

which payments are received by a credit union pursuant to section 1757(6) of this title.

1970—Par. (2). Pub. L. 91-206 substituting “Administrator” as meaning Administrator of the National Credit Union Administration for “Bureau” as meaning the Bureau of Federal Credit Unions.

Par. (3). Pub. L. 91-206 substituted “Administration” as meaning the National Credit Union Administration for “Director” as meaning Director of the Bureau of Federal Credit Unions.

Par. (4). Pub. L. 91-206 added par. (4).

Pars. (4) to (8). Pub. L. 91-468, §2, added pars. (4) to (8).

1959—Pub. L. 86-354 designated the terms defined as subsecs. (1) to (3).

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-221 effective at close of Mar. 31, 1980, see section 306 of Pub. L. 96-221, set out as a note under section 1464 of this title.

EFFECTIVE AND TERMINATION DATES OF 1979 AMENDMENT

Amendment by Pub. L. 96-161 effective Dec. 31, 1979, with that amendment to remain in effect until the close of Mar. 31, 1980, see section 104 of Pub. L. 96-161, formerly set out as a note under section 371a of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95-630, title V, §509, Nov. 10, 1978, 92 Stat. 3683, provided that: “The amendments made by this title [amending this section, sections 1753 to 1756, 1757 to 1759, 1761 to 1763, 1766, 1767, 1771, 1772a, and 1781 to 1789 of this title, and sections 5108, 5314, and 5315 of Title 5, Government Organization and Employees] take effect upon the effective date of this Act [see Effective Date note under section 375b of this title], except that the functions of the Administrator of the National Credit Union Administration under the provisions of the Federal Credit Union Act [this chapter], as in effect on the date preceding the date of enactment of this title [Nov. 10, 1978], shall continue to be performed by him in accordance with such provisions until such time as all the members of the National Credit Union Administration Board, established under the amendments made by this title, take office. All rules, regulations, policies, and procedures of the Administrator in effect on the date of enactment of this title shall remain in effect until amended, superseded, or repealed.”

REPEALS

Amendment by section 103 of Pub. L. 96-161, cited as a credit to this section, was repealed at the close of Mar. 31, 1980, by section 307 of Pub. L. 96-221, and substantially identical provisions were enacted by section 305 of Pub. L. 96-221, such amendments to take effect at the close of Mar. 31, 1980.

§ 1752a. National Credit Union Administration

(a) Establishment; management under National Credit Union Administration Board

There is established in the executive branch of the Government an independent agency to be known as the National Credit Union Administration. The Administration shall be under the management of a National Credit Union Administration Board.

(b) Membership and appointment of Board

(1) In general

The Board shall consist of three members, who are broadly representative of the public interest, appointed by the President, by and with the advice and consent of the Senate. In appointing the members of the Board, the

President shall designate the Chairman. Not more than two members of the Board shall be members of the same political party.

(2) Appointment criteria

(A) Experience in financial services

In considering appointments to the Board under paragraph (1), the President shall give consideration to individuals who, by virtue of their education, training, or experience relating to a broad range of financial services, financial services regulation, or financial policy, are especially qualified to serve on the Board.

(B) Limit on appointment of credit union officers

Not more than one member of the Board may be appointed to the Board from among individuals who, at the time of the appointment, are, or have recently been, involved with any insured credit union as a committee member, director, officer, employee, or other institution-affiliated party.

(c) Term of office

The term of office of each member of the Board shall be six years, except that the terms of the two members, other than the Chairman, initially appointed shall expire one upon the expiration of two years after the date of appointment, and the other upon the expiration of four years after the date of appointment. Board members shall not be appointed to succeed themselves except the initial members appointed for less than a six-year term may be reappointed for a full six-year term and future members appointed to fill unexpired terms may be reappointed for a full six-year term. Any Board member may continue to serve as such after the expiration of said member's term until a successor has qualified.

(d) Management of Administration vested in Board; adoption of rules; quorum; report to President and Congress

The management of the Administration shall be vested in the Board. The Board shall adopt such rules as it sees fit for the transaction of its business and shall keep permanent and complete records and minutes of its acts and proceedings. A majority of the Board shall constitute a quorum. Not later than April 1 of each calendar year, and at such other times as the Congress shall determine, the Board shall make a report to the President and to the Congress. Such a report shall summarize the operations of the Administration and set forth such information as is necessary for the Congress to review the financial program approved by the Board.

