

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 4100

To establish the Louisiana Recovery Corporation for purposes of economic stabilization and redevelopment of devastated areas in Louisiana, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 20, 2005

Mr. BAKER introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To establish the Louisiana Recovery Corporation for purposes of economic stabilization and redevelopment of devastated areas in Louisiana, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Louisiana Recovery  
5       Corporation Act”.

6       **SEC. 2. ESTABLISHMENT OF CORPORATION.**

7       (a) IN GENERAL.—There is hereby established the  
8       Louisiana Recovery Corporation (hereafter in this Act re-  
9       ferred to as the “Corporation”).

1 (b) STATUS OF CORPORATION.—The Corporation  
2 shall be an independent establishment in the executive  
3 branch and shall be deemed to be an an agency of the  
4 United States for purposes of subchapter II of chapter 5  
5 and chapter 7 of title 5, United States Code.

6 (c) PRINCIPAL OFFICE.—The principal office of the  
7 Corporation shall be located in the State of Louisiana, but  
8 there may be established agencies or branch offices in the  
9 District of Columbia and in any city or parish in Lou-  
10 isiana to the extent provided for in the by-laws of the Cor-  
11 poration.

12 (d) CORPORATE DIVISIONS.—

13 (1) IN GENERAL.—At a minimum, the Corpora-  
14 tion shall establish and maintain separate divisions  
15 for the following subjects:

16 (A) Environment and Land Use Manage-  
17 ment.

18 (B) Economic Development.

19 (C) Property Acquisition.

20 (D) Property Management.

21 (E) Property Disposition.

22 (F) Urban Homesteading and Community  
23 and Faith-Based Organizations.

24 (2) MANAGEMENT OF DIVISIONS.—Management  
25 of each division shall be vested in an executive vice

1 president who shall be appointed by the Board of  
2 Directors in the manner provided by the Board of  
3 Directors and the by-laws of the Corporation.

4 **SEC. 3. MANAGEMENT.**

5 (a) BOARD OF DIRECTORS.—

6 (1) IN GENERAL.—The management of the  
7 Corporation shall be vested in a Board of Directors  
8 consisting of 7 individuals appointed by the Presi-  
9 dent, by and with the advice and consent of the Sen-  
10 ate, from among individuals who are citizens of the  
11 United States and who, by virtue of their education,  
12 training or experience in environmental land rec-  
13 lamation, economic development, housing develop-  
14 ment, land use, or urban planning, are especially  
15 qualified to serve on the Board of Directors.

16 (2) NOMINATIONS BY GOVERNOR OF LOU-  
17 ISIANA.—2 of the members of the Board of Direc-  
18 tors shall be appointed under paragraph (1) from  
19 among individuals who are nominated for appoint-  
20 ment by the Governor of Louisiana.

21 (b) CHAIRPERSON AND VICE CHAIRPERSON.—

22 (1) CHAIRPERSON.—1 of the 5 members of the  
23 Board of Directors who were not nominated by the  
24 Governor of Louisiana shall be designated by the  
25 President, by and with the advice and consent of the

1 Senate, to serve as Chairperson of the Board of Di-  
2 rectors and the chief executive officer of the Cor-  
3 poration.

4 (2) VICE CHAIRPERSON.—1 of the 5 members  
5 of the Board of Directors who were not nominated  
6 by the Governor of Louisiana shall be designated by  
7 the President, by and with the advice and consent  
8 of the Senate, to serve as Vice Chairperson of the  
9 Board of Directors.

10 (3) ACTING CHAIRPERSON.—In the event of a  
11 vacancy in the position of Chairperson of the Board  
12 of Directors or during the absence or disability of  
13 the Chairperson, the Vice Chairperson shall act as  
14 Chairperson.

15 (c) TERMS.—

16 (1) IN GENERAL.—Each member of the Board  
17 of Directors shall be appointed to a term of 5 years.

