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## § 1811. Federal Deposit Insurance Corporation

### (a) Establishment of Corporation

There is hereby established a Federal Deposit Insurance Corporation (hereinafter referred to as the "Corporation") which shall insure, as hereinafter provided, the deposits of all banks and savings associations which are entitled to the benefits of insurance under this chapter, and which shall have the powers hereinafter granted.

### (b) Asset disposition division

#### (1) Establishment

The Corporation shall have a separate division of asset disposition.

#### (2) Management

The division of asset disposition shall have an administrator who shall be appointed by the Board of Directors.

#### (3) Responsibilities of division

The division of asset disposition shall carry out all of the responsibilities of the Corporation under this chapter relating to the liquidation of insured depository institutions and the disposition of assets of such institutions.

(Sept. 21, 1950, ch. 967, §2[1], 64 Stat. 873; Pub. L. 101-73, title II, §202, Aug. 9, 1989, 103 Stat. 188; Pub. L. 103-204, §22(a), Dec. 17, 1993, 107 Stat. 2407.)

#### CODIFICATION

The Federal Deposit Insurance Corporation was originally created as a part of the Federal Reserve Act by act June 16, 1933, ch. 89, §8, 48 Stat. 168, which added section 12B to the Federal Reserve Act, act Dec. 23, 1913, ch. 6, 38 Stat. 103, and was classified to section 264 of this title. Act Dec. 23, 1913, ch. 6, §12B, as added June

16, 1933, ch. 89, §8, 48 Stat. 168 has been amended by acts June 16, 1934, ch. 546, §1(1)-(10), 48 Stat. 969, 970; June 28, 1935, ch. 335, 49 Stat. 435; Aug. 23, 1935, ch. 614, §101, 49 Stat. 684; Apr. 21, 1936, ch. 244, 49 Stat. 1237; May 25, 1938, ch. 276, 52 Stat. 442; June 16, 1938, ch. 489, 52 Stat. 767; June 20, 1939, ch. 214, §2, 53 Stat. 842; Apr. 13, 1943, ch. 62, §1, 57 Stat. 65; Aug. 5, 1947, ch. 492, §§2, 4, 61 Stat. 773; June 25, 1948, ch. 645, §21, 62 Stat. 862, eff. Sept. 1, 1948; Oct. 15, 1949, ch. 695, §4, 63 Stat. 880; Aug. 17, 1950, ch. 729, §§5-7, 64 Stat. 457.

Section 12B of the Federal Reserve Act was withdrawn from the Federal Reserve Act and made a separate Act by section 1 of act Sept. 21, 1950, and set out as this chapter.

#### PRIOR PROVISIONS

Section is derived from subsec. (a) of former section 264 of this title. See Codification note above.

#### AMENDMENTS

1993—Pub. L. 103-204 inserted "Federal Deposit Insurance Corporation" as section catchline, redesignated existing provisions as subsec. (a), inserted heading, and substituted "There is hereby established" for "There is hereby created", and added subsec. (b).

1989—Pub. L. 101-73 inserted "and savings associations" after "banks".

#### EFFECTIVE DATE OF 1993 AMENDMENT

Section 22(b) of Pub. L. 103-204 provided that: "The amendments made by subsection (a) [amending this section] shall become effective on July 1, 1995."

#### SHORT TITLE OF 2010 AMENDMENT

Pub. L. 111-203, title VI, §601, July 21, 2010, 124 Stat. 1596, provided that: "This title [enacting sections 214d, 1467b, 1831c, 1831o-1, 1850a, 1851, and 1852 of this title and section 77z-2a of Title 15, Commerce and Trade, amending sections 35, 36, 84, 371a, 371c, 371c-1, 375, 375b, 1462, 1464, 1467a, 1468, 1828, 1831u, 1841 to 1844, 1848a, and 3907 of this title and section 78q of Title 15, and enacting provisions set out as notes under sections 35, 84, 371a, 371c, 375, 375b, 1462, 1467a, 1815, 1828, 1831c, and 1831u of this title and sections 77z-2a and 78q of Title 15] may be cited as the 'Bank and Savings Association Holding Company and Depository Institution Regulatory Improvements Act of 2010'."

#### SHORT TITLE OF 2006 AMENDMENT

Pub. L. 109-351, §1(a), Oct. 13, 2006, 120 Stat. 1966, provided that: "This Act [see Tables for classification] may be cited as the 'Financial Services Regulatory Relief Act of 2006'."

Pub. L. 109-173, §1, Feb. 15, 2006, 119 Stat. 3601, provided that: "This Act [see Tables for classification] may be cited as the 'Federal Deposit Insurance Reform Conforming Amendments Act of 2005'."

Pub. L. 109-171, title II, §2101, Feb. 8, 2006, 120 Stat. 9, provided that: "This subtitle [subtitle B (§§2101-2109) of title II of Pub. L. 109-171, amending sections 24, 338a, 347b, 1431, 1441a, 1441b, 1464, 1467a, 17231, 1735f-14, 1813, 1815 to 1817, 1821, 1821a, 1823 to 1825, 1827, 1828, 1831a, 1831e, 1831h, 1831m, 1831o, 1833a, 1834, 1841, and 3341 of this title and section 905 of Title 2, The Congress, enacting provisions set out as notes under sections 1817 and 1821 of this title, and repealing provisions set out as notes under section 1821 of this title] may be cited as the 'Federal Deposit Insurance Reform Act of 2005'."

#### SHORT TITLE OF 2004 AMENDMENT

Pub. L. 108-386, §1, Oct. 30, 2004, 118 Stat. 2228, provided that: "This Act [amending sections 321, 1709, 1813, 1817, 1820, 1821, 1828, 1841, 1842, 1881, 3206, and 3207 of this title and sections 78c, 78l, and 78q of Title 15, Commerce and Trade, and enacting provisions set out as notes under section 321 of this title] may be cited as the '2004 District of Columbia Omnibus Authorization Act'."

