

shares, as represented on the previous call report of that insured credit union. The percentage shall be identical for each insured credit union. Any insured credit union that fails to make timely payment of the assessment or special premium is subject to the procedures and penalties described under subsections (d), (e), and (f) of section 1782 of this title.

(e) Distributions from Insurance Fund

At the end of any calendar year in which the Stabilization Fund has an outstanding advance from the Treasury, the Insurance Fund is prohibited from making the distribution to insured credit unions described in section 1782(c)(3) of this title. In lieu of the distribution described in that section, the Insurance Fund shall make a distribution to the Stabilization Fund of the maximum amount possible that does not reduce the Insurance Fund's equity ratio below the normal operating level and does not reduce the Insurance Fund's available assets ratio below 1.0 percent.

(f) Investment of Stabilization Fund assets

The Board may request the Secretary of the Treasury to invest such portion of the Stabilization Fund as is not, in the Board's judgment, required to meet the current needs of the Stabilization Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities, with maturities suitable to the needs of the Stabilization Fund, as determined by the Board, and bearing interest at a rate determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

(g) Reports

The Board shall submit an annual report to Congress on the financial condition and the results of the operation of the Stabilization Fund. The report is due to Congress within 30 days after each anniversary of the first advance made under subsection (c)(1). Because the Fund will use advances from the Treasury to meet corporate stabilization costs with full repayment of borrowings to Treasury at the Board's discretion not due until 7 years from the initial advance, to the extent operating expenses of the Fund exceed income, the financial condition of the Fund may reflect a deficit. With planned and required future repayments, the Board shall resolve all deficits prior to termination of the Fund.

(h) Closing of Stabilization Fund

Within 90 days following the seventh anniversary of the initial Stabilization Fund advance, or earlier at the Board's discretion, the Board shall distribute any funds, property, or other assets remaining in the Stabilization Fund to the Insurance Fund and shall close the Stabilization Fund. If the Board extends the final repayment date as permitted under subsection (c)(3), the mandatory date for closing the Stabilization Fund shall be extended by the same number of days.

(June 26, 1934, ch. 750, title II, §217, as added Pub. L. 111-22, div. A, title II, §204(f)(1), May 20, 2009, 123 Stat. 1651; amended Pub. L. 111-382, §1, Jan. 4, 2011, 124 Stat. 4134.)

Editorial Notes

AMENDMENTS

2011—Subsec. (c)(3). Pub. L. 111-382, §1(a), inserted “and any additional advances” before period at end.

Subsec. (d). Pub. L. 111-382, §1(b), added subsec. (d) and struck out former subsec. (d). Prior to amendment, text read as follows:

“At least 90 days prior to each repayment described in subsection (c)(3), the Board shall set the amount of the upcoming repayment and determine if the Stabilization Fund will have sufficient funds to make the repayment. If the Stabilization Fund might not have sufficient funds to make the repayment, the Board shall assess each federally insured credit union a special premium due and payable within 60 days in an aggregate amount calculated to ensure the Stabilization Fund is able to make the repayment. The premium charge for each credit union shall be stated as a percentage of its insured shares as represented on the credit union's previous call report. The percentage shall be identical for each credit union. Any credit union that fails to make timely payment of the special premium is subject to the procedures and penalties described under subsections (d), (e), and (f) of section 1782 of this title.”

SUBCHAPTER III—CENTRAL LIQUIDITY FACILITY

§ 1795. Congressional findings

The Congress finds that the establishment of a National Credit Union Central Liquidity Facility is needed to improve general financial stability by meeting the liquidity needs of credit unions and thereby encourage savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy.

(June 26, 1934, ch. 750, title III, formerly subch. III, §301, as added Pub. L. 95-630, title XVIII, §1802, Nov. 10, 1978, 92 Stat. 3719; amended Pub. L. 96-221, title III, §309(b)(1), Mar. 31, 1980, 94 Stat. 149.)

Editorial Notes

CODIFICATION

Section 309(b)(1) of Pub. L. 96-221 redesignated subch. III as title III of act June 26, 1934, ch. 750, cited as a credit to this section.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Pub. L. 95-630, title XVIII, §1806, Nov. 10, 1978, 92 Stat. 3724, provided that: “This title [enacting this subchapter and amending section 1757 of this title, section 709 of Title 18, Crimes and Criminal Procedure, and section 856 of former Title 31, Money and Finance] shall take effect on October 1, 1979.”

SHORT TITLE

For short title of title XVIII of Pub. L. 95-630, Nov. 10, 1978, 92 Stat. 3719, as the “National Credit Union Central Liquidity Facility Act”, see section 1801 of Pub. L. 95-630, set out as a Short Title of 1978 Amendment note under section 1751 of this title.

§ 1795a. Definitions

As used in this subchapter, the term—

(1) “liquidity needs” means the needs of credit unions primarily serving natural persons for—