

determines that they are needed to ensure the fiscal operations of the Government continue to function in an efficient and effective manner.

(B) Report

Any use of compensating balances pursuant to subparagraph (A) shall promptly be reported by the Secretary of the Treasury to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) Requirements for orderly transition

In transitioning to the use of the appropriations authorized in subsection (b), the Secretary of the Treasury shall take such steps as may be appropriate to—

(A) prevent abrupt financial disruption to the functions of the Department of the Treasury or to the participating financial institutions; and

(B) maintain adequate accounting and management controls to ensure that payments to financial institutions for their banking services provided to the Government as depositaries and financial agents are accurate and that the arrangements last no longer than is necessary.

(4) Reports required

(A) Annual report

(i) In general

For each fiscal year, the Secretary of the Treasury shall submit a report to the Congress on the use of compensating balances and on the use of appropriations authorized in subsection (b) during that fiscal year.

(ii) Inclusion in budget

The report required under clause (i) may be submitted as part of the budget submitted by the President under section 1105 of title 31 for the following fiscal year and if so, the report shall be submitted concurrently to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(B) Final report following transition

(i) In general

Following completion of the transition from the use of compensating balances to the use of the appropriations authorized in subsection (b) to pay financial institutions for their services as depositaries and financial agents of the United States, the Secretary of the Treasury shall submit a report on the transition to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(ii) Contents of report

The report submitted under clause (i) shall include a detailed analysis of—

- (I) the cost of transition;
- (II) the direct costs of the services being paid from the appropriations authorized in subsection (b); and

(III) the benefits realized from the use of direct payment for such services, rather than the use of compensating balance arrangements.

(d) Omitted

(e) Effective date

Notwithstanding section 20,¹ this section shall take effect on October 28, 2003.

(Pub. L. 108-100, § 19, Oct. 28, 2003, 117 Stat. 1191.)

REFERENCES IN TEXT

Section 20, referred to in subsec. (e), means section 20 of Pub. L. 108-100, which is set out as an Effective Date note under section 5001 of this title.

CODIFICATION

Section is comprised of section 19 of Pub. L. 108-100. Subsec. (d) of section 19 of Pub. L. 108-100 amended section 412 of this title.

FUNDS FOR REIMBURSEMENT FOR DEPOSITARY AND FINANCIAL AGENCY SERVICES

Pub. L. 108-199, div. F, title II, § 218, Jan. 23, 2004, 118 Stat. 321, provided that: "For fiscal year 2004 and each fiscal year thereafter, there are appropriated to the Secretary of the Treasury such sums as may be necessary to reimburse financial institutions in their capacity as depositaries and financial agents of the United States for all services required or directed by the Secretary of the Treasury, or the Secretary's designee, to be performed by such financial institutions on behalf of the Department of the Treasury or other Federal agencies, including services rendered prior to fiscal year 2004."

CHAPTER 51—SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING

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§ 5101. Purposes and methods for establishing a mortgage licensing system and registry

In order to increase uniformity, reduce regulatory burden, enhance consumer protection, and reduce fraud, the States, through the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators, are hereby encouraged to establish a

¹ See References in Text note below.