

(Pub. L. 92-181, title IV, §4.28A, as added Pub. L. 104-105, title II, §209, Feb. 10, 1996, 110 Stat. 174.)

PRIOR PROVISIONS

A prior section 4.28A of title IV of Pub. L. 92-181, which provided for chartering of Farm Credit System Capital Corporation by Farm Credit Administration and revoked charter of Farm Credit System Capital Corporation which had been issued under part D of this subchapter, was classified to section 2216 of this title, prior to repeal by Pub. L. 100-233, title II, §207(a)(3), Jan. 6, 1988, 101 Stat. 1607.

PART DI—FARM CREDIT SYSTEM CAPITAL CORPORATION

§§ 2216 to 2216k. Repealed. Pub. L. 100-233, title II, §207(a)(3), Jan. 6, 1988, 101 Stat. 1607

Section 2216, Pub. L. 92-181, title IV, §4.28A, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1680, provided for chartering of Farm Credit System Capital Corporation by Farm Credit Administration and revoked charter of Farm Credit System Capital Corporation which had been issued under part D of this subchapter. See sections 2278a et seq. and 2278b et seq. of this title.

Section 2216a, Pub. L. 92-181, title IV, §4.28B, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1680, set out purposes of Capital Corporation. See sections 2278a-1 and 2278b-1 of this title.

Section 2216b, Pub. L. 92-181, title IV, §4.28C, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1680, provided for Board of Directors of Capital Corporation. See sections 2278a-2 and 2278b-2 of this title.

Section 2216c, Pub. L. 92-181, title IV, §4.28D, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1682, provided for compensation of members of Board of Directors of Capital Corporation. See sections 2278a-2 and 2278b-2 of this title.

Section 2216d, Pub. L. 92-181, title IV, §4.28E, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1682, authorized Board of Directors of Capital Corporation to adopt rules. See sections 2278a-2 and 2278b-2 of this title.

Section 2216e, Pub. L. 92-181, title IV, §4.28F, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1682, provided for selection of chief executive officer of Capital Corporation. See sections 2278a-2 and 2278b-2 of this title.

Section 2216f, Pub. L. 92-181, title IV, §4.28G, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1682, enumerated corporate powers of Capital Corporation. See sections 2278a-3 and 2278b-4 of this title.

Section 2216g, Pub. L. 92-181, title IV, §4.28H, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1685, provided for succession of Capital Corporation. See section 2278a-9 of this title.

Section 2216h, Pub. L. 92-181, title IV, §4.28I, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1685, set out provisions limiting powers of Capital Corporation. See section 2278a-8 of this title.

Section 2216i, Pub. L. 92-181, title IV, §4.28J, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1686, set out authority of Secretary of the Treasury. See section 2278b-6 of this title.

Section 2216j, Pub. L. 92-181, title IV, §4.28K, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1687, provided for initial capitalization of Capital Corporation.

Section 2216k, Pub. L. 92-181, title IV, §4.28L, as added Pub. L. 99-205, title I, §103, Dec. 23, 1985, 99 Stat. 1687, provided for tax status of consolidated obligations. See sections 2278a-11 and 2278b-10 of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective 15 days after Jan. 6, 1988, see section 207(b) of Pub. L. 100-233, set out as a note under section 2152 of this title.

PART F—SALE OF INSURANCE

CODIFICATION

Pub. L. 100-399, title VII, §702(c), Aug. 17, 1988, 102 Stat. 1006, redesignated part G as F.

Pub. L. 100-233, title VIII, §805(u), Jan. 6, 1988, 101 Stat. 1716, redesignated part E as G.

§ 2218. Lines of insurance

(a) Regulatory authorization

(1) The regulations of the Farm Credit Administration governing financially related services that the banks and associations of the Farm Credit System may provide under subchapters I and II of this chapter may authorize the sale to any member of or borrower from any such bank or association, on an optional basis, of credit or term life and credit disability insurance appropriate to protect the loan commitment in the event of death or disability of the debtors and other insurance necessary to protect the member's farm or aquatic unit, but limited to, hail and multiple-peril crop insurance, title insurance, and insurance to protect the facilities and equipment of aquatic borrowers. A member or borrower shall have the option, without coercion from the bank or association of such member or borrower, to accept or reject such insurance.

(2) In making insurance available through private insurers, the banks shall approve the programs of more than two insurers for each type of insurance offered in the district, if more than two insurers for each type of insurance have proposed programs to a bank that will, in all likelihood, have long-term viability and meet the requirements of subsection (b)(2)(D). The banks may provide comparative information relating to costs and quality of approved programs and the financial conditions of approved companies. Associations shall offer at least two insurers for each program from among those approved by the Farm Credit Banks, if at least two insurers have been approved in accordance with this paragraph.

(b) Contents of regulations

Such regulations shall provide that—

(1) in any case in which insurance is required as a condition for a loan or other financial assistance from a bank or association, notice be given that it is not necessary to purchase the insurance from the bank or association and that the borrower has the option of obtaining the insurance elsewhere;

(2) such insurance services may be offered only if—

(A) the bank or association has the capacity to render insurance service under this chapter in an effective and efficient manner;

(B) there exists the probability that any insurance program under this chapter will generate sufficient revenue to cover all costs;

(C) rendering insurance service will not have an adverse effect on the bank's or association's credit or other operations;

(D) the insurance program has been approved by the bank or association from among specific programs made available to it by insurers—