

future expenditure described in subsection (b), which premium shall be due and payable not later than 60 days after the date of the assessment. In setting the amount of any assessment under this subsection, the Board shall take into consideration any potential impact on credit union earnings that such an assessment may have.

**(2) Special premiums relating to repayments under subsection (c)(3)**

Not later than 90 days before the scheduled date of each repayment described in subsection (c)(3), the Board shall set the amount of the upcoming repayment and shall determine whether the Stabilization Fund will have sufficient funds to make the repayment. If the Stabilization Fund is not likely to have sufficient funds to make the repayment, the Board shall assess with respect to each insured credit union a special premium, which shall be due and payable not later than 60 days after the date of the assessment, in an aggregate amount calculated to ensure that the Stabilization Fund is able to make the required repayment.

**(3) Computation**

Any assessment or premium charge for an insured credit union under this subsection shall be stated as a percentage of its insured shares, as represented on the previous call report of that insured credit union. The percentage shall be identical for each insured credit union. Any insured credit union that fails to make timely payment of the assessment or special premium is subject to the procedures and penalties described under subsections (d), (e), and (f) of section 1782 of this title.

**(e) Distributions from Insurance Fund**

At the end of any calendar year in which the Stabilization Fund has an outstanding advance from the Treasury, the Insurance Fund is prohibited from making the distribution to insured credit unions described in section 1782(c)(3) of this title. In lieu of the distribution described in that section, the Insurance Fund shall make a distribution to the Stabilization Fund of the maximum amount possible that does not reduce the Insurance Fund's equity ratio below the normal operating level and does not reduce the Insurance Fund's available assets ratio below 1.0 percent.

**(f) Investment of Stabilization Fund assets**

The Board may request the Secretary of the Treasury to invest such portion of the Stabilization Fund as is not, in the Board's judgment, required to meet the current needs of the Stabilization Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities, with maturities suitable to the needs of the Stabilization Fund, as determined by the Board, and bearing interest at a rate determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

**(g) Reports**

The Board shall submit an annual report to Congress on the financial condition and the re-

sults of the operation of the Stabilization Fund. The report is due to Congress within 30 days after each anniversary of the first advance made under subsection (c)(1). Because the Fund will use advances from the Treasury to meet corporate stabilization costs with full repayment of borrowings to Treasury at the Board's discretion not due until 7 years from the initial advance, to the extent operating expenses of the Fund exceed income, the financial condition of the Fund may reflect a deficit. With planned and required future repayments, the Board shall resolve all deficits prior to termination of the Fund.

**(h) Closing of Stabilization Fund**

Within 90 days following the seventh anniversary of the initial Stabilization Fund advance, or earlier at the Board's discretion, the Board shall distribute any funds, property, or other assets remaining in the Stabilization Fund to the Insurance Fund and shall close the Stabilization Fund. If the Board extends the final repayment date as permitted under subsection (c)(3), the mandatory date for closing the Stabilization Fund shall be extended by the same number of days.

(June 26, 1934, ch. 750, title II, §217, as added Pub. L. 111-22, div. A, title II, §204(f)(1), May 20, 2009, 123 Stat. 1651; amended Pub. L. 111-382, §1, Jan. 4, 2011, 124 Stat. 4134.)

**Editorial Notes**

**AMENDMENTS**

2011—Subsec. (c)(3). Pub. L. 111-382, §1(a), inserted “and any additional advances” before period at end.

Subsec. (d). Pub. L. 111-382, §1(b), added subsec. (d) and struck out former subsec. (d). Prior to amendment, text read as follows:

“At least 90 days prior to each repayment described in subsection (c)(3), the Board shall set the amount of the upcoming repayment and determine if the Stabilization Fund will have sufficient funds to make the repayment. If the Stabilization Fund might not have sufficient funds to make the repayment, the Board shall assess each federally insured credit union a special premium due and payable within 60 days in an aggregate amount calculated to ensure the Stabilization Fund is able to make the repayment. The premium charge for each credit union shall be stated as a percentage of its insured shares as represented on the credit union's previous call report. The percentage shall be identical for each credit union. Any credit union that fails to make timely payment of the special premium is subject to the procedures and penalties described under subsections (d), (e), and (f) of section 1782 of this title.”

