

**(2) Priorities**

In utilizing funds made available under this section, the Special Inspector General shall prioritize the performance of audits or investigations of recipients of non-recourse Federal loans made under any program that is funded in whole or in part by funds appropriated under the Emergency Economic Stabilization Act of 2008 [12 U.S.C. 5201 et seq.], to the extent that such priority is consistent with other aspects of the mission of the Special Inspector General. Such audits or investigations shall determine the existence of any collusion between the loan recipient and the seller or originator of the asset used as loan collateral, or any other conflict of interest that may have led the loan recipient to deliberately overstate the value of the asset used as loan collateral.

**(d) Rule of construction**

Notwithstanding any other provision of law, nothing in this section shall be construed to apply to any activity of the Federal Deposit Insurance Corporation in connection with insured depository institutions, as described in section 1823(c)(2)(B) of this title.

**(e) Definition**

In this section, the term “public-private investment fund” means a financial vehicle that is—

- (1) established by the Federal Government to purchase pools of loans, securities, or assets from a financial institution described in section 101(a)(1) of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5211(a)(1)); and
- (2) funded by a combination of cash or equity from private investors and funds provided by the Secretary of the Treasury or funds appropriated under the Emergency Economic Stabilization Act of 2008 [12 U.S.C. 5201 et seq.].

**(f) Omitted****(g) Regulations**

The Secretary of the Treasury may prescribe such regulations or other guidance as may be necessary or appropriate to define terms or carry out the authorities or purposes of this section.

(Pub. L. 111–22, div. A, title IV, §402, May 20, 2009, 123 Stat. 1656.)

**Editorial Notes**

## REFERENCES IN TEXT

The Emergency Economic Stabilization Act of 2008, referred to in subsecs. (c)(2) and (e)(2), is div. A of Pub. L. 110–343, Oct. 3, 2008, 122 Stat. 3765, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5201 of this title and Tables.

## CODIFICATION

Section was enacted as part of the Helping Families Save Their Homes Act of 2009, and not as part of the Emergency Economic Stabilization Act of 2008 which comprises this chapter.

Section is comprised of section 402 of Pub. L. 111–22. Subsec. (f) of section 402 of Pub. L. 111–22 amended section 5225 of this title.

**§ 5232. Credit reform****(a) In general**

Subject to subsection (b), the costs of purchases of troubled assets made under section 5211(a) of this title and guarantees of troubled assets under section 5212 of this title, and any cash flows associated with the activities authorized in section 5212 of this title and subsections (a), (b), and (c) of section 5216 of this title shall be determined as provided under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

**(b) Costs**

For the purposes of section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))—

- (1) the cost of troubled assets and guarantees of troubled assets shall be calculated by adjusting the discount rate in section 502(5)(E) (2 U.S.C. 661a(5)(E)) for market risks; and
- (2) the cost of a modification of a troubled asset or guarantee of a troubled asset shall be the difference between the current estimate consistent with paragraph (1) under the terms of the troubled asset or guarantee of the troubled asset and the current estimate consistent with paragraph (1) under the terms of the troubled asset or guarantee of the troubled asset, as modified.

(Pub. L. 110–343, div. A, title I, §123, Oct. 3, 2008, 122 Stat. 3790.)

**Editorial Notes**

## REFERENCES IN TEXT

The Federal Credit Reform Act of 1990, referred to in subsec. (a), is title V of Pub. L. 93–344, as added by Pub. L. 101–508, title XIII, §13201(a), Nov. 5, 1990, 104 Stat. 1388–609, which is classified generally to subchapter III (§661 et seq.) of chapter 17A of Title 2, The Congress. For complete classification of this Act to the Code, see Short Title note set out under section 621 of Title 2 and Tables.

**§ 5233. Congressional Oversight Panel****(a) Establishment**

There is hereby established the Congressional Oversight Panel (hereafter in this section referred to as the “Oversight Panel”) as an establishment in the legislative branch.