(e) Functions of Chairman

The Chairman of the Board shall be the spokesman for the Board and shall represent the Board and the National Credit Union Administration in its official relations with other branches of the Government. The Chairman shall determine each Board member's area of responsibility and shall review such assignments biennially. It shall be the Chairman's responsibility to direct the implementation of the adopted policies and regulations of the Board.

(f) Audit by Government Accountability Office

The financial transactions of the Administration shall be subject to audit by the Government Accountability Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the Administration are kept.

(June 26, 1934, ch. 750, title I, §102, formerly §3, as added Pub. L. 86-354, §1, Sept. 22, 1959, 73 Stat. 628; amended Pub. L. 91-206, §3, Mar. 10, 1970, 84 Stat. 49; renumbered title I, §102, Pub. L. 91-468, §1(2), Oct. 19, 1970, 84 Stat. 994; amended Pub. L. 95-630, title V, §501, Nov. 10, 1978, 92 Stat. 3680; Pub. L. 97-320, title V, §502, Oct. 15, 1982, 96 Stat. 1528; Pub. L. 105-219, title II, §204, Aug. 7, 1998, 112 Stat. 922; Pub. L. 108-271, §8(b), July 7, 2004, 118 Stat. 814.)

PRIOR PROVISIONS

Section 2 of act June 29, 1948, ch. 711, 62 Stat. 1091, which was formerly classified to section 1751a of this title, provided for the establishment in the Federal Security Agency of a Bureau of Federal Credit Unions, which were under the supervision of a Director appointed by the Federal Security Administrator. The Bureau of Federal Credit Unions and the Director thereof were under the general direction and supervision of the Federal Security Administrator. The functions, powers, and duties of the Farm Credit Administration under the Federal Credit Union Act, as amended [this chapter], were exercised by the Bureau of Federal Credit Unions. The functions, powers, and duties of the Governor of the Farm Credit Administration under the Federal Credit Union Act, as amended [this chapter], were exercised by the Director of the Bureau of Federal Credit Unions.

Section 1 of act June 29, 1948 transferred to the Federal Security Agency all functions, powers, and duties of the Farm Credit Administration and of the Governor thereof under the Federal Credit Union Act, as amended [this chapter], together with the functions of the Secretary of Agriculture with respect thereto, which were transferred to the Federal Deposit Insurance Corporation by Reorganization Plan Numbered 1 of 1947, part IV, section 401 [set out in the Appendix to Title 5, Government Organization and Employees].

Section 3 of act June 29, 1948 transferred to the Federal Security Agency, to be used in the administration of the functions, transferred, (a) all property, including office equipment, transferred to the Federal Deposit Insurance Corporation pursuant to Executive Order 9148 of April 27, 1942 [see note under section 1751 of this title], and in use on the effective date of this Act [see section 5 of act June 29, 1948, set out as a note below]; (b) all property, including office equipment, purchased by the Corporation for use exclusively in connection with the administration of the Federal Credit Union Act, as amended [this chapter], the cost of which had been charged to such functions and which were in use on the effective date of this Act; (c) all records and files pertaining exclusively to the supervision of Federal Credit Unions; and (d) all personnel employed primarily in the administration of the Federal Credit Union Act, as amended [this chapter], on the effective date of this Act.

Section 4 of act June 29, 1948 transferred all funds allocated, specifically or otherwise, in the budget of the Federal Deposit Insurance Corporation for the administration of the Federal Credit Union Act, as amended [this chapter], during the fiscal year ending June 30, 1949, which were unexpended on the effective date of this Act [see section 5 of act June 29, 1948, set out as

a note below], to the Federal Security Agency for use in the administration of the Federal Credit Union Act, as amended [this chapter]. The Corporation was to be reimbursed for the funds so transferred and for all other funds expended by it prior to the effective date of this Act in the administration of the Federal Credit Union Act, as amended [this chapter], in excess of fees from Federal Credit unions received by the Corporation, by deducting such amounts from the first moneys payable to the Secretary of the Treasury on account of the retirement of the stock of the Federal Deposit Insurance Corporation owned by the United States, and the Corporation was to have a charge on such stock for such amounts.