#### SHORT TITLE OF 2000 AMENDMENT

Pub. L. 106-569, title XII, §1200, Dec. 27, 2000, 114 Stat. 3032, provided that: "This title [enacting sections

215a-2, 215a-3, and 4805a of this title, amending sections 11, 71 to 72, 83, 215b, 1426, 1464, 1467a, 1817, 1818, 1821, 1828, 1831n, and 3102 of this title, repealing sections 51, 1465, and 1831f-1 of this title, enacting provisions set out as a note under section 1817 of this title, and amending provisions set out as a note under section 1828 of this title) may be cited as the 'Financial Regulatory Relief and Economic Efficiency Act of 2000'."

SHORT TITLE OF 1999 AMENDMENT

Pub. L. 106-102, §1(a), Nov. 12, 1999, 113 Stat. 1338, provided that: "This Act [see Tables for classification] may be cited as the 'Gramm-Leach-Bliley Act'."

SHORT TITLE OF 1998 AMENDMENT

Pub. L. 105-277, div. H, §1, Oct. 21, 1998, 112 Stat. 2681-854, provided that: "This Division [amending section 1828 of this title] may be cited as the 'Depository Institution-GSE Affiliation Act of 1998'."

SHORT TITLE OF 1997 AMENDMENTS

Pub. L. 105-24, §1, July 3, 1997, 111 Stat. 238, provided that: "This Act [amending sections 36 and 1831a of this title and enacting provisions set out as a note under section 1831a of this title] may be cited as the 'Riegle-Neal Amendments Act of 1997'."

Pub. L. 105-18, title V, §50001, June 12, 1997, 111 Stat. 211, provided that: "This title [enacting provisions set out as notes under this section and sections 1828, 1831o, and 4008 of this title] may be cited as the 'Depository Institutions Disaster Relief Act of 1997'."

SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104-208, div. A, title II, §2701, Sept. 30, 1996, 110 Stat. 3009-479, provided that: "This subtitle [subtitle G (§§2701-2711) of title II of div. A of Pub. L. 104-208 amending sections 24, 338a, 347b, 1431, 1441 to 1441b, 1464, 1467a, 1723i, 1735f-14, 1813, 1815 to 1817, 1821, 1821a, 1823 to 1825, 1827, 1828, 1831a, 1831e, 1831m, 1831o, 1833a, 1834, 1841, and 3341 of this title and section 905 of Title 2, The Congress, repealing section 1831h of this title, and enacting provisions set out as notes under sections 1441, 1817, and 1821 of this title and section 162 of Title 26, Internal Revenue Code] may be cited as the 'Deposit Insurance Funds Act of 1996'."

SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103-328, §1(a), Sept. 29, 1994, 108 Stat. 2338, provided that: "This Act [enacting sections 43, 215a-1, 1831u, and 1835a of this title, amending sections 30, 36, 215, 215a, 215b, 1441a, 1462a, 1820, 1821, 1828, 1831a, 1831r-1, 1841, 1842, 1846, 2906, 3103 to 3105, and 3106a of this title and section 1927 of Title 7, Agriculture, enacting provisions set out as notes under this section, sections 215, 1828, 3104, 3105, and 3107 of this title, section 1927 of Title 7, and section 5112 of Title 31, Money and Finance, and amending provisions set out as notes under this section and sections 5111 and 5112 of Title 31] may be cited as the 'Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994'."

SHORT TITLE OF 1993 AMENDMENT

Pub. L. 103-76, §1, Aug. 12, 1993, 107 Stat. 752, provided that: "This Act [enacting provisions set out as notes under this section and sections 1828, 1831o, and 4008 of this title] may be cited as the 'Depository Institutions Disaster Relief Act of 1993'."

SHORT TITLE OF 1992 AMENDMENTS

Pub. L. 102-550, title XV, §1500, Oct. 28, 1992, 106 Stat. 4044, provided that: "This title [see Tables for classification] may be cited as the 'Annunzio-Wylie Anti-Money Laundering Act'."

Pub. L. 102-485, §1, Oct. 23, 1992, 106 Stat. 2771, provided that: "This Act [enacting sections 338a and 3352 of this title, amending section 24 of this title, and enacting provisions set out as notes under this section and sections 1811, 1828, 1831o, and 4008 of this title] may

be cited as the 'Depository Institutions Disaster Relief Act of 1992'."

SHORT TITLE OF 1991 AMENDMENT

Pub. L. 102-242, §1(a), Dec. 19, 1991, 105 Stat. 2236, as amended by Pub. L. 102-550, title XVI, §1601, Oct. 28, 1992, 106 Stat. 4075, provided that: "This Act [see Tables for classification] may be cited as the 'Federal Deposit Insurance Corporation Improvement Act of 1991'."

Pub. L. 102-242, title II, §231, Dec. 19, 1991, 105 Stat. 2308, provided that: "This subtitle [subtitle C (§§231-234) of title II of Pub. L. 102-242, enacting sections 1834, 1834a, and 1834b of this title and amending section 1817 of this title] may be cited as the 'Bank Enterprise Act of 1991'."

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101-508, title II, §2001, Nov. 5, 1990, 104 Stat. 1388-14, provided that: "This Act [probably means this subtitle, which is subtitle A (§§2001-2005) of title II of Pub. L. 101-508, amending sections 1817 and 1824 of this title] may be cited as the 'FDIC Assessment Rate Act of 1990'."

SHORT TITLE OF 1989 AMENDMENT

Section 1(a) of Pub. L. 101-73 provided that: "This Act [see Tables for classification] may be cited as the 'Financial Institutions Reform, Recovery, and Enforcement Act of 1989'."

SHORT TITLE OF 1987 AMENDMENT

Pub. L. 100-86, title V, §501, Aug. 10, 1987, 101 Stat. 623, provided that: "This title [enacting sections 1439-1 and 1772b of this title, amending sections 481, 1726, 1727, 1729, 1730a, 1785, 1786, 1813, 1821, 1823, 1828, 1842, 1843, and 1849 of this title and sections 905 and 906 of Title 2, The Congress, enacting provisions set out as a note under section 1464 of this title, amending provisions set out as a note under section 1729 of this title, and repealing provisions set out as a note under section 1464 of this title] may be cited as the 'Financial Institutions Emergency Acquisitions Amendments of 1987'."

