

unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided for by law. See sections 3(2) and 14 of Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 2282. Definitions

For the purposes of this chapter—

(1) The term “Federal agency” means an executive department, an independent Federal establishment, or a corporation or other entity established by the Congress which is owned in whole or in part by the United States.

(2) The term “obligation” means any note, bond, debenture, or other evidence of indebtedness, but does not include Federal Reserve notes or stock evidencing an ownership interest in the issuing Federal agency.

(3) The term “guarantee” means any guarantee, insurance, or other pledge with respect to the payment of all or part of the principal or interest on any obligation, but does not include the insurance of deposits, shares, or other withdrawable accounts in financial institutions, or any guarantee or pledge arising out of a statutory obligation to insure such deposits, shares, or other withdrawable accounts.

(4) The term “Bank” means the Federal Financing Bank established by section 2283 of this title.

(Pub. L. 93-224, § 3, Dec. 29, 1973, 87 Stat. 937.)

§ 2283. Creation of Federal Financing Bank

There is hereby created a body corporate to be known as the Federal Financing Bank, which shall have succession until dissolved by an Act of Congress. The Bank shall be subject to the general supervision and direction of the Secretary of the Treasury. The Bank shall be an instrumentality of the United States Government and shall maintain such offices as may be necessary or appropriate in the conduct of its business.

(Pub. L. 93-224, § 4, Dec. 29, 1973, 87 Stat. 937.)

§ 2284. Board of Directors

(a) The Bank shall have a Board of Directors consisting of five persons, one of whom shall be the Secretary of the Treasury as Chairman of the Board, and four of whom shall be appointed by the President from among the officers or employees of the Bank or of any Federal agency. The Chairman and each other member of the Board may designate some other officer or employee of the Government to serve in his place.

(b) The Board of Directors shall meet at the call of its Chairman. The Board shall determine the general policies which shall govern the operations of the Bank. The Chairman of the Board shall select and effect the appointment of qualified persons to fill such offices as may be provided for in the bylaws, and such persons shall be the executive officers of the Bank and shall discharge such executive functions, powers, and duties as may be provided for in the bylaws or by the Board of Directors. The members of the

Board and their designees shall not receive compensation for their services on the Board.

(Pub. L. 93-224, § 5, Dec. 29, 1973, 87 Stat. 937.)

§ 2285. Functions

(a) Purchase and sale of obligations issued, sold, or guaranteed by Federal agencies

The Bank is authorized to make commitments to purchase and sell, and to purchase and sell on terms and conditions determined by the Bank, any obligation which is issued, sold, or guaranteed by a Federal agency. Any Federal agency which is authorized to issue, sell, or guarantee any obligation is authorized to issue or sell such obligations directly to the Bank.

(b) Yield

Any purchase by the Bank shall be upon such terms and conditions as to yield a return at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration (1) the current average yield on outstanding marketable obligations of the United States of comparable maturity, or (2) whenever the Bank's own obligations outstanding are sufficient, the current average yield on outstanding obligations of the Bank of comparable maturity.

(c) Fees

The Bank is authorized to charge fees for its commitments and other services adequate to cover all expenses and to provide for the accumulation of reasonable contingency reserves.

(Pub. L. 93-224, § 6, Dec. 29, 1973, 87 Stat. 938.)

§ 2285a. Acquisition of obligations involving loan guarantees for New York City

Nothing in any provision of law shall be construed to authorize the Federal Financing Bank to acquire any obligation the payment of interest or principal of which has at any time been guaranteed in whole or in part under title I of the New York City Loan Guarantee Act of 1978.

(Pub. L. 95-339, title II, § 201(b), Aug. 8, 1978, 92 Stat. 467.)

REFERENCES IN TEXT

Title I of the New York City Loan Guarantee Act of 1978, referred to in text, is title I of Pub. L. 95-339, Aug. 8, 1978, 92 Stat. 460, as amended, which was classified generally to subchapter II (§1521 et seq.) of chapter 27 of former Title 31, and was omitted from the Code in the general revision and reenactment of Title 31, Money and Finance, by Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 877.

CODIFICATION

Section was enacted as part of the New York City Loan Guarantee Act of 1978, and not as part of the Federal Financing Bank Act of 1973 which comprises this chapter.

