

secured by mortgages insured under title X of the National Housing Act and increased from 18 months to 24 months the maximum maturity of industrial, commercial, and residential construction loans.

1964—Pub. L. 88-560 substituted in cl. (3) of third sentence of first par. “80” for “75” per centum and “twenty-five” for “20” years.

Pub. L. 88-341 substituted “60 per centum of the appraised fair market value of the growing timber, lands, and improvements thereon” for “40 per centum of the appraised value of the economically marketable timber”, “60 per centum of the original appraised total value of the property” for “40 per centum of the original appraised value of the economically marketable timber”, increased the permissible loan term from 2 to 3 years in the case of unamortized loans, from 10 to 15 years in the case of amortized loans, and decreased the annual rate from 10 to 6½ per centum.

1962—Pub. L. 87-717 increased aggregate real estate loan limitation from 60 to 70 per centum of a bank’s time and savings deposits, and limitation on maturities for loans made to finance the construction of residential or farm buildings, from nine months or less to eighteen months or less.

1961—Pub. L. 87-70 inserted “, or title V of the Housing Act of 1949, as amended” after “sections 590r to 590x-3 of title 16” in first par., and in next to last par. inserted provisions permitting home improvement loans which are insured under section 1709(k) or 1715k(h) of this title to be made without regard to the first lien requirements of this section.

1959—Pub. L. 86-251, §4(a), substituted in second sentence of first par., “under a lease which does not expire for at least 10 years beyond the maturity date of the loan” for “(1) under a lease for not less than ninety-nine years which is renewable or (2) under a lease having a period of not less than fifty years to run from the date the loan is made or acquired by the national banking association”.

Pub. L. 86-251, §4(b)(1), (2), added cl. (3) in third sentence of first par., redesignated former cl. (3) as cl. (4), and prohibited the application of the described limitations and restrictions to State-guaranteed loans.

Pub. L. 86-251, §4(c), inserted provisions in third par. classifying certain loans for construction of industrial or commercial buildings as ordinary commercial loans and authorized investments in or liability on loans in an amount that includes 100 per centum of its unimpaired surplus fund.

Pub. L. 86-251, §4(d), added par. classifying certain loans to manufacturing and industrial businesses as ordinary commercial loans.

1958—Pub. L. 85-536 amended fourth par. by striking out “or the Small Business Administration” after “Housing and Home Finance Administrator” and “or the Small Business Act of 1953” after “or 1701g-1 of this title”, and inserting provisions exempting loans in which the Small Business Administration cooperates through agreements to participate on an immediate or deferred basis from the restrictions or limitations of this section imposed upon loans secured by real estate.

1955—Act Aug. 11, 1955, §1, amended first par. generally to increase the percentage of the loan to the appraised value of the property from 60 to 66½ percent in the case of 40 percent amortized residential mortgage loans not exceeding a 10-year maturity, and to permit national banks to make a residential real-estate loan in an amount not to exceed 66½ percent of the appraised value of the property and for a term not longer than 20 years.

Act Aug. 11, 1955, §2, amended third par. by increasing from 6 to 9 months construction loans for the purpose of financing residential or farm buildings.

1954—Act Aug. 17, 1954, amended third sentence of first par. by inserting “, or sections 590r to 590x-3 of title 16” after “sections 1001-1005d of title 7”.

Act July 22, 1954, amended fourth par. by inserting references to the Small Business Administration and to the Small Business Act of 1953.

1953—Act Aug. 15, 1953, amended section by inserting new second par. to permit the making of real estate

loans secured by first liens upon forest tracts which are properly managed.

1951—Act Sept. 1, 1951, §207, amended third sentence of first par. by inserting a reference to subchapter X of chapter 13 of this title.

Act Sept. 1, 1951, §503, amended third par. by inserting a reference to the Housing and Home Finance Administrator, and references to sections 1701g and 1701g-1 of this title.

1950—Act Apr. 20, 1950, amended third sentence of first par. by substituting “1748-1748g, or 1706c of this title” for “or 1748-1748g of this title”.

1949—Joint Res. Oct. 25, 1949, amended first par. by striking out second sentence and inserting new second sentence, and by inserting “sections 1707-1715, 1736-1742, and 1748-1748g of this title” for “sections 1707-1715 and 1736-1742 of this title”.

1948—Act May 25, 1948, amended third par. by striking out references to certain lending authority which the Corporation was granted under section 604(a) of title 15, as amended in 1947, and which it does not now have.