SHORT TITLE OF 1982 AMENDMENT

Pub. L. 97-320, title I, §101, Oct. 15, 1982, 96 Stat. 1469, provided that: "This title [amending sections 1431, 1436, 1437, 1462, 1464, 1725, 1726, 1727, 1728, 1729, 1730, 1730a, 1785, 1786, 1813, 1814, 1817, 1818, 1820, 1821, 1822, 1823, 1828, 1831c, 1841, 1842, and 1843 of this title and enacting provisions set out as a note under section 1464 of this title] may be cited as the 'Deposit Insurance Flexibility Act'."

Pub. L. 97-320, title II, §201, Oct. 15, 1982, 96 Stat. 1489, provided that: "This title [amending sections 1464, 1726, 1729, and 1823 of this title and enacting provisions set out as notes under section 1823 of this title] may be cited as the 'Net Worth Certificate Act'."

SHORT TITLE OF 1981 AMENDMENT

Pub. L. 97-110, title I, §101, Dec. 26, 1981, 95 Stat. 1513, provided that: "This title [amending sections 1813, 1817, and 1821 of this title] may be cited as the 'International Banking Facility Deposit Insurance Act'."

SHORT TITLE OF 1978 AMENDMENT

Pub. L. 95-630, title VI, §601, Nov. 10, 1978, 92 Stat. 3683, provided that: "This title [amending section 1817 of this title] may be cited as the 'Change in Bank Control Act of 1978'."

SHORT TITLE

Section 1 of act Sept. 21, 1950, provided: "That section 12B of the Federal Reserve Act, as amended, is hereby withdrawn as a part of that Act and is made a separate Act [enacting this chapter] to be known as the 'Federal Deposit Insurance Act'."

SEPARABILITY

Pub. L. 102-242, title IV, §481, Dec. 19, 1991, 105 Stat. 2388, provided that: "If any provision of this Act [see

Short Title of 1991 Amendment note above], or any application of any provision of this Act to any person or circumstance, is held invalid, the remainder of the Act, and the application of any remaining provision of the Act to any other person or circumstance, shall not be affected by such holding.”

Section 1221 of Pub. L. 101-73 provided that: “If any provision of this Act [see Short Title of 1989 Amendment note above] or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.”

#### CONSTRUCTION OF 1999 AMENDMENTS

Pub. L. 106-102, title II, §210, Nov. 12, 1999, 113 Stat. 1396, provided that: “Nothing in this Act [see Short Title of 1999 Amendment note above] shall supersede, affect, or otherwise limit the scope and applicability of the Commodity Exchange Act (7 U.S.C. 1 et seq.)”

Pub. L. 106-102, title VII, §714, Nov. 12, 1999, 113 Stat. 1470, provided that: “Nothing in this Act [see Short Title of 1999 Amendment note above] shall be construed to repeal any provision of the Community Reinvestment Act of 1977 [12 U.S.C. 2901 et seq.]”

#### CONSTRUCTION OF 1997 AMENDMENT

Pub. L. 105-18, title V, §50006, June 12, 1997, 111 Stat. 213, provided that: “No provision of this title [see Short Title of 1997 Amendments note above] shall be construed as limiting the authority of any department or agency under any other provision of law.”

#### CONSTRUCTION OF 1994 AMENDMENT

Pub. L. 103-328, title I, §111, Sept. 29, 1994, 108 Stat. 2365, provided that: “No provision of this title [enacting sections 43, 215a-1, 1831u, and 1835a of this title, amending sections 30, 36, 215, 215a, 215b, 1462a, 1820, 1828, 1831a, 1831r-1, 1841, 1842, 1846, 2906, 3103 to 3105, and 3106a of this title and section 1927 of Title 7, Agriculture, enacting provisions set out as notes under this section, sections 215, 1828, 3104, 3105, and 3107 of this title and section 1927 of Title 7, and amending provisions set out as a note under this section] and no amendment made by this title to any other provision of law shall be construed as affecting in any way—

“(1) the authority of any State or political subdivision of any State to adopt, apply, or administer any tax or method of taxation to any bank, bank holding company, or foreign bank, or any affiliate of any such bank, bank holding company, or foreign bank, to the extent that such tax or tax method is otherwise permissible by or under the Constitution of the United States or other Federal law;

“(2) the right of any State, or any political subdivision of any State, to impose or maintain a non-discriminatory franchise tax or other nonproperty tax instead of a franchise tax in accordance with section 3124 of title 31, United States Code; or

“(3) the applicability of section 5197 of the Revised Statutes [section 85 of this title] or section 27 of the Federal Deposit Insurance Act [section 1831d of this title].”

#### CONSTRUCTION OF 1993 AMENDMENTS

Pub. L. 103-76, §7, Aug. 12, 1993, 107 Stat. 755, provided that: “Nothing in this Act [see Short Title of 1993 Amendment note above] limits the authority of any department or agency under any other provision of law.”

#### CONSTRUCTION OF 1992 AMENDMENTS

Pub. L. 102-485, §8, Oct. 23, 1992, 106 Stat. 2775, provided that: “Nothing in this Act [see Short Title of 1992 Amendments note above] limits the authority of any department or agency under any other provision of law.”

#### YEAR 2000 READINESS FOR FINANCIAL INSTITUTIONS

Pub. L. 105-164, §2, Mar. 20, 1998, 112 Stat. 32, provided that:

“(a) FINDINGS.—The Congress finds that—

“(1) the Year 2000 computer problem poses a serious challenge to the American economy, including the Nation’s banking and financial services industries;

“(2) thousands of banks, savings associations, and credit unions rely heavily on internal information technology and computer systems, as well as outside service providers, for mission-critical functions, such as check clearing, direct deposit, accounting, automated teller machine networks, credit card processing, and data exchanges with domestic and international borrowers, customers, and other financial institutions; and

“(3) Federal financial regulatory agencies must have sufficient examination authority to ensure that the safety and soundness of the Nation’s financial institutions will not be at risk.

