

the powers and obligations of the banks that form the merged bank are consolidated, and to the extent necessary, reconciled in the merged bank.

(Pub. L. 92-181, title VII, §7.2, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1645.)

### § 2279a-3. Capitalization

In accordance with section 2154a of this title, each merged bank shall provide, through bylaws and subject to Farm Credit Administration regulations, for the capitalization of the bank and the manner in which bank stock shall be issued, held, transferred, and retired and bank earnings distributed.

(Pub. L. 92-181, title VII, §7.3, as added Pub. L. 100-399, title IV, §408(d), Aug. 17, 1988, 102 Stat. 1001.)

#### PRIOR PROVISIONS

A prior section 2279a-3, Pub. L. 92-181, title VII, §7.3, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1645, related to issuance of shares of capital stock, prior to repeal by Pub. L. 100-399, title IV, §408(d), Aug. 17, 1988, 102 Stat. 1001.

#### EFFECTIVE DATE

Section effective as if enacted immediately after enactment of Pub. L. 100-233, which was approved Jan. 6, 1988, see section 1001(a) of Pub. L. 100-399, set out as an Effective Date of 1988 Amendment note under section 2002 of this title.

### § 2279a-4. Repealed. Pub. L. 100-399, title IV, § 408(d), Aug. 17, 1988, 102 Stat. 1001

Section, Pub. L. 92-181, title VII, §7.4, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1646, related to earnings, reserves, and distributions with regard to merged banks. See section 2279a-3 of this title.

#### EFFECTIVE DATE OF REPEAL

Repeal effective as if repealing provisions had been enacted immediately after enactment of Pub. L. 100-233, which was approved Jan. 6, 1988, see section 1001(a) of Pub. L. 100-399, set out as an Effective Date of 1988 Amendment note under section 2002 of this title.

### § 2279a-5. Transferred

#### CODIFICATION

Section, Pub. L. 92-181, title VII, §7.5, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1646, which required reports by merged banks for cooperatives, was renumbered section 3.29 of title III of Pub. L. 92-181 by Pub. L. 100-399, title IV, §408(e), Aug. 17, 1988, 102 Stat. 1001, and was classified to section 2149a of this title, prior to repeal by Pub. L. 115-334, title V, §5411(16), Dec. 20, 2018, 132 Stat. 4680.

## PART B—MERGERS, TRANSFERS OF ASSETS, AND POWERS OF ASSOCIATIONS WITHIN A DISTRICT

### SUBPART 1—TRANSFERS BY FEDERAL LAND BANKS TO FEDERAL LAND BANK ASSOCIATIONS

### § 2279b. Transfer of lending authority

#### (a) Voluntary transfers

A Federal land bank or a merged bank having a Federal land bank as one of its constituents, may transfer to a Federal land bank association, and the association may assume, the authority of the transferring bank in the territorial area

served by the association, to make and participate in long-term real estate mortgage loans under this chapter if the transfer is approved by—

- (1) the Farm Credit Administration Board;
- (2) the Board of Directors of both institutions; and
- (3) a majority of the stockholders of the bank and of the association, in accordance with the voting provisions of sections 2279a and 2279c-1 of this title, respectively.

#### (b) Direct loans and financial assistance

After a transfer described in subsection (a) or (d)—

- (1) the Federal land bank association shall possess all of the direct long-term real estate mortgage loan authority, formerly possessed by the transferring bank, in the territory served by the association; and
- (2) the bank may provide and extend financial assistance to, and discount for, or purchase from, the transferee Federal land bank association any note, draft, or other obligation with the endorsement or guarantee of the association, the proceeds of which have been advanced to persons eligible and for purposes of financing by the association under subsection (a).

#### (c) Regulations

The Farm Credit Administration shall issue regulations that establish the manner in which the powers and obligations of the banks that make transfers are consolidated and, to the extent necessary, reconciled in the association referred to in subsection (a).

#### (d) Mandatory transfer

On the merger of one or more production credit associations with one or more Federal land bank associations, the bank supervising the Federal land bank association shall transfer all of the direct lending authority of the bank in the territory served by such Federal land bank association to such merged association.

(Pub. L. 92-181, title VII, §7.6, formerly §§7.6, 7.7, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1647; amended Pub. L. 100-399, title IV, §408(f)-(j), Aug. 17, 1988, 102 Stat. 1001, 1002.)

#### CODIFICATION

Pub. L. 100-399, §408(j), transferred section 7.7 of Pub. L. 92-181, which was classified to section 2279c of this title, to subsec. (d) of this section.

#### AMENDMENTS

1988—Subsec. (a). Pub. L. 100-399, §408(f), substituted “Voluntary transfers” for “Assignments” as subsection heading, and in text substituted “may transfer” for “may assign”, “this chapter” for “sections 2014 through 2017 of this title”, and “transfer is approved” for “assignment is approved” in introductory provisions, and “sections 2279a and 2279c-1 of this title, respectively” for “sections 2279a and 2279b of this title” in par. (3).

Subsec. (b). Pub. L. 100-399, §408(g), substituted “a transfer described in subsection (a) or (d)” for “an assignment described in subsection (a)” in introductory provisions and “the bank may provide” for “the Federal land bank may provide” in par. (2).

Subsec. (c). Pub. L. 100-399, §408(h), struck out “assignments or” before “transfers are consolidated” and struck out second sentence, which provided that, fol-