

funds collected from the fees associated with such program, the funds shall be deposited in the General Fund of the Treasury.

**(3) Authority of Corporation**

The Corporation—

(A) may borrow funds from the Secretary of the Treasury and issue obligations of the Corporation to the Secretary for amounts borrowed, and the amounts borrowed shall be available to the Corporation for purposes of carrying out a program established pursuant to this section, including the payment of reasonable costs of administering the program, and the obligations issued shall be repaid in full with interest through fees and charges paid by participants in accordance with paragraphs (1) and (4), as applicable; and

(B) may not borrow funds from the Deposit Insurance Fund established pursuant to section 1821(a)(4) of this title.

**(4) Backup special assessments**

To the extent that the funds collected pursuant to paragraph (1) are insufficient to cover any losses or expenses, including amounts borrowed pursuant to paragraph (3), arising from a program established pursuant to this section, the Corporation shall impose a special assessment solely on participants in the program, in amounts necessary to address such insufficiency, and which shall be available to the Corporation to cover such losses or expenses.

**(5) Authority of the Secretary**

The Secretary may purchase any obligations issued under paragraph (3)(A). For such purpose, the Secretary may use the proceeds of the sale of any securities issued under chapter 31 of title 31, and the purposes for which securities may be issued under that chapter 31 are extended to include such purchases, and the amount of any securities issued under that chapter 31 for such purpose shall be treated in the same manner as securities issued under section 208(n)(5)(E).<sup>1</sup>

**(f) Rule of construction**

For purposes of this section, a guarantee of deposits held by insured depository institutions in noninterest-bearing transaction accounts may be treated as a debt guarantee program.

**(g) Definitions**

For purposes of this section, the following definitions shall apply:

**(1) Company**

The term “company” means any entity other than a natural person that is incorporated or organized under Federal law or the laws of any State.

**(2) Depository institution holding company**

The term “depository institution holding company” has the same meaning as in section 1813 of this title.

**(3) Liquidity event**

The term “liquidity event” means—

(A) an exceptional and broad reduction in the general ability of financial market participants—

(i) to sell financial assets without an unusual and significant discount; or

(ii) to borrow using financial assets as collateral without an unusual and significant increase in margin; or

(B) an unusual and significant reduction in the ability of financial market participants to obtain unsecured credit.

**(4) Solvent**

The term “solvent” means that the value of the assets of an entity exceed its obligations to creditors.

**(h) Approval of guarantee program during the COVID-19 crisis**

**(1) In general**

For purposes of the congressional joint resolution of approval provided for in subsections (c)(1) and (2) and (d), notwithstanding any other provision of this section, the Federal Deposit Insurance Corporation is approved upon enactment of this Act to establish a program provided for in subsection (a), provided that any such program and any such guarantee shall terminate not later than December 31, 2020.

**(2) Maximum amount**

Any debt guarantee program authorized by this subsection shall include a maximum amount of outstanding debt that is guaranteed.

(Pub. L. 111–203, title XI, §1105, July 21, 2010, 124 Stat. 2121; Pub. L. 116–136, div. A, title IV, §4008(a), Mar. 27, 2020, 134 Stat. 477.)

**Editorial Notes**

**REFERENCES IN TEXT**

Section 1105 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, referred to in subsec. (d)(4)(C), (D), is section 1105 of Pub. L. 111–203, which is classified to this section.

Section 208(n)(5)(E), referred to in subsec. (e)(5), probably means section 210(n)(5)(E) of Pub. L. 111–203, which is classified to section 5390(n)(5)(E) of this title, because section 208 does not contain a subsec. (n) and section 210(n)(5)(E) relates to treatment of certain purchases and sales of obligations by the Secretary as public debt.

Enactment of this Act, referred to in subsec. (h)(1), probably means the date of enactment of subtitle A of title IV of div. A of Pub. L. 116–136, known as the Coronavirus Economic Stabilization Act of 2020, which was approved Mar. 27, 2020. For complete classification of this Act to the Code, see section 4001 of div. A of title IV of Pub. L. 116–136, set out as a Short Title note under section 9001 of this title, and Tables.

**AMENDMENTS**

2020—Subsec. (f). Pub. L. 116–136, §4008(a)(1), inserted “in noninterest-bearing transaction accounts” after “institutions” and substituted “may” for “shall not”.

Subsec. (h). Pub. L. 116–136, §4008(a)(2), added subsec. (h).