“(b) DEFINITIONS.—For purposes of this section—

“(1) the terms ‘depository institution’ and ‘Federal banking agency’ have the same meanings as in section 3 of the Federal Deposit Insurance Act [12 U.S.C. 1813];

“(2) the term ‘Federal home loan bank’ has the same meaning as in section 2 of the Federal Home Loan Bank Act [12 U.S.C. 1422];

“(3) the term ‘Federal reserve bank’ means a reserve bank established under the Federal Reserve Act [12 U.S.C. 221 et seq.];

“(4) the term ‘insured credit union’ has the same meaning as in section 101 of the Federal Credit Union Act [12 U.S.C. 1752]; and

“(5) the term ‘Year 2000 computer problem’ means, with respect to information technology, any problem which prevents such technology from accurately processing, calculating, comparing, or sequencing date or time data—

“(A) from, into, or between—

“(i) the 20th and 21st centuries; or

“(ii) the years 1999 and 2000; or

“(B) with regard to leap year calculations.

“(c) SEMINARS AND MODEL APPROACHES TO YEAR 2000 COMPUTER PROBLEM.—

“(1) SEMINARS.—

“(A) IN GENERAL.—Each Federal banking agency and the National Credit Union Administration Board shall offer seminars to all depository institutions and insured credit unions under the jurisdiction of such agency on the implication of the Year 2000 computer problem for—

“(i) the safe and sound operations of such depository institutions and credit unions; and

“(ii) transactions with other financial institutions, including Federal reserve banks and Federal home loan banks.

“(B) CONTENT AND SCHEDULE.—The content and schedule of seminars offered pursuant to subparagraph (A) shall be determined by each Federal banking agency and the National Credit Union Administration Board taking into account the resources and examination priorities of such agency.

“(2) MODEL APPROACHES.—

“(A) IN GENERAL.—Each Federal banking agency and the National Credit Union Administration Board shall make available to each depository institution and insured credit union under the jurisdiction of such agency model approaches to common Year 2000 computer problems, such as model approaches with regard to project management, vendor contracts, testing regimes, and business continuity planning.

“(B) VARIETY OF APPROACHES.—In developing model approaches to the Year 2000 computer problem pursuant to subparagraph (A), each Federal banking agency and the National Credit Union Administration Board shall take into account the need to develop a variety of approaches to correspond to the variety of depository institutions or credit unions within the jurisdiction of the agency.

“(3) COOPERATION.—In carrying out this section, the Federal banking agencies and the National Credit

Union Administration Board may cooperate and coordinate their activities with each other, the Financial Institutions Examination Council, and appropriate organizations representing depository institutions and credit unions.”

STUDY AND REPORT ON UNITED STATES FINANCIAL SERVICES SYSTEM

Pub. L. 103-328, title II, §210, Sept. 29, 1994, 108 Stat. 2379, provided that:

“(a) STUDY.—

“(1) IN GENERAL.—The Secretary of the Treasury (hereafter in this section referred to as the ‘Secretary’) shall, after consultation with the Advisory Commission on Financial Services established under subsection (b), and consultation in accordance with paragraph (3), conduct a study of matters relating to the strengths and weaknesses of the United States financial services system in meeting the needs of the system’s users, including the needs of—

“(A) individual consumers and households;

“(B) communities;

“(C) agriculture;

“(D) small-, medium-, and large-sized businesses;

“(E) governmental and nonprofit entities; and

“(F) exporters and other users of international financial services.

“(2) MATTERS STUDIED.—The study required under paragraph (1) shall include consideration of—

“(A) the changes underway in the national and international economies and the financial services industry, and how those changes affect the financial services system’s ability to efficiently meet the needs of the national economy and the system’s users during the next 10 years and beyond; and

“(B) the adequacy of existing statutes and regulations, and the existing regulatory structure, to meet the needs of the financial services system’s users effectively, efficiently, and without unfair, anticompetitive, or discriminatory practices.

“(3) CONSULTATION.—Consultation in accordance with this paragraph means consultation with—

“(A) the Board of Governors of the Federal Reserve System;

“(B) the Commodity Futures Trading Commission;

“(C) the Comptroller of the Currency;

“(D) the Director of the Office of Thrift Supervision;

“(E) the Federal Deposit Insurance Corporation;

“(F) the Secretary of the Department of Housing and Urban Development;

“(G) the Securities and Exchange Commission;

“(H) the Director of the Congressional Budget Office; and

“(I) the Comptroller General of the United States.

“(b) ADVISORY COMMISSION ON FINANCIAL SERVICES.—

“(1) ESTABLISHMENT.—There is established the Advisory Commission on Financial Services (hereafter in this section referred to as the ‘Advisory Commission’).

“(2) MEMBERSHIP OF COMMISSION.—The Advisory Commission—

“(A) shall consist of not less than 9 nor more than 14 members appointed by the Secretary from among individuals—

“(i) who are—

“(I) users of the financial services system; or

“(II) experts in finance or on the financial services system; and

“(ii) who are not employees of the Federal Government; and

“(B) shall include representatives of business, agriculture, and consumers.

“(3) CHAIRPERSON.—The Secretary or the Secretary’s designee shall serve as Chairperson of the Advisory Commission.

“(4) TRAVEL EXPENSES.—Members of the Advisory Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates author-

ized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in performing services for the Advisory Commission.

“(5) TERMINATION.—The Advisory Commission shall terminate 30 days after the date of submission of the report required under subsection (d).

“(c) RECOMMENDATIONS.—Based on the results of the study conducted under subsection (a), the Secretary shall develop such recommendations as may be appropriate for changes in statutes, regulations, and policies to improve the operation of the financial services system, including changes to better—

“(1) meet the needs of, and assure access to the system for, current and potential users;

“(2) promote economic growth;

“(3) protect consumers;

“(4) promote competition and efficiency;

“(5) avoid risk to the taxpayers;

“(6) control systemic risk; and

“(7) eliminate discrimination.

“(d) REPORT.—Not later than 15 months after the date of enactment of this Act [Sept. 29, 1994], the Secretary shall submit to the President pro tempore of the Senate and the Speaker of the House of Representatives a report describing the study conducted under subsection (a) and any recommendations developed under subsection (c).”

