

(6) purchase any asset from a member with the member's endorsement;

(7) invest in obligations of the United States or any agency thereof;

(8) make deposits in federally insured financial institutions and make investments in shares or deposits of credit unions;

(9) sue and be sued, complain, and defend, in any State or Federal court;

(10) adopt a seal;

(11) pursue to final disposition by way of compromise or otherwise claims both for and against the United States (other than tort claims, claims involving administrative expenses, and claims in excess of \$5,000 arising out of contracts for construction, repairs, and the purchase of supplies and materials) which are not in litigation and have not been referred to the Department of Justice;

(12) appoint officers and employees to assist in carrying out this subchapter, who shall be appointed subject to the provisions of title 5;

(13) conduct business, carry on operations, have offices, and exercise the powers granted by this subchapter in any State or territory;

(14) lease, purchase, or otherwise acquire and own, hold, improve, use, or otherwise deal in and with property, real, personal, or mixed, or any interest therein, wherever situated;

(15) enter into contracts with any public or private organization, partnership, corporation, or individual;

(16) advance funds on a fully secured basis to a State credit union share or deposit insurance corporation, guaranty credit union, or guaranty association. Such advance shall not exceed twelve months in maturity, shall be relet at an interest rate not exceeding that imposed by the Facility, and shall not be renewable;

(17) exercise such incidental powers as shall be necessary or requisite to enable it to carry out effectively the purposes for which the facility is incorporated; and

(18) advance funds to the National Credit Union Share Insurance Fund under such terms and conditions as may be established by the Board.

(b) Collection and settlement of checks, share drafts, etc.; charges; rules and regulations

(1) The Board may authorize the Central Liquidity Facility or its Agent members, subject to such rules and regulations, including definitions of terms used in this subsection, as the Board shall from time to time prescribe, to be drawees of, and to engage in, or be agents or intermediaries for, or otherwise participate or assist in, the collection and settlement of (including presentment, clearing, and payment of, and remitting for), checks, share drafts, or any other negotiable or nonnegotiable items or instruments of payment drawn on or issued by members of the Central Liquidity Facility, any of its Agent members, or any other credit union eligible to become a member of the Central Liquidity Facility, and to have such incidental powers as the Board shall find necessary for the exercise of any such authorization.

(2) The Central Liquidity Facility or its Agent members shall make charges, to be determined

and regulated by the Board consistent with the principles set forth in section 248a(c) of this title, or utilize the services of, or act as agent for, or be a member of, a Federal Reserve bank, clearinghouse, or any other public or private financial institution or other agency, in the exercise of any powers or functions pursuant to this subsection.

(3) The Board is authorized, with respect to participation in the collection and settlement of any items by the Central Liquidity Facility or by its Agent members, and with respect to the collection and settlement (including payment by the payor institution) of items payable by members of the Central Liquidity Facility or of any of its Agent members, to prescribe rules and regulations regarding the rights, powers, responsibilities, duties, and liabilities, including standards relating thereto, of such entities and other parties to any such items or their collection and settlement. In prescribing such rules and regulations, the Board may adopt or apply, in whole or in part, general banking usage and practices, and, in instances or respects in which they would otherwise not be applicable, Federal Reserve regulations and operating letters, the Uniform Commercial Code, and clearinghouse rules.

(June 26, 1934, ch. 750, title III, formerly subch. III, §307, as added and amended Pub. L. 95-630, title V, §502(b), title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3681, 3722; Pub. L. 96-221, title III, §§309(a)(3), (4), (b), 312, Mar. 31, 1980, 94 Stat. 149, 150; Pub. L. 97-320, title V, §531, Oct. 15, 1982, 96 Stat. 1536.)

CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

AMENDMENTS

1982—Subsec. (a)(17), (18). Pub. L. 97-320 added pars. (17) and (18).

1980—Pub. L. 96-221, §§309(a)(3), (4), (b)(2), (3), 312, designated existing provisions as subsec. (a) substituted "Board" for "Administrator", such change having been made previously by Pub. L. 95-630, and "title" and "titles" for "subchapter" and "subchapters", which for purposes of codification has been editorially translated as "subchapter" or "subchapters" thereby requiring no further change in text, in par. (15) struck out requirement respecting advance appropriation of amounts, and added subsec. (b).

1978—Pub. L. 95-630, §502(b), substituted "Board" for "Administrator".

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630, set out as a note under section 1752 of this title.

§ 1795g. Depositories, custodians, and fiscal agents

The Federal Reserve Banks are authorized to act as depositories, custodians and/or fiscal agents for the Central Liquidity Facility in the general performance of its powers conferred by this subchapter. Each Federal Reserve Bank when designated by the Board as fiscal agent for the Central Liquidity Facility, shall be entitled to be reimbursed for all expenses incurred as such fiscal agent.

(June 26, 1934, ch. 750, title III, formerly subch. III, § 308, as added and amended Pub. L. 95-630, title V, § 502(b), title XVIII, § 1802, Nov. 10, 1978, 92 Stat. 3681, 3723; Pub. L. 96-221, title III, § 309(a)(4), (b)(1), (2), Mar. 31, 1980, 94 Stat. 149.)

CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

AMENDMENTS

1980—Pub. L. 96-221, § 309(a)(4), (b)(2), substituted “Board” for “Administrator”, such change having been made previously by Pub. L. 95-630, and “title” for “subchapter”, which for purposes of codification has been editorially translated as “subchapter”, thereby requiring no further change in text.

1978—Pub. L. 95-630, § 502(b), substituted “Board” for “Administrator”.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment effective on expiration of 120 days after Nov. 10, 1978, and transitional provisions, see section 509 of Pub. L. 95-630, set out as a note under section 1752 of this title.

§ 1795h. Audit of financial transactions

The Comptroller General of the United States shall audit the Central Liquidity Facility under such rules and regulations as the Comptroller may prescribe.

(June 26, 1934, ch. 750, title III, formerly subch. III, § 309, as added Pub. L. 95-630, title XVIII, § 1802, Nov. 10, 1978, 92 Stat. 3723; amended Pub. L. 96-221, title III, § 309(b)(1), Mar. 31, 1980, 94 Stat. 149.)

CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

§ 1795i. Annual report

The annual report required by section 1752a(d) of this title shall include a full report of the activities of the Facility.

(June 26, 1934, ch. 750, title III, formerly subch. III, § 310, as added Pub. L. 95-630, title XVIII, § 1802, Nov. 10, 1978, 92 Stat. 3723; amended Pub. L. 96-221, title III, § 309(b)(1), Mar. 31, 1980, 94 Stat. 149; Pub. L. 109-351, title VII, § 726(27), Oct. 13, 2006, 120 Stat. 2003.)

CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

AMENDMENTS

2006—Pub. L. 109-351 substituted “section 1752a(d)” for “section 1752a(e)”.

§ 1795j. Agent of Federal Reserve System

The facility is authorized to act upon the request of the Board of Governors of the Federal Reserve System as an agent of the Federal Reserve System in matters pertaining to credit unions under such terms and conditions as may be established by the Board of Governors of the Federal Reserve System.

(June 26, 1934, ch. 750, title III, § 311, as added Pub. L. 97-320, title V, § 532, Oct. 15, 1982, 96 Stat. 1536.)

§ 1795k. State and local tax exemption

(a) Franchise, activities, etc., of Central Liquidity Facility; exception

The Central Liquidity Facility, and its franchise, activities, capital reserves, surplus, and income, shall be exempt from all State and local taxation now or hereafter imposed, other than taxes on real property held by the Facility (to the same extent, according to its value, as other similar property held by other persons is taxed).

(b) Notes, bonds, debentures and other obligations of Central Liquidity Facility; exceptions

(1) Except as provided in paragraph (2), the notes, bonds, debentures, and other obligations issued on behalf of the Central Liquidity Facility and the income therefrom shall be exempt from all State and local taxation now or hereafter imposed.

(2) Any obligation described in paragraph (1) shall not be exempt from State or local gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

(c) “State” defined; tax status

For purposes of this section—

(1) the term “State” includes the District of Columbia; and

(2) taxes imposed by counties or municipalities, or any territory, dependency, or possession of the United States shall be treated as local taxes.

(June 26, 1934, ch. 750, title III, § 312, as added Pub. L. 98-369, div. B, title VIII, § 2813(a)(2), July 18, 1984, 98 Stat. 1206.)

EFFECTIVE DATE

Pub. L. 98-369, div. B, title VIII, § 2813(c), July 18, 1984, 98 Stat. 1207, provided that: “The amendments made by this section [enacting this section and amending section 1795b of this title and section 501 of Title 26, Internal Revenue Code] shall take effect on October 1, 1979.”

CHAPTER 15—FEDERAL LOAN AGENCY

§§ 1801 to 1805. Omitted

CODIFICATION

Sections, acts Feb. 24, 1945, ch. 4, §§ 1, 2, 4, 5, 59 Stat. 5, 6; Apr. 25, 1945, ch. 95, title I, 59 Stat. 81, related to the Federal Loan Agency which was established by Reorg. Plan No. I of 1939, § 402, set out in the Appendix to Title 5, Government Organization and Employees, and continued as an independent establishment of the Government by act Feb. 24, 1945, ch. 4, 59 Stat. 5, and was abolished by section 204 of act June 30, 1947, ch. 166, title II, 61 Stat. 208, and its property and records were transferred to the Reconstruction Finance Corporation. By act June 24, 1954, ch. 410, § 2(a), 68 Stat. 320, section 609 of Title 15, Commerce and Trade, the Secretary of the Treasury was authorized to liquidate the Reconstruction Finance Corporation. Section 6(a) of Reorg. Plan No. 1 of 1957, eff. June 30, 1957, 22 F.R. 4633, 71 Stat. 647, set out as a note under section 601 of Title 15, Commerce and Trade, abolished the Reconstruction Finance Corporation.

CHAPTER 16—FEDERAL DEPOSIT INSURANCE CORPORATION

Sec.
1811. Federal Deposit Insurance Corporation.
1812. Management.