**SUBCHAPTER III—CENTRAL LIQUIDITY FACILITY**

**§ 1795. Congressional findings**

The Congress finds that the establishment of a National Credit Union Central Liquidity Facility is needed to improve general financial stability by meeting the liquidity needs of credit unions and thereby encourage savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy.

(June 26, 1934, ch. 750, title III, formerly subch. III, §301, as added Pub. L. 95-630, title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3719; amended Pub.

L. 96-221, title III, §309(b)(1), Mar. 31, 1980, 94 Stat. 149.)

#### Editorial Notes

##### CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE

Pub. L. 95-630, title XVIII, §1806, Nov. 10, 1978, 92 Stat. 3724, provided that: “This title [enacting this subchapter and amending section 1757 of this title, section 709 of Title 18, Crimes and Criminal Procedure, and section 856 of former Title 31, Money and Finance] shall take effect on October 1, 1979.”

##### SHORT TITLE

For short title of title XVIII of Pub. L. 95-630, Nov. 10, 1978, 92 Stat. 3719, as the “National Credit Union Central Liquidity Facility Act”, see section 1801 of Pub. L. 95-630, set out as a Short Title of 1978 Amendment note under section 1751 of this title.

#### § 1795a. Definitions

As used in this subchapter, the term—

(1) “liquidity needs” means the needs of credit unions primarily serving natural persons for—

(A) short-term adjustment credit available to assist in meeting temporary requirements for funds or to cushion more persistent outflows of funds pending an orderly adjustment of credit union assets and liabilities;

(B) seasonal credit available for longer periods to assist in meeting seasonal needs for funds arising from a combination of expected patterns of movement in share and deposit accounts and loans; and

(C) protracted adjustment credit available in the event of unusual or emergency circumstances of a longer term nature resulting from national, regional or local difficulties.<sup>1</sup>

(2) “Central Liquidity Facility” or “Facility” means the National Credit Union Central Liquidity Facility;

(3) “paid-in and unimpaired capital and surplus” means the balance of the paid-in share accounts and deposits as of a given date, less any loss that may have been incurred for which there is no reserve or which has not been charged against undivided earnings, plus the credit balance (or less the debit balance) of the undivided earnings account as of a given date, after all losses have been provided for and net earnings or net losses have been added thereto or deducted therefrom. Reserves shall not be considered as part of surplus,<sup>2</sup> and

(4) “member” means a Regular or an Agent member of the Facility.

(June 26, 1934, ch. 750, title III, formerly subch. III, §302, as added Pub. L. 95-630, title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3719; amended Pub. L. 96-221, title III, §309(b)(1), (2), Mar. 31, 1980, 94

Stat. 149; Pub. L. 116-136, div. A, title IV, §4016(a)(1), (b)(1)(A), Mar. 27, 2020, 134 Stat. 481, 482.)

#### Editorial Notes

##### CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

##### AMENDMENTS

2020—Par. (1). Pub. L. 116-136, §4016(b)(1)(A), inserted “primarily serving natural persons” after “credit unions” in introductory provisions.

Pub. L. 116-136, §4016(a)(1), struck out “primarily serving natural persons” after “credit unions” in introductory provisions.

1980—Pub. L. 96-221, §309(b)(2), substituted “title” for “subchapter”, which for purposes of codification has been editorially translated as “subchapter”, thereby requiring no further change in text.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2020 AMENDMENT

Pub. L. 116-136, div. A, title IV, §4016(b)(2), Mar. 27, 2020, 134 Stat. 482, as amended by Pub. L. 116-260, div. N, title V, §540(a)(2), Dec. 27, 2020, 134 Stat. 2090, provided that: “The amendments made by paragraph (1) [amending this section and sections 1795c and 1795e of this title] shall take effect on December 31, 2021.”

##### EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

#### § 1795b. National Credit Union Administration Central Liquidity Facility; establishment; management; jurisdiction

There is created the National Credit Union Administration Central Liquidity Facility. The Central Liquidity Facility, an instrumentality of the United States, shall exist within the National Credit Union Administration and be managed by the Board. The United States district court shall have original jurisdiction over any case to which the Board on behalf of the Facility is a party, without regard to the amount in controversy.

(June 26, 1934, ch. 750, title III, formerly subch. III, §303, as added and amended Pub. L. 95-630, title V, §502(b), title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3681, 3720; Pub. L. 96-221, title III, §309(a)(4), (b)(1), Mar. 31, 1980, 94 Stat. 149; Pub. L. 98-369, div. B, title VIII, §2813(a)(1), July 18, 1984, 98 Stat. 1206.)

#### Editorial Notes

##### CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

##### AMENDMENTS

1984—Pub. L. 98-369 inserted “, an instrumentality of the United States,”.

1980—Pub. L. 96-221, §309(a)(4), substituted “Board” for “Administrator” in two places, such change having been made previously by Pub. L. 95-630.

1978—Pub. L. 95-630, §502(b), substituted “Board” for “Administrator” in two places.

<sup>1</sup> So in original. The period probably should be a semicolon.

<sup>2</sup> So in original. The comma probably should be a semicolon.

**Statutory Notes and Related Subsidiaries****EFFECTIVE DATE OF 1984 AMENDMENT**

Amendment by Pub. L. 98-369 effective Oct. 1, 1979, see section 2813(c) of Pub. L. 98-369, set out as an Effective Date note under section 1795k of this title.

**EFFECTIVE DATE OF 1978 AMENDMENT**

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630, set out as a note under section 1752 of this title.

**EFFECTIVE DATE**

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

**§ 1795c. Membership****(a) Credit unions serving natural persons**

A credit union primarily serving natural persons may be a Regular member of the Facility by subscribing to the capital stock of the Facility in an amount not less than one-half of 1 per centum of the credit union's paid-in and unimpaired capital and surplus.

**(b) Credit unions serving other credit unions**

A credit union or group of credit unions, primarily serving other credit unions, may be an Agent member of the Facility by—

- (1) obtaining the approval of the Board;
- (2) subscribing to the capital stock of the Facility in an amount not less than one-half of 1 per centum of the paid-in and unimpaired capital and surplus of all those credit unions which primarily serve natural persons, which are members of such credit union or of any credit union comprising such credit union group, and which are not regular members;
- (3) agreeing to comply with rules and regulations the Board shall prescribe with respect to, but not limited to, management quality, asset and liability safety and soundness, internal operating and control practices and procedures, and participation of natural persons in the affairs of such credit union or credit union group; and
- (4) agreeing to submit to the supervision of the Board which shall include, but not be limited to, reporting requirements and periodic unrestricted examinations.

**(c) Stock subscription requirements**

Stock subscriptions provided for in subsections (a) and (b)(2) of this section shall be—

- (1) based on an arithmetic average of paid-in capital and surplus over the six months preceding application and membership; and
- (2) adjusted at the close of each calendar year in accordance with an arithmetic average of paid-in capital and surplus over a period determined by the Board.

**(d) Functions of Agent members of Facility**

An Agent member of the Facility shall perform for its member credit unions those functions required by the Board to carry out this subchapter.

**(e) Withdrawal from or termination of membership**

- (1) A member of the Facility whose capital stock subscription constitutes less than 5 per

centum of such stock outstanding, may withdraw from membership in the Facility six months after notifying the Board of its intention to do so.

(2) A member of the Facility whose capital stock subscription constitutes 5 per centum or more of such stock outstanding, may withdraw from membership in the Facility twenty-four months after notifying the Board of its intention to do so.