Section 5 of act June 29, 1948 provided that the Act was to become effective on the thirtieth day following the date of enactment.

AMENDMENTS

2004—Subsec. (f). Pub. L. 108-271 substituted “Government Accountability Office” for “General Accounting Office”.

1998—Subsec. (b). Pub. L. 105-219 inserted heading, designated existing provisions as par. (1), and added par. (2).

1982—Subsec. (f). Pub. L. 97-320 struck out “on a calendar year basis” after “subject to audit”.

1978—Pub. L. 95-630 generally revised section to eliminate the position of Administrator and to vest the management of the National Credit Union Administration in the National Credit Union Administration Board.

1970—Pub. L. 91-206 designated existing provisions as subsec. (a), substituted provisions establishing an independent agency known as the National Credit Union Administration and an Administrator of such National Credit Union Administration for provisions establishing a Bureau of Federal Credit Unions under the supervision of a Director, which Director was appointed by, and, under the general direction and supervision of, the Secretary of Health, Education, and Welfare, and added subsecs. (b) to (f).

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-630 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.

TRANSFER OF FUNCTIONS

Pub. L. 91-206, §6, Mar. 10, 1970, 84 Stat. 51, provided that:

“(a) All functions, property, records, and personnel of the Bureau of Federal Credit Unions are transferred to the National Credit Union Administration created by this Act [which generally amended this chapter].

“(b) The Director of the Bureau of Federal Credit Unions in office on the date of enactment of this Act [Mar. 10, 1970] shall serve as acting Administrator of the National Credit Union Administration pending the appointment of an Administrator in accordance with section 3 of the Federal Credit Union Act as amended by this Act [this section].”

STUDY AND REPORT ON DIFFERING REGULATORY TREATMENT

Pub. L. 105-219, title IV, §401, Aug. 7, 1998, 112 Stat. 934, provided that:

“(a) STUDY.—The Secretary [of the Treasury] shall conduct a study of—

“(1) the differences between credit unions and other federally insured financial institutions, including regulatory differences with respect to regulations enforced by the Office of Thrift Supervision, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Administration; and

“(2) the potential effects of the application of Federal laws, including Federal tax laws, on credit

unions in the same manner as those laws are applied to other federally insured financial institutions.

“(b) REPORT.—Not later than 1 year after the date of enactment of this Act [Aug. 7, 1998], the Secretary shall submit a report to the Congress on the results of the study required by subsection (a).”

STUDY OF CORPORATE CREDIT UNIONS

Pub. L. 104-208, div. A, title II, §2606, Sept. 30, 1996, 110 Stat. 3009-473, provided that:

“(a) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

“(1) ADMINISTRATION.—The term ‘Administration’ means the National Credit Union Administration.

“(2) BOARD.—The term ‘Board’ means the National Credit Union Administration Board.

“(3) CORPORATE CREDIT UNION.—The term ‘corporate credit union’ has the meaning given such term by rule or regulation of the Board.

“(4) FUND.—The term ‘Fund’ means the National Credit Union Share Insurance Fund established under section 203 of the Federal Credit Union Act [12 U.S.C. 1783].

“(5) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(b) STUDY.—

“(1) IN GENERAL.—The Secretary, in consultation with the Board, the Corporation, the Comptroller of the Currency, and the Administration, shall conduct a study and evaluation of—

“(A) the oversight and supervisory practices of the Administration concerning the Fund, including the treatment of amounts deposited in the Fund pursuant to section 202(c) of the Federal Credit Union Act [12 U.S.C. 1782(c)], including analysis of—

“(i) whether those amounts should be—

“(I) refundable; or

“(II) treated as expenses; and

“(ii) the use of those amounts in determining equity capital ratios;

“(B) the potential for, and potential effects of, administration of the Fund by an entity other than the Administration;

“(C) the 10 largest corporate credit unions in the United States, conducted in cooperation with appropriate employees of other Federal agencies with expertise in the examination of federally insured financial institutions, including—

“(i) the investment practices of those credit unions; and

“(ii) the financial stability, financial operations, and financial controls of those credit unions;

“(D) the regulations of the Administration; and

“(E) the supervision of corporate credit unions by the Administration.

