

(d) Public offerings**(1) Notification of previous owner**

If an institution of the System elects to sell or lease acquired property or a portion thereof through a public auction, competitive bidding process, or other similar public offering, the institution shall notify the previous owner, by certified mail, of the availability of the property. Such notice shall contain the minimum amount, if any, required to qualify a bid as acceptable to the institution and any terms and conditions to which such sale or lease will be subject.

(2) Priority

If two or more qualified bids in the same amount are received by the institution under paragraph (1), such bids are the highest received, and one of the qualified bids is offered by the previous owner, the institution shall accept the offer by the previous owner.

(3) Nondiscrimination

No institution of the System may discriminate against a previous owner in any public auction, competitive bidding process, or other similar public offering of property acquired by the institution from such person.

(e) Term or condition

For the purposes of this section, financing by a System institution shall not be considered to be a term or condition of a sale of acquired real estate.

(f) Financing

Notwithstanding any other provision of this section, a System institution shall not be required to provide financing to the previous owner in connection with the sale of acquired real estate.

(g) Mailing of notice

Notwithstanding any other provision of this section, each certified mail notice requirement in this section shall be fully satisfied by mailing one certified mail notice to the last known address of the previous owner.

(h) State laws

The rights provided in this section shall not diminish any such right of first refusal under the law of the State in which the property is located.

(i) Applicability

This section shall not apply to a bank for co-operatives.

(Pub. L. 92-181, title IV, § 4.36, as added Pub. L. 99-205, title III, § 306, Dec. 23, 1985, 99 Stat. 1709; amended Pub. L. 100-233, title I, § 108, Jan. 6, 1988, 101 Stat. 1582; Pub. L. 100-399, title I, § 104, Aug. 17, 1988, 102 Stat. 990.)

Editorial Notes**AMENDMENTS**

1988—Pub. L. 100-233 amended section generally. Prior to amendment, section read as follows: “No institution of the Farm Credit System shall sell any real property that previously served as security for a loan in a tract larger than a normal family size farm in the vicinity of the property for less than the amount it can receive from the Capital Corporation.”

Subsec. (b)(2). Pub. L. 100-399, § 104(a), substituted “30” for “15”.

Subsec. (b)(3). Pub. L. 100-399, § 104(b), substituted “15” for “30”.

Subsec. (g). Pub. L. 100-399, § 104(c), substituted “previous owner” for “former borrower”.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1988 AMENDMENT**

Amendment by Pub. L. 100-399 effective as if enacted immediately after enactment of Pub. L. 100-233, which was approved Jan. 6, 1988, see section 1001(a) of Pub. L. 100-399, set out as a note under section 2002 of this title.

EFFECTIVE DATE

Section effective thirty days after Dec. 23, 1985, see section 401 of Pub. L. 99-205, set out as an Effective Date of 1985 Amendment note under section 2001 of this title.

§ 2219b. Application of uninsured accounts**(a) In general**

Money of a borrower held by a Farm Credit System institution in an uninsured voluntary or involuntary account as authorized under regulations issued by the Farm Credit Administration (as in effect immediately before January 6, 1988), including all such other accounts known as “advanced payment accounts” or “future prepayment accounts” shall, in the event the institution is placed in liquidation, be immediately applied as payment against the indebtedness of any outstanding loans of such borrower.

(b) Regulations

The Farm Credit Administration shall promulgate regulations—

(1) that define the term “uninsured voluntary or involuntary account”; and

(2) to otherwise effectively carry out this section.

(Pub. L. 92-181, title IV, § 4.37, as added Pub. L. 100-233, title I, § 110, Jan. 6, 1988, 101 Stat. 1585.)

Editorial Notes**CODIFICATION**

Another section 4.37 of Pub. L. 92-181 was renumbered section 4.38 and is classified to section 2219c of this title.

§ 2219c. Affirmative action

All institutions of the Farm Credit System with more than 20 employees shall establish and maintain an affirmative action program plan that applies the affirmative action standards otherwise applied to contractors of the Federal Government.

(Pub. L. 92-181, title IV, § 4.38, formerly § 4.37, as added Pub. L. 100-233, title IV, § 427, Jan. 6, 1988, 101 Stat. 1657; renumbered § 4.38, Pub. L. 100-399, title IV, § 413, Aug. 17, 1988, 102 Stat. 1004; amended Pub. L. 115-334, title V, § 5411(26), Dec. 20, 2018, 132 Stat. 4682.)

Editorial Notes**AMENDMENTS**

2018—Pub. L. 115-334 substituted “All” for “The Assistance Board established under section 2278a of this title and all”.

§ 2219d. Encouragement of conservation practices

At the time a System institution or an agricultural mortgage loan originator (as defined in section 2279aa of this title) approves a loan made to a borrower that, in the opinion of the institution or originator, would be ineligible for a loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) by reason of subtitle B or C of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.), the institution or originator, as the case may be, shall encourage the borrower to contact the Department of Agriculture Soil Conservation Service to obtain information about soil conservation methods and practices.

(Pub. L. 92-181, title IV, § 4.39, formerly § 4.38, as added Pub. L. 100-233, title IV, § 428, Jan. 6, 1988, 101 Stat. 1658; renumbered § 4.39, Pub. L. 100-399, title IV, § 413, Aug. 17, 1988, 102 Stat. 1004; amended Pub. L. 115-334, title V, § 5411(27), Dec. 20, 2018, 132 Stat. 4682.)