**§ 5613. Additional related matters**

**(a) Suspension of parallel Federal Deposit Insurance Act authority**

Effective upon July 21, 2010, the Corporation may not exercise its authority under section

<sup>1</sup> See References in Text note below.

1823(c)(4)(G)(i) of this title to establish any widely available debt guarantee program for which section 5612 of this title would provide authority.

**(b) Omitted**

**(c) Effect of default on an FDIC guarantee**

If an insured depository institution or depository institution holding company (as those terms are defined in section 1813 of this title) participating in a program under section 5612 of this title, or any participant in a debt guarantee program established pursuant to section 1823(c)(4)(G)(i) of this title defaults on any obligation guaranteed by the Corporation after July 21, 2010, the Corporation shall—

(1) appoint itself as receiver for the insured depository institution that defaults; and

(2) with respect to any other participating company that is not an insured depository institution that defaults—

(A) require—

(i) consideration of whether a determination shall be made, as provided in section 5383 of this title to resolve the company under section 5382 of this title; and

(ii) the company to file a petition for bankruptcy under section 301 of title 11 if the Corporation is not appointed receiver pursuant to section 5382 of this title within 30 days of the date of default; or

(B) file a petition for involuntary bankruptcy on behalf of the company under section 303 of title 11.

(Pub. L. 111–203, title XI, § 1106, July 21, 2010, 124 Stat. 2125.)

**Editorial Notes**

**CODIFICATION**

Section is comprised of section 1106 of Pub. L. 111–203. Subsec. (b) of section 1106 of Pub. L. 111–203 amended section 1823 of this title.

**§ 5614. Exercise of Federal Reserve authority**

**(1) No decisions by Federal reserve bank presidents**

No provision of subchapter I relating to the authority of the Board of Governors shall be construed as conferring any decision-making authority on presidents of Federal reserve banks.

**(2) Voting decisions by Board**

The Board of Governors shall not delegate the authority to make any voting decision that the Board of Governors is authorized or required to make under subchapter I of this chapter in contravention of section 248(k) of this title.

(Pub. L. 111–203, title XI, § 1108(d), July 21, 2010, 124 Stat. 2127.)

**Editorial Notes**

**REFERENCES IN TEXT**

Subchapter I, referred to in text, was in the original “title I”, meaning title I of Pub. L. 111–203, July 21, 2010, 124 Stat. 1391, known as the Financial Stability Act of 2010, which is classified principally to subchapter I (§ 5311 et seq.) of this chapter. For complete classification of title I to the Code, see Short Title note set out under section 5301 of this title and Tables.

**SUBCHAPTER VII—IMPROVING ACCESS TO MAINSTREAM FINANCIAL INSTITUTIONS**

**§ 5621. Purpose**

The purpose of this subchapter is to encourage initiatives for financial products and services that are appropriate and accessible for millions of Americans who are not fully incorporated into the financial mainstream.

(Pub. L. 111–203, title XII, § 1202, July 21, 2010, 124 Stat. 2129.)

**Editorial Notes**

**REFERENCES IN TEXT**

This subchapter, referred to in text, was in the original “this title”, meaning title XII of Pub. L. 111–203, July 21, 2010, 124 Stat. 2129, known as the Improving Access to Mainstream Financial Institutions Act of 2010, which is classified principally to this subchapter. For complete classification of title XII to the Code, see Short Title note set out under section 5301 of this title and Tables.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE**

Subchapter effective 1 day after July 21, 2010, except as otherwise provided, see section 4 of Pub. L. 111–203, set out as a note under section 5301 of this title.

**SHORT TITLE**

This subchapter known as the “Improving Access to Mainstream Financial Institutions Act of 2010”, see Short Title note set out under section 5301 of this title.

**§ 5622. Definitions**

In this subchapter, the following definitions shall apply:

**(1) Account**

The term “account” means an agreement between an individual and an eligible entity under which the individual obtains from or through the entity 1 or more banking products and services, and includes a deposit account, a savings account (including a money market savings account), an account for a closed-end loan, and other products or services, as the Secretary deems appropriate.

**(2) Community development financial institution**

The term “community development financial institution” has the same meaning as in section 4702(5) of this title.

**(3) Eligible entity**

The term “eligible entity” means—

(A) an organization described in section 501(c)(3) of title 26, and exempt from tax under section 501(a) of such title;

(B) a federally insured depository institution;

(C) a community development financial institution;

(D) a State, local, or tribal government entity; or

(E) a partnership or other joint venture comprised of 1 or more of the entities described in subparagraphs (A) through (D), in accordance with regulations prescribed by the Secretary under this subchapter.