STUDY AND REPORT ON DEPOSITORY INSTITUTIONS DISASTER RELIEF ACTS OF 1992 AND 1993

Pub. L. 103-76, §5, Aug. 12, 1993, 107 Stat. 754, directed Secretary of the Treasury, after consultation with appropriate Federal banking agencies to conduct a study that (1) examined how agencies and entities granted authority by Depository Institutions Disaster Relief Act of 1992 and by this Act have exercised such authority, (2) evaluated the utility of such Acts in facilitating recovery from disasters consistent with safety and soundness of depository institutions, and (3) contained recommendations with respect to whether the authority granted by this Act should be made permanent, and, not later than 18 months after Aug. 12, 1993, submit to Congress a report on the results of the study.

FEASIBILITY STUDY ON AUTHORIZING INSURED AND UNINSURED DEPOSIT ACCOUNTS

Pub. L. 102-242, title III, §321, Dec. 19, 1991, 105 Stat. 2370, directed Federal Deposit Insurance Corporation to study the feasibility of authorizing insured depository institutions to offer both insured and uninsured deposit accounts to customers, specified factors to be considered in conducting the study, and directed Corporation, before the end of the 6-month period beginning on Dec. 19, 1991, to submit a report to Congress containing the Corporation’s findings and conclusions with respect to the study and any recommendations for legislative or administrative action the Corporation determined to be appropriate.

PRIVATE REINSURANCE STUDY

Pub. L. 102-242, title III, §322, Dec. 19, 1991, 105 Stat. 2370, directed Board of Directors of Federal Deposit Insurance Corporation, in consultation with Secretary of the Treasury and individuals from the private sector with expertise in private insurance, private reinsurance, depository institutions, or economics, to conduct a study of the feasibility of establishing a private reinsurance system, such study to include a demonstration project consisting of a simulation, by a sample of private reinsurers and insured depository institutions, of the activities required for a private reinsurance system, with a report to Congress on the study before the end of the 18-month period beginning on Dec. 19, 1991.

PURPOSES OF 1989 AMENDMENT

Section 101 of Pub. L. 101-73 provided that: “The purposes of this Act [see Short Title of 1989 Amendment note above] are as follows:

“(1) To promote, through regulatory reform, a safe and stable system of affordable housing finance.

“(2) To improve the supervision of savings associations by strengthening capital, accounting, and other supervisory standards.

“(3) To curtail investments and other activities of savings associations that pose unacceptable risks to the Federal deposit insurance funds.

“(4) To promote the independence of the Federal Deposit Insurance Corporation from the institutions the deposits of which it insures, by providing an independent board of directors, adequate funding, and appropriate powers.

“(5) To put the Federal deposit insurance funds on a sound financial footing.

“(6) To establish an Office of Thrift Supervision in the Department of the Treasury, under the general oversight of the Secretary of the Treasury.

“(7) To establish a new corporation, to be known as the Resolution Trust Corporation, to contain, manage, and resolve failed savings associations.

“(8) To provide funds from public and private sources to deal expeditiously with failed depository institutions.

“(9) To strengthen the enforcement powers of Federal regulators of depository institutions.

“(10) To strengthen the civil sanctions and criminal penalties for defrauding or otherwise damaging depository institutions and their depositors.”

#### STUDIES OF FEDERAL DEPOSIT INSURANCE, BANKING SERVICES, AND SAFETY AND SOUNDNESS OF GOVERNMENT-SPONSORED ENTERPRISES

Pub. L. 101-73, title X, Aug. 9, 1989, 103 Stat. 507, as amended by Pub. L. 103-328, title I, §108(a), Sept. 29, 1994, 108 Stat. 2361; Pub. L. 104-208, div. A, title II, §2608, Sept. 30, 1996, 110 Stat. 3009-474, provided that:

#### “SEC. 1001. STUDY OF FEDERAL DEPOSIT INSURANCE SYSTEM.

“(a) IN GENERAL.—The Secretary of the Treasury, in consultation with the Comptroller of the Currency, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, the Chairman of the National Credit Union Administration Board, the Director of the Office of Management and Budget, and individuals from the private sector, shall conduct a study of the Federal deposit insurance system.

“(b) TOPICS.—As part of the study required under subsection (a), the Secretary of the Treasury shall investigate, review, and evaluate the following:

“(1) The feasibility of establishing a deposit insurance premium rate structure which would take into account, on an institution-by-institution basis—

- “(A) asset quality risk;
- “(B) interest rate risk;
- “(C) quality of management; and
- “(D) profitability and capital.

“(2) Incentives for market discipline, including the advantages of—

“(A) limiting each depositor to 1 insured account per institution;

“(B) reducing the amount insured, or providing for a graduated decrease in the percentage of the amounts deposited which are insured as the amounts deposited increase;

“(C) combining Federal with private insurance in order to bring the market discipline of private insurance to bear on the management of the depository institution; and

“(D) ensuring, by law or regulation, that on the closing of any insured depository institution, the appropriate Federal insurance fund will honor only its explicit liabilities, and will never make good any losses on deposits not explicitly covered by Federal deposit insurance.

“(3) The scope of deposit insurance coverage and its impact on the liability of the insurance fund.

“(4) The feasibility of market value accounting, assessments on foreign deposits, limitations on brokered deposits, the addition of collateralized borrowings to the deposit insurance base, and multiple insured accounts.

“(5) The impact on the deposit insurance funds of varying State and Federal bankruptcy exemptions and the feasibility of—

“(A) uniform exemptions;

“(B) limits on exemptions when necessary to repay obligations owed to federally insured depository institutions; and

“(C) requiring borrowers from federally insured depository institutions to post a personal or corporate bond when obtaining a mortgage on real property.

“(6) Policies to be followed with respect to the recapitalization or closure of insured depository institutions whose capital is depleted to, or near the point of, insolvency.

“(7) The efficiency of housing subsidies through the Federal home loan bank system.

“(8) Alternatives to Federal deposit insurance.