18 (2) STAGGERED TERMS.—Of the members first  
19 appointed to the Board of Directors after the date  
20 of the enactment of this Act—

21 (A) 2 shall be appointed for a term of 5  
22 years;

23 (B) the 2 members who were nominated by  
24 the Governor of Louisiana shall be appointed  
25 for a term of 3 years; and

1 (C) 3 shall be appointed for a term of 2  
2 years.

3 (3) INTERIM APPOINTMENTS.—Any member ap-  
4 pointed to fill a vacancy occurring before the expira-  
5 tion of the term for which such member's prede-  
6 cessor was appointed shall be appointed only for the  
7 remainder of such term.

8 (4) CONTINUATION OF SERVICE.—The Chair-  
9 person, Vice Chairperson, and each appointed mem-  
10 ber may continue to serve after the expiration of the  
11 term of office to which such member was appointed  
12 until a successor has been appointed and qualified.

13 (5) REMOVAL FOR CAUSE.—The Chairperson,  
14 Vice Chairperson, and any appointed member may  
15 may be removed by the President for cause.

16 (6) FULL-TIME SERVICE.—The members of the  
17 Board of Directors shall serve on a full-time basis.

18 (d) VACANCY.—Any vacancy on the Board of Direc-  
19 tors shall be filled in the manner in which the original  
20 appointment was made.

21 (e) INELIGIBILITY FOR OTHER OFFICES.—

22 (1) OTHER GOVERNMENT POSITIONS.—No per-  
23 son may serve as a member of the Board of Direc-  
24 tors while holding any position as an officer or em-

1        ployee of the Federal Government, any State govern-  
2        ment, or any political subdivision of any State.

3            (2) RESTRICTION DURING SERVICE.—No mem-  
4        ber of the Board of Directors may—

5            (A) be an officer or director of any insured  
6        depository institution, insured credit union, de-  
7        pository institution holding company, Federal  
8        reserve bank, Federal home loan bank, invest-  
9        ment bank, mortgage bank, or any other entity  
10       which enters into any contract with the Cor-  
11       poration; or

12          (B) hold stock in any insured depository  
13       institution, depository institution holding com-  
14       pany, investment bank, mortgage bank, or any  
15       other entity which enters into any contract with  
16       the Corporation.

17          (3) CERTIFICATION.—Upon taking office, each  
18       member of the Board of Directors shall certify under  
19       oath that such member has complied with this sub-  
20       section and such certification shall be filed with the  
21       secretary of the Board of Directors.

22          (f) CLARIFICATION OF NONLIABILITY.—

23          (1) IN GENERAL.—A director, member, officer,  
24       or employee of the Corporation has no liability under  
25       the Securities Act of 1933 with respect to any claim

1 arising out of or resulting from any act or omission  
2 by such person within the scope of such person's em-  
3 ployment in connection with any transaction involv-  
4 ing the disposition of assets (or any interests in any  
5 assets or any obligations backed by any assets) by  
6 the Corporation. This subsection shall not be con-  
7 strued to limit personal liability for criminal acts or  
8 omissions, willful or malicious misconduct, acts or  
9 omissions for private gain, or any other acts or  
10 omissions outside the scope of such person's employ-  
11 ment.

12 (2) EFFECT ON OTHER LAW.— This subsection  
13 shall not be construed as—

14 (A) affecting—

15 (i) any other immunities and protec-  
16 tions that may be available to person to  
17 whom paragraph (1) applies under applica-  
18 ble law with respect to such transactions,  
19 or

20 (ii) any other right or remedy against  
21 the Corporation, against the United States  
22 under applicable law, or against any per-  
23 son other than a person described in para-  
24 graph (1) participating in such trans-  
25 actions; or

1 (B) limiting or altering in any way the im-  
2 munities that are available under applicable law  
3 for Federal officials and employees not de-  
4 scribed in this subsection.

5 **SEC. 4. CAPITALIZATION OF THE CORPORATION.**

6 (a) IN GENERAL.—The Corporation shall have cap-  
7 ital stock subscribed to by the United States Government  
8 in such amount as the President may determine to be ap-  
9 propriate, to the extent provided in advance in an appro-  
10 priation Act for any fiscal year.

