

Union Calendar No. 233

104TH CONGRESS
2^D SESSION

H. R. 2130

[Report No. 104-446, Part I]

A BILL

To amend the Farm Credit Act of 1971 to improve the efficiency and operation of the Federal Agricultural Mortgage Corporation in order better to ensure that farmers, ranchers, and rural home owners will have access to a stable and competitive supply of mortgage credit now and in the future.

MARCH 15, 1996

Committee on Banking and Financial Services discharged; committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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IN THE HOUSE OF REPRESENTATIVES

JULY 27, 1995

Mr. EMERSON (for himself, Mr. BARRETT of Nebraska, and Mr. BEREUTER) introduced the following bill; which was referred to the Committee on Agriculture

JANUARY 4, 1996

Reported with an amendment, referred to the Committee on Banking and Financial Services for a period ending not later than March 15, 1996 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(c), rule X

[Strike out all after the enacting clause and insert the part printed in italic]

MARCH 15, 1996

Additional sponsors: Mr. LUCAS of Oklahoma, Mr. DOOLEY of California, and Mr. JOHNSON of South Dakota

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[For text of introduced bill, see copy of bill as introduced on July 27, 1995]

A BILL

To amend the Farm Credit Act of 1971 to improve the efficiency and operation of the Federal Agricultural Mortgage Corporation in order better to ensure that farmers, ranchers, and rural home owners will have access to a stable and competitive supply of mortgage credit now and in the future.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Farmer Mac Reform*
5 *Act of 1995”.*

6 **SEC. 2. REFERENCES TO THE FARM CREDIT ACT OF 1971.**

7 *Except as otherwise expressly provided, wherever in*
8 *this Act an amendment or repeal is expressed in terms of*
9 *an amendment to, or repeal of, a section or other provision,*
10 *the reference shall be considered to be made to a section or*
11 *other provision of the Farm Credit Act of 1971 (12 U.S.C.*
12 *2001 et seq.).*

13 **SEC. 3. DEFINITION OF REAL ESTATE.**

14 *Section 8.0(1)(B)(ii) (12 U.S.C. 2279aa(1)(B)(ii)) is*
15 *amended by striking “with a purchase price” and inserting*
16 *“, excluding the land to which the dwelling is affixed, with*
17 *a value”.*

18 **SEC. 4. DEFINITION OF CERTIFIED FACILITY.**

19 *Section 8.0(3) (12 U.S.C. 2279aa(3)) is amended—*

1 (1) in subparagraph (A), by striking “a second-
2 ary marketing agricultural loan” and inserting “an
3 agricultural mortgage marketing”; and

4 (2) in subparagraph (B), by striking “, but
5 only” and all that follows through “(9)(B)”.

6 **SEC. 5. DUTIES OF FEDERAL AGRICULTURAL MORTGAGE**
7 **CORPORATION.**

8 Section 8.1(b) (12 U.S.C. 2279aa–1(b)) is amended—

9 (1) in paragraph (2), by striking “and” at the
10 end;

11 (2) in paragraph (3), by striking the period at
12 the end and inserting “; and”; and

13 (3) by adding at the end the following:

14 “(4) purchase qualified loans and issue securities
15 representing interests in, or obligations backed by, the
16 qualified loans, guaranteed for the timely repayment
17 of principal and interest.”.

18 **SEC. 6. POWERS OF THE CORPORATION.**

19 Section 8.3(c) (12 U.S.C. 2279aa–3(c)) is amended—

20 (1) by redesignating paragraphs (13) and (14)
21 as paragraphs (14) and (15), respectively; and

22 (2) by inserting after paragraph (12) the follow-
23 ing:

24 “(13) To purchase, hold, sell, or assign a quali-
25 fied loan, to issue a guaranteed security, representing

1 (2) in subsection (e)(1), by striking “(other than
2 the Corporation)”.

3 **SEC. 9. GUARANTEE OF QUALIFIED LOANS.**

4 Section 8.6 (12 U.S.C. 2279aa-6) is amended—

5 (1) in subsection (a)(1)—

6 (A) by striking “Corporation shall guaran-
7 tee” and inserting the following: “Corporation—

8 “(A) shall guarantee”;

9 (B) by striking the period at the end and
10 inserting “; and”; and

11 (C) by adding at the end the following:

12 “(B) may issue a security, guaranteed as to
13 the timely payment of principal and interest,
14 that represents an interest solely in, or an obli-
15 gation fully backed by, a pool consisting of
16 qualified loans that—

17 “(i) meet the standards established
18 under section 8.8; and

19 “(ii) have been purchased and held by
20 the Corporation.”;

21 (2) in subsection (d)—

22 (A) by striking paragraph (4); and

23 (B) by redesignating paragraphs (5), (6),
24 and (7) as paragraphs (4), (5), and (6), respec-
25 tively; and

1 (1) Section 8.0(9)(B)(i) (12 U.S.C.
2 2279(9)(B)(i)) is amended by striking “(f)” and in-
3 serting “(d)”.

