

(8) to appoint such officers, attorneys, employees, and agents as may be required, to define their duties, to fix and to pay such compensation for their services as may be determined, subject to the civil service and classification laws, to require bonds for them and pay the premium thereof;

(9) to enter into contracts, to execute instruments to incur liabilities, and to do all things as are necessary or incidental to the proper management of its affairs and the proper conduct of its business;

(10) to act through any corporate or other agency or instrumentality of the United States, and to utilize the services thereof on a reimbursable basis, and any such agency or instrumentality is authorized to provide services as requested by the Bank; and

(11) to determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations.

(Pub. L. 93-224, § 10, Dec. 29, 1973, 87 Stat. 940.)

#### REFERENCES IN TEXT

The civil service laws, referred to in par. (8), are set forth in Title 5, Government Organization and Employees. See, particularly, section 3301 et seq. of Title 5.

The classification laws, referred to in par. (8), are classified to chapter 51 (§5101 et seq.) and subchapter III (§5331 et seq.) of chapter 53 of Title 5.

### § 2290. Exemptions

#### (a) Federal, State, and local taxes

The Bank, its property, its franchise, capital, reserves, surplus, security holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority; except that (1) any real property and any tangible personal property of the Bank shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed, and (2) any obligations issued by the Bank shall be subject to Federal taxation to the same extent as the obligations of private corporations are taxed.

#### (b) Exempt securities

All obligations issued by the Bank pursuant to this chapter shall be deemed to be exempted securities within the meaning of sections 77c(a)(2), 77ddd(a)(4), and 78c(a)(12) of title 15.

#### (c) Budget status of Federal agencies; restrictions

Nothing herein shall affect the budget status of the Federal agencies selling obligations to the Bank under section 2285(a) of this title, or the method of budget accounting for their transactions. The receipts and disbursements of the Bank in the discharge of its functions shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

(Pub. L. 93-224, § 11, Dec. 29, 1973, 87 Stat. 940.)

### § 2291. Preparation of obligations

In order to furnish obligations for delivery by the Bank, the Secretary of the Treasury is authorized to prepare such obligations in such form as the Bank may approve, such obligations when prepared to be held in the Treasury subject to delivery upon order by the Bank. The engraved plates, dies, bed pieces, and other material executed in connection therewith, shall remain in the custody of the Secretary of the Treasury. The Bank shall reimburse the Secretary of the Treasury for any expenditures made in preparation, custody, and delivery of such obligations.

(Pub. L. 93-224, § 12, Dec. 29, 1973, 87 Stat. 941.)

### § 2292. Annual report to the President and Congress

The Bank shall, as soon as practicable after the end of each fiscal year, transmit to the President and the Congress an annual report of its operations and activities.

(Pub. L. 93-224, § 13, Dec. 29, 1973, 87 Stat. 941.)

### § 2293. Budget and audit provisions of Government corporation control law applicable

The budget and audit provisions of chapter 91 of title 31 shall be applicable to the Federal Financing Bank in the same manner as they are applied to the wholly owned Government corporations named in section 9101(3) of title 31.

(Pub. L. 93-224, § 15, Dec. 29, 1973, 87 Stat. 941.)

#### CODIFICATION

“Chapter 91 of title 31” and “section 9101(3) of title 31” substituted in text for “the Government Corporation Control Act (31 U.S.C. 841 et seq.)” and “section 101 of such Act (31 U.S.C. 846)”, respectively, on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

### § 2294. Payments on behalf of public bodies

(a) Notwithstanding any other provision of this chapter, the purchase by the Bank of the obligations of any local public body or agency within the United States shall be made upon such terms and conditions as may be necessary to avoid an increase in borrowing costs to such local public body or agency as a result of the purchase by the Bank of its obligations. The head of the Federal agency guaranteeing such obligations, in consultation with the Secretary of the Treasury, shall estimate the borrowing costs that would be incurred by the local public body or agency if its obligations were not sold to the Bank.