**(b) Duties**

The Oversight Panel shall review the current state of the financial markets and the regulatory system and submit the following reports to Congress:

**(1) Regular reports****(A) In general**

Regular reports of the Oversight Panel shall include the following:

- (i) The use by the Secretary of authority under this chapter, including with respect to the use of contracting authority and administration of the program.
- (ii) The impact of purchases made under the<sup>1</sup> chapter on the financial markets and financial institutions.
- (iii) The extent to which the information made available on transactions under the

<sup>1</sup> So in original.

<sup>1</sup> So in original. Probably should be “this”.

program has contributed to market transparency.

(iv) The effectiveness of foreclosure mitigation efforts, and the effectiveness of the program from the standpoint of minimizing long-term costs to the taxpayers and maximizing the benefits for taxpayers.

**(B) Timing**

The reports required under this paragraph shall be submitted not later than 30 days after the first exercise by the Secretary of the authority under section 5211(a) or 5212 of this title, and every 30 days thereafter.

**(2) Special report on regulatory reform**

The Oversight Panel shall submit a special report on regulatory reform not later than January 20, 2009, analyzing the current state of the regulatory system and its effectiveness at overseeing the participants in the financial system and protecting consumers, and providing recommendations for improvement, including recommendations regarding whether any participants in the financial markets that are currently outside the regulatory system should become subject to the regulatory system, the rationale underlying such recommendation, and whether there are any gaps in existing consumer protections.

**(3) Special report on farm loan restructuring**

Not later than 60 days after May 20, 2009, the Oversight Panel shall submit a special report on farm loan restructuring that—

(A) analyzes the state of the commercial farm credit markets and the use of loan restructuring as an alternative to foreclosure by recipients of financial assistance under the Troubled Asset Relief Program; and

(B) includes an examination of and recommendation on the different methods for farm loan restructuring that could be used as part of a foreclosure mitigation program for farm loans made by recipients of financial assistance under the Troubled Asset Relief Program, including any programs for direct loan restructuring or modification carried out by the Farm Service Agency of the Department of Agriculture, the farm credit system, and the Making Home Affordable Program of the Department of the Treasury.

**(c) Membership**

**(1) In general**

The Oversight Panel shall consist of 5 members, as follows:

(A) 1 member appointed by the Speaker of the House of Representatives.

(B) 1 member appointed by the minority leader of the House of Representatives.

(C) 1 member appointed by the majority leader of the Senate.

(D) 1 member appointed by the minority leader of the Senate.

(E) 1 member appointed by the Speaker of the House of Representatives and the majority leader of the Senate, after consultation with the minority leader of the Senate and the minority leader of the House of Representatives.

**(2) Pay**

Each member of the Oversight Panel shall each<sup>2</sup> be paid at a rate equal to the daily equivalent of the annual rate of basic pay for level I of the Executive Schedule for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Commission.

**(3) Prohibition of compensation of Federal employees**

Members of the Oversight Panel who are full-time officers or employees of the United States or Members of Congress may not receive additional pay, allowances, or benefits by reason of their service on the Oversight Panel.

**(4) Travel expenses**

Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5.

**(5) Quorum**

Four members of the Oversight Panel shall constitute a quorum but a lesser number may hold hearings.

**(6) Vacancies**

A vacancy on the Oversight Panel shall be filled in the manner in which the original appointment was made.

**(7) Meetings**

The Oversight Panel shall meet at the call of the Chairperson or a majority of its members.

**(d) Staff**

**(1) In general**

The Oversight Panel may appoint and fix the pay of any personnel as the Commission considers appropriate.

**(2) Experts and consultants**

The Oversight Panel may procure temporary and intermittent services under section 3109(b) of title 5.

**(3) Staff of agencies**

Upon request of the Oversight Panel, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Oversight Panel to assist it in carrying out its duties under this chapter.

**(e) Powers**

**(1) Hearings and sessions**

The Oversight Panel may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Panel considers appropriate and may administer oaths or affirmations to witnesses appearing before it.

**(2) Powers of members and agents**

Any member or agent of the Oversight Panel may, if authorized by the Oversight Panel, take any action which the Oversight Panel is authorized to take by this section.

<sup>2</sup> So in original.

**(3) Obtaining official data**

The Oversight Panel may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairperson of the Oversight Panel, the head of that department or agency shall furnish that information to the Oversight Panel.