4 (2) Section 8.13(a) (12 U.S.C. 2279aa–13(a)) is
5 amended by striking “sections 8.6(b) and” each place
6 such term appears and inserting “section”.

7 (3) Section 8.32(b)(1)(C) (12 U.S.C. 2279bb–
8 1(b)(1)(C)) is amended—

9 (A) by striking “shall” and inserting
10 “may”; and

11 (B) by inserting “(as in effect before the
12 date of the enactment of the Farmer Mac Reform
13 Act of 1995)” before the semicolon.

14 (4) Section 8.6(b) (12 U.S.C. 2279aa–6(b)), as so
15 redesignated by subsection (a)(2) of this section, is
16 amended—

17 (A) by striking paragraph (4) (as so redес-
18 ignated by section 9(2)(B) of this Act); and

19 (B) by redesignating paragraphs (5) and
20 (6) (as so redesignated) as paragraphs (4) and
21 (5), respectively.

22 **SEC. 12. SMALL FARMS.**

23 Section 8.8(e) (12 U.S.C. 2279aa–8(e)) is amended by
24 adding at the end the following: “The Board shall promote
25 and encourage the inclusion of qualified loans for small

1 *farms and family farmers in the agricultural mortgage sec-*
2 *ondary market.”.*

3 **SEC. 13. DEFINITION OF AN AFFILIATE.**

4 *Section 8.11(e) (21 U.S.C. 2279aa–11(e)) is amend-*
5 *ed—*

6 *(1) by striking “a certified facility or”; and*

7 *(2) by striking “paragraphs (3) and (7), respec-*
8 *tively, of section 8.0” and inserting “section 8.0(7)”.*

9 **SEC. 14. STATE USURY LAWS SUPERSEDED.**

10 *Section 8.12 (12 U.S.C. 2279aa–12) is amended by*
11 *striking subsection (d) and inserting the following:*

12 *“(d) STATE USURY LAWS SUPERSEDED.—A provision*
13 *of the Constitution or law of any State shall not apply to*
14 *an agricultural loan made by an originator or a certified*
15 *facility in accordance with this title for sale to the Corpora-*
16 *tion or to a certified facility for inclusion in a pool for*
17 *which the Corporation has provided, or has committed to*
18 *provide, a guarantee, if the loan, not later than 180 days*
19 *after the date the loan was made, is sold to the Corporation*
20 *or included in a pool for which the Corporation has pro-*
21 *vided a guarantee, if the provision—*

22 *“(1) limits the rate or amount of interest, dis-*
23 *count points, finance charges, or other charges that*
24 *may be charged, taken, received, or reserved by an ag-*
25 *ricultural lender or a certified facility; or*

1 “(2) *limits or prohibits a prepayment penalty*
2 *(either fixed or declining), yield maintenance, or*
3 *make-whole payment that may be charged, taken, or*
4 *received by an agricultural lender or a certified facil-*
5 *ity in connection with the full or partial payment of*
6 *the principal amount due on a loan by a borrower in*
7 *advance of the scheduled date for the payment under*
8 *the terms of the loan, otherwise known as a prepay-*
9 *ment of the loan principal.”.*

10 **SEC. 15. EXTENSION OF CAPITAL TRANSITION PERIOD.**

11 *Section 8.32 (12 U.S.C. 2279bb-1) is amended—*

12 (1) *in the first sentence of subsection (a), by*
13 *striking “Not later than the expiration of the 2-year*
14 *period beginning on December 13, 1991,” and insert-*
15 *ing “Not sooner than the expiration of the 3-year pe-*
16 *riod beginning on the date of the enactment of the*
17 *Farmer Mac Reform Act of 1995,”;*

18 (2) *in the first sentence of subsection (b)(2), by*
19 *striking “5-year” and inserting “8-year”; and*