(b) The Federal agency guaranteeing obligations purchased by the Bank may contract to make periodic payments to the Bank which shall be sufficient to offset the costs to the Bank of purchasing obligations of local public bodies or agencies upon terms and conditions as prescribed in this section rather than as prescribed by section 2285 of this title. Such contracts may be made in advance of appropriations therefor, and appropriations for making payments under such contracts are hereby authorized.

(Pub. L. 93-224, § 16, Dec. 29, 1973, 87 Stat. 941.)

**§ 2294a. Contracts for periodic payments to offset costs of purchase of obligations of local public housing agencies**

In addition to any authority provided before October 1, 1981, the Secretary of Housing and Urban Development may, on and after October 1, 1981, enter into contracts for periodic payments to the Federal Financing Bank to offset the costs to the Bank of purchasing obligations (as described in the first sentence of section 2294(b) of this title) issued by local public housing agencies for purposes of financing public housing projects authorized by section 1437c(c) of title 42. Notwithstanding any other provision of law, such contracts may be entered into only to the extent approved in appropriation Acts, and the aggregate amount which may be obligated over the duration of such contracts may not exceed \$400,000,000. There are hereby authorized to be appropriated any amounts necessary to provide for such payments. The authority to enter into contracts under this subsection shall be in lieu of any authority (except for authority provided specifically to the Secretary before October 1, 1981) of the Secretary to enter into contracts for such purposes under section 2294(b) of this title. (Pub. L. 97-35, title III, § 329E, Aug. 13, 1981, 95 Stat. 410.)

CODIFICATION

Section was enacted as part of the Housing and Community Development Amendments of 1981 and also as part of the Omnibus Budget Reconciliation Act of 1981, and not as part of the Federal Financing Bank Act of 1973 which comprises this chapter.

EFFECTIVE DATE

Section effective Oct. 1, 1981, see section 371 of Pub. L. 97-35, set out as a note under section 3701 of this title.

**§ 2295. Authority or responsibility under other provisions of law not to be affected or impaired**

Nothing in this chapter shall be construed as impairing any authority or responsibility of the President or the Secretary of the Treasury under any other provision of law, nor shall anything in this chapter affect in any manner any provision of law concerning the right of any Federal agency to sell obligations to the Secretary of the Treasury or the authority or responsibility of the Secretary of the Treasury to purchase such obligations.

(Pub. L. 93-224, § 17, Dec. 29, 1973, 87 Stat. 942.)

**§ 2296. Increase not authorized in amounts of obligations issued, sold, or guaranteed by Federal agencies**

Nothing in this chapter shall be construed as authorizing an increase in the amounts of obligations issued, sold, or guaranteed by any Federal agency which issues, sells, or guarantees obligations purchased by the Bank.

(Pub. L. 93-224, § 18, Dec. 29, 1973, 87 Stat. 942.)

**CHAPTER 25—NATIONAL COMMISSION ON ELECTRONIC FUND TRANSFERS**

- Sec. 2401. Establishment of Commission.
- 2402. Membership of Commission.
  - (a) Composition.
  - (b) Designation of Chairperson.
  - (c) Vacancies.
- 2403. Functions of Commission.
  - (a) Study, investigation, and recommendations; considerations.
  - (b) Interim and final reports; submission dates; transmittal of final report to President and Congress; contents; availability to public; termination date of Commission.
  - (c) Clearance by Federal agencies prior to transmittal of interim or final report.
- 2404. Powers of Commission.
  - (a) Hearings; administration of oaths.
  - (b) Implementation authority of members or agents of Commission.
  - (c) Request for information from other Federal departments or agencies.
  - (d) Issuance of subpoenas for attendance of witnesses and production of evidence; refusal to obey; contempt proceedings; manner of service of subpoenas; service of process.
- 2405. Executive Director and additional staff personnel; appointment and compensation; experts and consultants; employment and compensation; audits by Comptroller General.
- 2406. Compensation of members of Commission.
- 2407. Cooperation and assistance of other Federal departments, agencies, and instrumentalities.
- 2408. Authorization of appropriations.

