B) amounts made available or accepted under any provision of law, including appropriations, advances, dedicated revenues, grants, gifts, and transfers received by the Bank;

(C) consideration from the sale or exchange of Bank investment instruments received by the Bank;

(D) repayments of principal, interest, fees, premiums, and other amounts received by the Bank;

(E) retained earnings, loan loss reserves, and other risk reserves held by the Bank;

(F) financial assistance provided by the Bank and outstanding, including loans, guarantees, insurance, and participation interests; and

(G) funds of the Bank reserved for pending disbursement under an approved loan, guarantee, insurance, participation interest, line of credit, or other financial assistance agreement.

(e) Net earnings, reserves, and public purpose surplus.—

(1) Use of earnings.—After meeting current obligations, and subject to paragraph (2), the Bank may use its earnings and other funds lawfully available to it in the exercise of its functions under this subtitle. No earnings or other funds may be distributed, reserved, or applied in a manner that would cause the Bank to fall below any capital, liquidity, loan loss, or risk reserve requirement.

(2) Priority of uses.—Net earnings of the Bank shall be applied in the following order:

(A) first, to necessary and reasonable operating and administrative expenses;

(B) second, to loan loss provisions and other risk reserves required by the Board;

(C) third, to liquidity reserves necessary to meet committed disbursements and reasonably foreseeable obligations;

(D) fourth, to capital restoration, if the Bank is below any capital requirement;

(E) fifth, to the payment of interest, dividends, or other returns on Bank investment instruments, to the extent due and payable under the terms of such instruments after application of subparagraphs (A) through (D);

(F) sixth, to repayment of initial organization appropriations under section 648(d); and

(G) seventh, to retained earnings or to a public purpose subsidy fund established under paragraph (3).

(3) Public purpose subsidy fund.—The Board may establish and administer a public purpose subsidy fund to support grants, credit subsidies, technical assistance, below-market financing, or other public purpose assistance for infrastructure projects serving an area of public need, using amounts made available to the fund under this subtitle.

(f) Losses and capital impairment.—

(1) No bailout funding.—The Bank may not receive Federal funds for the purpose of curing insolvency or restoring impaired capital.

(2) Loss absorption.—Losses incurred by the Bank on loans, guarantees, insurance, participation interests, project financing, Bank investment instruments, or other activities authorized under this subtitle shall be borne by the Bank through loan loss provisions, risk reserves, retained earnings, capital, and the loss-allocation terms of applicable Bank investment instruments, and shall not be obligations of the United States or any Federal agency or instrumentality other than the Bank.

(3) Capital impairment plan.—

(A) Plan required.—If the Bank falls below any capital, liquidity, loan loss, or risk reserve requirement established under this subtitle, the Board shall, not later than 30 days after such deficiency is identified, adopt and publish a capital impairment plan that identifies the deficiency, the corrective actions to be taken, the expected timeline for restoring compliance, and any restrictions on new financial assistance or distributions during the period of impairment.

(B) Restrictions during impairment.—During any period in which a capital impairment plan is in effect, the Bank may not pay dividends or discretionary returns, issue new Bank investment instruments except as part of the capital impairment plan, or approve new financial assistance unless the Board determines that such action is necessary to protect the value of existing public credit assets or complete an already-approved project.

(g) Capital, liquidity, and reserve requirements.—

(1) Capital requirement.—The Bank shall maintain loss-absorbing capital in an amount not less than 10 percent of the aggregate outstanding principal amount of loans, guarantees, insurance, participation interests, and other financial assistance provided by the Bank, calculated in such manner as the Board may prescribe by rule.

(2) Loan loss provisions and contingent-liability reserves.—The Bank shall maintain loan loss provisions and contingent-liability reserves in an amount sufficient, as determined by the Board, to absorb reasonably foreseeable losses under the loan, guarantee, insurance, participation, and project-financing activities of the Bank.

(3) Liquidity requirement.—The Bank shall maintain liquid balances sufficient to meet operating expenses, committed disbursements, and reasonably foreseeable obligations.

(4) Rulemaking.—The Board shall prescribe rules to implement this subsection, including rules governing capital adequacy, loan loss provisions, liquidity management, concentration limits, and stress testing.

(h) Federal Credit Reform Act.—Subsections (b) and (e) of section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c) shall not apply to a direct loan obligation, loan guarantee commitment, or modification thereof made by the Bank under this subtitle.

SEC. 644. LENDING AUTHORITY, REGIONAL PLANNING, AND PROJECT ELIGIBILITY.

(a) Loans.—

(1) In general.—The Bank shall provide loans, in accordance with this subtitle, to eligible entities, or may enter into blended financing, co-lending, loan participation, guarantee, insurance, or other financial assistance arrangements with entities eligible under subsection (d), local financial institutions, public entities, cooperatives, or other approved counterparties, for the financing, development, or operation of infrastructure projects, subject to the limitations of section 643.

(2) Local financial institution participation.—

(A) General rule.—Except as provided in subparagraph (D), the Bank shall conduct loan activities in partnership with local financial institutions and shall not unreasonably displace local financial institutions.

(B) Forms of partnership.—A partnership under subparagraph (A) may include origination, evaluation, servicing, monitoring, purchase of participation interests, guarantees, or blended financing of eligible infrastructure project loans.

(C) Conditions.—A partnership, purchase, guarantee, or participation under this paragraph shall be subject to the following conditions:

(i) the loan or participation interest shall satisfy the eligibility criteria of this section before the Bank commits funds;

(ii) if a local financial institution originates a loan, sells a participation interest to the Bank, or receives a guarantee from the Bank, the local financial institution shall retain a material share of the credit risk, as determined by the Board by rule; and

(iii) the Bank may not purchase, guarantee, or refinance a loan for the purpose of transferring an existing nonperforming or impaired loan from a local financial institution to the Bank.

(D) Exception.—The Bank may engage in loan activities without partnering with a local financial institution if comparable loan activities are not available from local financial institutions on reasonable terms, within a reasonable time, and in a manner consistent with the purposes of this subtitle.

(3) Loan maturity.—The maturity of loans shall, to the extent possible, be reasonably related to the maturity periods of anticipated profitability, economic stimulus, and projected useful life of projects financed by such loans.

(4) Interest charges on loans and other fees.—The Bank—

(A) shall establish fixed-rate interest, fees, premiums, or interest rate discounts based on the risk associated with a loan or other financial assistance, taking into consideration—

(i) the yield on Bank investment instruments of comparable maturity and risk, the public credit benchmark established by the Board by rule, or 1.6 percent per annum, whichever is greatest;

(ii) the credit rating of the borrowing entity if expressly published, or an assessment of the overall finances of the borrowing entity indicating an ability to service the loan;

(iii) current and expected future economic conditions, including expected improvements in the economy and the borrowing entity's finances resulting from the overall lending operations of the Bank; and

(iv) whether the infrastructure project serves an area of public need and, subject to availability of funds, qualifies for support from the public purpose subsidy fund under section 643(e)(3);

(B) may, in connection with a loan or other financial assistance provided under this subtitle, issue loan guarantees, insurance, coinsurance, and reinsurance to borrowing entities, insurance companies, financial institutions, or others, or groups thereof, and charge fees based on a similar risk analysis; and

(C) may charge for the review of any project proposal in such amount as may be approved by the Board to cover the costs of such review.

(5) Refinancing.—

(A) In general.—Subject to a full audit of the project and borrower, and subject to Board review, the Bank may extend the time limit for repayment of a loan, through renewal, substitution of new obligations, or otherwise, with the maximum time for such renewal to be

approved by the Board. Such refinancing may not be provided for the purpose of shifting an unrelated private loss, nonperforming loan, or speculative investment loss to the Bank.

(B) Further assistance.—The Bank may make further loans or provide additional financial assistance only if the Board determines that such assistance is necessary to—

(i) complete an eligible project;

(ii) protect the value of an existing public credit asset; or

(iii) avoid a greater loss to the Bank.

(6) Limitations on loans.—The Bank may not—

(A) provide loans to consumers or provide any other loans not described under this subtitle; or

(B) engage in investment banking activities, including underwriting securities, securities dealing, fiduciary services, or trust management services for customers, except to the extent necessary to issue, sell, transfer, service, or redeem Bank investment instruments under section 643.

(b) Regional offices.—

(1) In general.—The Bank shall establish an office of lending and public credit in each city that has a Federal Reserve Bank and may establish additional offices in any other location the Board determines appropriate.

(2) Coordination.—An office established under this subsection may support the lending activities described in subsection (a), the regional economic accelerator planning groups described in subsection (c), and eligible applicants by coordinating with local financial institutions, public entities, cooperatives, regional economic accelerator planning groups, and other eligible entities.

(3) Technical assistance.—The Bank shall ensure that regional offices provide technical assistance to eligible applicants, including public entities, cooperatives, local financial institutions, and project sponsors located in areas of public need, on project eligibility, application procedures, financing structures, compliance requirements, coordination with local financial institutions, and project monitoring.

(c) Formation of regional economic accelerator planning groups.—

(1) In general.—The Bank, through the regional offices established under subsection (b), shall facilitate the organization of not fewer than 7 regional economic accelerator planning groups across the United States, which shall be defined by common economic, demographic, and infrastructure connectivities.

(2) Duties.—The regional economic accelerator planning groups may—

(A) organize themselves by, and be composed of, State and local public sector officials, including through multijurisdictional or multistate agreements among agencies;

(B) identify economic megaregions, which shall consist of hub cities, related towns and suburbs, manufacturing production corridors, and rural areas woven together into the communities where people of the United States live, work, and provide goods or services for movement within the region, and to other regions;

(C) identify infrastructure, manufacturing, and supply chain needs and priorities for economic megaregions, with input from the American Society of Civil Engineers, and other trade, business, and industrial associations;

(D) develop regional economic accelerator plans, including a pipeline of infrastructure projects and the strategic placement of those infrastructure projects, needed to improve supply chains, land use, productivity, manufacturing capacity, and access for areas of public need within each economic megaregion;

(E) define how those infrastructure projects will create energy savings, improve the environment, improve jobs and wages, create regional economic growth, and create growth in regional tax income;

(F) identify where multijurisdictional agreements should be enacted or strengthened to improve the development of infrastructure projects that cross jurisdictional lines, such as transportation improvements along the northeast corridor, flood mitigation, water management to relieve drought conditions in southwestern States, or development of a national high-speed rail grid;

(G) identify Federal, State, or local laws and regulations that should be streamlined to reduce infrastructure project costs and approval times, while maintaining environmental and safety objectives, and, not later than October 15 of each odd-numbered year, publish a report recommending options for streamlining those laws and regulations;

(H) seek public input on the broad outlines of each regional infrastructure development plan;

(I) provide the regional infrastructure development plans to the Bank to inform the Bank on the selection of infrastructure projects for financing; and

(J) assist entities formulating and submitting projects for consideration of Bank financing on the definition, scope, selection criteria, and other factors under this section that will be considered in the approval process.

(d) Eligibility criteria for assistance from the Bank.—

(1) In general.—Subject to paragraph (4), the Bank may provide financial assistance to an entity for an infrastructure project if the project—

(A) meets the criteria described in, and requirements of, this subtitle;

(B) has local, regional, or national significance; and

(C) is in the public interest.

(2) Guidelines and applications.—

(A) Procedures.—The Executive Committee and the Board shall establish standard operating procedures and develop online application procedures for financial assistance from the Bank.