“(9) The feasibility of developing and administering, through the appropriate Federal banking agency, an examination of the principles and techniques of risk management and the application of such principles and techniques to the management of insured institutions.

“(10) The adequacy of capital of insured credit unions and the National Credit Union Share Insurance Fund, including whether the supervision of such fund should be separated from the other functions of the National Credit Union Administration.

“(11) The feasibility of requiring, by statute or other means, that—

“(A) independent auditors and accountants of a depository institution report the results of any audit of the institution to the relevant regulatory agency or agencies;

“(B) a regulator share reports on a depository institution with the institution's independent auditors and accountants; and

“(C) independent auditors and accountants participate in conferences between the regulator and the depository institution.

“(12) The feasibility of adopting regulations which are the same as or similar to the provisions of England's Banking Act, 1987, ch. 22 (4 Halsbury's Statutes of England and Wales 527-650 (1987)), enacted on May 15, 1987, relating to the Bank of England's relationship with auditors and reporting accountants (including sections 8, 39, 41, 45, 46, 47, 82, 83, 85, and 94 of such Act).

“(c) FINAL REPORT.—Not later than the close of the 18-month period beginning on the date of the enactment of this Act [Aug. 9, 1989], the Secretary of the Treasury shall submit to the Congress a final report containing a detailed statement of findings made, and conclusions drawn from, the study conducted under this section, including such recommendations for administrative and legislative action as the Secretary determines to be appropriate.

#### “SEC. 1002. SURVEY OF BANK FEES AND SERVICES.

“(a) ANNUAL SURVEY REQUIRED.—The Board of Governors of the Federal Reserve System shall obtain a sample, which is representative by geographic location and size of the institution, of—

“(1) certain retail banking services provided by insured depository institutions; and

“(2) the fees, if any, which are imposed by such institutions for providing any such service, including fees imposed for not sufficient funds, deposit items returned, and automated teller machine transactions.

“(b) ANNUAL REPORT TO CONGRESS REQUIRED.—

“(1) PREPARATION.—The Board of Governors of the Federal Reserve System shall prepare a report of the results of each survey conducted pursuant to subsection (a).

“(2) CONTENTS OF THE REPORT.—Each report prepared pursuant to paragraph (1) shall include—

“(A) a description of any discernible trend, in the Nation as a whole, in each of the 50 States, and in each consolidated metropolitan statistical area or primary metropolitan statistical area (as defined by the Director of the Office of Management and Budget), in the cost and availability of retail banking services (including fees imposed for providing such services), that delineates differences between insured depository institutions on the basis of both the size of the institution and any engagement of the institution in multistate activity; and

“(B) a description of the correlation, if any, among the following factors:

“(i) An increase or decrease in the amount of any deposit insurance premium assessed by the Federal Deposit Insurance Corporation against insured depository institutions.

“(ii) An increase or decrease in the amount of the fees imposed by such institutions for providing retail banking services.

“(iii) A decrease in the availability of such services.

“(3) SUBMISSION TO CONGRESS.—The Board of Governors of the Federal Reserve System shall submit an annual report to the Congress not later than September 1, 1995, and not later than June 1 of each subsequent year.

“SEC. 1003. GENERAL ACCOUNTING OFFICE [GOVERNMENT ACCOUNTABILITY OFFICE] STUDY.

“(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of deposit insurance issues raised by section 1001 emphasizing in particular—

“(1) analysis of the policy considerations affecting the scope of deposit insurance coverage;

“(2) evaluation of the risks associated with bank insurance contracts both as to the issuing institution and the deposit insurance funds; and

“(3) the effect of proposed changes in the definition of ‘deposit’ on—

“(A) market discipline; and

“(B) the ability of other participants in capital markets to raise funds.

“(b) REPORT.—Not later than the close of the 18-month period beginning on the date of the enactment of this Act [Aug. 9, 1989], the Comptroller General shall submit to the Congress the results of the study required by subsection (a).

“SEC. 1004. STUDY REGARDING CAPITAL REQUIREMENTS FOR GOVERNMENT-SPONSORED ENTERPRISES.

“(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the risks undertaken by all government-sponsored enterprises and the appropriate level of capital for such enterprises consistent with—

“(1) the financial soundness and stability of the government-sponsored enterprises;

“(2) minimizing any potential financial exposure of the Federal Government; and

“(3) minimizing any potential impact on borrowing of the Federal Government.

“(b) CONSULTATION AND COOPERATION WITH OTHER AGENCIES.—The Comptroller General shall determine the structure and methodology of the study under this section in consultation with and with the cooperation of the Secretary of Agriculture and the Farm Credit Administration (with respect to the Farm Credit Banks, the Banks for Cooperatives, and the Federal Agricultural Mortgage Corporation), the Secretary of Education (with respect to the Student Loan Marketing Association and the College Construction Loan Corporation), the Secretary of Housing and Urban Development (with respect to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation), and the government-sponsored enterprises.

“(c) ACCESS TO RELEVANT INFORMATION.—Each government-sponsored enterprise shall provide full and

prompt access to the Comptroller General to its books and records and shall promptly provide any other information requested by the Comptroller General. In conducting the study under this section, the Comptroller General may request information from, or the assistance of, any department or agency of the Federal Government that is authorized by law to supervise or approve any of the activities of any government-sponsored enterprise.

“(d) SPECIFIC REQUIREMENTS.—The study shall examine and evaluate—

“(1) the degrees and types of risks that are undertaken by the government-sponsored enterprises in the course of their operations, including credit risk, interest rate risk, management and operational risk, and business risk;

“(2) the most appropriate method or methods for quantifying the types of risks undertaken by the government-sponsored enterprises;

“(3) the actual level of risk that exists with respect to each government-sponsored enterprise, which shall take into account factors including the volume and type of securities outstanding that are issued or guaranteed by each government-sponsored enterprise and the extent of off-balance sheet expense of each government-sponsored enterprise;

“(4) the appropriateness of applying a risk-based capital standard to each government-sponsored enterprise, taking into account the nature of the business each government-sponsored enterprise conducts;

“(5) the costs and benefits to the public from application of a risk-based capital standard to the government-sponsored enterprises and the impact of such a standard on the capability of each government-sponsored enterprise to carry out its purpose under law;

“(6) the impact, if any, of the operation of the government-sponsored enterprises on borrowing of the Federal Government;

“(7) the overall level of capital appropriate for each of the government-sponsored enterprises; and

“(8) the quality and timeliness of information currently available to the public and the Federal Government concerning the extent and nature of the activities of government-sponsored enterprises and the financial risk associated with such activities.