Editorial Notes

REFERENCES IN TEXT

The Consolidated Farm and Rural Development Act, referred to in text, is title III of Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 307, which is classified principally to chapter 50 (§1921 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1921 of Title 7 and Tables.

The Food Security Act of 1985, referred to in text, is Pub. L. 99-198, Dec. 23, 1985, 99 Stat. 1354. Subtitles B and C of title XII of the Food Security Act are classified generally to subchapters II (§3811 et seq.) and III (§3821 et seq.), respectively, of chapter 58 of Title 16, Conservation. For complete classification of this Act to the Code, see Short Title of 1985 Amendment note set out under section 1281 of Title 7 and Tables.

AMENDMENTS

2018—Pub. L. 115-334 substituted “section 2279aa of this title)” for “section 2279aa(7) of this title)”.

§ 2219e. Liability for making criminal referrals**(a) In general**

Any institution of the Farm Credit System, or any director, officer, employee, or agent of a Farm Credit System institution, that discloses to a Government authority information proffered in good faith that may be relevant to a possible violation of any law or regulation shall not be liable to any person under any law of the United States or any State—

- (1) for the disclosure; or
- (2) for any failure to notify the person involved in the possible violation.

(b) No prohibition on disclosure

Any institution of the Farm Credit System, or any director, officer, employee, or agent of a Farm Credit System institution, may disclose information to a Government authority that may be relevant to a possible violation of any law or regulation.

(Pub. L. 104-105, title II, § 221, Feb. 10, 1996, 110 Stat. 184.)

Editorial Notes

CODIFICATION

Section was enacted as part of the Farm Credit System Reform Act of 1996, and not as part of the Farm Credit Act of 1971 which comprises this chapter.

**SUBCHAPTER V—FARM CREDIT
ADMINISTRATION ORGANIZATION****Editorial Notes**

CODIFICATION

Pub. L. 100-399, title IX, §901(o), (p), Aug. 17, 1988, 102 Stat. 1008, struck out “DISTRICT AND” before “FARM” in subchapter heading and struck out part A heading “District Organization”.

PART A—District Organization**§ 2221. Transferred****Editorial Notes**

CODIFICATION

Section, Pub. L. 92-181, title V, § 5.0, Dec. 10, 1971, 85 Stat. 614; Pub. L. 96-592, title V, § 501, Dec. 24, 1980, 94 Stat. 3448; Pub. L. 99-205, title II, § 205(g)(1), Dec. 23, 1985, 99 Stat. 1706; Pub. L. 100-233, title VIII, § 805(v), Jan. 6, 1988, 101 Stat. 1716; Pub. L. 100-399, title IX, § 901(q), (r), Aug. 17, 1988, 102 Stat. 1008, which related to creation of districts, was transferred to section 1.2(b) of Pub. L. 92-181 by section 901(r) of Pub. L. 100-399 and is classified to section 2002(b) of this title.

§§ 2222 to 2227. Repealed. Pub. L. 100-399, title IV, § 409(d), Aug. 17, 1988, 102 Stat. 1003

Sections 2222 to 2227 were directed to be repealed by Pub. L. 100-233, title IV, § 418(c), formerly § 415(c), Jan. 6, 1988, 101 Stat. 1653, renumbered § 418(c), Pub. L. 100-399, title IV, § 409(a), Aug. 17, 1988, 102 Stat. 1003, which was repealed by section 409(c) of Pub. L. 100-399, title IV, Aug. 17, 1988, 102 Stat. 1003.

Section 409(c) of Pub. L. 100-399 provided in part that section 418(c) of Pub. L. 100-233 is repealed and that this chapter shall be applied and administered, and the amendments by sections 430 and 802(u) of Pub. L. 100-233 (amending sections 2226 and 2223, respectively, of this title) shall take effect, as if such section 418(c) had not been enacted.

Section 2222, Pub. L. 92-181, title V, § 5.1, Dec. 10, 1971, 85 Stat. 614; Pub. L. 99-205, title II, § 205(g)(2), Dec. 23, 1985, 99 Stat. 1707, related to district boards of directors, membership, eligibility, and terms.

Section 2223, Pub. L. 92-181, title V, § 5.2, Dec. 10, 1971, 85 Stat. 614; Pub. L. 96-592, title V, § 502, Dec. 24, 1980, 94 Stat. 3449; Pub. L. 99-205, title II, § 205(g)(3), (4), title VI, § 607, Dec. 23, 1985, 99 Stat. 1707, 1712; Pub. L. 100-233, title VIII, § 802(u), Jan. 6, 1988, 101 Stat. 1712, related to nomination and election of district directors.

Section 2224, Pub. L. 92-181, title V, § 5.3, Dec. 10, 1971, 85 Stat. 615, related to functions of district directors.

Section 2225, Pub. L. 92-181, title V, § 5.4, Dec. 10, 1971, 85 Stat. 615, related to district board officers.

Section 2226, Pub. L. 92-181, title V, § 5.5, Dec. 10, 1971, 85 Stat. 616; Pub. L. 100-233, title IV, § 430, Jan. 6, 1988, 101 Stat. 1658, related to compensation of district boards.

Section 2227, Pub. L. 92-181, title V, § 5.6, Dec. 10, 1971, 85 Stat. 616; 1978 Reorg. Plan No. 2, § 102, 43 F.R. 36037, 92 Stat. 3784; Pub. L. 99-205, title II, § 205(g)(5), Dec. 23, 1985, 99 Stat. 1707, related to powers of district farm credit board.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal effective immediately after amendments made by section 401 of Pub. L. 100-233, which were effec-