(3) The Board may terminate membership in the Facility if, after opportunity for a hearing, the Board determines a member has failed to comply with any provision of this subchapter or regulation issued pursuant thereto.

(June 26, 1934, ch. 750, title III, formerly subch. III, §304, as added and amended Pub. L. 95-630, title V, §502(b), title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3681, 3720; Pub. L. 96-221, title III, §309(a)(4), (b)(1), (2), Mar. 31, 1980, 94 Stat. 149; Pub. L. 109-351, title VII, §726(26), Oct. 13, 2006, 120 Stat. 2003; Pub. L. 116-136, div. A, title IV, §4016(a)(2), (b)(1)(B), Mar. 27, 2020, 134 Stat. 481, 482.)

**Editorial Notes****CODIFICATION**

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

**AMENDMENTS**

2020—Subsec. (b)(2). Pub. L. 116-136, §4016(b)(1)(B), substituted “all those credit unions” for “such credit unions as the Board may in its discretion determine”.

Pub. L. 116-136, §4016(a)(2), substituted “such credit unions as the Board may in its discretion determine” for “all those credit unions”.

2006—Subsec. (b)(3). Pub. L. 109-351 substituted “the affairs of such credit union” for “the affairs or such credit union”.

1980—Subsecs. (b), (c). Pub. L. 96-221, §309(a)(4), substituted “Board” for “Administrator” wherever appearing, such change having been made previously by Pub. L. 95-630.

Subsecs. (d), (e). Pub. L. 96-221, §309(a)(4), (b)(2), substituted “Board” for “Administrator” wherever appearing, such change having been made previously by Pub. L. 95-630, and “title” for “subchapter” wherever appearing, which for purposes of codification has been editorially translated as “subchapter”, thereby requiring no further change in text.

1978—Pub. L. 95-630, §502(b), substituted “Board” for “Administrator” wherever appearing.

**Statutory Notes and Related Subsidiaries****EFFECTIVE DATE OF 2020 AMENDMENT**

Amendment by section 4016(b)(1)(B) of Pub. L. 116-136, effective Dec. 31, 2021, see section 4016(b)(2) of Pub. L. 116-136, set out as a note under section 1795a of this title.

**EFFECTIVE DATE OF 1978 AMENDMENT**

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630 set out as a note under section 1752 of this title.

**EFFECTIVE DATE**

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

**§ 1795d. Capital stock****(a) Opening of books; minimum subscription**

As soon as practicable, the Board shall open books for subscriptions to the capital stock of the Facility. The minimum subscription shall be \$50.

**(b) Requirements**

The capital stock of the Facility—

(1) shall be divided into shares having a par value of \$50 each;

(2) shall be paid for with cash or with securities of the United States or any Agency thereof in accordance with requirements the Board may impose;

(3) shall share in dividend distributions at rates determined by the Board. However, rates on the required capital stock shall be without preference; and

(4) shall not be transferred or hypothecated except as provided for herein.

**(c) Redemption of stock**

When circumstances require that all or a portion of a member's stock be redeemed by the Facility, the Board shall pay an amount equal to what the member originally paid for the stock less any amount owed by the member to the Facility.

**(d) Use of subscription amount**

At least one-half of the payment for the subscription amount required for membership under section 1795c of this title shall be transferred to the Facility. The remainder may be held by the member on call of the Board and shall be invested in assets designated by the Board.

**(e) Restriction on advances to credit unions**

A credit union or credit union group that becomes a member of the Facility later than six months after the date the Board opens books for capital stock subscriptions, may not borrow or receive advances from the Facility without approval by the Board for a period of six months after becoming a member.

(June 26, 1934, ch. 750, title III, formerly subch. III, § 305, as added and amended Pub. L. 95-630, title V, § 502(b), title XVIII, § 1802, Nov. 10, 1978, 92 Stat. 3681, 3721; Pub. L. 96-221, title III, § 309(a)(2), (4), (b)(1), Mar. 31, 1980, 94 Stat. 148, 149.)