1946—Act Aug. 14, 1946, amended first par. by inserting “or which are insured by the Secretary of Agriculture pursuant to sections 1001-1005d of title 7”.

1941—Act Mar. 28, 1941, amended third sentence of first par. by inserting reference to sections 1736 to 1742 of this title.

1935—Act Aug. 23, 1935, amended first par. and added third par.

1934—Act June 27, 1934, amended first par. and added second par.

1927—Act Feb. 25, 1927, amended first par.

EFFECTIVE DATE OF 1982 AMENDMENT

Section 403(c) of Pub. L. 97-320 provided that: “This section [amending this section and section 92 of this title] shall take effect upon the expiration of one hundred and eighty days after the date of its enactment [Oct. 15, 1982].”

REPEALS

Repealing provisions of Consolidated Farmers Home Administration Act of 1961 as not having the effect of repealing the amendments to this section enacted by act July 22, 1937, §15(a), as added Aug. 14, 1946, and Aug. 28, 1937, §10(f), as added Aug. 17, 1954, see section 341(a) of Pub. L. 87-128, title III, Aug. 8, 1961, 75 Stat. 318, set out as a References in Other Laws note under section 1921 of Title 7, Agriculture.

EXCEPTION AS TO TRANSFER OF FUNCTIONS

Functions vested by any provision of law in Comptroller of the Currency, referred to in this section, not included in transfer of functions to Secretary of the Treasury, see note set out under section 1 of this title.

§ 371a. Repealed. Pub. L. 111-203, title VI, § 627(a)(1), July 21, 2010, 124 Stat. 1640

Section, act Dec. 23, 1913, ch. 6, §19(i), formerly §19 par. (12), as added June 16, 1933, ch. 89, §11(b), 48 Stat. 181; amended Aug. 23, 1935, ch. 614, title III, §324(c), 49 Stat. 714; Proc. No. 2695, eff. July 4, 1946, 11 F.R. 7517, 60 Stat. 1352; renumbered §19(i), Pub. L. 89-597, §2(b), Sept. 21, 1966, 80 Stat. 824; Pub. L. 96-161, title I, §101(a), Dec. 28, 1979, 93 Stat. 1233; Pub. L. 96-221, title III, §§302(a), 307, Mar. 31, 1980, 94 Stat. 145, 147, prohibited member banks from paying interest on any deposit payable on demand but included savings provisions and exceptions.

EFFECTIVE DATE OF REPEAL

Pub. L. 111-203, title VI, §627(b), July 21, 2010, 124 Stat. 1640, provided that: “The amendments made by subsection (a) [amending sections 1464 and 1828 of this title and repealing this section] shall take effect 1 year after the date of the enactment of this Act [July 21, 2010].”

§ 371b. Rate of interest on time deposits; payment of time deposits before maturity; waiver of notice requirements for withdrawal of savings deposits

The Board may from time to time, after consulting with the Board of Directors of the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board, prescribe rules governing the advertisement of interest on deposits by member banks on time and savings deposits. The provisions of this section shall not apply to any deposit which is payable only at an office of a member bank located outside of the States of the United States and the District of Columbia. During the period commencing on October 15, 1962, and ending on October 15, 1968, the provisions of this paragraph shall not apply to the rate of interest which may be paid by member banks on time deposits of foreign governments, monetary and financial authorities of foreign governments when acting as such, or international financial institutions of which the United States is a member.

(Dec. 23, 1913, ch. 6, § 19(j), formerly § 19 (par. 13), as added June 16, 1933, ch. 89, § 11(b), 48 Stat. 182; amended Aug. 23, 1935, ch. 614, title III, § 324(c), 49 Stat. 714; Pub. L. 87-827, § 1, Oct. 15, 1962, 76 Stat. 953; Pub. L. 89-79, § 1, July 21, 1965, 79 Stat. 244; renumbered § 19(j) and amended Pub. L. 89-597, § 2(b), (c), Sept. 21, 1966, 80 Stat. 824; Pub. L. 90-505, § 2(a), Sept. 21, 1968, 82 Stat. 856; Pub. L. 96-221, title II, § 207(b)(4)-(6), Mar. 31, 1980, 94 Stat. 144.)

AMENDMENTS

1980—Pub. L. 96-221 struck out provisions relating to payment of interest on deposits, prescribing of different limitations by the Board for different classes of deposits, and payment of time deposits before maturity.

1968—Pub. L. 90-505 gave Board power to prescribe rules governing the payment and advertising of interest on deposits.

