

(Pub. L. 92–181, title IV, §4.14A, as added Pub. L. 100–233, title I, §102(a), Jan. 6, 1988, 101 Stat. 1574; amended Pub. L. 100–399, title I, §102(a)–(f), Aug. 17, 1988, 102 Stat. 990; Pub. L. 104–105, title II, §208(a), Feb. 10, 1996, 110 Stat. 173; Pub. L. 115–334, title V, §5411(22), Dec. 20, 2018, 132 Stat. 4681.)

Editorial Notes

AMENDMENTS

2018—Subsec. (a). Pub. L. 115–334, §5411(22)(A)(i), inserted “and section 2219a of this title” after “this part” in introductory provisions.

Subsec. (a)(5)(B)(ii)(I). Pub. L. 115–334, §5411(22)(A)(ii), struck out “2202c,” after “2202b.”

Subsecs. (h) to (j). Pub. L. 115–334, §5411(22)(B), (C), re-designated subsecs. (i) to (k) as (h) to (j), respectively, and struck out former subsec. (h). Prior to amendment, text of subsec. (h) read as follows: “During the 5-year period beginning on January 6, 1988, each qualified lender shall submit semiannual reports to the Farm Credit Administration containing—

“(1) the results of the review of distressed loans of the lender; and

“(2) the financial effect of loan restructurings and liquidations on the lender.”

Subsecs. (k), (l). Pub. L. 115–334, §5411(22)(C), (D), re-designated subsec. (l) as (k) and struck out “production credit” after “request of any”. Former subsec. (k) re-designated (j).

1996—Subsec. (a)(5). Pub. L. 104–105 designated existing provisions as subpar. (A), inserted subpar. heading, substituted “Subject to subparagraph (B), the term” for “The term”, and added subpar. (B).

1988—Subsec. (a). Pub. L. 100–399, §102(a), struck out “(other than in sections 2205 and 2206 of this title)” after “in this part”.

Subsec. (a)(6)(B). Pub. L. 100–399, §102(b), substituted “section 2015(b)(1)(B) of this title” for “section 2074(a)(2) of this title” and “section 2015(b)(1) of this title” for “section 2074(a) of this title”.

Subsec. (e)(1). Pub. L. 100–399, §102(c), substituted “cost to such qualified” for “cost to a qualified”.

Subsec. (g)(1). Pub. L. 100–399, §102(d), substituted “bank” for “farm credit district”.

Subsec. (g)(3). Pub. L. 100–399, §102(e), substituted “bank board” for “district board”.

Subsec. (l). Pub. L. 100–399, §102(f), substituted “Farm Credit Bank” for “Federal intermediate credit bank”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 102(b), (f) of Pub. L. 100–399 effective immediately after amendment made by section 401 of Pub. L. 100–233, which was effective 6 months after Jan. 6, 1988, and amendment by section 102(a), (c)–(e) of 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 of Pub. L. 100–399, set out as a note under section 2002 of this title.

SENSE OF CONGRESS

Pub. L. 100–233, title I, §102(b), Jan. 6, 1988, 101 Stat. 1579, provided that: “It is the sense of Congress that the banks and associations (except banks for cooperatives) operating under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) should administer distressed loans to farmers with the objective of using the loan guarantee programs of the Farmers Home Administration and other loan restructuring measures, including participation in interest rate buy-down programs that are Federally or State funded, and other Federal and State sponsored financial assistance programs that offer relief to financially distressed farmers, as alternatives to foreclosure, considering the availability and appropriateness of such programs on a case-by-case basis.”

§ 2202b. Effect of restructuring on borrower stock

(a) Farm Credit Bank

If a Farm Credit Bank forgives and writes off, under section 2202a of this title, any of the principal outstanding on a loan made to any borrower, the Federal land bank association of which the borrower is a member and stockholder shall cancel the same dollar amount of borrower stock held by the borrower in respect of the loan, up to the total amount of such stock, and, to the extent provided for in the bylaws of the bank relating to its capitalization, the bank shall retire an equal amount of stock owned by the Federal land bank association.

(b) Production credit association

If a production credit association forgives and writes off, under section 2202a of this title, any of the principal outstanding on a loan made to any borrower, the association shall cancel the same dollar amount of borrower stock held by the borrower in respect of the loan, up to the total amount of such stock.

(c) Retention of stock

Notwithstanding subsections (a) and (b), the borrower shall be entitled to retain at least one share of stock to maintain the borrower’s membership and voting interest in the association.

(Pub. L. 92–181, title IV, §4.14B, as added Pub. L. 100–233, title I, §102(a), Jan. 6, 1988, 101 Stat. 1577; amended Pub. L. 100–399, title I, §102(g), Aug. 17, 1988, 102 Stat. 990.)

Editorial Notes

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–399 substituted in subsec. heading “Farm Credit Bank” for “Federal land bank” and in text “a Farm Credit Bank” for “a Federal land bank” and “, to the extent provided for in the bylaws of the bank relating to capitalization, the bank shall” for “the Federal land bank shall”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–399 effective immediately after amendment made by section 401 of Pub. L. 100–233, which was effective 6 months after Jan. 6, 1988, see section 1001(b) of Pub. L. 100–399, set out as a note under section 2002 of this title.

§ 2202c. Repealed. Pub. L. 115–334, title V, § 5411(23), Dec. 20, 2018, 132 Stat. 4682

Section, Pub. L. 92–181, title IV, §4.14C, as added Pub. L. 100–233, title I, §102(a), Jan. 6, 1988, 101 Stat. 1578; amended Pub. L. 100–399, title I, §102(h), Aug. 17, 1988, 102 Stat. 990, related to review of restructuring denials and establishment of a National Special Asset Council.

§ 2202d. Protection of borrowers who meet all loan obligations

(a) Foreclosure prohibited

A qualified lender may not foreclose on any loan because of the failure of the borrower thereof to post additional collateral, if the borrower has made all accrued payments of principal, interest, and penalties with respect to the loan.