**Editorial Notes****CODIFICATION**

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

**AMENDMENTS**

1980—Subsec. (a). Pub. L. 96-221, § 309(a)(4), substituted “Board” for “Administrator”, such change having been previously made by Pub. L. 95-630.

Subsec. (b). Pub. L. 96-221, § 309(a)(2), (4), substituted “Board” for “Administrator” wherever appearing, such change having been previously made by Pub. L. 95-630, and in par. (3) inserted specific requirement that rates on required capital stock be without preference.

Subsecs. (c) to (e). Pub. L. 96-221, § 309(a)(4), substituted “Board” for “Administrator” wherever appearing, such change having been previously made by Pub. L. 95-630.

1978—Pub. L. 95-630, § 502(b), substituted “Board” for “Administrator” wherever appearing.

**Statutory Notes and Related Subsidiaries****EFFECTIVE DATE OF 1978 AMENDMENT**

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630, set out as a note under section 1752 of this title.

**EFFECTIVE DATE**

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

**§ 1795e. Extensions of credit**

(a)(1) A member may apply for an extension of credit from the Facility to meet its liquidity needs. The Board shall approve or deny any such application within five working days after receiving it. The Board shall not approve an application for credit the intent of which is to expand credit union portfolios.

(2) The Board may advance funds to a member on terms and conditions prescribed by the Board after giving due consideration to creditworthiness.

(3) The Board shall not advance funds for the benefit of a credit union whose share or deposit accounts are insured by a State share or deposit guaranty credit union, insurance corporation, or guaranty association, without consultation with the appropriate State share or deposit guaranty credit union, insurance corporation, or guaranty association.

(b) The Secretary of the Treasury is authorized to lend to the Facility up to \$500,000,000, in the event the Board certifies to the Secretary that the Facility does not have sufficient funds to meet liquidity needs of credit unions. Any such loan shall bear an interest rate not greater than one-eighth of 1 per centum above the current average market yield on outstanding obligations of the United States with remaining time to maturity comparable to the maturity of such loan. The authority of the Secretary to lend under this subsection shall be limited to such extent or in such amounts as are provided in advance in appropriation Acts.

(June 26, 1934, ch. 750, title III, formerly subch. III, § 306, as added and amended Pub. L. 95-630, title V, § 502(b), title XVIII, § 1802, Nov. 10, 1978, 92 Stat. 3681, 3721; Pub. L. 96-221, title III, § 309(a)(4), (b)(1), Mar. 31, 1980, 94 Stat. 149; Pub. L. 116-136, div. A, title IV, § 4016(a)(3), (b)(1)(C), Mar. 27, 2020, 134 Stat. 482.)

**Editorial Notes****CODIFICATION**

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

**AMENDMENTS**

2020—Subsec. (a)(1). Pub. L. 116-136, § 4016(b)(1)(C), which directed substitution of “the intent of which is to expand credit union portfolios” for “without first having obtained evidence from the applicant that the applicant has made reasonable efforts to first use primary sources of liquidity of the applicant, including

balance sheet and market funding sources, to address the liquidity needs of the applicant” in the second sentence, was executed by making the substitution in the third sentence, to reflect the probable intent of Congress.

Pub. L. 116-136, §4016(a)(3), which directed substitution of “without first having obtained evidence from the applicant that the applicant has made reasonable efforts to first use primary sources of liquidity of the applicant, including balance sheet and market funding sources, to address the liquidity needs of the applicant” for “the intent of which is to expand credit union portfolios” in the second sentence, was executed by making the substitution in the third sentence, to reflect the probable intent of Congress.

1980—Subsecs. (a), (b). Pub. L. 96-221, §309(a)(4), substituted “Board” for “Administrator” wherever appearing, such change having been previously made by Pub. L. 95-630.