**(4) Reports**

The Oversight Panel shall receive and consider all reports required to be submitted to the Oversight Panel under this chapter.

**(f) Termination**

The Oversight Panel shall terminate 6 months after the termination date specified in section 5230 of this title.

**(g) Funding for expenses****(1) Authorization of appropriations**

There is authorized to be appropriated to the Oversight Panel such sums as may be necessary for any fiscal year, half of which shall be derived from the applicable account of the House of Representatives, and half of which shall be derived from the contingent fund of the Senate.

**(2) Reimbursement of amounts**

An amount equal to the expenses of the Oversight Panel shall be promptly transferred by the Secretary, from time to time upon the presentation of a statement of such expenses by the Chairperson of the Oversight Panel, from funds made available to the Secretary under this chapter to the applicable fund of the House of Representatives and the contingent fund of the Senate, as appropriate, as reimbursement for amounts expended from such account and fund under paragraph (1).

(Pub. L. 110-343, div. A, title I, § 125, Oct. 3, 2008, 122 Stat. 3791; Pub. L. 111-22, div. A, title V, § 501, May 20, 2009, 123 Stat. 1658.)

**Editorial Notes**

## REFERENCES IN TEXT

This chapter and the chapter, referred to in text, were in the original “this Act” and “the Act”, respectively, and were translated as reading “this division” and “the division”, respectively, meaning div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, known as the Emergency Economic Stabilization Act of 2008, to reflect the probable intent of Congress. For complete classification of division A to the Code, see Short Title note set out under section 5201 of this title and Tables.

Level I of the Executive Schedule, referred to in subsec. (c)(2), is set out in section 5312 of Title 5, Government Organization and Employees.

## AMENDMENTS

2009—Subsec. (b)(3). Pub. L. 111-22 added par. (3).

**§ 5234. Cooperation with the FBI**

Any Federal financial regulatory agency shall cooperate with the Federal Bureau of Investigation and other law enforcement agencies investigating fraud, misrepresentation, and malfeasance with respect to development, advertising, and sale of financial products.

(Pub. L. 110-343, div. A, title I, § 127, Oct. 3, 2008, 122 Stat. 3796.)

**§ 5235. Disclosures on exercise of loan authority****(a) In general**

Not later than 7 days after the date on which the Board exercises its authority under the third paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 343; relating to discounts for individuals, partnerships, and corporations) the Board shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report which includes—

(1) the justification for exercising the authority; and

(2) the specific terms of the actions of the Board, including the size and duration of the lending, available information concerning the value of any collateral held with respect to such a loan, the recipient of warrants or any other potential equity in exchange for the loan, and any expected cost to the taxpayers for such exercise.

**(b) Periodic updates**

The Board shall provide updates to the Committees specified in subsection (a) not less frequently than once every 60 days while the subject loan is outstanding, including—

(1) the status of the loan;

(2) the value of the collateral held by the Federal reserve bank which initiated the loan; and

(3) the projected cost to the taxpayers of the loan.

**(c) Confidentiality**

The information submitted to the Congress under this section shall be kept confidential, upon the written request of the Chairman of the Board, in which case it shall be made available only to the Chairpersons and Ranking Members of the Committees described in subsection (a).

**(d) Applicability**

The provisions of this section shall be in force for all uses of the authority provided under section 13 of the Federal Reserve Act occurring during the period beginning on March 1, 2008 and ending on the after<sup>1</sup> October 3, 2008, and reports described in subsection (a) shall be required beginning not later than 30 days after October 3, 2008, with respect to any such exercise of authority.

**(e) Sharing of information**

Any reports required under this section shall also be submitted to the Congressional Oversight Panel established under section 5233 of this title.

(Pub. L. 110-343, div. A, title I, § 129, Oct. 3, 2008, 122 Stat. 3796.)

**Editorial Notes**

## REFERENCES IN TEXT

Section 13 of the Federal Reserve Act, referred to in subsecs. (a) and (d), is classified to sections 92, 342 to 347, 347c, 347d, 361, 372, and 373 of this title. The third paragraph (now designated par. (3)) of section 13 of the

<sup>1</sup> So in original.