1966—Pub. L. 89-597, § 2(c), made authority of Board to prescribe maximum permissible rates of interest that may be paid by member banks on time and savings deposits discretionary rather than mandatory, required prior consultations with the FDIC Board and the FHLB Board, authorized different rate limitations for different classes of deposits, for deposits of different amounts, or according to such other reasonable bases as the Board may deem desirable in the public interest, and struck out provision for rate limitation according to the varying discount rates of member banks in the several Federal Reserve districts.

1965—Pub. L. 89-79 extended until Oct. 15, 1968, the period during which the provisions of this paragraph do not apply to the rate of interest payable by member banks on time deposits of foreign governments, monetary and financial authorities of foreign governments when acting as such, or international financial institutions of which the United States is a member.

1962—Pub. L. 87-827 inserted sentence making this paragraph inapplicable, during the period commencing on October 15, 1962, and ending upon the expiration of three years after such date, to the rate of interest which may be paid by member banks on time deposits of foreign governments, monetary and financial authorities of foreign governments when acting as such, or international financial institutions of which the United States is a member.

1935—Act Aug. 23, 1935, among other changes, inserted "except upon such conditions and in accordance with such rules and regulations as may be prescribed by the said Board" to second sentence and proviso.

EFFECTIVE DATE OF 1980 AMENDMENT

Section 207(b) of Pub. L. 96-221 provided in part that the amendment made by that section is effective 6 years after Mar. 31, 1980.

EFFECTIVE AND TERMINATION DATES OF 1966 AMENDMENT

Section 7 of Pub. L. 89-597, as amended, formerly set out as an Effective and Termination Dates of 1966 Amendment note under section 461 of this title (which provided in part that amendment of this section by section 2(c) of Pub. L. 89-597 was effective only to Dec. 15, 1980, and that on Dec. 15, 1980, this section was amended to read as it would without the amendment by section 2(c) of Pub. L. 89-597), was repealed by section 207(a) of Pub. L. 96-221.

TRANSFER OF FUNCTIONS

Federal Home Loan Bank Board abolished and functions transferred, see sections 401 to 406 of Pub. L. 101-73, set out as a note under section 1437 of this title.

TIME DEPOSITS; INTEREST RATES, LIMITATION

Pub. L. 93-123, Oct. 15, 1973, 87 Stat. 448, provided that in carrying out the Act of September 21, 1966 (Pub. L. 89-597) [enacting section 1425b of this title, amending sections 355, 371b, 461, and 1828 of this title and section 771 of former Title 31, repealing section 462a-1 of this title, and enacting provisions set out as notes under section 461 of this title] and other provisions of law, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board take action to limit rates of interest or dividends paid on time deposits of less than \$100,000 by institutions regulated by them, prior to repeal by Pub. L. 96-221, title II, § 207(b)(13), Mar. 31, 1980, 94 Stat. 144, eff. 6 years after Mar. 31, 1980.

§ 371b-1. Repealed. Pub. L. 96-221, title V, § 529, Mar. 31, 1980, 94 Stat. 168

Section, act Dec. 23, 1913, ch. 6, § 19(k), as added Dec. 28, 1979, Pub. L. 96-161, title II, § 208, 93 Stat. 1238, provided that no member bank or affiliate thereof, or any successor or assignee of such member bank or affiliate or any endorser, guarantor, or surety of such member bank or affiliate could plead, raise, or claim directly or by counterclaim, setoff, or otherwise, with respect to any deposit or obligation of such member bank or affiliate, any defense, right, or benefit under any provision of a statute or constitution of a State or of a territory of the United States, or of any law of the District of Columbia, regulating or limiting the rate of interest which could be charged, taken, received, or reserved, that any such provision was preempted, and that no civil or criminal penalty which would otherwise have been applicable under such provision would apply to such member bank or affiliate or to any other person.

EFFECTIVE DATE OF REPEAL

Section 529 of Pub. L. 96-221 provided in part that the repeal of this section is effective at the close of Mar. 31, 1980.

SAVINGS PROVISION

Section 529 of Pub. L. 96-221 provided in part that, notwithstanding the repeal of Pub. L. 96-104 and title II of Pub. L. 96-161, this section [which had been enacted by those laws] shall continue to apply to any loan made, any deposit made, or any obligation issued in any State during any period when this section was in effect in such State.

PRIOR PROVISIONS

A prior section 371b-1, act Dec. 23, 1913, ch. 6, § 19(k), as added Nov. 5, 1979, Pub. L. 96-104, title II, § 201, 93 Stat. 792, identical to this section as added by Pub. L.