1978—Pub. L. 95-630, §502(b), substituted “Board” for “Administrator” wherever appearing.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2020 AMENDMENT

Amendment by section 4016(b)(1)(C) of Pub. L. 116-136, effective Dec. 31, 2020, see section 4016(b)(2) of Pub. L. 116-136, set out as a note under section 1795a of this title.

##### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630, set out as a note under section 1752 of this title.

##### EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

### § 1795f. Powers of Board

#### (a) General authorities

The Board on behalf of the Facility shall have the ability to—

(1) prescribe the manner in which the general business of the Facility shall be conducted;

(2) prescribe rules and regulations to carry out this subchapter;

(3) determine the expenditures incurred by the Administration to carry out this subchapter, and the expenditures incurred by the Facility to carry out subchapters I and II of this chapter, and annually assess the Facility and the Administration accordingly;

(4) borrow from—

(A) any source, provided that the total face value of these obligations shall not exceed twelve times the subscribed capital stock and surplus of the Facility, provided that, the total face value of such obligations shall not exceed 16 times the subscribed capital stock and surplus of the Facility for the period beginning on March 27, 2020, and ending on December 31, 2021; and

(B) the National Credit Union Share Insurance Fund up to \$500,000 to defray initial organizational and operating expenses of the Facility at such rates and terms consistent with prevailing market conditions;

(5) guarantee performance of the terms of any financial obligation of a member but only

when such obligation bears a clear and conspicuous notice on its face that only the resources of the Facility underlie such guarantee;

(6) purchase any asset from a member with the member's endorsement;

(7) invest in obligations of the United States or any agency thereof;

(8) make deposits in federally insured financial institutions and make investments in shares or deposits of credit unions;

(9) sue and be sued, complain, and defend, in any State or Federal court;

(10) adopt a seal;

(11) pursue to final disposition by way of compromise or otherwise claims both for and against the United States (other than tort claims, claims involving administrative expenses, and claims in excess of \$5,000 arising out of contracts for construction, repairs, and the purchase of supplies and materials) which are not in litigation and have not been referred to the Department of Justice;

(12) appoint officers and employees to assist in carrying out this subchapter, who shall be appointed subject to the provisions of title 5;

(13) conduct business, carry on operations, have offices, and exercise the powers granted by this subchapter in any State or territory;

(14) lease, purchase, or otherwise acquire and own, hold, improve, use, or otherwise deal in and with property, real, personal, or mixed, or any interest therein, wherever situated;

(15) enter into contracts with any public or private organization, partnership, corporation, or individual;

(16) advance funds on a fully secured basis to a State credit union share or deposit insurance corporation, guaranty credit union, or guaranty association. Such advance shall not exceed twelve months in maturity, shall be repaid at an interest rate not exceeding that imposed by the Facility, and shall not be renewable;

(17) exercise such incidental powers as shall be necessary or requisite to enable it to carry out effectively the purposes for which the facility is incorporated; and

(18) advance funds to the National Credit Union Share Insurance Fund under such terms and conditions as may be established by the Board.

#### (b) Collection and settlement of checks, share drafts, etc.; charges; rules and regulations

(1) The Board may authorize the Central Liquidity Facility or its Agent members, subject to such rules and regulations, including definitions of terms used in this subsection, as the Board shall from time to time prescribe, to be drawees of, and to engage in, or be agents or intermediaries for, or otherwise participate or assist in, the collection and settlement of (including presentment, clearing, and payment of, and remitting for), checks, share drafts, or any other negotiable or nonnegotiable items or instruments of payment drawn on or issued by members of the Central Liquidity Facility, any of its Agent members, or any other credit union eligible to become a member of the Central Liquidity Facility, and to have such incidental

powers as the Board shall find necessary for the exercise of any such authorization.

(2) The Central Liquidity Facility or its Agent members shall make charges, to be determined and regulated by the Board consistent with the principles set forth in section 248a(c) of this title, or utilize the services of, or act as agent for, or be a member of, a Federal Reserve bank, clearinghouse, or any other public or private financial institution or other agency, in the exercise of any powers or functions pursuant to this subsection.