11 (b) CERTIFICATES.—Certificates evidencing shares of  
12 nonvoting capital stock of the Corporation shall be issued  
13 by the Corporation to the President of the United States,  
14 or to such other person or persons as the President may  
15 designate from time to time, to the extent of payments  
16 made for the capital stock of the Corporation.

17 (c) PUBLIC DEBT TRANSACTION.—For the purpose  
18 of purchasing shares of capital stock of the Corporation,  
19 the Secretary of the Treasury may use as a public-debt  
20 transaction the proceeds of any securities issued under  
21 chapter 31 of title 31, United States Code.

22 (d) REPORTS.—

23 (1) IN GENERAL.—The Board of Directors shall  
24 submit to the Director of the Office of Management  
25 and Budget and to the Secretary of the Treasury



1 quarterly reports and an annual report on the ex-  
2 penses of the Corporation during the period covered  
3 by the report, the financial condition of the Corpora-  
4 tion as of the end of such period, the results of the  
5 Corporation's operations during such period, and the  
6 progress made during such period in fulfilling the  
7 mission and purposes of the Corporation, together  
8 with a copy of the Corporation's financial operating  
9 plans and forecasts for the annual or quarterly pe-  
10 riod (as the case may be) succeeding the period cov-  
11 ered by the report.

12 (2) PUBLIC AVAILABILITY.—Each report sub-  
13 mitted to the Director of the Office of Management  
14 and Budget and to the Secretary of the Treasury  
15 under paragraph (1) shall be made available to the  
16 public.

17 (e) TERMINATION OF AUTHORITY TO ISSUE  
18 STOCK.—No shares of capital stock of the Corporation  
19 may be issued after the end of the 10-year period begin-  
20 ning on the date of the enactment of this Act.

21 (f) REVENUE USED TO RETIRE STOCK.—Any net  
22 revenue of the Corporation in excess of amounts required  
23 to meet on-going expenses and investments shall be paid  
24 to the Secretary of the Treasury to redeem the capital

1 stock of the Corporation and shall be deposited in the gen-  
2 eral fund of the Treasury.

3 **SEC. 5. MISSION, PURPOSE, AND DUTIES OF THE CORPORA-**  
4 **TION.**

5 (a) MISSION.—The primary mission and purpose of  
6 the Corporation shall be the economic stabilization and re-  
7 development of areas within Louisiana that were dev-  
8 astated or significantly distressed by Hurricane Katrina  
9 or Hurricane Rita.

10 (b) ECONOMIC STABILIZATION.—In executing its eco-  
11 nomic stabilization mandate, the Corporation shall, after  
12 consultation with State and local officials and pursuant  
13 to agreement that eligible properties are not likely to be  
14 redeveloped without Corporation assistance, locate and ac-  
15 quire real property (commercial and residential) in such  
16 a manner and subject to such conditions that, upon the  
17 consummation of any acquisition of real property securing  
18 a mortgage loan—

19 (1) the mortgagee's debt shall be considered  
20 paid in full by the mortgagor; and

21 (2) all title and interest in the real property se-  
22 curing such mortgage loan passes to the Corpora-  
23 tion.

24 (c) REDEVELOPMENT.—In executing its redevelop-  
25 ment mandate, the Corporation shall, after consultation

1 with State and local officials, carry out the following ac-  
2 tivities:

3 (1) Package for sale acquired real property in  
4 substantial tracts of land.

5 (2) Make improvements to such tracts of land  
6 so as to make the land suitable for sale and develop-  
7 ment, including such basic improvements as the fol-  
8 lowing:

9 (A) Construction and reconstruction of  
10 neighborhood roads.

11 (B) Repair or replacement of water and  
12 wastewater infrastructure.

13 (C) Similar activities necessary to maxi-  
14 mize the return on acquired real property.

15 (3) Through a competitive bidding process, dis-  
16 pose of such acquired properties in a profitable man-  
17 ner.

