

transfer shall be made after a budget estimate of the Association with respect to the same mortgages has been submitted to and finally acted upon by the Congress.”

§ 1722. Benefits and burdens incident to administration of functions and operations under sections 1720 and 1721

All of the benefits and burdens incident to the administration of the functions and operations of the Association under sections 1720 and 1721, respectively, of this title, after allowance for related obligations of the Association, its prorated expenses, and the like, including amounts required for the establishment of such reserves as the Secretary of Housing and Urban Development shall deem appropriate, shall inure solely to the Secretary of the Treasury, and such related earnings or other amounts as become available shall be paid annually by the Association to the Secretary of the Treasury for covering into miscellaneous receipts.

(June 27, 1934, ch. 847, title III, §307, as added Aug. 2, 1954, ch. 649, title II, §201, 68 Stat. 619; amended Pub. L. 90-448, title VIII, §802(v), (w), Aug. 1, 1968, 82 Stat. 539.)

Editorial Notes

REFERENCES IN TEXT

Section 1720 of this title, referred to in text, was repealed by Pub. L. 98-181, title I [title IV, §483(a)], Nov. 30, 1983, 97 Stat. 1240.

PRIOR PROVISIONS

A prior section 307 of act June 27, 1934, ch. 847, title III, 48 Stat. 1255; amended Feb. 3, 1938, ch. 13, §8, 52 Stat. 24, related to exemption from taxation, prior to the general amendment of this subchapter by act July 1, 1948, ch. 784, §1, 62 Stat. 1206, and was subsequently covered by section 1719 of this title until the general amendment of this subchapter by act Aug. 2, 1954. See section 1723a(c) of this title.

AMENDMENTS

1968—Pub. L. 90-448 repealed subsecs. (a) and (b) which related to separate accountability and to functions of the Association under sections 1720 and 1721 of this title, redesignated subsec. (c) as the entire section, and substituted “Secretary of Housing and Urban Development” for “board of directors of the Association”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1968 AMENDMENT

For effective date of amendment by title VIII of Pub. L. 90-448, see section 808 of Pub. L. 90-448, set out as an Effective Date note under section 1716b of this title.

§ 1723. Management

(a) Government National Mortgage Association

All the powers and duties of the Government National Mortgage Association shall be vested in the Secretary of Housing and Urban Development and the Association shall be administered under the direction of the Secretary. Within the limitations of law, the Secretary shall determine the general policies which shall govern the operations of the Association, and shall have power to adopt, amend, and repeal bylaws governing the performance of the powers and duties granted to or imposed upon it by law. There is

hereby established in the Department of Housing and Urban Development the position of President, Government National Mortgage Association, who shall be appointed by the President, by and with the advice and consent of the Senate. The Secretary shall select and effect the appointment of qualified persons to fill the offices of vice president, and such other offices as may be provided for in the bylaws. Persons appointed under the preceding sentence shall perform such executive functions, powers, and duties as may be prescribed by the bylaws or by the Secretary, and such persons shall be executive officers of the Association and shall discharge all such executive functions, powers, and duties.

(b) Federal National Mortgage Association

The Federal National Mortgage Association shall have a board of directors, which shall consist of 13 persons, or such other number that the Director determines appropriate, who shall be elected annually by the common stockholders. Except to the extent that action under section 4636a of this title temporarily results in a lesser number, the board shall at all times have as members at least one person from the home-building industry, at least one person from the mortgage lending industry, at least one person from the real estate industry, and at least one person from an organization that has represented consumer or community interests for not less than 2 years or one person who has demonstrated a career commitment to the provision of housing for low-income households. Each member of the board of directors shall be elected for a term ending on the date of the next annual meeting of the stockholders. Any seat on the board which becomes vacant after the annual election of the directors shall be filled by the board, but only for the unexpired portion of the term. Within the limitations of law and regulation, the board shall determine the general policies which shall govern the operations of the corporation, and shall have power to adopt, amend, and repeal bylaws governing the performance of the powers and duties granted to or imposed upon it by law. The board of directors shall select and effect the appointment of qualified persons to fill the offices of president and vice president, and such other offices as may be provided for in the bylaws. Any member of the board who is a full-time officer or employee of the Federal Government shall not, as such member, receive compensation for his services.

(June 27, 1934, ch. 847, title III, §308, as added Aug. 2, 1954, ch. 649, title II, §201, 68 Stat. 620; amended Pub. L. 89-174, §5(b), Sept. 9, 1965, 79 Stat. 669; Pub. L. 89-754, title X, §1020(d), Nov. 3, 1966, 80 Stat. 1296; Pub. L. 90-19, §1(l), (m), May 25, 1967, 81 Stat. 18, 19; Pub. L. 90-448, title VIII, §802(y), Aug. 1, 1968, 82 Stat. 539; Pub. L. 94-375, §17(a), Aug. 3, 1976, 90 Stat. 1076; Pub. L. 98-440, title II, §207, Oct. 3, 1984, 98 Stat. 1696; Pub. L. 102-550, title XIII, §1381(h)(1), (i), Oct. 28, 1992, 106 Stat. 3996; Pub. L. 110-289, div. A, title I, §§1153(b)(2), 1162(a)(1), July 30, 2008, 122 Stat. 2775, 2781.)

Editorial Notes**PRIOR PROVISIONS**

A prior section 308 of act June 27, 1934, ch. 847, title III, 48 Stat. 1255, related to depositories of public moneys, prior to the general amendment of this subchapter by act July 1, 1948, ch. 784, § 1, 62 Stat. 1206.