(B) Applications.—To be considered for financial assistance from the Bank for an infrastructure project, an entity shall submit to the Bank an application containing the information required by the procedures established under subparagraph (A).

(3) Criteria.—

(A) In general.—The Board shall evaluate and rate each application received under paragraph (2) based on the factors appropriate for the type of the infrastructure project, including—

(i) the consistency of the infrastructure project with a regional infrastructure development plan that builds connectivity in the project area and beyond and improves access for areas of public need;

(ii) the results of a lifecycle projection of the benefits, as compared to costs, of the infrastructure project that incorporates the factors described in clauses (iii) through (xii);

(iii) the extent to which the infrastructure project would promote economic growth, including productive capacity growth, cooperative enterprise, small business formation, domestic production, manufacturing infrastructure, and other real-economy activity associated with the infrastructure project;

(iv) the extent to which the infrastructure project contributes to job creation, including fair and responsible employment practices and workforce development to train workers in new skills, including through registered apprenticeship programs, labor-management training partnerships, union apprenticeship programs, community colleges, and other workforce development institutions;

(v) the extent to which the infrastructure project provides environmental and public health benefits, including a reduction in greenhouse gases, water pollution, and air pollution, and the removal of lead and other hazardous materials;

(vi) whether the applicant has a demonstrated ability to contract for design, construction, operation, and maintenance of the infrastructure project throughout its estimated useful life, including by defining project objectives, selecting experienced project managers, and utilizing performance-based monitoring;

(vii) the extent to which the infrastructure project incorporates bundling, sequencing, correct sizing, value design, and procurement procedures to realize long-term cost savings through the principle of "dig, build, expand, or improve only once";

(viii) the extent to which the infrastructure project uses appropriate technologies to improve project reliability, efficiency, resiliency, sustainability, security, and public safety;

(ix) the extent to which the infrastructure project preserves and repurposes existing infrastructure and rationally connects to other categories of existing or planned infrastructure projects;

(x) the extent to which the infrastructure project promotes the domestic production of critical materials, manufactured goods, construction inputs, equipment, and productive capacity needed for projects that receive financial assistance from the Bank;

(xi) a category specific benefit as described in subparagraph (B), as applicable; and

(xii) any other criteria as determined by the Board.

(B) Category specific benefit.—A category specific benefit referred to in subparagraph (A)(xi) includes—

(i) for a transportation infrastructure project—

(I) a reduction in surface and air traffic congestion, by road, transit, passenger rail, freight rail, port or inland water travel, or air travel, as measured by reductions in transit, boarding, and total trip times;

(II) an anticipated increase in capacity for existing and expected new ridership or transport use, including by high-speed rail;

(III) a reduction in risks from maintenance decline, or structural failure, over the service life of the project;

(IV) the coordination of improvements in commuter passenger operations, freight transport, and new community design, with the demographics of population, economic production, and trade hubs according to a regional infrastructure plan;

(V) an increase in access to affordable transportation options, to improve access to jobs, affordable housing, schools, medical services, food and other essential community services; or

(VI) improvements in safety for users, passengers, and operators, as measured by a reduction in fatalities and serious injuries;

(ii) for an environmental infrastructure project—

(I) increased coastal and inland flood mitigation and protection;

(II) improvements in drinking water, wastewater, or stormwater systems, through the repair, expansion or replacement of those systems;

(III) a reduction in risk to any public infrastructure from structural failure, or damage, due to weather-related events, cyber or physical attacks, or catastrophic wildfires; or

(IV) environmental improvements from the removal of hazardous wastes or chemical pollutants, including PFAS;

(iii) for an energy infrastructure project—

(I) development of a system that provides for any of the smart grid functions described in section 1306(d) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17386(d)) (commonly known as a "smart grid"), with modern security and resiliency systems;

(II) expansion of generation, transmission, distribution, or storage capacity to connect new electricity generators and meet new demand, including demand from the electrification of vehicles or rail transportation systems;

(III) enhancement of systems to balance electricity supply and demand, curtail peak demand, restore power outages, or coordinate operating procedures among power-supplying entities; or

(IV) development, modernization, or deployment of nuclear, geothermal, hydropower, solar, wind, energy storage, or other domestic energy generation infrastructure;

(iv) for a telecommunications infrastructure project—

(I) completion of, or improvement in, broadband and wireless access and affordability in an area of public need; or

(II) improvement of the global telecommunication satellite network;

(v) for a community development infrastructure project—

(I) development, expansion, rehabilitation, or replacement of affordable housing, public housing, publicly assisted affordable housing, schools, libraries, workforce training facilities, or other public facilities; or

(II) improvements in national, State, and local parks and recreation facilities and related open space land management; and

(vi) for a manufacturing infrastructure project—

(I) expansion, modernization, equipping, tooling, site preparation, or utility connection of manufacturing facilities, industrial sites, shared production facilities, supply chain facilities, repair facilities, or recycling facilities;

(II) increased domestic production, processing, assembly, repair, or recycling of critical materials, manufactured goods, pharmaceuticals, medical goods, machinery, equipment, construction inputs, transportation equipment, energy equipment, communications equipment, or other goods determined by the Board to support domestic productive capacity; or

(III) development of cooperative, employee-owned, small business, or locally owned manufacturing capacity.

(C) Stimulation of domestic production.—If the Bank determines that any type of iron, steel, manufactured product, or construction material is not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality to meet the infrastructure needs in the United States, the Bank may solicit loan applications, including applications for manufacturing infrastructure projects, for projects to increase or improve the domestic production of that iron, steel, manufactured product, or construction material.

(D) Lender of last resort.—In selecting infrastructure projects to receive financial assistance from the Bank, the Board shall give priority to—

(i) an infrastructure project in an area of public need, including a workforce development plan to train workers in new skills and connect those workers with job openings financed by the Bank; and

(ii) an infrastructure project—

(I) that leverages or complements Federal, State, local, and private financing; or

(II) for which the applicant demonstrates that the additional capital could not be obtained from commercial sources at reasonable financing costs.

(4) Exclusions.—The Bank may not provide financial assistance for any infrastructure project that subsidizes or otherwise encourages the sale or lease of infrastructure currently owned or controlled by an entity described in subparagraphs (A) through (H) of section 641(a)(16), or will result in the private control or operation of infrastructure currently owned or controlled by such an entity under any agreement, including a public-private partnership.

(5) Emergency procedures.—

(A) In general.—During the period described in subparagraph (B), the Board may waive such selection criteria and procedures as the Board determines to be necessary in order to provide loans more quickly for infrastructure projects—

(i) that reduce unemployment;

(ii) that address the backlog of critical, shovel ready projects for which preliminary engineering or permitting is already completed; or

(iii) that address a critical safety or other public need.

(B) Period described.—The period referred to in subparagraph (A) is the period beginning on the date of enactment of this Act and ending on the later of—

(i) July 1 of the 1st year after the year in which the Bank begins operations; and

(ii) the date on which the Bank has provided a total of $500,000,000,000 in loans.

(C) Limitations.—A waiver under this paragraph may not waive or modify section 643, paragraph (4), section 646, or any requirement relating to fraud, conflicts of interest, public reporting, actual funds, money-like claims, labor standards, Buy America, or public ownership protections.

SEC. 645. GOVERNANCE AND MANAGEMENT OF THE BANK.

(a) Board of Directors.—

(1) In general.—The Bank shall have a Board of Directors consisting of 23 members, appointed by the President by and with the advice and consent of the Senate.

(2) Qualifications.—The members of the Board shall include individuals representing different regions of the United States, of whom—

(A) 11 shall have not less than 15 years of industrial and engineering experience;

(B) 2 shall have not less than 10 years of experience in labor federation policy, collective bargaining, labor standards, apprenticeship, or worker representation;

(C) 2 shall have not less than 10 years of experience in building trades, construction labor, project labor agreements, registered apprenticeship programs, or workforce development for construction projects;

(D) 2 shall have not less than 10 years of experience in civil works, water resources, flood control, navigation, environmental restoration, military construction, or infrastructure engineering, including experience in or with the Corps of Engineers;

(E) 2 shall have State and local public sector experience;

(F) 2 shall have finance experience; and

(G) 2 shall have economic development experience.

(3) Chairperson and vice chairperson.—At the time of appointment, the President shall designate—

(A) 1 member of the Board to serve as chairperson; and

(B) 1 member of the Board to serve as vice chairperson.

(4) Terms.—

(A) In general.—Except as provided in subparagraph (B), each member shall be appointed for a term of 6 years.

(B) Initial staggered terms.—Of the initial members of the Board—

(i) the chairperson shall be appointed for a term of 6 years and the vice chairperson shall be appointed for a term of 4 years;

(ii) 10 shall be appointed for a term of 4 years; and

(iii) 11 shall be appointed for a term of 2 years.

(5) Congressional recommendations.—Not later than 45 days after the date of enactment of this Act, the majority leader of the Senate, the minority leader of the Senate, the Speaker of the

House of Representatives, and the minority leader of the House of Representatives shall each submit to the President a recommendation for appointment of a member of the Board, after consultation with the appropriate committees of Congress.

(6) Date of initial nominations.—The initial nominations by the President for appointment of members to the Board shall be made not later than 90 days after the date of enactment of this Act.

(7) Vacancies.—

(A) In general.—A vacancy on the Board shall be filled in the manner in which the original appointment was made.

(B) Appointment to replace during term.—A member of the Board appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of the member was appointed shall be appointed only for the remainder of the term.

(C) Duration.—A member of the Board may serve after the expiration of the term of the member until a successor has taken office.

(8) Quorum.—

(A) Initial quorum.—No quorum shall exist before not fewer than 17 members of the Board have been confirmed by the Senate.

(B) General rule.—A majority of the members of the Board then serving shall constitute a quorum, but not fewer than 9 members.

(9) Reappointment.—A member of the Board may be reappointed by the President in accordance with this section.

(10) Compensation and reimbursement.—Members of the Board shall serve on a part-time basis and shall receive compensation at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day on which the member is engaged in the actual performance of Bank business, plus reasonable reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

(11) Limitations.—

(A) In general.—A member of the Board may not participate in any review or decision if the member has a conflict of interest.

(B) Effect of violation.—A member who violates subparagraph (A) shall be disqualified from participating in the matter.

(12) Responsibilities.—The Board shall—

(A) as soon as practicable after the date on which a quorum of the Board is first established, establish an Executive Committee, risk management committee, and audit committee pursuant to this subtitle;

(B) not later than 180 days after the date on which a quorum of the Board is first established, develop and approve the bylaws of the Bank, and publish those bylaws in the Federal Register, including bylaws for the regulation of the affairs and conduct of the business of the Bank, consistent with the purpose, goals, objectives, and policies described in this subtitle;

(C) ensure that the Bank is at all times operated in a manner that is consistent with this subtitle, by—

(i) monitoring and assessing the effectiveness of the Bank in achieving strategic goals;

(ii) periodically reviewing internal policies submitted by the chief executive officer;

(iii) reviewing and approving annual business plans, annual budgets, and long-term strategies submitted by the chief executive officer;

(iv) reviewing and approving annual reports submitted by the chief executive officer;

(v) reviewing risk management and audit practices of the Bank; and

(vi) reviewing and approving all changes to the organization of the Bank; and

(D) establishing such other criteria, requirements, and procedures as the Board may consider to be appropriate in carrying out this subtitle.

(13) Meetings.—

(A) Open to the public; notice.—All meetings of the Board held to conduct the business of the Bank shall be open to the public, including through remote access, and shall be preceded by reasonable notice. The Board shall maintain audio or video archives of each public meeting and make those archives available to the public.

