

Public Law 97-110
97th Congress

An Act

To clarify the treatment of international banking facility deposits for purposes of deposit insurance assessments and to remove certain limitations on the mortgage loan purchase authority of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association.

Dec. 26, 1981
[H.R. 4879]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—INTERNATIONAL BANKING FACILITY DEPOSIT INSURANCE ACT

International
Banking Facility
Deposit
Insurance Act.

SHORT TITLE

SEC. 101. This title may be cited as the "International Banking Facility Deposit Insurance Act".

12 USC 1811
note.

INTERNATIONAL BANKING FACILITY DEPOSITS

SEC. 102. Section 3(l)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1813(l)(5)) is amended to read as follows:

"(5) such other obligations of a bank as the Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, shall find and prescribe by regulation to be deposit liabilities by general usage, except that the following shall not be a deposit for any of the purposes of this Act or be included as part of the total deposits or of an insured deposit:

"(A) any obligation of a bank which is payable only at an office of such bank located outside of the States of the United States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands; and

"(B) any international banking facility deposit, including an international banking facility time deposit, as such term is from time to time defined by the Board of Governors of the Federal Reserve System in regulation D or any successor regulation issued by the Board of Governors of the Federal Reserve System.".

BRANCHES OF INSURED BANKS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 103. (a) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended—

(1) in subsection (a), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa," each place it appears therein;

(2) in subsection (m)(1), by inserting "of the Trust Territory of the Pacific Islands," after "American Samoa,"; and

- (3) in subsection (o), by inserting “the Trust Territory of the Pacific Islands,” after “American Samoa,” each place it appears therein.
- (b) Section 7 of such Act (12 U.S.C. 1817) is amended—
 - (1) in subsection (a)(4), by inserting “the Trust Territory of the Pacific Islands,” after “American Samoa,”; and
 - (2) in subsection (b)(5)(B), by inserting “the Trust Territory of the Pacific Islands,” after “American Samoa.”.
- (c) Section 11(a)(2)(A)(iv) of such Act (12 U.S.C. 1821(a)(2)(A)(iv)) is amended—
 - (1) by inserting “of the Trust Territory of the Pacific Islands,” after “of American Samoa,”; and
 - (2) by inserting “the Trust Territory of the Pacific Islands,” after “Virgin Islands, American Samoa.”.

Mortgage
Purchase
Amendments of
1981.

12 USC 1451
note.

TITLE II—MORTGAGE PURCHASE AMENDMENTS OF 1981

SHORT TITLE

SEC. 201. This title may be cited as the “Mortgage Purchase Amendments of 1981”.

PURCHASES OF MORTGAGES MORE THAN ONE YEAR OLD

SEC. 202. (a) The third sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) is amended to read as follows: “The Corporation may purchase a conventional mortgage which was originated more than one year prior to the purchase date only if the seller is the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any other seller currently engaged in mortgage lending or investing activities.”.

(b)(1) Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) is amended by inserting after the third sentence thereof the following: “With respect to any transaction in which a seller contemporaneously sells mortgages originated more than one year old prior to the date of sale to the Corporation and receives in payment for such mortgages securities representing undivided interests only in those mortgages, the Corporation shall not impose any fee or charge upon an eligible seller which is not a member of a Federal Home Loan Bank which differs from that imposed upon an eligible seller which is such a member.”.

(2) The amendment made by paragraph (1) shall take effect on January 1, 1982, and shall apply to commitments entered into on or after such date.

(c) The fourth sentence of section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended to read as follows: “The Corporation may purchase a conventional mortgage which was originated more than one year prior to the purchase date only if the seller is the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any other seller currently engaged in mortgage lending or investing activities.”.

12 USC 1454
note.

MORTGAGE LOAN PURCHASES FROM THE FEDERAL DEPOSIT INSURANCE CORPORATION AND THE NATIONAL CREDIT UNION ADMINISTRATION

SEC. 203. Subsections (a)(1) and (b) of section 305 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454) are amended by inserting “the Federal Deposit Insurance Corporation, the National Credit Union Administration,” after “Federal Savings and Loan Insurance Corporation,” each place it appears.

TITLE III—MISCELLANEOUS

SEC. 301. Section 625(a) of the Depository Institutions Deregulation and Monetary Control Act of 1980 is amended to read as follows:

“**SEC. 625.** (a) Except as provided in section 608(b), the amendments made by this title shall take effect upon the expiration of two years and six months after the date of enactment of this title.”

SEC. 302. Section 206 of the Depository Institution Management Interlocks Act is amended to read as follows:

“**SEC. 206.** (a) A person whose service in a position as a management official began prior to the date of enactment of this title and who was not immediately prior to the date of enactment of this title in violation of section 8 of the Clayton Act is not prohibited by section 203 or section 204 of this title from continuing to serve in that position for a period of ten years after the date of enactment of this title. The appropriate Federal banking agency (as set forth in section 209) may provide a reasonable period of time for compliance with this title, not exceeding fifteen months, after any change in circumstances which makes service described in the preceding sentence prohibited by this title, except that a merger, acquisition, increase in total assets, establishment of one or more offices, or change in management responsibilities shall not constitute changes in circumstances which would make such service prohibited by section 203 or section 204 of this title.

“(b) Effective on the date of enactment of this title, a person who serves as a management official of a company which is not a depository institution or a depository holding company and as a management official of a depository institution or a depository holding company is not prohibited from continuing to serve as a management official of that depository institution or depository holding company as a result of that company which is not a depository institution or depository holding company becoming a diversified savings and loan holding company as that term is defined in section 408(a) of the National Housing Act. This subsection shall expire ten years after the date of enactment of this title.”

SEC. 303. Section 313 of the Depository Institutions Deregulation and Monetary Control Act of 1980 is amended to read as follows:

“ALASKA USA FEDERAL CREDIT UNION

“**SEC. 313.** The provisions of section 5 of the charter of the Alaska USA Federal Credit Union which would terminate the eligibility for membership in the Credit Union of the enrollees and employees of certain corporations shall not be effective.”

SEC. 304. The fourth sentence of section 235(h)(1) of the National Housing Act is amended—

- (1) by inserting “(i)” after “except”;
- (2) by striking out “or” after “March 31, 1982,” the second place it appears and inserting in lieu thereof “(ii)”;

15 USC 1602
note.
15 USC 1607
note.

12 USC 3205.

15 USC 19.
12 USC 3202,
3203.

12 USC 3207.

12 USC 1730a.
Expiration.

94 Stat. 151.

Ante, p. 407.

42 USC 5301

(3) by inserting before the period after "1974" the following: " , or (iii) pursuant to other commitments issued on or before September 30, 1981, where housing under this section is to be developed on land which was municipally owned on September 30, 1981, and where a local government contributes at least \$1,000 per unit of funds obtained under title I of the Housing and Community Development Act of 1974 and at least \$2,000 per unit of additional funds to assist housing under this section".

Approved December 26, 1981.

LEGISLATIVE HISTORY H.B. 1879

CONGRESSIONAL RECORD, Vol. 127 (1981):

CONGRESSIONAL RECORD, VOL. 12, (1861).
Nov. 17, considered and passed House.

Dec. 15, considered and passed Senate, amended

Dec. 16, House concurred in Senate amendments.