“(c) REPORT.—Not later than 12 months after the date of enactment of this Act [Sept. 30, 1996], the Secretary shall submit to the appropriate committees of the Congress, a report that includes the results of the study and evaluation conducted under subsection (b), together with any recommendations that the Secretary considers to be appropriate.”

STUDY OF CREDIT UNION SYSTEM BY GAO

Pub. L. 101-73, title XII, §1201, Aug. 9, 1989, 103 Stat. 519, directed Comptroller General of the United States to conduct a comprehensive study of Nation's credit union system and before the close of the 18-month period beginning on Aug. 9, 1989, to submit to Committee on Banking, Finance and Urban Affairs of House of Representatives and Committee on Banking, Housing, and Urban Affairs of Senate a final report containing a detailed statement of findings and conclusions, including recommendations for such administrative and legislative action as Comptroller General deemed advisable.

FEDERALLY CHARTERED CENTRAL CREDIT UNIONS; REPORT TO CONGRESS

Pub. L. 86-354, §3, Sept. 22, 1959, 73 Stat. 639, directed Director of Bureau of Federal Credit Unions to make a

study of desirability of providing for federally chartered central credit unions and to submit to Secretary of Health, Education, and Welfare, for transmission to Congress on or before Apr. 15, 1960, a report of results thereof and such recommendations for legislation thereon as Director deemed appropriate.

§ 1753. Federal credit union organization

Any seven or more natural persons who desire to form a Federal credit union shall each subscribe either individually or collectively before some officer competent to administer oaths an organization certificate in duplicate which shall specifically state:

(1) the name of the association;

(2) the location of the proposed Federal credit union and the territory in which it will operate;

(3) the names and addresses of the subscribers to the certificate and the number of shares subscribed by each;

(4) the initial par value of the shares;

(5) the proposed field of membership, specified in detail;

(6) the term of the existence of the corporation, which may be perpetual; and

(7) the fact that the certificate is made to enable such persons to avail themselves of the advantages of this chapter.

Such organization certificate may also contain any provisions approved by the Board for the management of the business of the association and for the conduct of its affairs and relative to the powers of its directors, officers, or stockholders.

(June 26, 1934, ch. 750, title I, §103, formerly §3, 48 Stat. 1217; 1947 Reorg. Plan No. 1, §401, eff. July 1, 1947, 12 F.R. 4534, 61 Stat. 952; June 29, 1948, ch. 711, §§1, 2, 62 Stat. 1091; renumbered §4 and amended Pub. L. 86-354, §1, Sept. 22, 1959, 73 Stat. 628; Pub. L. 91-206, §2(1), Mar. 10, 1970, 84 Stat. 49; renumbered title I, §103, Pub. L. 91-468, §1(2), Oct. 19, 1970, 84 Stat. 994; amended Pub. L. 95-630, title V, §502(b), Nov. 10, 1978, 92 Stat. 3681; Pub. L. 97-320, title V, §§503, 504, Oct. 15, 1982, 96 Stat. 1528.)

AMENDMENTS

1982—Pub. L. 97-320, §503, substituted “each subscribe either individually or collectively” for “subscribe”.

Par. (4). Pub. L. 97-320, §504, substituted “the initial par value of the shares” for “the par value of the shares, which shall be \$5 each”.

1978—Pub. L. 95-630 substituted “Board” for “Administrator”.

1970—Pub. L. 91-206 substituted “Administrator” for “Director”.

1959—Pub. L. 86-354 changed “The” to “the” in subssecs. (1) to (7) and the period to a semicolon in subssecs. (1) to (6) and inserted “and” at end of subsec. (6).

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-630 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.

TRANSFER OF FUNCTIONS

Transfer of functions of Farm Credit Administration and Governor thereof, generally, see notes set out under section 1751 of this title.

Functions of Governor of Farm Credit Administration under this section transferred to Federal Deposit Insurance Corporation by Reorg. Plan No. 1 of 1947.