“(e) REPORTS TO CONGRESS.—The Comptroller General shall submit to the Congress 2 reports regarding the study under this section. The first report shall be submitted to the Congress not later than 9 months after the date of the enactment of this Act [Aug. 9, 1989] and the second report shall be submitted to the Congress not later than 21 months after the date of the enactment of this Act. Each report shall set forth—

“(1) the results of the study under this section;

“(2) any recommendations of the Comptroller General with respect to appropriate capital standards for each government-sponsored enterprise;

“(3) any recommendations of the Comptroller General with respect to information that, in the determination of the Comptroller General, should be provided to the Congress concerning—

“(A) the extent and nature of the activities of the government-sponsored enterprises; and

“(B) the nature of any periodic reports that the Comptroller General believes should be submitted to the Congress relating to the capital condition and operations of the government-sponsored enterprises; and

“(4) any recommendations and opinions of the Secretary of Agriculture, the Secretary of Education, the Secretary of Housing and Urban Development, and the Secretary of the Treasury regarding the report, to the extent that the recommendations and views of such officers differ from the recommendations and opinions of the Comptroller General.

“(f) DEFINITION.—For purposes of this section, the term ‘government-sponsored enterprises’ means the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank System, the Farm Credit Banks, the Banks

for Cooperatives, the Federal Agricultural Mortgage Corporation, the College Construction Loan Insurance Corporation, the Student Loan Marketing Association.”

[Pub. L. 103-328, title I, §108(b), Sept. 29, 1994, 108 Stat. 2362, provided that: “The requirements of subsection (a) [amending section 1002 of Pub. L. 101-73, set out above] shall not apply after the end of the 7-year period beginning on the date of enactment of this Act [Sept. 29, 1994].”]

#### EXPANSION OF USE OF UNDERUTILIZED MINORITY BANKS, WOMEN'S BANKS, AND LOW-INCOME CREDIT UNIONS

Section 1204 of Pub. L. 101-73 provided that:

“(a) CONSULTATION ON EXPANDED USE.—The Secretary of the Treasury shall consult with the appropriate Federal banking agencies and the National Credit Union Administration Board on methods for increasing the use of underutilized minority banks, women's banks, and limited income credit unions as depositories or financial agents of Federal agencies.

“(b) REPORT TO CONGRESS.—The Secretary of the Treasury shall include, in the 1st annual report submitted to the Congress under section 331(a) of title 31, United States Code, after the completion of the consultation required by subsection (a), a report of the actions taken by the Secretary to increase the use of underutilized minority banks, women's banks, and limited income credit unions as depositories or financial agents of Federal agencies.

“(c) DEFINITIONS.—For purposes of this section:

“(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term ‘appropriate Federal banking agency’ has the meaning given to such term in section 3(q) of the Federal Deposit Insurance Act [12 U.S.C. 1813(q)].

“(2) MINORITY BANK.—The term ‘minority bank’ means any depository institution described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act [12 U.S.C. 461(b)(1)(A)(i), (ii), (iii)]—

“(A) more than 50 percent of the ownership or control of which is held by 1 or more minority individuals; and

“(B) more than 50 percent of the net profit or loss of which accrues to 1 or more minority individuals.

“(3) MINORITY.—The term ‘minority’ means any Black American, Native American, Hispanic American, or Asian American.

“(4) LOW-INCOME CREDIT UNION.—The term ‘low-income credit union’ means any depository institution described in section 19(b)(1)(A)(iv) of the Federal Reserve Act which serves predominately low-income members (as defined by the National Credit Union Administration Board pursuant to section 101(5) of the Federal Credit Union Act [12 U.S.C. 1752(5)]).

“(5) WOMEN'S BANK.—The term ‘women's bank’ means any depository institution described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act—

“(A) more than 50 percent of the outstanding shares of which are held by 1 or more women;

“(B) a majority of the directors on the board of directors of which are women; and

“(C) a significant percentage of senior management positions of which are held by women.”

#### SMALL INVESTOR PARTICIPATION IN UNITED STATES GOVERNMENT SECURITIES OFFERINGS; STUDY BY SECRETARY OF THE TREASURY

Section 1207 of Pub. L. 101-73 provided that: “Not later than the close of the 18-month period beginning on the date of the enactment of this Act [Aug. 9, 1989], the Secretary of the Treasury shall conduct a study and report to the Congress on—

“(1) whether, and to what extent, the issuance of securities by the United States Government in small denominations benefits small investors, increases the participation of small investors in United States Government securities offerings, and promotes savings and thrift by the average United States taxpayer; and

“(2) additional measures the Secretary recommends be taken to expand the availability of securities issued by the United States Government to benefit small investors, increase their participation in United States Government securities offerings, and to promote savings and thrift by the average United States taxpayer.”

#### EXPENDITURE OF TAXPAYER MONEY ONLY FOR DEPOSIT INSURANCE PURPOSES

Section 1208 of Pub. L. 101-73 provided that: “Funds appropriated to the Secretary of the Treasury pursuant to an authorization contained in this Act [see Short Title of 1989 Amendment note above], and any amount authorized to be borrowed from the Secretary of the Treasury by any entity pursuant to this Act, may only be used as permitted by law, and may not otherwise be used for making any payment to any shareholder in, or creditor to, any insured depository institution.”

#### STUDIES OF RELATIONSHIP BETWEEN PUBLIC DEBT AND ACTIVITIES OF GOVERNMENT-SPONSORED ENTERPRISES

Section 1404 of Pub. L. 101-73 provided that:

“(a) IN GENERAL.—In order to better manage the bonded indebtedness of the United States, the Secretary shall conduct 2 annual studies to assess the financial safety and soundness of the activities of all Government-sponsored enterprises and the impact of their operations on Federal borrowing.