Prior provisions on the subject of this section were contained in section 1716 of this title.

AMENDMENTS

2008—Subsec. (b). Pub. L. 110-289, § 1162(a)(1), in first sentence, substituted “13 persons, or such other number that the Director determines appropriate, who” for “eighteen persons, five of whom shall be appointed annually by the President of the United States, and the remainder of whom”, in second sentence, struck out “appointed by the President” after “as members”, in third sentence, struck out “appointed or” after “directors shall be” and “, except that any such appointed member may be removed from office by the President for good cause” after “the stockholders”, in fourth sentence, struck out “elective” after “Any”, and struck out fifth sentence which read as follows: “Any appointive seat which becomes vacant shall be filled by appointment of the President, but only for the unexpired portion of the term.”

Pub. L. 110-289, § 1153(b)(2), in second sentence, substituted “Except to the extent that action under section 4636a of this title temporarily results in a lesser number, the” for “The”.

1992—Subsec. (b). Pub. L. 102-550, in second sentence, struck out “and” after “mortgage lending industry,” and inserted “, and at least one person from an organization that has represented consumer or community interests for not less than 2 years or one person who has demonstrated a career commitment to the provision of housing for low-income households” and in third sentence, substituted “any such appointed member” for “any such member”.

1984—Subsec. (b). Pub. L. 98-440 substituted “, which shall consist of eighteen persons, five of whom” for “which shall consist of fifteen persons, one-third of whom”.

1976—Subsec. (a). Pub. L. 94-375 substituted provision establishing, in the Department of Housing and Urban Development, the position of president of the Government National Mortgage Association, to be filled by the President, by and with the consent of the Senate, for provision that the Secretary appoint the president of the Association.

1968—Subsec. (a). Pub. L. 90-448, § 802(y)(1)–(6), designated existing provisions as subsec. (a), inserted provisions directing that the powers and duties of the Government National Mortgage Association shall be vested in the Secretary of Housing and Urban Development and that the Association shall be administered under the direction of the Secretary, and empowering the Secretary to adopt, amend, and repeal bylaws, and struck out provisions which related to the Board of Directors of the Federal National Mortgage Association.

Subsec. (b). Pub. L. 90-448, § 802(y)(7), added subsec. (b).

1967—Pub. L. 90-19 substituted “Secretary of Housing and Urban Development” for “Housing and Home Finance Administrator”, and “the Secretary” for “said Administrator”, wherever appearing.

1966—Pub. L. 89-754 struck out subsec. (a) designation.

1965—Pub. L. 89-174 struck out next to last sentence which provided that the basic rate of compensation of the position of president of the Association shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1992 AMENDMENT**

Pub. L. 102-550, title XIII, § 1381(h)(2), Oct. 28, 1992, 106 Stat. 3996, provided that: “The amendments made by

paragraph (1) [amending this section] shall apply to the first annual appointment by the President of members to the board of directors of the Federal National Mortgage Association that occurs after the date of the enactment of this Act [Oct. 28, 1992].”

EFFECTIVE DATE OF 1968 AMENDMENT

For effective date of amendment by title VIII of Pub. L. 90-448, see section 808 of Pub. L. 90-448, set out as an Effective Date note under section 1716b of this title.

EFFECTIVE DATE OF 1965 AMENDMENT

For effective date of amendment by Pub. L. 89-174, see section 11(a) of Pub. L. 89-174, set out as an Effective Date note under section 3531 of Title 42, The Public Health and Welfare.

TRANSITIONAL PROVISION

Pub. L. 110-289, div. A, title I, § 1162(a)(2), July 30, 2008, 122 Stat. 2781, provided that: “The amendments made by paragraph (1) [amending this section] shall not apply to any appointed position of the board of directors of the Federal National Mortgage Association until the expiration of the annual term for such position during which the effective date under section 1163 [set out as an Effective Date of 2008 Amendment note under section 3132 of Title 5, Government Organization and Employees] occurs.”

**POWERS AND DUTIES OF POSITION OF GNMA PRESIDENT
TO REMAIN IN EFFECT UNTIL POSITION FILLED**

Pub. L. 94-375, § 17(e), Aug. 3, 1976, 90 Stat. 1077, provided that notwithstanding the amendment of subsec. (a) of this section, rights, powers, and duties of position of President, Government National Mortgage Association, as in effect on Aug. 2, 1976, remain in effect until the newly established position has been filled in accordance with the terms of this Act.

**§ 1723a. General powers of Government National
Mortgage Association and Federal National
Mortgage Association****(a) Seal, and other matters incident to operation**

Each of the bodies corporate named in section 1717(a)(2) of this title shall have power to adopt, alter, and use a corporate seal, which shall be judicially noticed; to enter into and perform contracts, leases, cooperative agreements, or other transactions, on such terms as it may deem appropriate, with any agency or instrumentality of the United States, or with any State, Territory, or possession, or the Commonwealth of Puerto Rico, or with any political subdivision thereof, or with any person, firm, association, or corporation; to execute, in accordance with its bylaws, all instruments necessary or appropriate in the exercise of any of its powers; in its corporate name, to sue and to be sued, and to complain and to defend, in any court of competent jurisdiction, State or Federal, but no attachment, injunction, or other similar process, mesne or final, shall be issued against the property of the Association or against the Association with respect to its property; to conduct its business without regard to any qualification or similar statute in any State of the United States, including the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States; to lease, purchase, or acquire any property, real, personal, or mixed, or any interest therein, to hold, rent, maintain, modernize, renovate, improve, use, and operate such property, and to sell, for cash or credit, lease, or otherwise dis-