18 (4) In consultation with State and local offi-  
19 cials, provide for the protection and preservation of  
20 historical and other sites of cultural significance in  
21 such a manner that promotes local heritage and in-  
22 terest.

23 (d) OFFICE OF INTERNAL AUDIT.—

1           (1) ESTABLISHMENT.—The Board of Directors  
2 shall establish an audit committee, to be known as  
3 the Office of Internal Audit.

4           (2) REPORTS.—The Office of Internal Audit  
5 shall report to the Board of Directors no less than  
6 4 times a year on the Office’s reviews of the activi-  
7 ties, contracts, and financial statements of the Cor-  
8 poration.

9           (3) EMPLOYEES.—The Office of Internal Audit  
10 shall set the compensation and benefits for the em-  
11 ployees of the Office.

12           (4) RELATIONSHIP TO INSPECTOR GENERAL.—  
13 Notwithstanding any provision of the Inspector Gen-  
14 eral Act of 1978, the Board of Directors shall pro-  
15 vide for the Inspector General to report to the Office  
16 of Internal Audit and to the Board of Directors.

17           (e) INSPECTOR GENERAL.—For purposes of the In-  
18 spector General Act of 1978—

19           (1) the Board of Directors shall be treated as  
20 the head of the establishment; and

21           (2) the Corporation shall be treated as the es-  
22 tablishment.

1 **SEC. 6. PROPERTY ACQUISITION AUTHORITY AND METHOD-**  
2 **OLOGY.**

3           (a) IN GENERAL.—Pursuant to section 5(b), the Cor-  
4 poration shall negotiate to acquire title to real property  
5 and compensate any property owner, mortgagee or pri-  
6 mary lien holder with an interest in such real property.

7           (b) PURCHASE OFFER FOR REAL PROPERTY SE-  
8 CURED BY A LIEN.—The Corporation shall take into con-  
9 sideration the following in constructing offers of com-  
10 pensation for the acquisition of real property secured by  
11 a lien:

12                   (1) The Corporation’s expenses to improve the  
13 property for sale and development.

14                   (2) The Corporation’s anticipated return upon  
15 the property’s disposition.

16                   (3) The post-event fair market value of the  
17 property.

18                   (4) The remaining principle balance of any out-  
19 standing mortgage.

20                   (5) The potential for economic recovery of the  
21 mortgagee.

22           (c) PURCHASE FROM OWNER.—The Corporation  
23 shall take into consideration the following in constructing  
24 offers of compensation for any real property where no lien  
25 secures such real property:

1           (1) The Corporation's expenses to improve the  
2           property for sale and development.

3           (2) The Corporation's anticipated return upon  
4           the property's disposition.

5           (3) The post-event fair market value of the  
6           property.

7           (4) The potential for economic recovery of the  
8           property owner.

9           (d) RIGHT OF FIRST REFUSAL AND OPTION TO RE-  
10          PURCHASE REAL PROPERTY.—

11           (1) IN GENERAL.—Subject to paragraph (2),  
12          the Corporation shall ensure that any entity awarded  
13          a contract under Section 7 shall grant a right of  
14          first refusal and option to obtain an interest in real  
15          property of comparable size and location in redeveloped  
16          areas to any party previously holding title.

17           (2) GUIDELINES FOR EXERCISE.—The Corpora-  
18          tion shall—

19                   (A) ensure that the right of first refusal  
20                   and option to obtain an interest in real property  
21                   that are granted pursuant to paragraph (1) are  
22                   granted before the real property is listed for  
23                   public sale; and

24                   (B) shall establish guidelines to provide  
25                   that any party receiving the option to obtain an

1 interest in real property is given adequate time  
2 to consider and exercise such option.

3 (e) RIGHT TO RETAIN AN INTEREST IN REAL PROP-  
4 ERTY.—

5 (1) PROPERTY OWNER OR MORTGAGEE RIGHT  
6 TO RETAIN INTEREST.—The Corporation shall offer  
7 any property owner or mortgagee an option to retain  
8 an interest in real property of comparable size and  
9 location, subject to the following conditions:

10 (A) The Corporation shall pay no com-  
11 pensation to the property owner or mortgagee.

