

may be readjusted and new districts may from time to time be created by the Board of Governors of the Federal Reserve System, not to exceed twelve in all: *Provided*, That the districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States. Such districts shall be known as Federal reserve districts and may be designated by number. When the State of Alaska or Hawaii is hereafter admitted to the Union the Federal Reserve¹ districts shall be readjusted by the Board of Governors of the Federal Reserve System in such manner as to include such State. Every national bank in any State shall, upon commencing business or within ninety days after admission into the Union of the State in which it is located, become a member bank of the Federal Reserve System by subscribing and paying for stock in the Federal Reserve bank of its district in accordance with the provisions of this chapter and shall thereupon be an insured bank under the Federal Deposit Insurance Act [12 U.S.C. 1811 et seq.], and failure to do so shall subject such bank to the penalty provided by section 501a of this title.

(Dec. 23, 1913, ch. 6, § 2 (part), 38 Stat. 251; Aug. 23, 1935, ch. 614, title II, § 203(a), 49 Stat. 704; Pub. L. 85-508, § 19, July 7, 1958, 72 Stat. 350; Pub. L. 86-3, § 17, Mar. 18, 1959, 73 Stat. 12.)

REFERENCES IN TEXT

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

The Federal Deposit Insurance Act, referred to in text, is act Sept. 21, 1950, ch. 967, § 2, 64 Stat. 873, which is classified generally to chapter 16 (§ 1811 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1811 of this title and Tables.

CODIFICATION

Section is based on part of the first par. of section 2 of act Dec. 23, 1913. Some of the other provisions of the first par. are classified to section 223 of this title, and some were not included in the Code.

The second par. of section 2 is classified in part to section 225 of this title. The rest of the second par. was not included in the Code.

The third par. of section 2 is classified in part to section 282 of this title and in part to section 281 of this title. The rest of the third par. was not included in the Code.

The fourth par. of section 2 is classified to section 502 of this title.

The sixth and seventh pars. of section 2 are classified to section 501a of this title.

The ninth par. of section 2 is classified to section 283 of this title.

The tenth par. of section 2 was classified in part to former section 284 of this title. The rest of the tenth par. was not included in the Code.

The eleventh and twelfth pars. of section 2 are classified to sections 285 and 286, respectively, of this title.

The thirteenth par. of section 2 is classified in part to section 224 of this title and in part to section 281 of this title. The rest of the thirteenth par. was not included in the Code.

The fifth and eighth pars. of section 2 were not included in the Code.

Former section 141 of this title purportedly derived from part of section 2 of act Dec. 23, 1913. But see Codifi-

fication note set out under former section 141 of this title.

AMENDMENTS

1959—Pub. L. 86-3 required readjustment of districts when the State of Hawaii is admitted to the Union.

1958—Pub. L. 85-508 required readjustment of districts when the State of Alaska is admitted to the Union, and inserted provisions requiring national banks to become members of the Federal Reserve System upon commencing business or within 90 Days after admission into the Union of the State in which they are located.

CHANGE OF NAME

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

ADMISSION OF ALASKA AND HAWAII TO STATEHOOD

Alaska was admitted into the Union on Jan. 3, 1959, on issuance of Proc. No. 3269, Jan. 3, 1959, 24 F.R. 81, 73 Stat. C16, and Hawaii was admitted into the Union on Aug. 21, 1959, on issuance of Proc. No. 3309, Aug. 21, 1959, 24 F.R. 6868, 73 Stat. C74. For Alaska Statehood Law, see Pub. L. 85-508, July 7, 1958, 72 Stat. 339, set out as a note preceding section 21 of Title 48, Territories and Insular Possessions. For Hawaii Statehood Law, see Pub. L. 86-3, Mar. 18, 1959, 73 Stat. 4, set out as a note preceding section 491 of Title 48.

§ 223. Number of Federal reserve cities in district

A Federal reserve district shall contain only one Federal reserve city.

(Dec. 23, 1913, ch. 6, § 2 (part), 38 Stat. 251.)

CODIFICATION

Section is based on part of the first par. of section 2 of act Dec. 23, 1913. Some of the other provisions of the first par. are classified to section 222 of this title, and some were not included in the Code. For classification of other pars. of section 2 of this Act, see Codification note under section 222 of this title.

§ 224. Status of reserve cities under former statutes

The organization of reserve districts and Federal reserve cities shall not be construed as changing the present status of reserve cities except in so far as this chapter changes the amount of reserves that may be carried with approved reserve agents located therein.

(Dec. 23, 1913, ch. 6, § 2 (part), 38 Stat. 253; Pub. L. 86-114, § 3(b)(5), July 28, 1959, 73 Stat. 264.)

REFERENCES IN TEXT

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

CODIFICATION

Section is comprised of part of the thirteenth par. of section 2 of act Dec. 23, 1913. Some of the other provisions of the thirteenth par. are classified to section 281 of this title, and some were not included in the Code. For classification of other pars. of section 2 of this Act, see Codification note set out under section 222 of this title.