(3) The Board is authorized, with respect to participation in the collection and settlement of any items by the Central Liquidity Facility or by its Agent members, and with respect to the collection and settlement (including payment by the payor institution or other agency, in the exercise of any powers or functions pursuant to this subsection.

(3) The Board is authorized, with respect to participation in the collection and settlement of any items by the Central Liquidity Facility or by its Agent members, and with respect to the collection and settlement (including payment by the payor institution or other agency, in the exercise of any powers or functions pursuant to this subsection.

(June 26, 1934, ch. 750, title III, formerly subch. III, §307, as added and amended Pub. L. 95-630, title V, §502(b), title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3681, 3722; Pub. L. 96-221, title III, §§309(a)(3), (4), (b), 312, Mar. 31, 1980, 94 Stat. 149, 150; Pub. L. 97-320, title V, §531, Oct. 15, 1982, 96 Stat. 1536; Pub. L. 116-136, div. A, title IV, §4016(a)(4), Mar. 27, 2020, 134 Stat. 482; Pub. L. 116-260, div. N, title V, §540(b), Dec. 27, 2020, 134 Stat. 2090.)

#### Editorial Notes

##### CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

##### AMENDMENTS

2020—Subsec. (a)(4)(A). Pub. L. 116-260 substituted “December 31, 2021” for “December 31, 2020”.

Pub. L. 116-136 inserted before semicolon “, provided that, the total face value of such obligations shall not exceed 16 times the subscribed capital stock and surplus of the Facility for the period beginning on March 27, 2020, and ending on December 31, 2020”.

1982—Subsec. (a)(17), (18). Pub. L. 97-320 added pars. (17) and (18).

1980—Pub. L. 96-221, §§309(a)(3), (4), (b)(2), (3), 312, designated existing provisions as subsec. (a) substituted “Board” for “Administrator”, such change having been made previously by Pub. L. 95-630, and “title” and “titles” for “subchapter” and “subchapters”, which for purposes of codification has been editorially translated as “subchapter” or “subchapters” thereby requiring no further change in text, in par. (15) struck out requirement respecting advance appropriation of amounts, and added subsec. (b).

1978—Pub. L. 95-630, §502(b), substituted “Board” for “Administrator”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630, set out as a note under section 1752 of this title.

##### EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

#### § 1795g. Depositories, custodians, and fiscal agents

The Federal Reserve Banks are authorized to act as depositories, custodians and/or fiscal agents for the Central Liquidity Facility in the general performance of its powers conferred by this subchapter. Each Federal Reserve Bank when designated by the Board as fiscal agent for the Central Liquidity Facility, shall be entitled to be reimbursed for all expenses incurred as such fiscal agent.

(June 26, 1934, ch. 750, title III, formerly subch. III, §308, as added and amended Pub. L. 95-630, title V, §502(b), title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3681, 3723; Pub. L. 96-221, title III, §309(a)(4), (b)(1), (2), Mar. 31, 1980, 94 Stat. 149.)

#### Editorial Notes

##### CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

##### AMENDMENTS

1980—Pub. L. 96-221, §309(a)(4), (b)(2), substituted “Board” for “Administrator”, such change having been made previously by Pub. L. 95-630, and “title” for “subchapter”, which for purposes of codification has been editorially translated as “subchapter”, thereby requiring no further change in text.

1978—Pub. L. 95-630, §502(b), substituted “Board” for “Administrator”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630, set out as a note under section 1752 of this title.

##### EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

#### § 1795h. Audit of financial transactions

The Comptroller General of the United States shall audit the Central Liquidity Facility under such rules and regulations as the Comptroller may prescribe.

(June 26, 1934, ch. 750, title III, formerly subch. III, §309, as added Pub. L. 95-630, title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3723; amended Pub. L. 96-221, title III, §309(b)(1), Mar. 31, 1980, 94 Stat. 149.)

