

103–328, title I, §102(b)(3)(B), Sept. 29, 1994, 108 Stat. 2351; Pub. L. 104–208, div. A, title II, §§ 2217, 2704(d)(14)(W), Sept. 30, 1996, 110 Stat. 3009–414, 3009–494; Pub. L. 105–24, §2(a), July 3, 1997, 111 Stat. 238; Pub. L. 109–171, title II, §2102(b), Feb. 8, 2006, 120 Stat. 9; Pub. L. 109–173, §8(a)(31), Feb. 15, 2006, 119 Stat. 3615.)

REFERENCES IN TEXT

The Investment Company Act of 1940, referred to in subsec. (f)(2)(A), is title I of act Aug. 22, 1940, ch. 686, 54 Stat. 789, as amended, which is classified generally to subchapter I (§80a–1 et seq.) of chapter 2D of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 80a–51 of Title 15 and Tables.

Section 1831u of this title, referred to in subsec. (j)(4), was subsequently amended, and subsec. (f) of section 1831u no longer defines the terms “host State”, “home State”, and “out-of-State bank”. However, such terms are defined elsewhere in that section.

PRIOR PROVISIONS

A prior section 1831a, act Sept. 21, 1950, ch. 967, §2[24], as added Dec. 28, 1979, Pub. L. 96–161, title II, §202, 93 Stat. 1235, provided that if the applicable rate prescribed in subsec. (a) exceeded the rate a State bank would be permitted to charge in absence of that subsection, that State bank could for a business or agricultural loan of \$25,000 or more, notwithstanding State law, take or charge on any evidence of debt, interest of not more than 5 per centum in excess of the discount rate in effect at the Federal Reserve Bank in the district where the bank was located, that the taking or charging of interest at a greater rate than that prescribed by subsec. (a), if knowingly done, would be deemed a forfeit of the entire interest on that particular evidence of debt, and that if such greater rate of interest had already been paid, the payor could recover twice the amount of such payment in a civil action commenced within two years of such payment, prior to repeal by Pub. L. 96–221, title V, §529, Mar. 31, 1980, 94 Stat. 168, effective at close of Mar. 31, 1980.

Another prior section 1831a, act Sept. 21, 1950, ch. 967, §2[24], as added Nov. 5, 1979, Pub. L. 96–104, title I, §102, 93 Stat. 789, identical to this section as added by Pub. L. 96–161, was repealed by section 212 of Pub. L. 96–161, effective at the close of Dec. 27, 1979, except that its provisions would continue to apply to any loan made in any State on or after Nov. 5, 1979, but prior to such repeal.

Another prior section 1831a, act Sept. 21, 1950, ch. 967, §2[24], as added Oct. 29, 1974, Pub. L. 93–501, title II, §202, 88 Stat. 1558, identical to this section as added by Pub. L. 96–104, was repealed by section 1 of Pub. L. 96–104 except that its provisions shall continue to apply to any loan made in any State during the period specified in section 206 of Pub. L. 93–501.

AMENDMENTS

2006—Subsecs. (a)(1)(A), (d)(1)(A). Pub. L. 109–173, §8(a)(31)(A), substituted “Deposit Insurance Fund” for “appropriate deposit insurance fund”.

Pub. L. 109–171 repealed Pub. L. 104–208, §2704(d)(14)(W). See 1996 Amendment note below.

Subsec. (e)(2)(A). Pub. L. 109–173, §8(a)(31)(B), substituted “risk to the Deposit Insurance Fund.” for “risk to the insurance fund of which such banks are members.”

Subsecs. (e)(2)(B)(ii), (f)(6)(B). Pub. L. 109–173, §8(a)(31)(C), substituted “the Deposit Insurance Fund” for “the insurance fund of which such bank is a member”.

1997—Subsec. (j). Pub. L. 105–24 amended subsec. (j) generally, substituting pars. (1) to (4) for former pars. (1) to (3) relating to general provisions, activities of branches, and definitions, respectively.