“(b) ACCESS TO RELEVANT INFORMATION.—

“(1) INFORMATION FROM GSE'S.—Each Government-sponsored enterprise shall provide full and prompt access to the Secretary to its books and records, and shall promptly provide any other information requested by the Secretary.

“(2) INFORMATION FROM SUPERVISORY AGENCIES.—In conducting the studies under this section, the Secretary may request information from, or the assistance of, any Federal department or agency authorized by law to supervise the activities of any Government-sponsored enterprise.

“(3) CONFIDENTIALITY OF INFORMATION.—

“(A) IN GENERAL.—The Secretary shall determine and maintain the confidentiality of any book, record, or information made available under this subsection in a manner generally consistent with the level of confidentiality established for the material by the Government-sponsored enterprise involved.

“(B) EXEMPTION FROM PUBLIC DISCLOSURE REQUIREMENTS.—The Department of the Treasury shall be exempt from section 552 of title 5, United States Code, with respect to any book, record, or information made available under this subsection and determined by the Secretary to be confidential under subparagraph (A).

“(C) PENALTY FOR UNAUTHORIZED DISCLOSURE.—Any officer or employee of the Department of the Treasury shall be subject to the penalties set forth in section 1906 of title 18, United States Code, if—

“(i) by virtue of his employment or official position, he has possession of or access to any book, record, or information made available under this subsection and determined by the Secretary to be confidential under subparagraph (A); and

“(ii) he discloses the material in any manner other than—

“(I) to an officer or employee of the Department of the Treasury; or

“(II) pursuant to the exceptions set forth in such section 1906.

“(c) ASSESSMENT OF RISK.—In assessing the financial safety and soundness of the activities of Government-sponsored enterprises, and the impact of their activities on Federal borrowing, the Secretary shall quantify the risks associated with each Government-sponsored enterprise. In quantifying such risks, the Secretary shall determine the volume and type of securities outstanding which are issued or guaranteed by each Gov-

ernment-sponsored enterprise, the capitalization of each Government-sponsored enterprise, and the degree of risk involved in the operations of each Government-sponsored enterprise due to factors such as credit risk, interest rate risk, management and operations risk, and business risk. The Secretary shall also report on the quality and timeliness of information currently available to the public and the Federal Government concerning the extent and nature of the activities of Government-sponsored enterprises and the financial risk associated with such activities.

“(d) REPORTS TO CONGRESS.—The Secretary shall submit to the Congress—

“(1) by May 15, 1990, a report setting forth the results of the 1st annual study conducted under this section; and

“(2) by May 15, 1991, a report setting forth the results of the 2nd annual study conducted under this section.

“(e) DEFINITIONS.—For purposes of this section:

“(1) GOVERNMENT-SPONSORED ENTERPRISE.—The term ‘Government-sponsored enterprise’ means—

“(A) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank System, the Farm Credit Banks, the Banks for Cooperatives, the Federal Agricultural Mortgage Corporation, the Student Loan Marketing Association, the College Construction Loan Insurance Association, and any of their affiliated or member institutions; and

“(B) any other Government-sponsored enterprise, as designated by the Secretary.

“(2) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury or his delegate.”

## § 1812. Management

### (a) Board of Directors

#### (1) In general

The management of the Corporation shall be vested in a Board of Directors consisting of 5 members—

(A) 1 of whom shall be the Comptroller of the Currency;

(B) 1 of whom shall be the Director of the Consumer Financial Protection Bureau; and

(C) 3 of whom shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States, 1 of whom shall have State bank supervisory experience.

#### (2) Political affiliation

After February 28, 1993, not more than 3 of the members of the Board of Directors may be members of the same political party.

### (b) Chairperson and Vice Chairperson

#### (1) Chairperson

1 of the appointed members shall be designated by the President, by and with the advice and consent of the Senate, to serve as Chairperson of the Board of Directors for a term of 5 years.

#### (2) Vice Chairperson

1 of the appointed members shall be designated by the President, by and with the advice and consent of the Senate, to serve as Vice Chairperson of the Board of Directors.

#### (3) Acting Chairperson

In the event of a vacancy in the position of Chairperson of the Board of Directors or during the absence or disability of the Chair-

person, the Vice Chairperson shall act as Chairperson.

### (c) Terms

#### (1) Appointed members

Each appointed member shall be appointed for a term of 6 years.

#### (2) Interim appointments

Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term.

#### (3) Continuation of service

The Chairperson, Vice Chairperson, and each appointed member may continue to serve after the expiration of the term of office to which such member was appointed until a successor has been appointed and qualified.

### (d) Vacancy

#### (1) In general

Any vacancy on the Board of Directors shall be filled in the manner in which the original appointment was made.

#### (2) Acting officials may serve

In the event of a vacancy in the office of the Comptroller of the Currency or the office of Director of the Consumer Financial Protection Bureau and pending the appointment of a successor, or during the absence or disability of the Comptroller of the Currency or the Director of the Consumer Financial Protection Bureau, the acting Comptroller of the Currency or the acting Director of the Consumer Financial Protection Bureau, as the case may be, shall be a member of the Board of Directors in the place of the Comptroller or Director.

### (e) Ineligibility for other offices

#### (1) Postservice restriction

##### (A) In general

No member of the Board of Directors may hold any office, position, or employment in any insured depository institution or any depository institution holding company during—

(i) the time such member is in office; and

(ii) the 2-year period beginning on the date such member ceases to serve on the Board of Directors.

##### (B) Exception for members who serve full term

The limitation contained in subparagraph (A)(ii) shall not apply to any member who has ceased to serve on the Board of Directors after serving the full term for which such member was appointed.

#### (2) Restriction during service

No member of the Board of Directors may—

(A) be an officer or director of any insured depository institution, depository institution holding company, Federal Reserve bank, or Federal home loan bank; or

(B) hold stock in any insured depository institution or depository institution holding company.