(B) Initial meeting.—The Board shall meet—

(i) not later than 45 days after the date on which a quorum of the Board is first established; and

(ii) at the call of the chairperson.

(C) Exception for closed meetings.—

(i) In general.—Pursuant to such rules as the Board may establish through bylaws, the members may close a meeting of the Board if, at the meeting, there is likely to be disclosed information that could adversely affect or lead to speculation—

(I) relating to an infrastructure project under consideration for assistance under this subtitle; or

(II) in financial, securities, or commodities markets or institutions, utilities, or real estate.

(ii) Notice.—The determination to close any meeting of the Board shall be made in a meeting of the Board and shall be recorded in the minutes of the Board.

(iii) Minutes and archives.—The Board shall prepare minutes of any meeting that is closed to the public and shall maintain an audio or video archive of each closed meeting. The minutes and archive of a closed meeting shall be made available to the public as soon as the considerations necessitating the closure no longer apply, or 6 years after the date of the closed meeting, whichever occurs first, unless disclosure is prohibited by law.

(b) Powers and limitations of the Board.—

(1) Powers.—In order to carry out the purposes of the Bank as described in this subtitle, the Board shall be responsible for the approval and monitoring of infrastructure projects, and shall have the following powers:

(A) To make senior and subordinated direct loans on such terms as the Board may determine to be appropriate to assist in the financing or refinancing of an infrastructure project.

(B) Subject to the availability of funding, to develop specialized loan programs, including high-need infrastructure loan programs, community cooperative startup programs, and programs serving areas of public need, that provide project financing on flexible repayment terms.

(C) To make loan guarantees on such terms as the Board may determine to be appropriate to assist in the financing or refinancing of an infrastructure project.

(D) To issue Bank investment instruments under section 643 to provide financing for infrastructure projects from proceeds received by the Bank.

(E) To make agreements and contracts with any entity in furtherance of the business of the Bank.

(F) To approve infrastructure loans financed in whole or in part by the Bank after receiving recommendations from the Executive Committee.

(G) To monitor infrastructure projects financed in whole or in part by the Bank after receiving assessments from the Executive Committee.

(H) To sue and be sued in the Bank's corporate capacity in any court of competent jurisdiction, except that no prejudgment attachment, garnishment, execution, or similar seizure process may be issued against the property of the Bank.

(I) To indemnify the members of the Board and officers of the Bank for liabilities arising out of the actions of the Board and officers of the Bank in such capacity, except that the Bank may not indemnify any person for willful misconduct, gross negligence, bad faith, fraud, or knowing violation of law.

(J) To serve as the primary liaison between the Bank and Congress, the executive branch, and State and local governments, and to represent the interests of the Bank.

(K) To exercise all other lawful powers that are necessary or appropriate to carry out, and are consistent with, the purposes of the Bank.

(2) Coordination with State and local regulatory authorities.—The provision of financial assistance by the Board pursuant to this subtitle shall not—

(A) limit the authority of any State or political subdivision or other instrumentality of a State to approve or regulate rates of return on private equity invested in an infrastructure project; or

(B) otherwise supersede any State law or regulation applicable to an infrastructure project.

(3) Federal personnel requests.—

(A) In general.—The Board may request the detail, on a reimbursable basis, of personnel from other Federal agencies with specific expertise not available from within the Bank, including personnel with experience in the selection process for competitive awards from—

(i) the Corps of Engineers;

(ii) the Department of Transportation;

(iii) the Department of Labor;

(iv) the Department of Housing and Urban Development;

(v) the Environmental Protection Agency;

(vi) the Department of the Treasury;

(vii) the Department of Commerce; and

(viii) other relevant Federal agencies.

(B) Detail.—The head of any Federal agency—

(i) may detail, on a reimbursable basis, any personnel of the agency requested by the Board; and

(ii) shall not withhold unreasonably the detail of any personnel requested by the Board.

(c) Executive Committee.—

(1) In general.—The Board shall establish an Executive Committee consisting of 9 members, including—

(A) the chief executive officer, who shall serve as the head of the Executive Committee;

(B) the chief risk officer;

(C) the chief operations officer;

(D) the chief loan origination officer;

(E) the chief compliance officer;

(F) the chief financial officer;

(G) the chief treasury officer;

(H) the chief asset and liability management officer; and

(I) the general counsel.

(2) Appointments.—A majority of the Board shall have the authority—

(A) to appoint the members of the Executive Committee; and

(B) to define the duties of each member of the Executive Committee in accordance with this subtitle, the bylaws of the Bank, and requirements of the Board.

(3) Qualifications.—Each member of the Executive Committee and all loan origination officers of the Bank shall have extensive experience and expertise in—

(A) 1 or more of the following—

(i) public credit;

(ii) infrastructure finance;

(iii) project finance;

(iv) community lending;

(v) development finance; or

(vi) financial risk management; and

(B) 1 or more of the following—

(i) transportation infrastructure;

(ii) environmental infrastructure;

(iii) energy infrastructure;

(iv) telecommunications infrastructure;

(v) manufacturing infrastructure;

(vi) public housing and urban or rural development;

(vii) economic development;

(viii) workforce development; or

(ix) public finance.

(4) Duties of chief executive officer.—The chief executive officer shall have responsibility for the development and implementation of the strategy of the Bank, including—

(A) the development and submission to the Board of the annual business plans and budget;

(B) the development and submission to the Board of a long-term strategic infrastructure development plan that is consistent with regional plans presented to the Bank by regional economic accelerator planning groups established under section 644(c); and

(C) the development, revision, and submission to the Board of other internal policies of the Bank.

(5) Duties of Executive Committee.—In order to carry out the purposes of the Bank, the Executive Committee shall—

(A) establish and submit to the Board for approval—

(i) disclosure and application procedures for entities submitting applications for infrastructure projects for assistance under this subtitle;

(ii) standardized terms and conditions, fee schedules, or legal requirements of a contract or program to carry out this subtitle; and

(iii) guidelines for the selection and approval of infrastructure projects and specific criteria for determining eligibility for project selection, subject to the general criteria provided in section 644(d);

(B) accept for consideration project proposals from entities for the development of infrastructure projects in accordance with this subtitle;

(C) provide recommendations to the Board and place project proposals accepted by the Executive Committee on a list for consideration for financial assistance from the Board; and

(D) establish a plan, and build capacity within the Bank, to provide technical assistance to State and local governments, regional economic accelerator planning groups established under section 644(c), joint ventures, and other borrowing entities on—

(i) the borrowing procedures and selection criteria of the Bank;

(ii) the development of a pipeline of projects suitable for financing that meet the selection criteria developed by the Bank;

(iii) the development of specialized institutional structures and cross-regional planning to help in the planning of complex projects;

(iv) best practices for design, construction, and management, including those identified in global infrastructure databases;

(v) contract evaluation methods, including procurement value-for-money options; and

(vi) institution strengthening relating to the management of projects and work contracts, including through performance-based project delivery.

(6) Vacancy.—A vacancy on the Executive Committee shall be filled in the manner in which the original appointment was made.

(7) Compensation.—The compensation of a member of the Executive Committee shall be determined by the Board.

(8) Removal.—A member of the Executive Committee may be removed at the discretion of a majority of the Board.

(9) Term.—A member of the Executive Committee shall serve a term of 6 years, unless sooner removed under paragraph (8), and may be reappointed in accordance with this section.

(10) Limitations.—

(A) In general.—A member of the Executive Committee may not—

(i) hold any other public office; or

(ii) participate in any review, recommendation, report, evaluation, or decision if the member has a conflict of interest.

(B) Effect of violation.—A member who violates subparagraph (A)(ii) shall be disqualified from participating in the matter and may be removed under paragraph (8).

(d) Risk management committee.—

(1) Establishment.—The Board, in consultation with the chief loan origination officer, shall establish a risk management committee consisting of 5 members, headed by the chief risk officer.

(2) Appointment.—A majority of the Board shall have the authority—

(A) to appoint the members of the risk management committee; and

(B) to define the duties of the chief risk officer and each remaining member of the risk management committee in accordance with this subtitle, the bylaws of the Bank, and requirements of the Board.

(3) Qualifications.—Each member of the risk management committee shall have demonstrated experience and expertise in 1 or more of the following:

(A) Treasury and asset and liability management.

(B) Investment regulations.

(C) Insurance.

(D) Credit risk management and credit evaluations.

(E) Infrastructure development projects.

(4) Duties of chief risk officer.—The chief risk officer shall—

(A) have such functions, powers, and duties as may be prescribed by this subtitle, the bylaws of the Bank, and the Board; and

(B) report directly to the Board.

(5) Duties of risk management committee.—The risk management committee shall—

(A) develop overarching financial, credit, and operational risk management guidelines and policies to be adhered to by the Bank;

(B) develop conforming standards for loan agreements to ensure diversification of lending activities by geographic region, infrastructure project type, and service to areas of public need;

(C) ensure compliance with Federal and State laws referred to in section 646;

(D) develop specific plans for all financial assistance provided by the Bank, including credit-subsidy programs, technical assistance programs, and participation standards for small businesses, cooperatives, employee-owned enterprises, locally owned businesses, new market entrants, and businesses located in areas of public need, in infrastructure projects financed by the Bank in accordance with section 646;

(E) monitor the overall financial, credit, and operational exposure of the Bank;

(F) establish a standing subcommittee to perform regular credit evaluations and report on large infrastructure loans extended by the Bank to monitor compliance with terms and attainment of performance targets contained in loan agreements; and

(G) provide financial recommendations to the Board for approval.

(6) Vacancy.—A vacancy on the risk management committee shall be filled in the manner in which the original appointment was made.

(7) Compensation.—The compensation of a member of the risk management committee shall be determined by the Board.

(8) Removal.—A member of the risk management committee may be removed at the discretion of a majority of the Board.

(9) Term.—A member of the risk management committee shall serve a term of 6 years, unless sooner removed under paragraph (8), and may be reappointed in accordance with this section.

(10) Limitations.—

(A) In general.—A member of the risk management committee may not—

(i) hold any other public office; or

(ii) participate in any review, recommendation, report, evaluation, or decision if the member has a conflict of interest.

(B) Effect of violation.—A member who violates subparagraph (A)(ii) shall be disqualified from participating in the matter and may be removed under paragraph (8).

(e) Audit committee.—

(1) In general.—The Bank shall establish an audit committee consisting of 5 members, headed by the chief compliance officer.

(2) Appointment.—A majority of the Board shall have the authority—

(A) to appoint the members of the audit committee; and

(B) to define the duties of the chief compliance officer and each remaining member of the audit committee in accordance with this subtitle, the bylaws of the Bank, and requirements of the Board.

(3) Qualifications.—Each member of the audit committee shall have demonstrated experience and expertise in 1 or more of the following:

(A) Internal auditing.

(B) Internal investigations.

(C) Accounting practices.

(D) Financing practices.

(4) Duties of chief compliance officer.—The chief compliance officer shall—

(A) have such functions, powers, and duties as may be prescribed by this subtitle, the bylaws of the Bank, and the Board; and

(B) report directly to the Board.

(5) Duties of audit committee.—The audit committee shall—

(A) provide internal controls and internal auditing activities for the Bank;

(B) maintain responsibility for the accounting activities of the Bank;

(C) conduct internal investigations of the business activities of the Bank;

(D) issue financial reports of the Bank; and

(E) complete reports with outside auditors and public accountants appointed by the Board.

