

pany licensed after May 13, 2002, is sufficiently diversified from and unaffiliated with the ownership of the rural business investment company so as to ensure independence and objectivity in the financial management and oversight of the investments and operations of the rural business investment company.

(Pub. L. 87-128, title III, §384I, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 396; amended Pub. L. 110-234, title VI, §6027(c), May 22, 2008, 122 Stat. 1182; Pub. L. 110-246, §4(a), title VI, §6027(c), June 18, 2008, 122 Stat. 1664, 1944.)

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2008—Subsec. (c)(3), (4). Pub. L. 110-246, §6027(c), added par. (3) and redesignated former par. (3) as (4).

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

§ 2009cc-9. Financial institution investments

(a) Investment

(1) In general

Except as otherwise provided in this section and notwithstanding any other provision of law, the following banks, associations, and institutions are eligible both to establish and invest in any rural business investment company or in any entity established to invest solely in rural business investment companies:

(A) Any bank or savings association the deposits of which are insured under the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.), including an investment pool created entirely by such bank or savings association.

(B) Any Farm Credit System institution described in section 1.2(a) of the Farm Credit Act of 1971 (12 U.S.C. 2002(a)).

(2) Limitation on requirements

The Secretary may not require that an entity described in paragraph (1) provide investment or capital that is not required of other companies eligible to apply to operate as a rural business investment company under section 2009cc-3(a) of this title.

(b) Limitation

No bank, association, or institution described in subsection (a) may make investments described in subsection (a) that are greater than 5 percent of the capital and surplus of the bank, association, or institution.

(c) Limitation on rural business investment companies controlled by Farm Credit System institutions

If a Farm Credit System institution described in section 1.2(a) of the Farm Credit Act of 1971 (12 U.S.C. 2002(a)) holds more than 50 percent of the shares of a rural business investment company, either alone or in conjunction with other

System institutions (or affiliates), the rural business investment company shall not provide equity investments in, or provide other financial assistance to, entities that are not otherwise eligible to receive financing from the Farm Credit System under that Act (12 U.S.C. 2001 et seq.).

(Pub. L. 87-128, title III, §384J, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 397; amended Pub. L. 110-234, title VI, §6027(d), May 22, 2008, 122 Stat. 1182; Pub. L. 110-246, §4(a), title VI, §6027(d), June 18, 2008, 122 Stat. 1664, 1944; Pub. L. 115-334, title VI, §6426(e), (f), Dec. 20, 2018, 132 Stat. 4771.)

REFERENCES IN TEXT

The Federal Deposit Insurance Act, referred to in subsec. (a)(1)(A), is act Sept. 21, 1950, ch. 967, §2, 64 Stat. 873, as amended, which is classified generally to chapter 16 (§1811 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 1811 of Title 12 and Tables.

The Farm Credit Act of 1971, referred to in subsec. (c), is Pub. L. 92-181, Dec. 10, 1971, 85 Stat. 583, as amended, which is classified generally to chapter 23 (§2001 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 2001 of Title 12 and Tables.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2018—Subsec. (a). Pub. L. 115-334, §6426(f), substituted “Investment” 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), respectively, of par. (1), added par. (2), and realigned margins.

Subsec. (c). Pub. L. 115-334, §6426(e), substituted “50” for “25”.

2008—Subsec. (a)(1). Pub. L. 110-246, §6027(d)(1), inserted “, including an investment pool created entirely by such bank or savings association” before period at end.

Subsec. (c). Pub. L. 110-246, §6027(d)(2), substituted “25” for “15”.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

§ 2009cc-10. Reporting requirements

(a) Rural business investment companies

Each rural business investment company that participates in the program established under this subchapter shall provide to the Secretary such information as the Secretary may require, including—

(1) information relating to the measurement criteria that the rural business investment company proposed in the program application of the rural business investment company; and

(2) in each case in which the rural business investment company under this subchapter makes an investment in, or a loan or grant to, a business that is not located in a rural area, a report on the number and percentage of em-