§ 2286. Approval of financing plans by Secretary of the Treasury

(a) Method, source, timing, terms, and conditions of sale of obligations issued or sold by Federal agencies

To insure the orderly and coordinated marketing of Treasury and Federal agency obligations and appropriate financing planning with respect

thereto, and to facilitate the effective financing of programs authorized by law subject to the applicable provisions of such law, the prior approval of the Secretary of the Treasury shall be required with respect to—

- (1) the method of financing,
- (2) the source of financing,
- (3) the timing of financing in relation to market conditions and financing by other Federal agencies, and
- (4) the financing terms and conditions, including rates of interest and maturities,

of obligations issued or sold by any Federal agency; except that the approval of the Secretary of the Treasury shall not be required with respect to (A) obligations issued or sold pursuant to an Act of Congress which expressly prohibits any guarantee of such obligations by the United States, and (B) obligations issued or sold by the Farmers Home Administration.

(b) Grant or denial of approval by Secretary

Upon receipt of a request from a Federal agency for his approval under subsection (a) of this section, the Secretary of the Treasury shall act promptly either to grant his approval or to advise the agency of the reasons for withholding his approval. In no case shall the Secretary of the Treasury withhold such approval for a period longer than sixty days unless, prior to the end of such period, he submits to the Congress a detailed explanation of his reasons for so doing. In no case shall the Secretary withhold such approval for a period longer than one hundred and twenty days. To the maximum extent practicable, withholdings of approval shall be made in a manner which is not disproportionately detrimental to the functioning of any particular type of Federal program. Expedited treatment shall be accorded in any case in which the Federal agency advises the Secretary of the Treasury that unusual circumstances require such treatment.

(c) Time and form for submission of financing plans

Federal agencies subject to this section shall submit financing plans to the Secretary of the Treasury at such times and in such forms as he shall prescribe.

(Pub. L. 93-224, § 7, Dec. 29, 1973, 87 Stat. 938.)

EFFECTIVE DATE

Section effective on expiration of 30 days after Dec. 29, 1973, see section 20 of Pub. L. 93-224, set out as a note under section 2281 of this title.

§ 2287. Initial capital

The Secretary of the Treasury is authorized to advance the funds necessary to provide initial capital to the Bank. Each such advance shall be upon such terms and conditions as to yield a return at a rate not less than a rate determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturity. Interest payments on such advances may be deferred, at the discretion of the Secretary, but any such deferred payments shall themselves bear interest at the rate specified in this section. There is au-

thorized to be appropriated not to exceed \$100,000,000, which shall be available for the purposes of this section without fiscal year limitation.

(Pub. L. 93-224, § 8, Dec. 29, 1973, 87 Stat. 939.)

§ 2288. Bank obligations

(a) Maximum amount of obligations issued publicly and outstanding at any one time

The Bank is authorized, with the approval of the Secretary of the Treasury, to issue publicly and have outstanding at any one time not in excess of \$15,000,000,000, or such additional amounts as may be authorized in appropriations Acts, of obligations having such maturities and bearing such rate or rates of interest as may be determined by the Bank. Such obligations may be redeemable at the option of the Bank before maturity in such manner as may be stipulated therein. So far as is feasible, the debt structure of the Bank shall be commensurate with its asset structure.

(b) Purchase and sale of obligations of Federal Financing Bank by Secretary of the Treasury as public debt transactions

The Bank is also authorized to issue its obligations to the Secretary of the Treasury and the Secretary of the Treasury may in his discretion purchase or agree to purchase any such obligations, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under chapter 31 of title 31, and the purposes for which securities may be issued under chapter 31 of title 31 are extended to include such purchases. Each purchase of obligations by the Secretary of the Treasury under this subsection shall be upon such terms and conditions as to yield a return at a rate not less than a rate determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturity. The Secretary of the Treasury may sell, upon such terms and conditions and at such price or prices as he shall determine, any of the obligations acquired by him under this subsection. All purchases and sales by the Secretary of the Treasury of such obligations under this subsection shall be treated as public debt transactions of the United States.

(c) Authority of Federal Financing Bank to require Secretary of the Treasury to purchase obligations of the Bank

The Bank may require the Secretary of the Treasury to purchase obligations of the Bank issued pursuant to subsection (b) of this section in such amounts as will not cause the holding by the Secretary of the Treasury resulting from such required purchases to exceed \$5,000,000,000 at any one time. This subsection shall not be construed as limiting the authority of the Secretary to purchase obligations of the Bank in excess of such amount.

(d) Bank obligations as lawful investments

Obligations of the Bank issued pursuant to this section shall be lawful investments, and may be accepted as security for all fiduciary,