(6) Vacancy.—A vacancy on the audit committee shall be filled in the manner in which the original appointment was made.

(7) Compensation.—The compensation of a member of the audit committee shall be determined by the Board.

(8) Removal.—A member of the audit committee may be removed at the discretion of a majority of the Board.

(9) Term.—A member of the audit committee shall serve a term of 6 years, unless sooner removed under paragraph (8), and may be reappointed in accordance with this section.

(10) Limitations.—

(A) In general.—A member of the audit committee may not—

(i) hold any other public office; or

(ii) participate in any review, recommendation, report, evaluation, or decision if the member has a conflict of interest.

(B) Effect of violation.—A member who violates subparagraph (A)(ii) shall be disqualified from participating in the matter and may be removed under paragraph (8).

(f) Personnel compensation and duties.—The chairperson of the Board, chief executive officer, chief risk officer, and chief compliance officer may appoint, remove, fix the compensation of, and define the duties of qualified personnel to support the officer or committee for which the appointing official is responsible, in accordance with this subtitle, the bylaws of the Bank, and policies approved by the Board.

SEC. 646. LABOR, BUY AMERICA, AND COMMUNITY SAFEGUARDS.

(a) Compliance with Federal and State laws.—

(1) In general.—The Bank, any entity that receives financial assistance from the Bank, and any contractor or subcontractor that receives funds from financial assistance provided by the Bank shall comply with all applicable Federal and State laws, including this section.

(2) Agreements.—The Bank shall require an entity that receives financial assistance from the Bank to—

(A) confirm compliance with applicable Federal and State laws in a loan agreement between the Bank and the entity; and

(B) ensure, through a written agreement, that contractors and subcontractors used by the entity for an infrastructure project carried out with that financial assistance are in compliance with applicable Federal and State laws.

(b) Compliance with Davis-Bacon Act.—

(1) In general.—All laborers and mechanics employed by contractors and subcontractors on infrastructure projects funded directly by or assisted in whole or in part by or through the Bank pursuant to this subtitle shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

(2) Labor standards.—With respect to the labor standards described in paragraph (1), the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code.

(c) Compliance with project labor agreements.—

(1) In general.—

(A) Covered States.—Notwithstanding any contrary State or local law, any recipient of financial assistance from the Bank in a covered State shall, for purposes of an infrastructure project funded by such financial assistance, be a party to a project labor agreement with an applicable labor organization.

(B) States that are not covered States.—Any recipient of financial assistance from the Bank in a State that is not a covered State shall, for purposes of the infrastructure project funded by such financial assistance, permit voluntary collective bargaining with respect to becoming a party to a project labor agreement.

(2) Definitions.—For purposes of this subsection:

(A) Covered State.—The term "covered State" means a State in which—

(i) the laws of such State permit an entity to require project labor agreements; or

(ii) the total estimated amount of all construction contracts for the infrastructure project is not less than $35,000,000.

(B) Project labor agreement.—The term "project labor agreement" means a pre-hire collective bargaining agreement with 1 or more labor organizations that establishes the terms and conditions of employment for a specific construction project and is described in section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)).

(3) Timing of determination.—For purposes of this subsection, whether a State is a covered State shall be determined as of the date on which the Bank approves financial assistance for the infrastructure project.

(d) Buy America requirement.—Section 70914 of the Infrastructure Investment and Jobs Act (41 U.S.C. 8301 note; Public Law 117–58) shall apply to the Bank, including financial assistance provided by the Bank.

(e) Employee transition protections.—

(1) Certification.—The Bank may not provide financial assistance for an infrastructure project involving reconstruction, rehabilitation, replacement, or expansion that is reasonably expected to displace current employees, materially reduce compensation or benefits, or materially alter existing terms or conditions of employment at the project site, unless the applicant certifies that the applicant, and any contractor or subcontractor that will receive funds from financial assistance provided by the Bank, will comply with—

(A) all applicable Federal and State labor and employment laws;

(B) any applicable collective bargaining agreement or project labor agreement; and

(C) any applicable notice, retraining, placement, or transition assistance requirements.

(2) Rule of construction.—Nothing in this subsection shall be construed to prohibit automation, productivity enhancing technology, or labor saving improvements otherwise eligible for assistance under this subtitle.

(f) Small business and local productive enterprise participation.—For each fiscal year, the Bank shall ensure that not less than 20 percent of the financial assistance provided by the Bank is provided to or through small business concerns, cooperatives, employee-owned enterprises, locally owned businesses, new market entrants, and businesses located in areas of public need, as determined by the Board by rule.

(g) Local hiring preference.—

(1) In general.—In providing financial assistance under this subtitle, the Bank shall ensure that recipients of financial assistance from the Bank implement a local, rural, or other geographic or economic hiring preference relating to the use of labor for construction of an infrastructure project funded by the assistance, including pre-hire agreements, subject to any applicable State and local laws, policies, and procedures, in partnership with a registered apprenticeship program, as defined in section 3131(e)(3)(B) of the Internal Revenue Code of 1986, if applicable, or with a State board or local board, as those terms are defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(2) Priority.—In carrying out paragraph (1), the Bank shall ensure that recipients of financial assistance from the Bank give priority in hiring to—

(A) individuals with a barrier to employment, as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102), including individuals who are long-term unemployed, formerly incarcerated, or otherwise face documented barriers to employment;

(B) veterans; and

(C) individuals residing in areas of public need.

(h) Infrastructure planning, coordination, and nonduplication.—To the maximum extent practicable, the Bank shall ensure that activities of the Bank are coordinated with, and do not duplicate the efforts of, any Federal or State department or agency.

(i) State and local permits.—The provision of financial assistance by the Bank with respect to an infrastructure project does not relieve any recipient of the assistance of any obligation to obtain required State and local permits and approvals with respect to the infrastructure project.

SEC. 647. OVERSIGHT, AUDITS, PUBLIC REPORTING, AND SPECIAL INSPECTOR GENERAL.

(a) Office of Special Inspector General.—There is established the Office of Special Inspector General for the Bank.

(b) Appointment of Special Inspector General.—

(1) In general.—The Special Inspector General shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Qualifications.—The appointment of the Special Inspector General shall be made on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(c) Removal.—The Special Inspector General may be removed from office by the President. If the President removes the Special Inspector General from office, the President shall communicate in writing the reasons for such removal to Congress not later than 30 days before the date on which the removal takes effect.

(d) Duties.—The Special Inspector General shall conduct, supervise, and coordinate audits and investigations of the business, programs, operations, financial condition, and compliance of the Bank.

(e) Powers and authorities.—

(1) In general.—In carrying out the duties of the Special Inspector General under this section, the Special Inspector General shall have the authorities provided under section 6 of the Inspector General Act of 1978 (5 U.S.C. 406).

(2) Personnel, services, and contracts.—The Special Inspector General may select, appoint, and employ such officers and employees as may be necessary to carry out the duties of the Special Inspector General and may obtain services and enter into contracts as necessary to carry out such duties.

(3) Coordination.—The Special Inspector General shall coordinate with the Inspector General of the Department of the Treasury, the Comptroller General of the United States, and any other Inspector General or oversight official the Special Inspector General determines appropriate.

(4) Access to information.—

(A) In general.—Upon request of the Special Inspector General, the Bank, the Board, the Executive Committee, any committee of the Bank, any officer or employee of the Bank, and any recipient of financial assistance from the Bank shall provide the Special Inspector General with such information or assistance as the Special Inspector General determines necessary to carry out this section.

(B) Refusal.—If information or assistance requested by the Special Inspector General is, in the judgment of the Special Inspector General, unreasonably refused or not provided, the Special Inspector General shall report the circumstances to the Board, the Secretary, and the appropriate committees of Congress without delay.

(f) Reports by Special Inspector General.—

(1) Annual report.—Not later than April 1 of each year, the Special Inspector General shall submit to Congress, the President, the Secretary, and the Board a report summarizing the activities of the Special Inspector General during the preceding calendar year.

(2) Additional reports.—The Special Inspector General may submit to Congress, the President, the Secretary, and the Board such additional reports as the Special Inspector General determines appropriate.

(3) Contents.—Each report under paragraph (1) shall include, for the period covered by the report—

(A) a description of audits and investigations conducted by the Special Inspector General;

(B) a description of significant problems, abuses, deficiencies, or vulnerabilities identified by the Special Inspector General;

(C) a description of recommendations made by the Special Inspector General;

(D) an identification of recommendations that have not been implemented by the Bank; and

(E) any recommendations for legislative or administrative action that the Special Inspector General determines appropriate.

(g) Accounting and audits.—

(1) Accounts.—The Bank shall maintain adequate books and accounts of its assets, liabilities, capital, receipts, disbursements, financial assistance, Bank investment instruments, guarantees, insurance, participation interests, and other obligations.

(2) Annual audit.—The financial statements of the Bank shall be subject to an annual audit by independent public accountants of nationally recognized standing, to be appointed by the Board with the concurrence of the Special Inspector General or, during a vacancy in the office of the Special Inspector General, the Inspector General of the Department of the Treasury.

(3) Availability.—The Bank shall make each annual audit conducted under paragraph (2) available to the President, Congress, the Secretary, the Comptroller General of the United States, and the public.

(h) Reports by the Board and Comptroller General.—

(1) Board.—Not later than 90 days after the end of each fiscal year, the Board shall submit to the President and Congress a complete and detailed report with respect to the preceding fiscal year that describes—

(A) a summary of the operations of the Bank;

(B) a schedule of the obligations of the Bank, Bank investment instruments, guarantees, insurance, participation interests, and other financial assistance outstanding at the end of that preceding fiscal year, with a statement of the amounts issued, redeemed, paid, impaired, or written down during that preceding fiscal year;

(C) the status of infrastructure projects that have received funding or other assistance pursuant to this subtitle, including disclosure of all entities with a development, ownership, or operational interest in those infrastructure projects;

(D) the capital, liquidity, loan loss, risk reserve, and borrowed capital position of the Bank, including the aggregate amount, maturity structure, interest or return terms, counterparties by category, and use of proceeds of borrowed capital outstanding under section 643(c);

(E) a certification of the compliance of the Bank with the borrowed capital and liquidity limitations under section 643(c); and

(F) the geographic, sectoral, and counterparty concentration of financial assistance provided by the Bank.

(2) Comptroller General.—Not later than 2 years after the Bank begins operations, and every 3 years thereafter, the Comptroller General of the United States shall submit to Congress a report evaluating activities of the Bank, including the financial condition of the Bank, the compliance of the Bank with this subtitle, the effectiveness of the Bank in carrying out the purposes of this subtitle, and any recommendations for legislative or administrative action.

(i) Books and records.—

(1) In general.—The Bank shall maintain adequate books and records to support each financial transaction of the Bank, including records sufficient to identify appropriated amounts, advances, dedicated revenues, proceeds from Bank investment instruments, repayments, retained earnings, loan loss reserves, and funds held for pending disbursement.

(2) Public database.—The Bank shall maintain on a publicly accessible database a description of financial transactions and infrastructure projects receiving funding, including the amount of funding for each infrastructure project.

(3) Public comment period.—Except for emergency financing under section 644(d)(5), before final approval of an infrastructure financing agreement, the Bank shall post on the database referred to in paragraph (2) a summary of the material terms of the proposed financing, including the project sponsor, project location, type of assistance, amount of assistance, maturity or expected term, public purpose, and any proposed subsidy, and shall provide a period of not less than 30 days for public comment.