1996—Subsec. (a). Pub. L. 104–208, §2217(1), substituted “Permissible activities” for “In general” in heading,

designated existing provisions as par. (1) and inserted heading, redesignated former pars. (1) and (2) as subpars. (A) and (B) of par. (1), respectively, and realigned margins, and added par. (2).

Subsec. (a)(1)(A). Pub. L. 104–208, §2704(d)(14)(W), which directed substitution of “Deposit Insurance Fund” for “appropriate deposit insurance fund”, was repealed by Pub. L. 109–171. See Effective Date of 1996 Amendment note below and 2006 Amendment note above.

Subsec. (d)(1)(A). Pub. L. 104–208, §2704(d)(14)(W), which directed substitution of “Deposit Insurance Fund” for “appropriate deposit insurance fund”, was repealed by Pub. L. 109–171. See Effective Date of 1996 Amendment note below and 2006 Amendment note above.

Subsec. (d)(3). Pub. L. 104–208, §2217(2), added par. (3). 1994—Subsec. (j). Pub. L. 103–328 added subsec. (j).

1992—Subsec. (e)(1)(B). Pub. L. 102–550 amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “meets the consumer disclosure requirements under section 1828(k) of this title with respect to such insurance.”

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–173 effective Mar. 31, 2006, see section 8(b) of Pub. L. 109–173, set out as a note under section 1813 of this title.

Amendment by Pub. L. 109–171 effective no later than the first day of the first calendar quarter that begins after the end of the 90-day period beginning Feb. 8, 2006, see section 2102(c) of Pub. L. 109–171, set out as a Merger of BIF and SAIF note under section 1821 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 2704(d)(14)(W) of Pub. L. 104–208 effective Jan. 1, 1999, if no insured depository institution is a savings association on that date, see section 2704(c) of Pub. L. 104–208, formerly set out as a note under section 1821 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–550 effective as if included in the Federal Deposit Insurance Corporation Improvement Act of 1991, Pub. L. 102–242, as of Dec. 19, 1991, see section 1609(a) of Pub. L. 102–550, set out as a note under section 191 of this title.

RIGHT OF STATE TO OPT OUT

Pub. L. 105–24, §3, July 3, 1997, 111 Stat. 239, provided that: “Nothing in this Act [amending this section and section 36 of this title and enacting provisions set out as a note under section 1811 of this title] alters the right of States under section 525 of Public Law 96–221 [12 U.S.C. 1785 note].”

§ 1831b. Disclosures with respect to certain federally related mortgage loans

(a) Identity of beneficiary interest as condition for a loan; report to Corporation

No insured depository institution, insured branch of a foreign bank, or mutual savings or cooperative bank which is not an insured depository institution, shall make any federally related mortgage loan to any agent, trustee, nominee, or other person acting in a fiduciary capacity without the prior condition that the identity of the person receiving the beneficial interest of such loan shall at all times be revealed to the insured depository institution, insured branch, or bank. At the request of the Corporation, the insured depository institution, insured branch, or bank shall report to the Corporation on the identity of such person and the nature and amount of the loan, discount, or other extension of credit.

(b) Enforcement; bank status

In addition to other available remedies, this section may be enforced with respect to mutual savings and cooperative banks which are not insured depository institutions in accordance with section 1818 of this title, and for such purpose such mutual savings and cooperative banks shall be held and considered to be State non-member insured banks and the appropriate Federal agency with respect to such mutual savings and cooperative banks shall be the Federal Deposit Insurance Corporation.

(Sept. 21, 1950, ch. 967, §2[25], as added Pub. L. 93-533, §11(a), Dec. 22, 1974, 88 Stat. 1729; amended Pub. L. 95-369, §6(c)(30), Sept. 17, 1978, 92 Stat. 620; Pub. L. 101-73, title II, §201(a), Aug. 9, 1989, 103 Stat. 187; Pub. L. 103-325, title VI, §602(a)(55), Sept. 23, 1994, 108 Stat. 2290.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103-325 substituted “the insured depository institution, insured branch, or bank” for “the bank” in two places.