12 (B) The property owner or mortgagee shall  
13 compensate the Corporation for expenses to im-  
14 prove the property for sale and development  
15 when such property owner or mortgagee obtains  
16 construction financing for development of the  
17 property.

18 (2) REQUIREMENT TO DEVELOP PROPERTY.—  
19 Any property owner or mortgagee exercising a right  
20 to retain interest in a property shall—

21 (A) obtain construction financing within  
22 90 days of notification by the Corporation that  
23 the area in which the property owner or mort-  
24 gagee retains an interest is available for devel-  
25 opment; and

1 (B) complete construction of a replacement  
2 residential or commercial structure, as applica-  
3 ble, within 2 years of a notification pursuant to  
4 subparagraph (A).

5 (3) FAILURE TO DEVELOP.—If the Corporation  
6 certifies in writing that a property owner or mort-  
7 gagee has failed to comply with the requirements of  
8 paragraph (2), the Corporation shall exercise its au-  
9 thority pursuant to Section 8(c).

10 (f) LIMITATION ON PAYMENT AND PROHIBITION  
11 AGAINST WINDFALL.—In general, in constructing and ex-  
12 tending offers to acquire real property under this section,  
13 the Corporation shall ensure that—

14 (1) in no case may the cumulative payment by  
15 the Corporation to any individual for the purposes of  
16 acquiring real property exceed \$500,000; and

17 (2) in no case may any person be the bene-  
18 ficiary of a windfall gain as a result of any purchase  
19 offer extended by the Corporation.

20 **SEC. 7. ASSET DISPOSITION AUTHORITY AND METHOD-**  
21 **LOGY.**

22 (a) DISPOSITION OF PROPERTY.—Pursuant to sec-  
23 tion 5(c), the Corporation shall dispose of property  
24 through a competitive bidding process under which pur-  
25 chasers are selected based on an ability to meet select cri-



1 teria established by the Corporation, which shall include  
2 the following:

3           (1) Capacity to oversee major development  
4 projects through a community-based collaborative  
5 process.

6           (2) Commitment of private capital.

7           (3) Effective deployment of Federal National  
8 Mortgage Association, Federal Home Loan Mort-  
9 gage Corporation, Federal home loan bank, and  
10 other Federal or State resources (such as low-income  
11 housing tax credits, new markets tax credits, enter-  
12 prise zones, and the Historically Underutilized Busi-  
13 ness Zones Program of the Small Business Adminis-  
14 tration) to ensure construction of affordable housing.

15           (4) Use of private contractors and subcontractors.  
16

17           (5) Use of local corporations and local employ-  
18 ees.

19           (6) Scale of development and job creation.

20           (b) URBAN HOMESTEAD PROGRAM.—The Corpora-  
21 tion shall assist in the implementation of an urban home-  
22 stead program by providing the following:

23           (1) Land to the Federal Government for devel-  
24 opment as urban homesteads.

1           (2) Downpayment assistance and other seed  
2 money to enable homestead construction.

3           (3) Coordination with not-for-profit and faith-  
4 based organizations in the construction and develop-  
5 ment of urban homesteads.

6           (c) OTHER DISPOSITION.—The Corporation shall en-  
7 sure that acquired property not made available for an  
8 urban homestead shall be disposed of in a manner that  
9 maximizes the return on the sale of acquired property to  
10 retire debt attributable to the Corporation.

11          (d) ACCOUNTING REQUIREMENTS.—

12           (1) ACCOUNTING FOR HOLDING AND MANAGING  
13 ASSETS AND LIABILITIES.—The Corporation shall  
14 keep a full and complete accounting of all costs and  
15 expenses associated with the holding and manage-  
16 ment of any asset or liability acquired by the Cor-  
17 poration in carrying out the duties of the Corpora-  
18 tion under this Act.