(4) Confidential business information.—Nothing in paragraph (2) or (3) shall be construed to require the public disclosure of trade secrets, confidential business information, proprietary financial information, or other information protected from disclosure by law.

(5) Inspection by Secretary, Special Inspector General, and Comptroller General.—The books and records of the Bank shall be open to inspection by the Secretary, the Special Inspector General, and the Comptroller General of the United States.

SEC. 648. TAX TREATMENT AND APPROPRIATIONS.

(a) Treatment of Bank as Government corporation exempt from tax.—Section 501(l) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(5) The National Infrastructure Bank established under section 642 of the POPULIST Act.".

(b) Treatment of gifts to Bank as charitable contributions.—

(1) In general.—Section 170(c) of the Internal Revenue Code of 1986 is amended by inserting after paragraph (6) the following:

"(7) A gift, grant, or contribution to the National Infrastructure Bank established under section 642 of the POPULIST Act, but only if the donor receives no Bank investment instrument or claim to repayment, dividends, interest, or another financial return in exchange for such gift, grant, or contribution.".

(2) Application of percentage limitation.—Section 170(b)(1)(A) of the Internal Revenue Code of 1986 is amended—

(A) by striking "or" at the end of clause (ix);

(B) by inserting "or" at the end of clause (x); and

(C) by inserting after clause (x) the following:

"(xi) the National Infrastructure Bank referred to in subsection (c)(7),".

(c) No Federal claims.—

(1) In general.—Section 3713 of title 31, United States Code, shall not apply with respect to any indebtedness of the Bank unless the United States is the holder of the claim.

(2) No bailouts.—No Federal funds may be used to satisfy liabilities of the Bank, cure insolvency of the Bank, or protect holders of Bank investment instruments from loss.

(d) Initial organization appropriations.—

(1) Authorization of appropriations.—There is authorized to be appropriated $50,000,000 for each of fiscal years 2027 and 2028, to remain available until expended, for the initial organization of the Bank, the Board, and Bank staff.

(2) Repayment of initial appropriations.—Amounts appropriated pursuant to paragraph (1) shall be repaid to the Treasury of the United States not later than 10 years after the first appropriation is made pursuant to such paragraph.

(3) Source of repayment.—Repayment under paragraph (2) shall be made from earnings or other funds lawfully available to the Bank, subject to section 643(e).

Subtitle E—Consumer Financial Protection and Power

SEC. 651. CONSUMER FINANCIAL DATA ACCESS AND OPEN BANKING ENFORCEMENT.

(a) Definitions.—In this section:

(1) Bureau.—The term "Bureau" means the Bureau of Consumer Financial Protection.

(2) Regulatory terms.—Any term used in this section that is defined in part 1033 of title 12, Code of Federal Regulations, as incorporated under subsection (b), has the meaning given the term in that part.

(b) Codification and statutory floor.—

(1) Incorporation.—The provisions codified in part 1033 of title 12, Code of Federal Regulations, by the final rule entitled Required Rulemaking on Personal Financial Data Rights, issued by the Bureau pursuant to section 1033 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5533), published in the Federal Register on November 18, 2024 (89 Fed. Reg. 90838), and in effect on January 17, 2025, are incorporated into this Act and shall be treated as though set forth in this section.

(2) Statutory floor.—The Bureau may prescribe regulations to strengthen, update, or expand any provision incorporated under paragraph (1), but may not rescind, weaken, narrow, or otherwise reduce any protection, duty, prohibition, remedy, or requirement established by such provision.

(c) Compliance dates.—Notwithstanding section 1033.121(b) of title 12, Code of Federal Regulations, as incorporated under subsection (b), the requirements of subparts B and C of part 1033 of such title and the duties, prohibitions, liabilities, and remedies under subsections (e) through (h) shall apply to—

(1) a data provider described in section 1033.121(b)(1) of such title beginning 180 days after the date of enactment of this Act;

(2) a data provider described in section 1033.121(b)(2) of such title beginning 1 year after the date of enactment of this Act;

(3) a data provider described in section 1033.121(b)(3) of such title beginning 2 years after the date of enactment of this Act;

(4) a data provider described in section 1033.121(b)(4) of such title beginning 3 years after the date of enactment of this Act; and

(5) a data provider described in section 1033.121(b)(5) of such title beginning 4 years after the date of enactment of this Act.

(d) Standards recognition.—

(1) Process codified.—Congress affirms and codifies the process established in part 1033 of title 12, Code of Federal Regulations, for recognition by the Bureau of standard-setting bodies and for the development and maintenance of consensus standards by recognized standard setters.

(2) Continued flexibility.—Nothing in subsection (b) shall prevent—

(A) the Bureau from recognizing, renewing, or revoking recognition of a standard-setting body; or

(B) a recognized standard setter from adopting, updating, or withdrawing a consensus standard;

consistent with part 1033 of title 12, Code of Federal Regulations, except that no such action may violate subsection (b)(2).

(e) Affirmative duty and burden of proof.—

(1) Affirmative duty.—A data provider shall have an affirmative duty to provide consumers and their authorized third parties with access to covered data in a timely, continuous, standardized, and nondiscriminatory manner.

(2) Denial of required access.—Any denial, revocation, suspension, limitation, degradation, or delay by a data provider of access otherwise required under this section shall constitute a violation of this section unless the data provider demonstrates, by clear and convincing evidence, that the action was strictly necessary to address a specific, material, and demonstrable security risk and was narrowly tailored in scope and duration.

(f) Prohibition on evasive conduct.—It shall be unlawful for a data provider to comply with this section in form but not in substance, including through any technical, contractual, procedural, or operational measure that materially interferes with, conditions, degrades, or frustrates access by consumers or their authorized third parties to covered data as required under this section.

(g) Enforcement and remedies.—

(1) Bureau enforcement.—The Bureau shall implement, administer, and enforce this section. A violation of this section shall be treated as a violation of a Federal consumer financial law for purposes of subtitle E of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5561 et seq.).

(2) Statutory damages.—

(A) In general.—A data provider that violates this section shall be liable for statutory damages of not less than $100 per affected consumer per day for each day the violation persists.

(B) Accrual.—Statutory damages under this paragraph shall accrue automatically without regard to proof of actual harm and shall be in addition to any other remedy provided by law.

(3) Civil action by consumer.—Any consumer aggrieved by a violation of this section may bring a civil action in any court of competent jurisdiction for injunctive relief, any statutory damages available under paragraph (2), and reasonable attorneys' fees and costs.

(h) Preservation of safe harbors conditioned on good faith compliance.—A data provider shall be eligible for any statutory, regulatory, or judicial safe harbor, limitation on liability, or preemption defense otherwise available under Federal law with respect to liability arising under this section only if the data provider demonstrates good faith compliance with this section and regulations prescribed under this section.

(i) Technical standards backstop.—If the Bureau determines that no consensus standard is reasonably available, or that data providers are engaging in conduct that materially frustrates implementation of consensus standards, the Bureau may by rule establish a default technical standard that shall have the same force and effect as a consensus standard for purposes of compliance with this section.

SEC. 652. FEDERAL USURY CAP.

(a) In general.—Notwithstanding any other provision of Federal or State law, it shall be unlawful for a creditor to extend or maintain any consumer credit with an annual percentage rate exceeding 10 percent.

(b) Scope.—This section shall apply to any extension of consumer credit, including credit cards, installment loans, personal loans, income advance, lines of credit, and any other form of credit offered to a natural person for personal, family, or household purposes.

(c) Annual percentage rate.—For purposes of this section, the annual percentage rate shall be calculated in accordance with section 107 of the Truth in Lending Act (15 U.S.C. 1606) and, notwithstanding section 106 of such Act (15 U.S.C. 1605), shall include all interest, fees, charges, penalties, and other consideration imposed directly or indirectly on the borrower in connection with the extension, maintenance, or collection of credit, except for a bona fide charge of a type and amount payable in a comparable cash transaction.

(d) Evasion prohibited.—A creditor may not evade the requirements of this section through the use of fees, add-ons, affiliated entities, third-party arrangements, choice-of-law provisions, or any other device or subterfuge.

(e) Rent-a-bank prohibition.—The applicability of this section shall be determined by the substance of the credit transaction, and not the identity or charter of any intermediary, including a

bank or nonbank partner. Any person that holds the predominant economic interest in a consumer credit transaction shall be deemed the creditor for purposes of this section.

(f) Preemption.—This section shall supersede any provision of State or Federal law, including any law relating to bank charters or interest rate exportation, that permits the extension of consumer credit at an annual percentage rate exceeding the limit established under subsection (a). Nothing in this section shall preempt or supersede a State law that provides greater protection to a consumer.

(g) Enforcement and remedies.—

(1) Enforcement.—A violation of this section shall be subject to administrative enforcement under section 108 of the Truth in Lending Act (15 U.S.C. 1607) and civil liability under section 130 of such Act (15 U.S.C. 1640) and may be enforced by the Bureau of Consumer Financial Protection, the Federal Trade Commission to the extent of its jurisdiction, and the Attorney General of any State.

(2) Violations before July 1, 2027.—For a violation occurring after December 31, 2026, and before July 1, 2027—

(A) the creditor shall forfeit all interest and other amounts included in the annual percentage rate under subsection (c) that accrue or become payable on or after January 1, 2027;

(B) the creditor shall refund any such amount collected; and

(C) the consumer shall remain liable only for the unpaid principal.

(3) Knowing or willful violations on or after July 1, 2027.—If a creditor knowingly or willfully violates this section with respect to a consumer credit agreement on or after July 1, 2027, the agreement shall be void and unenforceable, the consumer shall have no further obligation under the agreement, and any security interest securing the agreement shall be void.

(h) Effective date.—This section shall take effect on January 1, 2027, and shall apply to all consumer credit outstanding on or extended on or after such date, without regard to the date on which the credit agreement was entered into. Each creditor shall conform any outstanding consumer credit agreement to this section not later than January 1, 2027.

(i) Regulations.—The Bureau of Consumer Financial Protection shall prescribe such regulations as are necessary to carry out this section, including regulations governing the annualization of contingent or post-origination charges. This section shall apply without regard to whether implementing regulations have been issued.

SEC. 653. STABILIZING STABLECOINS.

(a) Issuer requirements and safeguards.—Section 5903(a) of title 12, United States Code, is amended—

(1) in paragraph (1)(A)—

(A) by striking clauses (iv) through (vii); and

(B) in clause (viii), by striking "or clause (vi) through (vii)";

(2) in paragraph (2), by striking "except for the purpose of" through the period at the end and inserting "except for a custodial lien limited to reasonable unpaid fees for safekeeping that does not secure any credit, trading, investment, or affiliate obligation.";

(3) in paragraph (3)(A), by striking "paragraph (1)(D)" and inserting "paragraph (1)(C)";

(4) in paragraph (7)—

(A) by amending subparagraph (A)(v) to read as follows:

"(v) undertake other operational activities strictly necessary to carry out any of the activities described in clauses (i) through (iv), if such activities do not involve lending, maturity transformation, securities underwriting or dealing, proprietary trading, leverage, or investment of required reserves."; and

(B) by striking subparagraph (B);

(5) in paragraph (11) to read as follows:

"(11) Prohibition on interest or yield.—

"(A) General rule.—No permitted payment stablecoin issuer or foreign payment stablecoin issuer, nor any affiliated person or person acting directly or indirectly on its behalf, may provide, offer, arrange, or facilitate any interest or yield with respect to a payment stablecoin.

