

guaranteed pursuant to the provisions of this chapter.

**(b) Government Accountability Office; audit; report to Board and Congress**

The Government Accountability Office shall make a detailed audit of all accounts, books, records, and transactions of any borrower with respect to which an application for a loan guarantee is made under this chapter. The Government Accountability Office shall report the results of such audit to the Board and to the Congress.

(Pub. L. 92-70, §7, Aug. 9, 1971, 85 Stat. 180; Pub. L. 108-271, §8(b), July 7, 2004, 118 Stat. 814.)

AMENDMENTS

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

**§ 1847. Maximum obligation**

The maximum obligation of the Board under all outstanding loans guaranteed by it shall not exceed at any time \$250,000,000.

(Pub. L. 92-70, §8, Aug. 9, 1971, 85 Stat. 181.)

**§ 1848. Emergency loan guarantee fund**

**(a) Establishment; use; investment**

There is established in the Treasury an emergency loan guarantee fund to be administered by the Board. The fund shall be used for the payment of the expenses of the Board and for the purpose of fulfilling the Board’s obligations under this chapter. Moneys in the fund not needed for current operations may be invested in direct obligations of, or obligations that are fully guaranteed as to principal and interest by, the United States or any agency thereof.

**(b) Guarantee fee; deposits in fund**

The Board shall prescribe and collect a guarantee fee in connection with each loan guaranteed by it under this chapter. Sums realized from such fees shall be deposited in the emergency loan guarantee fund.

**(c) Payments; issuance of notes or other obligations when fund moneys insufficient: forms and denominations, maturities, terms and conditions, interest rate; public debt transaction**

Payments required to be made as a consequence of any guarantee by the Board shall be made from the emergency loan guarantee fund. In the event that moneys in the fund are insufficient to make such payments, in order to discharge its responsibilities, the Board is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Board with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the

notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31 and the purposes for which securities may be issued under that chapter are extended to include any purchase of such notes and obligations.

(Pub. L. 92-70, §9, Aug. 9, 1971, 85 Stat. 181.)

CODIFICATION

In subsec. (c), “chapter 31 of title 31” and “that chapter” substituted for “the Second Liberty Bond Act, as amended,” and “that Act”, respectively, on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

**§ 1849. Federal Reserve banks as fiscal agents**

Any Federal Reserve bank which is requested to do so shall act as fiscal agent for the Board. Each such fiscal agent shall be reimbursed by the Board for all expenses and losses incurred by it in acting as agent on behalf of the Board.

(Pub. L. 92-70, §10, Aug. 9, 1971, 85 Stat. 181.)

**§ 1850. Protection of Government’s interest**

**(a) Attorney General, enforcement authority; payments into emergency loan guarantee fund**

The Attorney General shall take such action as may be appropriate to enforce any right accruing to the United States or any officer or agency thereof as a result of the issuance of guarantees under this chapter. Any sums recovered pursuant to this section shall be paid into the emergency loan guarantee fund.

**(b) Recovery rights; subrogation**

The Board shall be entitled to recover from the borrower, or any other person liable therefor, the amount of any payments made pursuant to any guarantee agreement entered into under this chapter, and upon making any such payment, the Board shall be subrogated to all the rights of the recipient thereof.

(Pub. L. 92-70, §11, Aug. 9, 1971, 85 Stat. 181.)

**§ 1851. Reports to Congress; recommendations**

The Board shall submit to the Congress annually a full report of its operations under this chapter. In addition, the Board shall submit to the Congress a special report not later than June 30, 1973, which shall include a full report of the Board’s operations together with its recommendations with respect to the need to continue the guarantee program beyond the termination date specified in section 1852 of this title. If the Board recommends that the program should be continued beyond such termination date, it shall state its recommendations with respect to the appropriate board, agency, or corporation which should administer the program.

(Pub. L. 92-70, §12, Aug. 9, 1971, 85 Stat. 182.)

**§ 1852. Termination date**

The authority of the Board to enter into any guarantee or to make any commitment to guar-