19           (2) ACCOUNTING FOR DISPOSITION OF ASSETS  
20 AND LIABILITIES.—The Corporation shall keep a full  
21 and complete accounting of all expenses and receipts  
22 associated with the disposition of any asset or liabil-  
23 ity acquired by the Corporation in carrying out the  
24 duties of the Corporation under this Act.

1 (e) UTILIZATION OF PRIVATE SECTOR.—In carrying  
2 out its responsibilities in the management and disposition  
3 of assets under this Act, the Corporation shall utilize the  
4 services of private persons, including real estate and loan  
5 portfolio asset management, property management, auc-  
6 tion marketing, legal, and brokerage services, only if such  
7 services are available in the private sector and the Cor-  
8 poration determines utilization of such services is the most  
9 practicable, efficient, and cost effective.

10 **SEC. 8. POWERS OF THE CORPORATION.**

11 (a) POWERS.—The Corporation shall be a body cor-  
12 porate that shall have the power to—

13 (1) adopt, alter, and use a corporate seal;

14 (2) provide for such other officers and employ-  
15 ees as may be necessary to perform the functions of  
16 the Corporation, define their duties, and require sur-  
17 ety bonds or make other provisions against losses oc-  
18 casioned by acts of such persons;

19 (3) fix the compensation and number of, and  
20 appoint, employees for any position established by  
21 the Corporation, without regard to the provisions of  
22 chapter 51 or subchapter III of chapter 53 of title  
23 5;

1           (4) sue and be sued, and complain and defend,  
2           by and through its own attorneys, in any court of  
3           law or equity, State or Federal;

4           (5) with the consent of any executive agency,  
5           department, or independent agency utilize the infor-  
6           mation, services, staff, and facilities of such depart-  
7           ment or agency, on a reimbursable (or other) basis,  
8           in carrying out this section;

9           (6) prescribe, by the Board of Directors, bylaws  
10          that are consistent with law to provide for—

11           (A) the management and operational struc-  
12          ture of the Corporation, subject to sections 2(d)  
13          and 3;

14           (B) the manner in which general oper-  
15          ations are to be conducted; and

16           (C) such other matters as the Board of Di-  
17          rectors determines to be appropriate;

18          (7) enter into contracts and modify or consent  
19          to the modification of any contract or agreement;

20          (8) use the United States mails in the same  
21          manner and subject to the same conditions as other  
22          departments or agencies of the United States; and

23          (9) exercise, by the Board of Directors, or duly  
24          authorized officers or agents, any and all powers es-  
25          tablished under this section and such incidental pow-

1       ers as are necessary to carry out the powers, duties,  
2       and functions of the Corporation and the Board of  
3       Directors under this Act.

4       (b) TERMINATION OF CONTRACT FOR CAUSE.—In  
5       the case of any service contract between the Corporation  
6       and any other person, the Corporation may terminate such  
7       contract for cause, whether by reason of breach of con-  
8       tract, violation of regulations or guidelines of the Corpora-  
9       tion, or otherwise, or bar any such person from entering  
10      into any other contract, after notice and an opportunity  
11      for an agency hearing on the record.

12      (c) LIMITED POWER TO ACQUIRE INTERESTS IN  
13      PROPERTY BY EMINENT DOMAIN.—

14           (1) IN GENERAL.—To the extent financial re-  
15      sources are available, the Corporation may acquire  
16      by eminent domain interests in property under para-  
17      graph (3) only to the extent necessary to accomplish  
18      the mission and purpose of the Corporation.

19           (2) LIMITATION ON EXERCISE.—The Corpora-  
20      tion may exercise the power of eminent domain only  
21      if the Corporation—

22           (A) cannot agree with the owner on the  
23      purchase price for the interest; or

1 (B) has determined in writing that a prop-  
2 erty owner or mortgagee retaining an interest  
3 in a property has failed to develop the property.