"(B) Definition of interest or yield.—For purposes of this section, the term 'interest or yield' means any cash, digital asset, credit, rebate, reward, incentive, or other consideration, whether fixed or variable, that is not solely compensation for a bona fide good or service provided at fair market value and that—

"(i) is calculated by reference to the amount of payment stablecoins held, the duration of holding, or an average balance over time; or

"(ii) is reasonably expected by a holder as a consequence of holding, using, or retaining a payment stablecoin.

"(C) Attribution.—For purposes of subparagraph (A), consideration shall be deemed to be provided by an issuer if such consideration is provided—

"(i) by an affiliate, sponsor, foundation, or related entity;

"(ii) pursuant to any arrangement, understanding, integration, or incentive program involving the issuer; or

"(iii) where holding or use of the payment stablecoin is a necessary condition of eligibility.

"(D) No circumvention.—The prohibitions of this paragraph apply regardless of form, label, marketing, contractual characterization, or technical architecture.

"(E) Enforcement.—A violation of this paragraph shall be treated as an unfair, deceptive, or abusive act or practice in violation of sections 1031 and 1036 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5531 and 5536) and may be enforced by the Bureau of Consumer Financial Protection, the primary Federal payment stablecoin regulator, the Federal Trade Commission to the extent of its jurisdiction, and the attorney general of a State.";

(6) by renumbering paragraphs (13) and (14) as (14) and (15), respectively; and

(7) by inserting after paragraph (12) the following new paragraph (13):

"(13) Automatic response to reserve shortfall.—

"(A) Immediate measures.—If the value of reserves required under paragraph (1)(A) is less than the aggregate face amount of outstanding payment stablecoins issued by a permitted payment stablecoin issuer, the issuer shall immediately—

"(i) cease issuing payment stablecoins;

"(ii) cease making dividends, distributions, stock repurchases, or transfers to an affiliate, director, officer, or controlling shareholder; and

"(iii) notify its primary Federal payment stablecoin regulator or State payment stablecoin regulator, as applicable.

"(B) Cure.—The issuer shall restore full 1-to-1 reserves not later than the close of the next business day by contributing assets described in paragraph (1)(A) that were not previously included in such reserves.

"(C) Orderly redemption.—If the issuer does not restore full reserves within the period required under subparagraph (B), the primary Federal payment stablecoin regulator or State payment stablecoin regulator, as applicable, shall immediately require the issuer to commence an orderly redemption of all outstanding payment stablecoins in accordance with the redemption policy required under paragraph (1)(B), subject to any additional terms imposed by the regulator to ensure orderly and timely redemption, and may not waive, delay, or exempt the issuer from the requirements of this paragraph.

"(D) No regulatory delay.—The requirements of this paragraph shall apply without regard to whether implementing regulations have been issued.".

(b) Consequence of missed rulemaking deadline.—Section 5913 of title 12, United States Code, is amended by adding at the end the following:

"(d) Restriction on Federal approvals and waivers.—Until a primary Federal payment stablecoin regulator has promulgated all final regulations required of that regulator under subsection (a), the regulator may not—

"(1) approve an application under section 5904; or

"(2) issue a waiver under section 5903(d)(3).".

SEC. 654. DIGITAL ASSET KIOSK CONSUMER PROTECTION.

(a) Amendments to section 5330.—Section 5330 of title 31, United States Code, is amended—

(1) in subsection (d), by adding at the end the following:

"(3) Digital asset kiosk terms.—The terms 'digital asset kiosk' and 'digital asset kiosk operator' have the meanings given those terms in section 5337(a). A digital asset kiosk operator shall be treated as a money transmitting business for purposes of this section."; and

(2) by adding at the end the following:

"(f) Registration of digital asset kiosk operators and locations.—

"(1) Registration required.—It shall be unlawful for a digital asset kiosk operator to operate a digital asset kiosk after December 31, 2026, unless the operator is registered with the Secretary under this section.

"(2) Location submission.—For each physical location where a digital asset kiosk will be operated, the digital asset kiosk operator shall submit to the Secretary, in such form and manner as the Secretary may require—

"(A) the legal name of the digital asset kiosk operator;

"(B) the physical address and operating hours of each digital asset kiosk;

"(C) the customer service telephone number required under section 5337(h);

"(D) the start date of operation of each digital asset kiosk;

"(E) the end date of operation of each digital asset kiosk, if applicable;

"(F) the name and contact information of the compliance officer required under section 5337(f);

"(G) the law enforcement contact information required under section 5337(h);

"(H) each type of digital asset made available through the digital asset kiosk; and

"(I) any digital asset wallet addresses used by the digital asset kiosk operator, in such manner as the Secretary determines appropriate to protect investigations, cybersecurity, and customer privacy.

"(3) Updates and annual certification.—A digital asset kiosk operator shall—

"(A) submit to the Secretary an update to the information required under paragraph (2) not later than 10 business days after any material change to such information; and

"(B) certify to the Secretary in December of each year that the information required under paragraph (2) is accurate and current.

"(4) Public availability.—The Secretary shall make the information submitted under subparagraphs (A) through (E) of paragraph (2) available to the public, including on a website of the Department of the Treasury.

"(5) Additional public information.—The Secretary may make information submitted under subparagraphs (F) through (H) of paragraph (2) available to the public, including on a website of the Department of the Treasury, except that the Secretary may withhold or redact information the disclosure of which would create a cybersecurity risk, compromise an investigation, disclose personal information, or impair enforcement of this subchapter.

"(6) Wallet-address information.—The Secretary may not make information submitted under paragraph (2)(I) available to the public except in aggregated, anonymized, or otherwise protected form.

"(7) False and incomplete information.—The filing of false or materially incomplete information in a submission required under this subsection shall be considered a failure to comply with the requirements of this subchapter.

"(8) State licensing preserved.—Registration under this subsection does not authorize a digital asset kiosk operator to operate in any State or locality without any license, registration, approval, or authorization required under State or local law.

"(9) Registration process.—Not later than 30 days after the date of enactment of the POPULIST Act, the Secretary shall establish and make publicly available an electronic process for registration and submission of location information under this subsection.".

(b) Digital asset kiosk consumer protection.—Subchapter II of chapter 53 of title 31, United States Code, is amended by adding at the end the following:

"Sec. 5337. Digital asset kiosk consumer protection.

"(a) Definitions.—In this section:

"(1) Charge.—The term 'charge' means any fee, expense, markup, commission, exchange-rate difference, service charge, or other amount, whether direct or indirect, collected from or imposed on a customer in connection with a digital asset kiosk transaction, including any difference between the price charged to or paid by the customer and the prevailing market value of the digital asset at the time of the transaction.

"(2) Customer.—The term 'customer' means an individual who uses, attempts to use, or is solicited to use a digital asset kiosk.

"(3) Digital asset.—The term 'digital asset' means a digital representation of value that is issued, transferred, stored, or recorded using distributed-ledger, blockchain, cryptographic, or similar technology.

"(4) Digital asset kiosk.—The term 'digital asset kiosk' means an electronic information-processing device, automated teller machine, terminal, or other device at a physical location that facilitates the buying, selling, exchange, transfer, or conversion of fiat currency and a digital asset.

"(5) Digital asset kiosk operator.—The term 'digital asset kiosk operator' means a person that owns or operates a digital asset kiosk, including a person that controls transaction processing, customer onboarding, wallet-address selection, custody, settlement, or compliance for such kiosk.

"(6) Digital asset wallet address.—The term 'digital asset wallet address' means an alphanumeric identifier or other address associated with a digital asset wallet or account that represents a potential destination for a digital asset transfer.

"(7) Fraudulently induced.—The term 'fraudulently induced' means induced by fraud, false pretenses, deception, impersonation, coercion, material omission, romance scam, investment scam, tech support scam, government impersonation scam, family emergency scam, utility scam, law enforcement scam, court scam, financial institution scam, or any substantially similar deceptive or coercive practice.

"(8) Host location.—The term 'host location' means a person that owns, leases, manages, or controls the physical premises at which a digital asset kiosk is placed, installed, or made available.

"(9) Prevailing market value.—The term 'prevailing market value' means, with respect to a digital asset at a particular time—

"(A) the value of the digital asset calculated using a benchmark specified by rule; or

"(B) before a rule under subparagraph (A) is effective—

"(i) in a transaction in which the customer buys a digital asset, the lowest price quoted on 1 or more high-volume, publicly available digital asset trading platforms or market data services selected using a commercially reasonable method; and

"(ii) in a transaction in which the customer sells a digital asset, the highest price quoted on 1 or more high-volume, publicly available digital asset trading platforms or market data services selected using a commercially reasonable method.

"(10) Secretary.—The term 'Secretary' means the Secretary of the Treasury.

"(b) Anti-money-laundering program.—

"(1) In general.—A digital asset kiosk operator shall—

"(A) develop, implement, maintain, and routinely update an anti-money-laundering program described in section 5318(h);

"(B) file a copy of the program described in subparagraph (A) with the Financial Crimes Enforcement Network;

"(C) be subject to suspicious-activity reporting requirements described in section 5318(g);

"(D) be subject to currency-transaction reporting requirements under this subchapter;

"(E) verify the identity of each customer, including during any online pre-registration process and at the physical digital asset kiosk location;

"(F) take reasonable steps to prevent a customer from using a false identity, another person's identity, or an account not associated with the customer's true identity; and

"(G) retain records sufficient to demonstrate compliance with this section for not less than 5 years.

"(2) Risk-based controls.—The anti-money-laundering program required under paragraph (1) shall include controls reasonably designed to—

"(A) monitor digital asset kiosk transactions involving a digital asset wallet directly or indirectly associated with any digital asset wallet address listed on any relevant sanctions list, law enforcement notice, regulatory notice, or fraud-risk list through the use of blockchain analytics tools;

"(B) assess the risks associated with, and the likelihood of future illicit activity in connection with, digital asset kiosk transactions through the use of blockchain analytics tools;

"(C) maintain restrictions that prevent more than 1 customer of the digital asset kiosk operator from using the same digital asset wallet address; and

"(D) prevent transfers to digital asset wallet addresses known or reasonably suspected to be associated with fraud, scams, sanctions evasion, money laundering, terrorist financing, or other illicit activity.

"(c) Transaction limits.—

"(1) Limits.—It shall be unlawful for a digital asset kiosk operator to accept from, dispense to, or process for a customer, through 1 or more digital asset kiosks owned, operated, managed, controlled, or made available by the operator or an affiliate of the operator, digital asset kiosk transactions exceeding—

"(A) $10,000 in the aggregate during the 30-day period beginning on the date of the customer's first digital asset kiosk transaction with that operator; or

"(B) $2,000 in a 24-hour period.

"(2) Anti-evasion.—A digital asset kiosk operator may not structure, divide, route, or process a transaction, or assist another person in structuring, dividing, routing, or processing a transaction, for the purpose of evading a limit under this subsection.

"(3) No inflation adjustment.—The dollar amounts in this subsection shall not be increased for inflation unless Congress expressly provides otherwise.

"(d) Cap on charges.—

"(1) In general.—It shall be unlawful for a digital asset kiosk operator to collect charges from a customer in connection with a digital asset kiosk transaction in an amount that exceeds the greater of—

"(A) $5; or

"(B) 3 percent of the dollar value involved in the transaction.

"(2) No minimum charge.—Nothing in this subsection shall be construed to require or authorize a digital asset kiosk operator to impose a charge that is not agreed to by the customer.

"(3) Disclosure not sufficient.—A charge prohibited under this subsection is unlawful regardless of whether the charge was disclosed to, acknowledged by, or agreed to by the customer.

