

more than one year from such date and may continue to service such coverages until their expiration.

(Pub. L. 92-181, title IV, §4.29, as added Pub. L. 96-592, title IV, §404, Dec. 24, 1980, 94 Stat. 3448; amended Pub. L. 100-233, title IV, §422(a), Jan. 6, 1988, 101 Stat. 1655; Pub. L. 100-399, title IV, §411, Aug. 17, 1988, 102 Stat. 1003; Pub. L. 101-624, title XVIII, §1834, Nov. 28, 1990, 104 Stat. 3833.)

Editorial Notes

AMENDMENTS

1990—Subsec. (a)(2). Pub. L. 101-624, §1834(1), inserted “, 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)” before period at end of first sentence, and “, if at least two insurers have been approved in accordance with this paragraph” before period at end of third sentence.

Subsec. (b)(2)(E). Pub. L. 101-624, §1834(2), inserted before semicolon at end “, if at least two insurers have been approved in accordance with subsection (a)(2)”.

1988—Subsec. (a). Pub. L. 100-233, §422(a)(1), designated existing provisions as par. (1), struck out “of this Act” to conform to style of original enactment, resulting in no change in text, inserted “or borrower from” before “any such bank”, inserted provision at end giving a member or borrower the option, without coercion from the bank or association of such member or borrower, to accept or reject such insurance, and added par. (2).

Subsec. (a)(1). Pub. L. 100-399, §411(a), substituted “subchapters I and II of this chapter” for “sections 2019, 2033, 2076, and 2097 of this title”.

Subsec. (a)(2). Pub. L. 100-399, §411(b), substituted “Farm Credit Banks” for “Federal intermediate credit banks”.

Subsec. (b)(2). Pub. L. 100-233, §422(a)(2), redesignated cls. (i) to (iii) as subpars. (A) to (C), respectively, and added subpars. (D) and (E).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-399 effective immediately after amendment made by section 401 of Pub. L. 100-233, which was effective 6 months after Jan. 6, 1988, see section 1001(b) of Pub. L. 100-399, set out as a note under section 2002 of this title.

CONTINUATION OF PROGRAM

Pub. L. 100-233, title IV, §422(b), Jan. 6, 1988, 101 Stat. 1656, provided that: “Notwithstanding the amendments made to section 4.29 [12 U.S.C. 2218] by subsection (a), any insurance program offered by any bank or association of the Farm Credit System on the date of the enactment of this Act [Jan. 6, 1988] that does not meet the requirements of section 4.29, as so amended, may be continued until July 1, 1988.”

PART G—MISCELLANEOUS

Editorial Notes

CODIFICATION

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

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

§ 2219. Limitation on separate sale

If real property is acquired by any institution of the Farm Credit System through foreclosure, no institution of the Farm Credit System shall

sell the surface rights to that real property to any person unless the institution also sells all mineral rights to that real property to that person.

(Pub. L. 92-181, title IV, §4.35, as added Pub. L. 99-205, title III, §306, Dec. 23, 1985, 99 Stat. 1709.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective thirty days after Dec. 23, 1985, see section 401 of Pub. L. 99-205, set out as an Effective Date of 1985 Amendment note under section 2001 of this title.

§ 2219a. Right of first refusal

(a) General rule

Agricultural real estate that is acquired by an institution of the System as a result of a loan foreclosure or a voluntary conveyance by a borrower (hereinafter in this section referred to as the “previous owner”) who, as determined by the institution, does not have the financial resources to avoid foreclosure (hereinafter in this section referred to as “acquired real estate”) shall be subject to the right of first refusal of the previous owner to repurchase or lease the property, as provided in this section.

(b) Application of right of first refusal to sale of property

(1) Election to sell and notification

Within 15 days after an institution of the System first elects to sell acquired real estate, or any portion of such real estate, the institution shall notify the previous owner by certified mail of the owner’s right—

(A) to purchase the property at the appraised fair market value of the property, as established by an accredited appraiser; or

(B) to offer to purchase the property at a price less than the appraised value.

(2) Eligibility to purchase

To be eligible to purchase the property under paragraph (1), the previous owner must, within 30 days after receiving the notice required by such paragraph, submit an offer to purchase the property.

(3) Mandatory sale

An institution of the System receiving an offer from the previous owner to purchase the property at the appraised value shall, within 15 days after the receipt of such offer, accept such offer and sell the property to the previous owner.

(4) Permissive sale

An institution of the System receiving an offer from the previous owner to purchase the property at a price less than the appraised value may accept such offer and sell the property to the previous owner. Notice shall be provided to the previous owner of the acceptance or rejection of such offer within 15 days after the receipt of such offer.

(5) Rejection of offer of previous owner

(A) Duties of institution

An institution of the System that rejects an offer from the previous owner to purchase