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Puerto Rico were a State of the Union and subject to the provisions of paragraph 1 of section 2 of article IV of the Constitution of the United States."

1 Stat. 18.

Approved August 5, 1947.

[CHAPTER 492]

AN ACT

August 5, 1947
[S. 1070]
[Public Law 363]

To provide for the cancellation of the capital stock of the Federal Deposit Insurance Corporation and the refund of moneys received for such stock, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Deposit Insurance Corporation is directed to retire its capital stock by paying the amount received therefor (whether received from the Secretary of the Treasury or the Federal Reserve banks) to the Secretary of the Treasury as hereinafter provided, to be covered into the Treasury as miscellaneous receipts. As soon as practicable after the enactment of this Act, the Corporation shall pay to the Secretary so much of its capital and surplus as is in excess of $1,000,000,000. The balance of the amount to be paid to the Secretary shall be paid in units of $10,000,000 except that the last unit to be paid may be less than $10,000,000. Each unit shall be paid as soon as it may be paid without reducing the capital and surplus of the Corporation below $1,000,000,000. As each payment is made a corresponding amount of the capital stock of the Corporation shall be retired and canceled and the receipt or certificate therefor shall be surrendered or endorsed to show such cancellation. The stock subscribed by the various Federal Reserve banks shall be retired and canceled, pro rata, before the stock subscribed by the Secretary is retired and canceled.

Federal Deposit Insurance Corporation.
Retirement of capital stock.

SEC. 2. Section 12B (d) of the Federal Reserve Act, as amended (U. S. C., title 12, sec. 264 (d)), is hereby repealed.

Repeal.
48 Stat. 169.

SEC. 3. Section 12B (b) of the Federal Reserve Act, as amended (U. S. C., title 12, sec. 264 (b)), is amended by striking out "$10,000" and inserting in lieu thereof "$15,000".

48 Stat. 168.

SEC. 4. Section 12B (o) of the Federal Reserve Act, as amended (U. S. C., title 12, sec. 264 (o)), is amended to read as follows:

48 Stat. 177.

"(o) The Corporation is authorized to borrow from the Treasury, and the Secretary of the Treasury is authorized and directed to loan to the Corporation on such terms as may be fixed by the Corporation and the Secretary, such funds as in the judgment of the Board of Directors of the Corporation are from time to time required for insurance purposes, not exceeding in the aggregate $3,000,000,000 outstanding at any one time: *Provided*, That the rate of interest to be charged in connection with any loan made pursuant to this paragraph shall not be less than the current average rate on outstanding marketable and nonmarketable obligations of the United States as of the last day of the month preceding the making of such loan. For such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include such loans. Any such loan shall be used by the Corporation solely in carrying out its functions with respect to such insurance. All loans and repayments under this section shall be treated as public-debt transactions of the United States."

Loans.

Rate of interest.

40 Stat. 288.
31 U. S. C. § 774 (2).

Approved August 5, 1947.