

2. This section is effective for fiscal year 1986 and every fiscal year thereafter.

(June 26, 1934, ch. 750, title I, § 129, as added Pub. L. 100-86, title VII, § 708, Aug. 10, 1987, 101 Stat. 653.)

REFERENCES IN TEXT

Section 906(a) of title 2, referred to in text, was amended generally by Pub. L. 101-508, title XIII, § 13101(d)(1), Nov. 5, 1990, 104 Stat. 1388-589, and subsequently repealed by Pub. L. 111-139, title I, § 10(a), Feb. 12, 2010, 124 Stat. 21. Provisions similar to those formerly appearing in section 906(a)(2) are now contained in section 906(k)(6) of Title 2, The Congress.

**§ 1772c-1. Community development revolving loan fund for credit unions**

**(a) In general**

The Board may exercise the authority granted to it by the Community Development Credit Union Revolving Loan Fund Transfer Act, including any additional appropriation made or earnings accrued, subject only to this section and to regulations prescribed by the Board.

**(b) Investment**

The Board may invest any idle Fund moneys in United States Treasury securities. Any interest accrued on such securities shall become a part of the Fund.

**(c) Loans**

The Board may require that any loans made from the Fund be matched by increased shares in the borrower credit union.

**(d) Interest**

Interest earned by the Fund may be allocated by the Board for technical assistance to community development credit unions, subject to an appropriations Act.

**(e) "Fund" defined**

As used in this section, the term "Fund" means the Community Development Credit Union Revolving Loan Fund.

(June 26, 1934, ch. 750, title I, § 130, as added Pub. L. 103-325, title I, § 120(b), Sept. 23, 1994, 108 Stat. 2188.)

REFERENCES IN TEXT

The Community Development Credit Union Revolving Loan Fund Transfer Act, referred to in subsec. (a), is Pub. L. 99-609, Nov. 6, 1986, 100 Stat. 3475, which is set out as a note under section 9822 of Title 42, The Public Health and Welfare.

**§ 1772d. Forfeiture of organization certificate for money laundering or cash transaction reporting offenses**

**(a) Forfeiture of franchise for money laundering or cash transaction reporting offenses**

**(1) Conviction of title 18 offenses**

**(A) Duty to notify**

If a credit union has been convicted of any criminal offense under section 1956 or 1957 of title 18, the Attorney General shall provide to the Board a written notification of the conviction and shall include a certified copy of the order of conviction from the court rendering the decision.

**(B) Notice of termination; pretermination hearing**

After receiving written notification from the Attorney General of such a conviction, the Board shall issue to such credit union a notice of its intention to terminate all rights, privileges, and franchises of the credit union and schedule a pretermination hearing.

**(2) Conviction of title 31 offenses**

If a credit union is convicted of any criminal offense under section 5322 or 5324 of title 31 after receiving written notification from the Attorney General, the Board may issue to such credit union a notice of its intention to terminate all rights, privileges, and franchises of the credit union and schedule a pretermination hearing.

**(3) Judicial review**

Section 1786(j) of this title shall apply to any proceeding under this section.

**(b) Factors to be considered**

In determining whether a franchise shall be forfeited under subsection (a), the Board shall take into account the following factors:

(1) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the money laundering offense of which the credit union was found guilty.

(2) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

(3) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the credit union was found guilty.

(4) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other money laundering offense.

(5) The extent to which the interest of the local community in having adequate deposit and credit services available would be threatened by the forfeiture of the franchise.

**(c) Successor liability**

This section shall not apply to a successor to the interests of, or a person who acquires, a credit union that violated a provision of law described in subsection (a), if the successor succeeds to the interests of the violator, or the acquisition is made, in good faith and not for purposes of evading this section or regulations prescribed under this section.

(June 26, 1934, ch. 750, title I, § 131, as added Pub. L. 102-550, title XV, § 1502(c), Oct. 28, 1992, 106 Stat. 4047; amended Pub. L. 103-325, title IV, § 411(c)(2)(B), Sept. 23, 1994, 108 Stat. 2253.)

AMENDMENTS

1994—Subsec. (a)(2). Pub. L. 103-325 substituted "section 5322 or 5324 of title 31" for "section 5322 of title 31".