4 (3) CIVIL ACTIONS.—

5 (A) IN GENERAL.—A civil action to acquire  
6 an interest in property by eminent domain  
7 under this subsection shall be brought in the  
8 district court of the United States for the judi-  
9 cial district in which the property is located or,  
10 if a single piece of property is located in more  
11 than 1 judicial district, in any judicial district  
12 in which any piece of the property is located.

13 (B) POINT OF TAKING.—An interest is  
14 condemned and taken by the Corporation for its  
15 use when a declaration of taking is filed under  
16 this subsection and an amount of money esti-  
17 mated in the declaration to be just compensa-  
18 tion for the interest is deposited in the court.

19 (C) DECLARATION OF TAKING.—The dec-  
20 laration of taking—

21 (i) may be filed with the complaint in  
22 the action or at any time before judgment;  
23 and

24 (ii) shall contain or be accompanied  
25 by—

1 (I) a statement of the public use  
2 for which the interest is taken;

3 (II) a description of the property  
4 sufficient to identify it;

5 (III) a statement of the interest  
6 in the property taken;

7 (IV) a plan showing the interest  
8 taken; and

9 (V) a statement of the amount of  
10 money the Corporation estimates is  
11 just compensation for the interest.

12 (D) VESTING OF TITLE.—When the dec-  
13 laration is filed and the deposit is made under  
14 this paragraph, title to the property vests in the  
15 Corporation in fee simple absolute or in the  
16 lesser interest shown in the declaration, and the  
17 right to the money vests in the person entitled  
18 to the money.

19 (E) COURT ACTION.—When the declara-  
20 tion is filed, the court may decide—

21 (i) the time by which, and the terms  
22 under which, possession of the property is  
23 given to the Corporation; and

24 (ii) the disposition of outstanding  
25 charges related to the property.

1 (F) FINDING OF JUST COMPENSATION.—

2 (i) IN GENERAL.—After a hearing, the  
3 court shall make a finding on the amount  
4 that is just compensation for the interest  
5 in the property and enter judgment award-  
6 ing that amount and interest on it.

7 (ii) RATE OF INTEREST.—The rate of  
8 interest shall be 6 percent a year and shall  
9 be computed on the amount of the award  
10 less the amount deposited in the court  
11 from the date of taking to the date of pay-  
12 ment.

13 (iii) IMMEDIATE PAYMENT.—On appli-  
14 cation of a party, the court may order im-  
15 mediate payment of any part of the  
16 amount deposited in the court for the com-  
17 pensation to be awarded.

18 (iv) DEFICIENCY.—If the award is  
19 more than the amount received, the court  
20 shall enter judgment against the Corpora-  
21 tion for the deficiency.

22 (d) HEARINGS AND SESSIONS.—

23 (1) IN GENERAL.—The Corporation may, for  
24 the purposes of carrying out this Act, hold hearings,  
25 sit and act at times and places, take testimony, and



1 receive evidence as the Corporation determines to be  
2 appropriate.

3 (2) SUMMONS.—In the course of or in connec-  
4 tion with any proceeding under this Act or in con-  
5 nection with any claim, the Corporation, or any des-  
6 ignated representative of the Corporation, including  
7 any person designated to conduct any hearing under  
8 this section, shall have the power to administer  
9 oaths and affirmations, to take or cause to be taken  
10 depositions, and to issue, revoke, quash, or modify  
11 subpoenas and subpoenas duces tecum; and the Cor-  
12 poration is empowered to make rules and regulations  
13 with respect to any such proceedings, claims, exami-  
14 nations, or investigations.

15 (3) ADMINISTRATIVE ASPECTS OF SUMMONS.—

16 (A) PRODUCTION AT DESIGNATED SITE.—

17 A summons issued pursuant to this section may  
18 require that books, papers, records, or other  
19 data stored or maintained at any place be pro-  
20 duced at any designated location in any State  
21 or in any territory or other place subject to the  
22 jurisdiction of the United States not more than  
23 500 miles distant from any place where the per-  
24 son resides or operates or conducts business in  
25 the United States.