AMENDMENTS

1959—Pub. L. 86-114 struck out "and central reserve cities" after "reserve cities".

¹ Capitalized as in original.

EFFECTIVE DATE OF 1959 AMENDMENT

Amendment by Pub. L. 86-114 effective three years after July 28, 1959, see section 3(b) of Pub. L. 86-114, set out as a Central Reserve and Reserve Cities note under former section 141 of this title.

PRIOR PROVISIONS

Provisions relating to reserve cities and central reserve cities were contained in R.S. §§5191, 5192, and act Mar. 3, 1887, ch. 378, §§1, 2, 24 Stat. 559, 560.

§ 225. Federal reserve banks; title

A Federal reserve bank shall include in its title the name of the city in which it is situated, as "Federal Reserve Bank of Chicago."

(Dec. 23, 1913, ch. 6, §2 (part), 38 Stat. 252.)

CODIFICATION

Section is based on part of the second par. of section 2 of act Dec. 23, 1913. The rest of the second par. was not included in the Code. For classification of other pars. of section 2 of this Act, see Codification note set out under section 222 of this title.

§ 225a. Maintenance of long run growth of monetary and credit aggregates

The Board of Governors of the Federal Reserve System and the Federal Open Market Committee shall maintain long run growth of the monetary and credit aggregates commensurate with the economy's long run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates.

(Dec. 23, 1913, ch. 6, §2A, as added Pub. L. 95-188, title II, §202, Nov. 16, 1977, 91 Stat. 1387; amended Pub. L. 95-523, title I, §108(a), Oct. 27, 1978, 92 Stat. 1897; Pub. L. 100-418, title III, §3005(c), Aug. 23, 1988, 102 Stat. 1375; Pub. L. 106-569, title X, §1003(a), Dec. 27, 2000, 114 Stat. 3028.)

CODIFICATION

Another section 202 of Pub. L. 95-188 amended section 302 of this title.

AMENDMENTS

2000—Pub. L. 106-569 struck out provisions after first sentence relating to annual reports to Congress, transmittal of reports to Congressional Committees, consultations with Committees, report of Committee, changing conditions affecting achievement of objectives and plans, and explanation for deviations from objectives and plans.

1988—Pub. L. 100-418 inserted " , including an analysis of the impact of the exchange rate of the dollar on those trends" after "the Nation" in cl. (1).

1978—Pub. L. 95-523 substituted provisions relating to independent written reports of the Board of Governors to the Congress for provisions relating to the consultations of the Board of Governors with Congress at semi-annual hearings, substituted "the objectives and plans with respect to the ranges" for "such ranges", inserted "of the monetary and credit aggregates disclosed in the reports submitted under this section" after "growth or diminution", and inserted proviso respecting the inclusion of an explanation of reasons for revisions or deviations in subsequent consultations and reports.

EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95-523, title I, §108(b), Oct. 27, 1978, 92 Stat. 1898, provided that: "The amendment made by subsection (a) [amending this section] takes effect on January 1, 1979."

§ 225b. Appearances before and reports to the Congress**(a) Appearances before the Congress****(1) In general**

The Chairman of the Board shall appear before the Congress at semi-annual hearings, as specified in paragraph (2), regarding—

(A) the efforts, activities, objectives and plans of the Board and the Federal Open Market Committee with respect to the conduct of monetary policy; and

(B) economic developments and prospects for the future described in the report required in subsection (b).

(2) Schedule

The Chairman of the Board shall appear—

(A) before the Committee on Banking and Financial Services of the House of Representatives on or about February 20 of even numbered calendar years and on or about July 20 of odd numbered calendar years;

(B) before the Committee on Banking, Housing, and Urban Affairs of the Senate on or about July 20 of even numbered calendar years and on or about February 20 of odd numbered calendar years; and

(C) before either Committee referred to in subparagraph (A) or (B), upon request, following the scheduled appearance of the Chairman before the other Committee under subparagraph (A) or (B).

(b) Congressional report

The Board shall, concurrent with each semi-annual hearing required by this section, submit a written report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, containing a discussion of the conduct of monetary policy and economic developments and prospects for the future, taking into account past and prospective developments in employment, unemployment, production, investment, real income, productivity, exchange rates, international trade and payments, and prices.

(c) Public access to information

The Board shall place on its home Internet website, a link entitled "Audit", which shall link to a webpage that shall serve as a repository of information made available to the public for a reasonable period of time, not less than 6 months following the date of release of the relevant information, including—

(1) the reports prepared by the Comptroller General under section 714 of title 31;

(2) the annual financial statements prepared by an independent auditor for the Board in accordance with section 248b of this title;

(3) the reports to the Committee on Banking, Housing, and Urban Affairs of the Senate required under section 343(3) of this title (relating to emergency lending authority); and

(4) such other information as the Board reasonably believes is necessary or helpful to the public in understanding the accounting, financial reporting, and internal controls of the Board and the Federal reserve banks.

(Dec. 23, 1913, ch. 6, §2B, as added Pub. L. 106-569, title X, §1003(b)(1), Dec. 27, 2000, 114 Stat. 3028;