

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 provi-

sions, 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.

#### § 1754. Approval of organization certificate

The organization certificate shall be presented to the Board for approval. Before any organization certificate is approved, an appropriate investigation shall be made for the purpose of determining (1) whether the organization certificate conforms to the provisions of this chapter; (2) the general character and fitness of the subscribers thereto; and (3) the economic advisability of establishing the proposed Federal credit union. Upon approval of such organization certificate by the Board it shall be the charter of the corporation, and one of the originals thereof shall be delivered to the corporation after the payment of the fee required therefor. Upon such approval the Federal credit union shall be a body corporate and as such, subject to the limitations herein contained, shall be vested with all of the powers and charged with all of the liabilities conferred and imposed by this chapter upon corporations organized hereunder.

(June 26, 1934, ch. 750, title I, §104, formerly §4, 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 §5 and amended Pub. L. 86-354, §1, Sept. 22, 1959, 73 Stat. 629; Pub. L. 91-206, §2(1), Mar. 10, 1970, 84 Stat. 49; renumbered title I, §104, 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.)

#### AMENDMENTS

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

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

1959—Pub. L. 86-354 substituted “The” for “Any such” in first sentence and transferred second sentence to make it last sentence.

#### 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.

#### § 1755. Fees

##### (a) Payment by Federal credit union to Administration

In accordance with rules prescribed by the Board, each Federal credit union shall pay to the Administration an annual operating fee

which may be composed of one or more charges identified as to the function or functions for which assessed.

##### (b) Determinations of amount, assessment periods, and payment dates

The fee assessed under this section shall be determined according to a schedule, or schedules, or other method determined by the Board to be appropriate, which gives due consideration to the expenses of the Administration in carrying out its responsibilities under this chapter and to the ability of Federal credit unions to pay the fee. The Board shall, among other things, determine the periods for which the fee shall be assessed and the date or dates for the payment of the fee or increments thereof.

##### (c) Supervision charge exception; waiver of payment

If the annual operating fee is composed of separate charges, no supervision charge shall be payable by a Federal credit union, and the Board may waive payment of any or all other charges comprising the fee, with respect to the year in which its charter is issued, or in which final distribution is made in its liquidation or the charter is canceled.

##### (d) Payment into Treasury of United States

All operating fees shall be deposited with the Treasurer of the United States for the account of the Administration and may be expended by the Board to defray the expenses incurred in carrying out the provisions of this chapter including the examination and supervision of Federal credit unions.

##### (e) Investment of annual operating fees not needed for current operations

(1) Upon request of the Board, the Secretary of the Treasury shall invest and reinvest such portions of the annual operating fees deposited under subsection (d) as the Board determines are not needed for current operations.

(2) Such investments may be made only in interest bearing securities of the United States with maturities requested by the Board bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities.

(3) All income derived from such investments and reinvestments shall be deposited to the account of the Administration described in subsection (d).

(June 26, 1934, ch. 750, title I, §105, formerly §5, 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; Apr. 17, 1952, ch. 214, §1, 66 Stat. 63; renumbered §6 and amended Pub. L. 86-354, §1, Sept. 22, 1959, 73 Stat. 629; Pub. L. 91-206, §2(1), (3), Mar. 10, 1970, 84 Stat. 49; renumbered title I, §105, Pub. L. 91-468, §1(2), Oct. 19, 1970, 84 Stat. 994; amended Pub. L. 95-630, title V, §507, Nov. 10, 1978, 92 Stat. 3682; Pub. L. 97-320, title V, §505, Oct. 15, 1982, 96 Stat. 1528.)

#### AMENDMENTS

1982—Subsec. (e). Pub. L. 97-320 added subsec. (e).

1978—Pub. L. 95-630 substituted provisions relating to the payment of an operating fee by each Federal credit