20 (3) *in subsection (d)—*

21 (A) *in the first sentence—*

22 (i) *by striking “The regulations estab-*
23 *lishing” and inserting the following:*

24 “(1) *IN GENERAL.—The regulations establish-*
25 *ing”; and*

1 (ii) by striking “shall contain” and in-
2 serting the following: “shall—

3 “(A) be issued by the Director for public
4 comment in the form of a notice of proposed
5 rulemaking, to be first published after the expi-
6 ration of the period referred to in subsection (a);
7 and

8 “(B) contain”; and

9 (B) in the second sentence, by striking “The
10 regulations shall” and inserting the following:

11 “(2) SPECIFICITY.—The regulations referred to
12 in paragraph (1) shall”.

13 **SEC. 16. MINIMUM CAPITAL LEVEL.**

14 Section 8.33 (12 U.S.C. 2279bb–2) is amended to read
15 as follows:

16 **“SEC. 8.33. MINIMUM CAPITAL LEVEL.**

17 “(a) IN GENERAL.—Except as provided in subsection
18 (b), for purposes of this subtitle, the minimum capital level
19 for the Corporation shall be an amount of core capital equal
20 to the sum of—

21 “(1) 2.75 percent of the aggregate on-balance
22 sheet assets of the Corporation, as determined in ac-
23 cordance with generally accepted accounting prin-
24 ciples; and

1 “(2) 0.75 percent of the Corporation’s aggregate
2 off-balance sheet obligations, which, for the purposes
3 of this subtitle, shall include—

4 “(A) the unpaid principal balance of out-
5 standing securities that are guaranteed by the
6 Corporation and backed by pools of qualified
7 loans;

8 “(B) instruments that are issued or guaran-
9 teed by the Corporation and are substantially
10 equivalent to instruments described in subpara-
11 graph (A); and

12 “(C) other off-balance sheet obligations of
13 the Corporation.

14 “(b) *TRANSITION PERIOD.*—

15 “(1) *IN GENERAL.*—For purposes of this subtitle,
16 the minimum capital level for the Corporation—

17 “(A) prior to January 1, 1997, shall be the
18 amount of core capital equal to the sum of—

19 “(i) 0.45 percent of aggregate off-bal-
20 ance sheet obligations;

21 “(ii) 0.45 percent of designated on-bal-
22 ance sheet assets as determined under para-
23 graph (2); and

24 “(iii) 2.50 percent of on-balance sheet
25 assets other than designated assets;

1 “(B) during the 1-year period ending De-
2 cember 31, 1997, shall be the amount of core cap-
3 ital equal to the sum of—

4 “(i) 0.55 percent of aggregate off-bal-
5 ance sheet obligations;

6 “(ii) 1.20 percent of designated on-bal-
7 ance sheet assets as determined under para-
8 graph (2); and

9 “(iii) 2.55 percent of on-balance sheet
10 assets other than designated assets;

11 “(C) during the 1-year period ending De-
12 cember 31, 1998, shall be the amount of core cap-
13 ital equal to—

14 “(i) the sum of—

15 “(I) 0.65 percent of aggregate off-
16 balance sheet obligations;

17 “(II) 1.95 percent of designated
18 on-balance sheet assets as determined
19 under paragraph (2); and

20 “(III) 2.65 percent of on-balance
21 sheet assets other than designated as-
22 sets; or

23 “(ii) if the Corporation’s core capital
24 is less than \$25,000,000 on January 1,

1 1998, the amount determined under sub-
2 section (a); and

3 “(D) on and after January 1, 1999, shall be
4 the amount determined under subsection (a).

5 “(2) *DEFINITION OF DESIGNATED ON-BALANCE*
6 *SHEET ASSETS.—In this subsection, the term ‘des-*
7 *ignated on-balance sheet assets’ means the sum of—*

8 “(A) the aggregate on-balance sheet assets of
9 the Corporation acquired under section 8.6(e);
10 and

11 “(B) the aggregate amount of qualified
12 loans purchased and held by the Corporation
13 under section 8.3(c)(13).”.