1           (B) FEES AND TRAVEL EXPENSES.—Per-  
2           sons summoned under this section shall be paid  
3           the same fees and mileage for travel in the  
4           United States that are paid witnesses in the  
5           courts of the United States.

6           (C) NO LIABILITY FOR EXPENSES.—The  
7           United States shall not be liable for any ex-  
8           pense, other than an expense described in sub-  
9           paragraph (B), incurred in connection with the  
10          production of books, papers, records, or other  
11          data under this section.

12          (D) SERVICE OF SUMMONS.—Service of a  
13          summons issued under this subsection may be  
14          by registered mail or in such other manner cal-  
15          culated to give actual notice as the Corporation  
16          may prescribe by regulation.

17          (4) CONTUMACY OR REFUSAL.—

18                 (A) IN GENERAL.—In case of contumacy  
19                 by a person issued a summons under this sub-  
20                 section or a refusal by such person to obey such  
21                 summons, the Corporation may invoke the aid  
22                 of any court of the United States within the ju-  
23                 risdiction of which—

1 (i) the investigation which gave rise to  
2 the summons is being or has been carried  
3 on;

4 (ii) the person summoned is an inhab-  
5 itant; or

6 (iii) the person summoned carries on  
7 business or may be found, to compel com-  
8 pliance with the summons.

9 (B) COURT ORDER.—The court may issue  
10 an order requiring the person summoned to ap-  
11 pear before the Corporation or a delegate of the  
12 Corporation to produce books, papers, records,  
13 and other data, to give testimony as may be  
14 necessary to explain how such material was  
15 compiled and maintained, and to pay the costs  
16 of the proceeding.

17 (C) FAILURE TO COMPLY WITH ORDER.—  
18 Any failure to obey the order of the court may  
19 be punished by the court as a contempt thereof.

20 (D) SERVICE OF PROCESS.—All process in  
21 any case under this paragraph may be served in  
22 any judicial district in which such person may  
23 be found.

24 (e) AGENCY AUTHORITY.—

1           (1) STATUS.—The Corporation, in any capacity,  
2 shall be an agency of the United States for purposes  
3 of section 1345 of title 28 without regard to whether  
4 the Corporation commenced the action.

5           (2) FEDERAL COURT JURISDICTION.—

6           (A) IN GENERAL.—All suits of a civil na-  
7 ture at common law or in equity to which the  
8 Corporation, in any capacity, is a party shall be  
9 deemed to arise under the laws of the United  
10 States.

11           (B) REMOVAL.—The Corporation may,  
12 without bond or security, remove any action,  
13 suit, or proceeding from a State court to the  
14 appropriate United States district court before  
15 the end of the 90-day period beginning on the  
16 date the action, suit, or proceeding is filed  
17 against the Corporation or the Corporation is  
18 substituted as a party.

19           (C) APPEAL OF REMAND.—The Corpora-  
20 tion may appeal any order of remand entered  
21 by any United States district court.

22           (3) SERVICE OF PROCESS.—The Board of Di-  
23 rectors shall designate agents upon whom service of  
24 process may be made in Louisiana and the District  
25 of Columbia.

1           (4) BONDS OR FEES.—The Corporation shall  
2           not be required to post any bond to pursue any ap-  
3           peal and shall not be subject to payments of any fil-  
4           ing fees in United States district courts or courts of  
5           appeal.

6 **SEC. 9. TERMINATION OF CORPORATION.**

7           (a) IN GENERAL.—The Corporation shall terminate  
8           at the end of the 10-year period beginning on the date  
9           of the enactment of this Act.

10          (b) WINDING UP THE AFFAIRS OF THE CORPORA-  
11          TION.—Any right, title, interest, or obligation of the Cor-  
12          poration with respect to liabilities or assets of the Cor-  
13          poration which have not been fully disposed of by the end  
14          of the 10-year period referred to in paragraph (1) shall  
15          transfer, as of the end of such period, to the Director of  
16          the Office of Management and Budget who shall promptly  
17          wind up the affairs of the Corporation and dispose of such  
18          assets and liabilities.

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