**Editorial Notes**

## CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

**§ 1795i. Annual report**

The annual report required by section 1752a(d) of this title shall include a full report of the activities of the Facility.

(June 26, 1934, ch. 750, title III, formerly subch. III, §310, as added Pub. L. 95-630, title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3723; amended Pub. L. 96-221, title III, §309(b)(1), Mar. 31, 1980, 94 Stat. 149; Pub. L. 109-351, title VII, §726(27), Oct. 13, 2006, 120 Stat. 2003.)

**Editorial Notes**

## CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

## AMENDMENTS

2006—Pub. L. 109-351 substituted “section 1752a(d)” for “section 1752a(e)”.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 1806 of Pub. L. 95-630, set out as a note under section 1795 of this title.

**§ 1795j. Agent of Federal Reserve System**

The facility is authorized to act upon the request of the Board of Governors of the Federal Reserve System as an agent of the Federal Reserve System in matters pertaining to credit unions under such terms and conditions as may be established by the Board of Governors of the Federal Reserve System.

(June 26, 1934, ch. 750, title III, §311, as added Pub. L. 97-320, title V, §532, Oct. 15, 1982, 96 Stat. 1536.)

**§ 1795k. State and local tax exemption****(a) Franchise, activities, etc., of Central Liquidity Facility; exception**

The Central Liquidity Facility, and its franchise, activities, capital reserves, surplus, and income, shall be exempt from all State and local taxation now or hereafter imposed, other than taxes on real property held by the Facility (to the same extent, according to its value, as other similar property held by other persons is taxed).

**(b) Notes, bonds, debentures and other obligations of Central Liquidity Facility; exceptions**

(1) Except as provided in paragraph (2), the notes, bonds, debentures, and other obligations

issued on behalf of the Central Liquidity Facility and the income therefrom shall be exempt from all State and local taxation now or hereafter imposed.

(2) Any obligation described in paragraph (1) shall not be exempt from State or local gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

**(c) “State” defined; tax status**

For purposes of this section—

(1) the term “State” includes the District of Columbia; and

(2) taxes imposed by counties or municipalities, or any territory, dependency, or possession of the United States shall be treated as local taxes.

(June 26, 1934, ch. 750, title III, §312, as added Pub. L. 98-369, div. B, title VIII, §2813(a)(2), July 18, 1984, 98 Stat. 1206.)

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE

Pub. L. 98-369, div. B, title VIII, §2813(c), July 18, 1984, 98 Stat. 1207, provided that: “The amendments made by this section [enacting this section and amending section 1795b of this title and section 501 of Title 26, Internal Revenue Code] shall take effect on October 1, 1979.”

**CHAPTER 15—FEDERAL LOAN AGENCY****§§ 1801 to 1805. Omitted****Editorial Notes**

## CODIFICATION

Sections, acts Feb. 24, 1945, ch. 4, §§1, 2, 4, 5, 59 Stat. 5, 6; Apr. 25, 1945, ch. 95, title I, 59 Stat. 81, related to the Federal Loan Agency which was established by Reorg. Plan No. I of 1939, §402, set out in the Appendix to Title 5, Government Organization and Employees, and continued as an independent establishment of the Government by act Feb. 24, 1945, ch. 4, 59 Stat. 5, and was abolished by section 204 of act June 30, 1947, ch. 166, title II, 61 Stat. 208, and its property and records were transferred to the Reconstruction Finance Corporation. By act June 24, 1954, ch. 410, §2(a), 68 Stat. 320, section 609 of Title 15, Commerce and Trade, the Secretary of the Treasury was authorized to liquidate the Reconstruction Finance Corporation. Section 6(a) of Reorg. Plan No. 1 of 1957, eff. June 30, 1957, 22 F.R. 4633, 71 Stat. 647, set out as a note under section 601 of Title 15, Commerce and Trade, abolished the Reconstruction Finance Corporation.

**CHAPTER 16—FEDERAL DEPOSIT INSURANCE CORPORATION**

## Sec.

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