**§ 2401. Establishment of Commission**

There is established the National Commission on Electronic Fund Transfers (hereinafter referred to as the "Commission") which shall be an independent instrumentality of the United States.

(Pub. L. 93-495, title II, § 201, Oct. 28, 1974, 88 Stat. 1508.)

**§ 2402. Membership of Commission**

**(a) Composition**

The Commission shall be composed of twenty-six members as follows:

- (1) the Chairman of the Board of Governors of the Federal Reserve System or his delegate;
- (2) the Attorney General or his delegate;
- (3) the Comptroller of the Currency or his delegate;
- (4) the Chairman of the Federal Home Loan Bank Board or his delegate;
- (5) the Administrator of the National Credit Union Administration or his delegate;
- (6) the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation or his delegate;
- (7) the Chairman of the Federal Communications Commission or his delegate;
- (8) the Postmaster General or his delegate;
- (9) the Secretary of the Treasury or his delegate;
- (10) the Chairman of the Federal Trade Commission or his delegate;

(11) two individuals, appointed by the President, one of whom is an official of a State agency which regulates banking, or similar financial institutions, and one of whom is an official of a State agency which regulates thrift or similar financial institutions;

(12) seven individuals, appointed by the President, who are officers or employees of, or who otherwise represent banking, thrift, or other business entities, including one representative each of commercial banks, mutual savings banks, savings and loan associations, credit unions, retailers, nonbanking institutions offering credit card services, and organizations providing interchange services for credit cards issued by banks;

(13) five individuals, appointed by the President, from private life who are not affiliated with, do not represent and have no substantial interest in any banking, thrift, or other financial institution, including but not limited to credit unions, retailers, and insurance companies;

(14) the Comptroller General of the United States or his delegate; and

(15) the Director of the Office of Technology Assessment.

**(b) Designation of Chairperson**

The Chairperson shall be designated by the President at the time of his appointment from among the members of the Commission and such selection shall be by and with the advice and consent of the Senate unless the appointee holds an office to which he was appointed by and with the advice and consent of the Senate.

**(c) Vacancies**

A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(Pub. L. 93-495, title II, §202, Oct. 28, 1974, 88 Stat. 1508.)

TRANSFER OF FUNCTIONS

Federal Home Loan Bank Board abolished and functions transferred, see sections 401 to 406 of Pub. L. 101-73, set out as a note under section 1437 of this title.

**§ 2403. Functions of Commission**

**(a) Study, investigation, and recommendations; considerations**

The Commission shall conduct a thorough study and investigation and recommend appropriate administrative action and legislation necessary in connection with the possible development of public or private electronic fund transfer systems, taking into account, among other things—

(1) the need to preserve competition among the financial institutions and other business enterprises using such a system;

(2) the need to promote competition among financial institutions and to assure Government regulation and involvement or participation in a system competitive with the private sector be kept to a minimum;

(3) the need to prevent unfair or discriminatory practices by any financial institution or business enterprise using or desiring to use such a system;

(4) the need to afford maximum user and consumer convenience;

(5) the need to afford maximum user and consumer rights to privacy and confidentiality;

(6) the impact of such a system on economic and monetary policy;

(7) the implications of such a system on the availability of credit;

(8) the implications of such a system expanding internationally and into other forms of electronic communications; and

(9) the need to protect the legal rights of users and consumers.

**(b) Interim and final reports; submission dates; transmittal of final report to President and Congress; contents; availability to public; termination date of Commission**

The Commission shall make an interim report within one year of the date of the confirmation by the Senate of the Chairperson or the appointment by the President of an acting Chairperson and at such other times as it deems advisable and shall transmit to the President and to the Congress not later than two years after the date of the confirmation by the Senate of the Chairperson or the appointment by the President of an acting Chairperson, a final report of its findings and recommendations. Any such report shall include all hearing transcripts, staff studies, and other material used in preparation of the report. The interim and final reports shall be made available to the public upon transmittal. Sixty days after transmission of its final report the Commission shall cease to exist.