14 **SEC. 17. CRITICAL CAPITAL LEVEL.**

15 Section 8.34 (12 U.S.C. 2279bb–3) is amended to read
16 as follows:

17 **“SEC. 8.34. CRITICAL CAPITAL LEVEL.**

18 “*For purposes of this subtitle, the critical capital level*
19 *for the Corporation shall be an amount of core capital equal*
20 *to 50 percent of the total minimum capital amount deter-*
21 *mined under section 8.33.”.*

22 **SEC. 18. ENFORCEMENT LEVELS.**

23 Section 8.35(e) (12 U.S.C. 2279bb–4(e)) is amended by
24 striking “*during the 30-month period beginning on the date*
25 *of the enactment of this section,*” and inserting “*during the*

1 *period beginning on December 13, 1991, and ending on the*
2 *effective date of the risk-based capital regulation issued by*
3 *the Director under section 8.32,”*

4 **SEC. 19. RECAPITALIZATION OF THE CORPORATION.**

5 *Title VIII (12 U.S.C. 2279aa et seq.) is amended by*
6 *adding at the end the following:*

7 **“SEC. 8.38. RECAPITALIZATION OF THE CORPORATION.**

8 *“(a) MANDATORY RECAPITALIZATION.—The Corpora-*
9 *tion shall increase the core capital of the Corporation to*
10 *an amount equal to or greater than \$25,000,000, not later*
11 *than the earlier of—*

12 *“(1) the date that is 2 years after the date of en-*
13 *actment of this section; or*

14 *“(2) the date that is 180 days after the end of*
15 *the first calendar quarter that the aggregate on-bal-*
16 *ance sheet assets of the Corporation, plus the out-*
17 *standing principal of the off-balance sheet obligations*
18 *of the Corporation, equal or exceed \$2,000,000,000.*

19 *“(b) RAISING CORE CAPITAL.—In carrying out this*
20 *section, the Corporation may issue stock under section 8.4*
21 *and otherwise employ any recognized and legitimate means*
22 *of raising core capital in the power of the Corporation*
23 *under section 8.3.*

24 *“(c) LIMITATION ON GROWTH OF TOTAL ASSETS.—*
25 *During the 2-year period beginning on the date of enact-*

1 *ment of this section, the aggregate on-balance sheet assets*
 2 *of the Corporation plus the outstanding principal of the off-*
 3 *balance sheet obligations of the Corporation may not exceed*
 4 *\$3,000,000,000 if the core capital of the Corporation is less*
 5 *than \$25,000,000.*

6 “(d) *ENFORCEMENT.*—*If the Corporation fails to carry*
 7 *out subsection (a) by the date required under paragraph*
 8 *(1) or (2) of subsection (a), the Corporation may not pur-*
 9 *chase a new qualified loan, or issue or guarantee a new*
 10 *loan-backed security, until the core capital of the Corpora-*
 11 *tion is increased to an amount equal to or greater than*
 12 *\$25,000,000.”.*

13 ***SEC. 20. BORROWER STOCK.***

14 *Section 4.3A (12 U.S.C. 2154a) is amended—*

15 *(1) by redesignating subsections (f) and (g) as*
 16 *subsections (g) and (h), respectively; and*

17 *(2) by inserting after subsection (e) the following:*

18 “(f) *LOANS DESIGNATED FOR SALE OR SOLD INTO*
 19 *THE SECONDARY MARKET.*—

20 “(1) *IN GENERAL.*—*Subject to paragraph (2)*
 21 *and notwithstanding any other provision of this sec-*
 22 *tion, the bylaws adopted by a bank or association*
 23 *under subsection (b) may provide—*

24 “(A) *in the case of a loan made on or after*
 25 *the date of enactment of this paragraph that is*

1 *designated, at the time the loan is made, for sale*
2 *into a secondary market, that no voting stock or*
3 *participation certificate purchase requirement*
4 *shall apply to the borrower for the loan; and*

5 *“(B) in the case of a loan made before the*
6 *date of enactment of this paragraph that is sold*
7 *into a secondary market, that all outstanding*
8 *voting stock or participation certificates held by*
9 *the borrower with respect to the loan shall, sub-*
10 *ject to subsection (d)(1), be retired.*

11 *“(2) APPLICABILITY.—Notwithstanding any*
12 *other provision of this section, in the case of a loan*
13 *sold to a secondary market under title VIII, para-*
14 *graph (1) shall apply regardless of whether the bank*
15 *or association retains a subordinated participation*
16 *interest in a loan or pool of loans or contributes to*
17 *a cash reserve.*

18 *“(3) EXCEPTION.—*

19 *“(A) IN GENERAL.—Subject to subpara-*
20 *graph (B) and notwithstanding any other provi-*
21 *sion of this section, if a loan designated for sale*
22 *under paragraph (1)(A) is not sold into a sec-*
23 *ondary market during the 180-day period that*
24 *begins on the date of the designation, the voting*
25 *stock or participation certificate purchase re-*