"(e) Disclosures and interactive fraud screen.—

"(1) Required pre-transaction disclosure.—Before completing a digital asset kiosk transaction, a digital asset kiosk operator shall provide a clear, conspicuous, and easily readable written disclosure, in English and in the same language principally used by the operator to advertise, solicit, or conduct the transaction, that includes—

"(A) a warning that scams involving digital asset kiosks are common and that digital asset transactions may be irreversible;

"(B) a warning that digital assets are not legal tender and are not insured by the Federal Deposit Insurance Corporation;

"(C) the amount of dollars to be provided by or dispensed to the customer;

"(D) the type and amount of digital asset to be transferred to or received from the customer;

"(E) the dollar price or exchange rate to be applied to the transaction;

"(F) the prevailing market value of the digital asset and the trading platform, market data service, or benchmark used to determine that prevailing market value; and

"(G) each charge to be collected from, withheld from, or imposed on the customer, itemized in dollars, and the total charges to be collected from, withheld from, or imposed on the customer.

"(2) Interactive fraud screen required.—A digital asset kiosk operator may not complete a digital asset kiosk transaction unless the operator presents the customer with an interactive fraud screen that complies with this subsection.

"(3) Default fraud-screen questions.—The interactive fraud screen required under paragraph (2) shall require the customer to answer yes or no to each of the following questions:

"(A) Were you urged to use this kiosk to claim a prize, inheritance, investment opportunity, or other reward, or to help a friend, relative, or online contact with an emergency?

"(B) Are you using this kiosk because of an urgent legal or financial problem involving law enforcement, the government, a bank or utility, or other business or official organization?

"(C) Are you speaking with or messaging anyone right now who is helping you with this transaction or telling you what to do?

"(D) Did anyone tell you to keep this transaction secret or to answer any of these questions dishonestly?

"(4) Separate timing requirement.—Each question required under paragraph (3) shall be presented on a separate screen and shall remain visible and noninteractive for not less than 7 seconds before the customer may answer that question or proceed to the next question.

"(5) Termination after affirmative answer.—If a customer answers yes to any question required under paragraph (3), the digital asset kiosk operator shall—

"(A) immediately terminate the transaction;

"(B) display a message stating that the transaction has been stopped for the customer's protection;

"(C) provide the customer service telephone number required under subsection (h);

"(D) provide contact information for reporting suspected fraud to law enforcement and appropriate Federal and State agencies; and

"(E) prevent the customer from completing a digital asset kiosk transaction with that operator for not less than 24 hours.

"(6) No bypass.—A digital asset kiosk operator may not allow any customer, employee, agent, contractor, affiliate, host location, or other person to bypass, skip, accelerate, disable, minimize, obscure, or otherwise avoid the interactive fraud screen required under paragraph (2).

"(7) Rulemaking authority.—The Secretary, in consultation with the Federal Trade Commission, the Bureau of Consumer Financial Protection, and the Federal Bureau of Investigation, may by rule add, remove, revise, or require rotation of fraud-screen questions required under paragraph (3) to address emerging fraud schemes, except that any rule issued under this paragraph shall require not fewer than 4 yes-or-no fraud-screen questions and shall preserve the separate 7-second waiting period for each question, termination requirement, negative-answer requirement, and anti-bypass rule under paragraphs (4) through (6).

"(8) Acknowledgment required.—A digital asset kiosk operator may not complete a digital asset kiosk transaction unless the customer affirmatively acknowledges receipt of the

disclosures and warnings required under paragraph (1) and answers the questions required under paragraph (3).

"(9) No waiver.—A customer's acknowledgment of a disclosure or warning under this subsection, or a customer's answer to a fraud-screen question under this subsection, may not be construed to waive, limit, or reduce any refund, remedy, or protection under this section or any other provision of Federal, State, or local law.

"(f) Anti-fraud program; compliance officer; blockchain analytics.—

"(1) Anti-fraud program.—A digital asset kiosk operator shall develop, implement, maintain, and routinely update a written anti-fraud program reasonably designed to detect, prevent, and respond to fraudulently induced transactions.

"(2) Contents.—The anti-fraud program required under paragraph (1) shall include—

"(A) identification and assessment of fraud-related risk areas;

"(B) procedures and controls to protect customers from identified risks;

"(C) procedures to review transactions for indicators of fraud, coercion, scam activity, or illicit finance;

"(D) procedures to prevent transfers to digital asset wallet addresses known or reasonably suspected to be associated with fraud, scams, sanctions evasion, money laundering, terrorist financing, or other illicit activity;

"(E) procedures for periodic evaluation and revision of anti-fraud controls;

"(F) employee and contractor training requirements;

"(G) procedures for responding to reports from customers, law enforcement, the Financial Crimes Enforcement Network, the Federal Trade Commission, the Bureau of Consumer Financial Protection, State regulators, State attorneys general, and Federal, State, local, and Tribal law enforcement agencies; and

"(H) procedures for preserving records relevant to suspected fraud or illicit finance.

"(3) Blockchain analytics.—A digital asset kiosk operator shall use blockchain analytics software or services reasonably designed to identify digital asset wallet addresses associated with fraud, scams, sanctions evasion, money laundering, terrorist financing, or other illicit activity.

"(4) Blocked transactions.—A digital asset kiosk operator may not complete a transaction if the operator knows or reasonably should know, based on blockchain analytics, law enforcement notice, regulatory notice, or the operator's anti-fraud program, that the transaction involves a digital asset wallet address associated with fraud, scams, sanctions evasion, money laundering, terrorist financing, or other illicit activity.

"(5) Compliance officer.—A digital asset kiosk operator shall designate a qualified compliance officer responsible for compliance with this section and other applicable Federal and State laws.

"(6) Senior-management certification.—The anti-fraud program required under this subsection shall be approved and certified annually by a senior officer of the digital asset kiosk operator.

"(g) Receipts.—

"(1) In general.—Upon completion of each digital asset kiosk transaction, a digital asset kiosk operator shall provide the customer with a physical receipt and, if the customer elects, an electronic receipt.

"(2) Contents.—A receipt required under paragraph (1) shall include—

"(A) the name and contact information of the digital asset kiosk operator;

"(B) the name of the customer;

"(C) the physical location of the digital asset kiosk;

"(D) the date and precise time of the transaction;

"(E) the type and amount of digital asset involved in the transaction;

"(F) the amount of dollars involved in the transaction;

"(G) each applicable digital asset wallet address;

"(H) the transaction hash or other transaction identifier;

"(I) the exchange rate applied to the transaction;

"(J) the prevailing market value of the digital asset and the trading platform, market data service, or benchmark used to determine that prevailing market value;

"(K) each charge imposed on the customer, itemized in dollars;

"(L) the total charges imposed on the customer;

"(M) the refund protections under subsection (i);

"(N) the customer service telephone number required under subsection (h); and

"(O) contact information for reporting suspected fraud to law enforcement and appropriate Federal and State agencies.

"(h) Customer service and law enforcement contact.—

"(1) Customer service.—A digital asset kiosk operator shall provide live customer service through a toll-free telephone number during all hours in which any digital asset kiosk of the operator is available for use.

"(2) Display required.—Each digital asset kiosk shall display clearly and conspicuously, on the kiosk and before a customer initiates a transaction—

"(A) the toll-free telephone number required under paragraph (1);

"(B) contact information for reporting suspected fraud to law enforcement and appropriate Federal and State agencies;

"(C) the transaction limits under subsection (c);

"(D) the charge cap under subsection (d); and

"(E) the refund protections under subsection (i).

"(3) Law enforcement contact.—A digital asset kiosk operator shall maintain a dedicated telephone number and email address for communications with the Financial Crimes Enforcement Network, the Federal Trade Commission, the Bureau of Consumer Financial Protection, State regulators, State attorneys general, and Federal, State, local, and Tribal law enforcement agencies.

"(4) Monitoring.—The contact methods required under paragraph (3) shall be monitored during all hours in which any digital asset kiosk of the operator is available for use, and in no case less frequently than once each day.

"(i) Refunds for fraudulently induced transactions.—

"(1) Full refund required.—A digital asset kiosk operator shall issue a full refund to a customer for a fraudulently induced digital asset kiosk transaction, including the full amount of dollars involved in the transaction and all charges imposed in connection with the transaction, if the customer—

"(A) notifies the digital asset kiosk operator that the transaction was fraudulently induced not later than 90 days after the transaction;

"(B) reports the fraudulent nature of the transaction to a Federal, State, local, or Tribal law enforcement agency, the Financial Crimes Enforcement Network, the Federal Trade Commission, the Bureau of Consumer Financial Protection, a State attorney general, or a State financial regulator not later than 90 days after the transaction; and

"(C) provides the operator with a copy of the report described in subparagraph (B), a police report, a sworn declaration, or other documentation reasonably describing the fraud.

"(2) Timing.—A refund required under paragraph (1) shall be issued not later than 10 business days after the digital asset kiosk operator receives the notice and documentation required under paragraph (1).

"(3) Form of refund.—A refund required under paragraph (1) shall be made in dollars.

"(4) No recovery condition.—A digital asset kiosk operator may not condition a refund required under this subsection on the operator's recovery of any digital asset, recovery from a

third party, completion of a law enforcement investigation, or proof that a scammer has been identified or charged.

"(5) No waiver.—A duty imposed on a digital asset kiosk operator under this subsection may not be waived, limited, or disclaimed by agreement, acknowledgment, or other arrangement with a customer.

"(j) Enforcement.—

"(1) Federal enforcement.—The Secretary, the Financial Crimes Enforcement Network, the Federal Trade Commission, and the Bureau of Consumer Financial Protection may enforce this section under their respective authorities.

"(2) Unfair, deceptive, or abusive act or practice.—A violation of this section is deemed to be an unfair, deceptive, or abusive act or practice under section 5 of the Federal Trade Commission Act (15 U.S.C. 45) and under section 1031 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5531).

"(3) State enforcement.—The attorney general of a State, the chief consumer-protection officer of a State, or the financial regulator of a State may bring a civil action in the name of the State to enforce this section and to obtain restitution, refunds, damages, civil penalties, declaratory relief, injunctive relief, costs, and reasonable attorney's fees.

"(4) Civil penalties.—A digital asset kiosk operator that violates this section shall be liable for a civil penalty of not more than $10,000 for each violation, in addition to any restitution, refund, damages, or other relief available under Federal, State, or local law.

"(5) Customer action for refunds and overcharges.—A customer may bring a civil action to recover any refund required under subsection (i), any charge imposed in violation of subsection (d), costs, and reasonable attorney's fees.

"(6) Host-location liability.—A host location that knowingly permits an unregistered digital asset kiosk to operate at a location owned, leased, managed, or controlled by the host location after receiving notice from the Secretary, a State regulator, a State attorney general, or a law enforcement agency that the kiosk is unregistered shall be liable for a civil penalty of not more than $10,000 for each day the kiosk remains available for use after receipt of the notice.

"(k) Implementation and fraud-scheme alerts.—

"(1) Interim final rules.—Not later than 90 days after the date of enactment of the POPULIST Act, the Secretary, in consultation with the Federal Trade Commission, the Bureau of Consumer Financial Protection, and the Federal Bureau of Investigation, shall issue interim final rules to carry out this section.

"(2) Effect.—The interim final rules issued under paragraph (1) shall take effect upon publication in the Federal Register, shall have the force and effect of law, and may be issued without regard to section 553 of title 5, United States Code.