**(c) Clearance by Federal agencies prior to transmittal of interim or final report**

The Commission shall not be required to obtain the clearance of any Federal agency prior to the transmittal of any interim or final report.

(Pub. L. 93-495, title II, §203, Oct. 28, 1974, 88 Stat. 1508; Pub. L. 94-200, title II, §201, Dec. 31, 1975, 89 Stat. 1124.)

AMENDMENTS

1975—Subsec. (b). Pub. L. 94-200 changed the time for submission of interim and final reports from one year of the Commission's findings and recommendations and two years after Oct. 28, 1974, to one year and two years respectively after the confirmation by the Senate of the Chairperson or the appointment by the President of an acting Chairperson.

**§ 2404. Powers of Commission**

**(a) Hearings; administration of oaths**

The Commission may for the purpose of carrying out this chapter hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may deem advisable. The Commission may administer oaths of<sup>1</sup> affirmations to witnesses appearing before it.

**(b) Implementation authority of members or agents of Commission**

When so authorized by the Commission, any member or agent of the Commission may take

<sup>1</sup> So in original. Probably should be "or".

any action which the Commission is authorized to take by this section.

**(c) Request for information from other Federal departments or agencies**

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

**(d) Issuance of subpoenas for attendance of witnesses and production of evidence; refusal to obey; contempt proceedings; manner of service of subpoenas; service of process**

(1) The Commission shall have power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation by the Commission. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(2) If a person issued a subpoena under paragraph (1) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Commission) order such person to appear before the Commission to produce evidence or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(4) All process of any court to which application may be made under this section may be served in the judicial district wherein the person required to be served resides or may be found.

(Pub. L. 93-495, title II, §204, Oct. 28, 1974, 88 Stat. 1509.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original "this Act", meaning Pub. L. 93-495, which enacted this chapter (§2401 et seq.). For complete classification of this Act to the Code, see Tables.

**§ 2405. Executive Director and additional staff personnel; appointment and compensation; experts and consultants; employment and compensation; audits by Comptroller General**

(a) The Commission—

(1) may appoint with the advice and consent of the Senate and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5 governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classi-

fication and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, but at rates not to exceed \$150 a day for individuals.

(b) The Comptroller General is authorized to make detailed audits of the books and records of the Commission, and shall report the results of any such audit to the Commission and to the Congress.

(Pub. L. 93-495, title II, §205, Oct. 28, 1974, 88 Stat. 1510.)

REFERENCES IN TEXT

The provisions of title 5 governing appointments in the competitive service, referred to in subsec. (a)(1), are classified generally to section 3301 et seq. of Title 5, Government Organization and Employees.

REFERENCES IN OTHER LAWS TO GS-16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS-16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, §101(c)(1)] of Pub. L. 101-509, set out in a note under section 5376 of Title 5.

**§ 2406. Compensation of members of Commission**

(a) A member of the Commission who is an officer or employee of the United States shall serve as a member of the Commission without additional compensation, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

(b) A member of the Commission who is not otherwise an officer or employee of the United States shall be compensated at a rate of \$150 per day when engaged in the performance of his duties as a member of the Commission, and shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

(Pub. L. 93-495, title II, §206, Oct. 28, 1974, 88 Stat. 1510.)

**§ 2407. Cooperation and assistance of other Federal departments, agencies, and instrumentalities**

(a) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request, such data, reports, and other information as the Commission deems necessary to carry out its functions under this chapter.

(b) The head of any department, agency, or instrumentality of the United States may detail such personnel and may furnish such services, with or without reimbursement, as the Commission may request to assist it in carrying out its functions.

(Pub. L. 93-495, title II, §207, Oct. 28, 1974, 88 Stat. 1510.)