1 *accordance with a plan of liquidation approved by, the*
2 *Farm Credit Administration Board.*

3 “(b) *INVOLUNTARY LIQUIDATION.—The Farm Credit*
4 *Administration Board may appoint a conservator or re-*
5 *ceiver for the Corporation under the circumstances specified*
6 *in section 4.12(b). The grounds for appointment of a con-*
7 *servator for the Corporation shall be in addition to those*
8 *enumerated in section 8.37. In applying section 4.12(b) to*
9 *the Corporation—*

10 “(1) *the Corporation shall also be considered in-*
11 *solvent if the Corporation is unable to pay its debts*
12 *as they fall due in the ordinary course of business;*

13 “(2) *a conservator may also be appointed for the*
14 *Corporation if the authority of the Corporation to*
15 *purchase qualified loans or issue or guarantee loan-*
16 *backed securities is suspended; and*

17 “(3) *a receiver may also be appointed for the*
18 *Corporation if—*

19 “(A)(i) *the authority of the Corporation to*
20 *purchase qualified loans or issue or guarantee*
21 *loan-backed securities is suspended; or*

22 “(ii) *the Corporation is classified under sec-*
23 *tion 8.35 as within level III or IV, and the alter-*
24 *native actions available under subtitle B are not*
25 *satisfactory; and*

1 “(B) *the Farm Credit Administration deter-*
2 *mines that the appointment of a conservator*
3 *would not be appropriate.*

4 “(c) *APPOINTMENT OF CONSERVATOR OR RECEIVER.—*

5 “(1) *QUALIFICATIONS.—Notwithstanding section*
6 *4.12(b), if a conservator or receiver is appointed for*
7 *the Corporation, the conservator or receiver shall be—*

8 “(A) *the Farm Credit Administration or*
9 *any other governmental entity or employee, in-*
10 *cluding the Farm Credit System Insurance Cor-*
11 *poration; or*

12 “(B) *any person that—*

13 “(i) *has no claim against, or financial*
14 *interest in, the Corporation or other basis*
15 *for a conflict of interest as the conservator*
16 *or receiver; and*

17 “(ii) *has the financial and manage-*
18 *ment expertise necessary to direct the oper-*
19 *ations and affairs of and, if necessary, to*
20 *liquidate the Corporation.*

21 “(2) *COMPENSATION.—A conservator or receiver*
22 *for the Corporation and professional personnel (other*
23 *than Federal employees) employed to represent or as-*
24 *ist the conservator or receiver may be compensated*
25 *for activities conducted as, or for, a conservator or re-*

1 *ceiver. Compensation may not be provided in*
2 *amounts greater than the compensation paid to em-*
3 *ployees of the Federal Government for similar serv-*
4 *ices, except that the Farm Credit Administration may*
5 *provide for compensation at higher rates (but not in*
6 *excess of rates prevailing in the private sector), if the*
7 *Farm Credit Administration determines that com-*
8 *penetration at higher rates is necessary in order to re-*
9 *cruit and retain competent personnel. The conservator*
10 *or receiver may contract with any governmental en-*
11 *tity, including the Farm Credit System Insurance*
12 *Corporation, to make personnel, services, and facili-*
13 *ties of the entity available to the conservator or re-*
14 *ceiver upon such terms and compensation arrange-*
15 *ments as shall be mutually agreed, and each entity is*
16 *hereby authorized to provide the same to the conserva-*
17 *tor or receiver.*

18 *“(3) EXPENSES.—The conservator or receiver*
19 *shall pay valid claims for expenses of the*
20 *conservatorship or receivership (including compensa-*
21 *tion pursuant to paragraph (2)) and valid claims*
22 *with respect to any loan made under subsection (f)*
23 *before paying any other valid claim against the Cor-*
24 *poration, and such claims may be secured by a lien*
25 *on such property of the Corporation as the conserva-*

1 *tor or receiver may determine, which lien shall have*
2 *priority over any other lien.*

3 “(4) *LIABILITY.*—*If the conservator or receiver*
4 *for the Corporation is not a Federal entity, or an offi-*
5 *cer or employee of the Federal Government, the con-*
6 *servator or receiver shall not be personally liable for*
7 *damages in tort or otherwise for acts or omissions*
8 *performed pursuant to and in the course of the*
9 *conservatorship or receivership, unless such acts or*
10 *omissions constitute gross negligence or any form of*
11 *intentional tortious conduct or criminal conduct.*