"(3) Public comment and final rules.—Not later than 1 year after the date of enactment of the POPULIST Act, the Secretary shall provide a public comment period of not less than 60 days and issue final rules to carry out this section.

"(4) Annual fraud-scheme alerts.—Not later than April 1, 2027, and annually thereafter, the Secretary, in consultation with the Federal Trade Commission and the Federal Bureau of Investigation, shall issue fraud-scheme alerts to assist digital asset kiosk operators, regulators, law enforcement agencies, and customers in identifying emerging fraud schemes involving digital asset kiosks.

"(5) No delay.—A delay in issuance or finalization of rules under this subsection shall not delay the effective date or applicability of any provision of this section.

"(l) State regulatory authority and decals.—

"(1) State licensing laws.—Nothing in this section may be construed to limit the authority of a State regulatory agency to require a digital asset kiosk operator to ensure registration, licensing, and compliance related to applicable State laws.

"(2) State-issued decals for compliant digital asset kiosks.—A State regulatory agency may—

"(A) issue a decal or physical sign that can be affixed to a digital asset kiosk, in a form or manner determined by the State regulatory agency, to signal compliance with applicable State and Federal laws, including whether—

"(i) the physical location of the digital asset kiosk has been filed with the Secretary; and

"(ii) the operator of the digital asset kiosk is registered with the Secretary and has obtained the appropriate licensing from the State regulatory agency;

"(B) administer a process through which a digital asset kiosk operator is issued such decal or sign for affixation to the digital asset kiosk; and

"(C) impose penalties for any false advertising, misuse of signage, or misrepresentation of regulated or compliant status.

"(3) Coordination with State regulators.—The Secretary, acting through the Financial Crimes Enforcement Network, may enter into agreements with State regulatory agencies to facilitate the supervision of digital asset kiosk operators and enhance compliance with Federal standards, including agreements relating to the coordination of examinations and the sharing of supervisory information for the purposes of enforcing applicable Federal standards.

"(m) Preservation of State and local authority.—

"(1) Federal floor.—This section establishes minimum protections and does not preempt any State or local law, regulation, order, ordinance, licensing requirement, zoning requirement, land-use requirement, registration requirement, transaction limit, charge limit, disclosure requirement, refund requirement, enforcement authority, or prohibition that provides equal or

greater protection to customers, prevents fraud, prevents illicit finance, or restricts or prohibits the operation of digital asset kiosks.

"(2) Stricter limits preserved.—A State or locality may impose stricter requirements than this section, including lower transaction limits, lower charge limits, broader refund requirements, longer fraud-reporting periods, location restrictions, licensing requirements, compliance decals, or a complete prohibition on digital asset kiosks.

"(3) No authorization to operate.—Nothing in this section shall be construed to authorize a digital asset kiosk operator to operate in any State or locality in violation of State or local law.

"(n) Effective date.—Subsection (k) shall take effect on the date of enactment of the POPULIST Act. The remaining provisions of this section shall take effect January 1, 2027.".

(c) Clerical amendment.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5336 the following:

"5337. Digital asset kiosk consumer protection.".

Subtitle F—Capital Flows

SEC. 661. EXCHANGE RATE MANAGEMENT AND CAPITAL FLOW PRICING.

(a) Definitions.—In this section:

(1) Covered buyer.—The term "covered buyer" means—

(A) a foreign person; or

(B) a United States person whose principal residence (in the case of an individual) or principal place of business (in the case of an entity) is outside the United States.

(2) Covered transaction.—The term "covered transaction" means the purchase or acquisition by a covered buyer of a United States asset the value of which exceeds $10,000.

(3) Current account balance target.—The term "current account balance target" means that current account surpluses or deficits do not exceed an average of 0.5 percent of the gross domestic product of the United States in any 5-year period.

(4) Domestic financial institution.—The term "domestic financial institution" has the meaning given that term in section 5312 of title 31, United States Code.

(5) Entity.—The term "entity" includes—

(A) a corporation, partnership, or limited liability company; or

(B) a trust or estate.

(6) Foreign person.—The term "foreign person" means any individual or entity that is not a United States person.

(7) Market access charge.—The term "market access charge" means the fee imposed under subsection (b) with respect to a covered transaction.

(8) Person.—The term "person" means an individual or entity.

(9) Secretary.—The term "Secretary" means the Secretary of the Treasury.

(10) Security; transfer agent.—The terms "security" and "transfer agent" have the meanings given those terms in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).

(11) United States asset.—

(A) In general.—Except as provided in subparagraph (B), the term "United States asset" means—

(i) a security, stock, bond, note, swap, loan, or other financial instrument—

(I) the face value of which is denominated in United States dollars;

(II) that is registered or located in the United States; or

(III) that is an obligation of a United States person;

(ii) real property located in the United States;

(iii) any ownership interest in an entity that is a United States person;

(iv) intellectual property owned by a United States person; or

(v) any other asset class or transaction identified by the Board of Governors of the Federal Reserve as trading in sufficient volume to cause a risk of upward pressure on the exchange rate of the United States dollar.

(B) Exceptions.—The term "United States asset" does not include—

(i) a good being exported from the United States; or

(ii) currency or noninterest-bearing deposits.

(C) Consideration by Board of Governors.—Not less frequently than annually, the Board of Governors shall consider whether to identify additional asset classes or transactions under subparagraph (A)(v).

(12) United States person.—The term "United States person" means—

(A) a citizen or resident of the United States; or

(B) an entity organized under the laws of the United States or any jurisdiction within the United States.

(b) Market access charge.—

(1) Imposition.—Beginning 180 days after the date of enactment of this Act, there shall be imposed a market access charge on each covered buyer in a covered transaction.

(2) Calculation of rate.—

(A) In general.—The Board of Governors of the Federal Reserve System shall establish and adjust the rate of the market access charge at a rate that—

(i) achieves the current account balance target not later than 5 years after the date of enactment of this Act; and

(ii) maintains the current account balance target thereafter.

(B) Differentiated rates.—The Board of Governors may apply different rates of the market access charge to different categories of United States assets, provided that—

(i) higher rates may be applied to assets predominantly used for speculative or passive investment;

(ii) lower rates or exemptions may be applied to assets primarily associated with productive investment, trade facilitation, or long-term operating control; and

(iii) no rate differentiation may be used to favor or disfavor a specific foreign country or political jurisdiction.

(C) Mandatory exemptions.—The market access charge shall not apply to—

(i) transactions directly related to the export of United States goods or services;

(ii) foreign direct investment that directly finances the establishment or material expansion of productive capacity in the United States and is reasonably expected to result in net job creation, as determined under regulations prescribed by the Secretary; or

(iii) transactions designated by the Secretary as necessary to preserve financial stability or continuity of critical infrastructure.

(D) Effects of noncrisis movements.—

(i) In general.—Subject to clause (ii), the Board of Governors may take into consideration the minimization of disruptive effects on output, employment, interest rates, and foreign exchange, securities, and asset markets.

(ii) Limitation.—The Board of Governors may not adjust the market access charge in reaction to noncrisis movements in the markets described in clause (i).

(E) Alternate initial market access charge.—If, 180 days after the date of enactment of this Act, the Board of Governors has not established the initial rate for the market access charge, the initial market access charge shall be established at the rate of 50 basis points of the value of a covered transaction.

(3) Collection and reporting.—

(A) In general.—The market access charge shall be collected from a covered buyer in a covered transaction as follows:

(i) In the case of a covered transaction involving a registered security, the transfer agent shall collect the market access charge.

(ii) In the case of a covered transaction not involving a registered security and through which a domestic financial institution receives funds from the covered buyer, the domestic financial institution shall collect the market access charge.

(iii) In the case of any covered transaction not described in clause (i) or (ii), the United States person that is the counterparty to the covered buyer or otherwise receives funds from the covered buyer pursuant to the covered transaction shall collect the market access charge.

(B) Transfer to Treasury.—At the end of each month, each person collecting a market access charge under subparagraph (A) shall transfer to the Secretary the amount of all market access charges collected by the person during that month in such manner as the Secretary may prescribe.

(C) Reporting.—The Secretary shall require each person collecting a market access charge under subparagraph (A) to keep records and file reports with the Secretary that include—

(i) the identity and address of participants in the transaction;

(ii) a description of the legal capacity in which each participant in the transaction is acting;

(iii) the identity of real parties in interest;

(iv) a description of the transaction, including the nature of the United States asset involved and the price paid;

(v) the amount of the market access charge collected and the amount retained as a service fee under subparagraph (D); and

(vi) such other information as the Secretary may prescribe.

(D) Service fee.—A person collecting a market access charge under subparagraph (A) may retain a service fee, in an amount prescribed by the Secretary, to compensate the person for the administrative costs of collecting the market access charge.

(4) Deposit in Treasury.—The Secretary shall deposit all amounts received under paragraph (3)(B) into the general fund of the Treasury.

(5) Refunds and adjustments.—

(A) In general.—The Secretary shall establish procedures for correcting an erroneous collection of a market access charge and for allowing a refund or credit of any amount collected in excess of the amount lawfully due.

(B) Method.—The Secretary may—

(i) pay an approved refund directly to the person entitled to the refund; or

(ii) authorize a person required to transfer market access charges under paragraph (3)(B) to credit an approved refund against a subsequent transfer.

(C) Appropriation.—There are appropriated to the Secretary, out of amounts received under paragraph (3)(B), such sums as are necessary to make refunds under this paragraph, to remain available until expended.

(D) Collection pending claim.—The filing of a claim for a refund or adjustment shall not delay the collection or transfer of a market access charge otherwise required under this subsection.

(c) Exchange rate management policy and mechanisms.—

(1) Amendment to Federal Reserve Act.—Section 2A of the Federal Reserve Act (12 U.S.C. 225a), as amended by section 632, is further amended—

(A) by inserting "the United States exchange rate and" after "shall maintain"; and

(B) by inserting "current account balance target (as defined in section 661(a)(3) of the POPULIST Act)," after "stable prices,".

(2) Exchange rate management policy.—The Board of Governors of the Federal Reserve System shall establish an exchange rate management policy to achieve and maintain the current account balance target.

(3) Mechanisms.—To achieve the current account balance target as required by paragraph (2), the Board of Governors—

(A) shall use the market access charge imposed under subsection (b); and

(B) may engage in foreign exchange intervention.

(d) Penalties.—

(1) Transfer agents.—A transfer agent that violates this section shall be subject to a penalty under section 32 of the Securities Exchange Act of 1934 (15 U.S.C. 78ff) to the same extent as if the agent violated a provision of that Act.

(2) Domestic financial institutions and other United States persons.—A domestic financial institution or other United States person that violates this section shall be subject to a penalty under section 5321(a)(1) or 5322(a) of title 31, United States Code, to the same extent as if the institution violated a provision of subchapter II of chapter 53 of that title.

(e) Regulations.—

(1) In general.—The Secretary shall prescribe such regulations as are necessary to carry out this section.

(2) Interim final rules.—Not later than 120 days after the date of enactment of this Act, the Secretary, in consultation with the Board of Governors, shall issue interim final rules to carry out this section. The interim final rules shall take effect upon publication in the Federal Register, shall have the force and effect of law, and may be issued without regard to section 553 of title 5, United States Code. The Secretary shall provide a public comment period of not less than 60 days after publication and shall issue final rules not later than 180 days after the date on which the interim final rules are issued.

(3) Anti-evasion rule.—The Board of Governors and the Secretary shall jointly issue rules to prevent the recharacterization of covered transactions for the purpose of avoiding the market access charge.