1989—Pub. L. 101-73 substituted references to insured depository institutions for references to insured banks wherever appearing in this section.

1978—Subsec. (a). Pub. L. 95-369 inserted “insured branch of a foreign bank” after “No insured bank”.

EFFECTIVE DATE

Section effective 180 days after Dec. 22, 1974, see section 20 of Pub. L. 93-533, set out as a note under section 2601 of this title.

EXEMPTIONS; REGULATIONS

Pub. L. 93-533, §11(c), Dec. 22, 1974, 88 Stat. 1729, provided that: “The Federal Deposit Insurance Corporation or the Federal Home Loan Bank Board as appropriate may by regulation exempt classes or types of transactions from the provisions added by this section [enacting this section and section 1730f of this title] if the Corporation or the Board determines that the purposes of such provisions would not be advanced materially by their application to such transactions.”

§ 1831c. Assuring consistent oversight of subsidiaries of holding companies**(a) Definitions**

For purposes of this section:

(1) Board

The term “Board” means the Board of Governors of the Federal Reserve System.

(2) Functionally regulated subsidiary

The term “functionally regulated subsidiary” has the same meaning as in section 1844(c)(5)¹ of this title.

(3) Lead insured depository institution

The term “lead insured depository institution” has the same meaning as in section 1841(o)(8)¹ of this title.

(b) Examination requirements

Subject to subtitle B of the Consumer Financial Protection Act of 2010 [12 U.S.C. 5511 et seq.], the Board shall examine the activities of a nondepository institution subsidiary (other than a functionally regulated subsidiary or a subsidiary of a depository institution) of a depository

institution holding company that are permissible for the insured depository institution subsidiaries of the depository institution holding company in the same manner, subject to the same standards, and with the same frequency as would be required if such activities were conducted in the lead insured depository institution of the depository institution holding company.

(c) State coordination**(1) Consultation and coordination**

If a nondepository institution subsidiary is supervised by a State bank supervisor or other State regulatory authority, the Board, in conducting the examinations required in subsection (b), shall consult and coordinate with such State regulator.

(2) Alternating examinations permitted

The examinations required under subsection (b) may be conducted in joint or alternating manner with a State regulator, if the Board determines that an examination of a nondepository institution subsidiary conducted by the State carries out the purposes of this section.

(d) Appropriate Federal banking agency backup examination authority**(1) In general**

In the event that the Board does not conduct examinations required under subsection (b) in the same manner, subject to the same standards, and with the same frequency as would be required if such activities were conducted by the lead insured depository institution subsidiary of the depository institution holding company, the appropriate Federal banking agency for the lead insured depository institution may recommend in writing (which shall include a written explanation of the concerns giving rise to the recommendation) that the Board perform the examination required under subsection (b).

(2) Examination by an appropriate Federal banking agency

If the Board does not, before the end of the 60-day period beginning on the date on which the Board receives a recommendation under paragraph (1), begin an examination as required under subsection (b) or provide a written explanation or plan to the appropriate Federal banking agency making such recommendation responding to the concerns raised by the appropriate Federal banking agency for the lead insured depository institution, the appropriate Federal banking agency for the lead insured depository institution may, subject to the Consumer Financial Protection Act of 2010, examine the activities that are permissible for a depository institution subsidiary conducted by such nondepository institution subsidiary (other than a functionally regulated subsidiary or a subsidiary of a depository institution) of the depository institution holding company as if the nondepository institution subsidiary were an insured depository institution for which the appropriate Federal banking agency of the lead insured depository institution was the appropriate Federal banking agency, to determine whether the activities—

¹ See References in Text note below.