

Editorial Notes**AMENDMENTS**

1996—Subsec. (a). Pub. L. 104-105 substituted “section” for “sections 2279aa-6(b) and” in pars. (1) and (2)(A).

§ 2279aa-14. Federal jurisdiction

Notwithstanding section 1349 of title 28 or any other provision of law:

(1) The Corporation shall be considered an agency under sections 1345 and 1442 of such title.

(2) All civil actions to which the Corporation is a party shall be deemed to arise under the laws of the United States and, to the extent applicable, shall be deemed to be governed by Federal common law. The district courts of the United States shall have original jurisdiction of all such actions, without regard to amount of value.

(3) Any civil or other action, case, or controversy in a court of a State or any court, other than a district court of the United States, to which the Corporation is a party may at any time before trial be removed by the Corporation, without the giving of any bond or security—

(A) to the District Court of the United States for the district and division embracing the place where the same is pending; or

(B) if there is no such district court, to the District Court of the United States for the district in which the principal office of the Corporation is located;

by following any procedure for removal for causes in effect at the time of such removal.

(4) No attachment or execution shall be issued against the Corporation or any of the property of the Corporation before final judgment in any Federal, State, or other court.

(Pub. L. 92-181, title VIII, §8.14, as added Pub. L. 100-233, title VII, §702, Jan. 6, 1988, 101 Stat. 1705.)

PART B—REGULATION OF FINANCIAL SAFETY AND SOUNDNESS OF FEDERAL AGRICULTURAL MORTGAGE CORPORATION

§ 2279bb. Definitions

For purposes of this part:

(1) Compensation

The term “compensation” means any payment of money or the provision of any other thing of current or potential value in connection with employment.

(2) Core capital

The term “core capital” means, with respect to the Corporation, the sum of the following (as determined in accordance with generally accepted accounting principles):

(A) The par value of outstanding common stock.

(B) The par value of outstanding preferred stock.

(C) Paid-in capital.

(D) Retained earnings.

(3) Director

The term “Director” means the Director of the Office of Secondary Market Oversight of

the Farm Credit Administration, selected under section 2279aa-11(a)(3) of this title.

(4) Office

The term “Office” means the Office of Secondary Market Oversight of the Farm Credit Administration, established in section 2279aa-11(a) of this title.

(5) Regulatory capital

The term “regulatory capital” means, with respect to the Corporation, the core capital of the Corporation plus an allowance for losses and guarantee claims, as determined in accordance with generally accepted accounting principles.

(6) State

The term “State” means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(Pub. L. 92-181, title VIII, §8.31, as added Pub. L. 102-237, title V, §503(b)(2), Dec. 13, 1991, 105 Stat. 1871.)

Executive Documents

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

§ 2279bb-1. Risk-based capital levels**(a) Risk-based capital test**

The Director of the Office of Secondary Market Oversight shall, by regulation, establish a risk-based capital test under this section for the Corporation. When applied to the Corporation, the risk-based capital test shall determine the amount of regulatory capital for the Corporation that is sufficient for the Corporation to maintain positive capital during a 10-year period in which both of the following circumstances occur:

(1) Credit risk**(A) In general**

With respect to securities representing an interest in, or obligations backed by, a pool of qualified loans owned or guaranteed by the Corporation and other obligations of the Corporation, losses on the underlying qualified loans occur throughout the United States at a rate of default and severity (based on any measurements of default reasonably related to prevailing industry practice in determining capital adequacy) reasonably related to the rate and severity that occurred in contiguous areas of the United States containing an aggregate of not less than 5 percent of the total population of the United States that, for a period of not less than 2 years (as established by the Director), experienced the highest rates of default and severity of agricultural mortgage losses, in