12 “(5) *INDEMNIFICATION.*—*The Farm Credit Ad-*
13 *ministration may indemnify the conservator or re-*
14 *ceiver on such terms as the Farm Credit Administra-*
15 *tion considers appropriate.*

16 “(d) *JUDICIAL REVIEW OF APPOINTMENT.*—*Notwith-*
17 *standing subsection (i)(1), within 30 days after a conserva-*
18 *tor or receiver is appointed pursuant to subsection (b), the*
19 *Corporation may bring an action in the United States Dis-*
20 *trict Court for the District of Columbia for an order requir-*
21 *ing the Farm Credit Administration Board to remove the*
22 *conservator or receiver, and the court shall, on the merits,*
23 *dismiss such action or direct the Farm Credit Administra-*
24 *tion Board to remove the conservator or receiver. On the*
25 *commencement of such an action, any court having juris-*

1 *diction of any other action or enforcement proceeding au-*
2 *thorized under this Act to which the Corporation is a party*
3 *shall stay such action or proceeding during the pendency*
4 *of the action for removal of the conservator or receiver.*

5 “(e) *GENERAL POWERS OF CONSERVATOR OR RE-*
6 *CEIVER.—The conservator or receiver for the Corporation*
7 *shall have such powers to conduct the conservatorship or*
8 *receivership as shall be provided pursuant to regulations*
9 *adopted by the Farm Credit Administration Board. Such*
10 *powers shall be comparable to the powers available to a con-*
11 *servator or receiver appointed pursuant to section 4.12(b).*

12 “(f) *BORROWINGS FOR WORKING CAPITAL.—If the*
13 *conservator or receiver of the Corporation determines it is*
14 *likely that there will be insufficient funds to pay the ongo-*
15 *ing administrative expenses of the conservatorship or receiv-*
16 *ership or that there will be insufficient liquidity to fund*
17 *maturing obligations of the conservatorship or receivership,*
18 *the conservator or receiver may borrow funds in such*
19 *amounts, from such sources, and at such rates of interest*
20 *as the conservator or receiver deems necessary or appro-*
21 *priate to meet the administrative expenses or liquidity*
22 *needs of the conservatorship or receivership. The Farm*
23 *Credit Banks are hereby authorized to loan funds to the*
24 *conservator or receiver, and to purchase assets of the Cor-*
25 *poration, for such purpose.*

1 “(g) *AGREEMENTS AGAINST INTERESTS OF CON-*
2 *SERVATOR OR RECEIVER.*—No agreement which tends to di-
3 *minish or defeat the right, title, or interest of the conserva-*
4 *tor or receiver for the Corporation in any asset acquired*
5 *by it as conservator or receiver for the Corporation shall*
6 *be valid against the conservator or receiver unless the agree-*
7 *ment—*

8 “(1) *is in writing;*

9 “(2) *is executed by the Corporation and any per-*
10 *son or persons claiming an adverse interest under the*
11 *agreement, including the obligor, contemporaneously*
12 *with the acquisition of the asset by the Corporation;*

13 “(3) *is approved by the Board or an appropriate*
14 *committee of the Board, which approval shall be re-*
15 *flected in the minutes of the Board or committee; and*

16 “(4) *has been, continuously, from the time of its*
17 *execution, an official record of the Corporation.*

18 “(h) *REPORT TO THE CONGRESS.*—Upon a determina-
19 *tion by the receiver for the Corporation that there are insuf-*
20 *ficient assets of the receivership to pay all valid claims*
21 *against the receivership, the receiver shall submit to the Sec-*
22 *retary of the Treasury, the Committee on Agriculture of the*
23 *House of Representatives, and the Committee on Agri-*
24 *culture, Nutrition, and Forestry of the Senate a report on*
25 *the financial condition of the receivership.*

1 “(i) *TERMINATION OF AUTHORITIES.*—

2 “(1) *CORPORATION.*—*The charter of the Corpora-*
3 *tion is canceled, and the authority provided to the*
4 *Corporation by this title shall terminate, at such date*
5 *as the Farm Credit Administration Board determines*
6 *is appropriate, following the placement of the Cor-*
7 *poration in receivership but not later than the conclu-*
8 *sion of the receivership and discharge of the receiver.*

9 “(2) *OVERSIGHT.*—*The Office of Secondary Mar-*
10 *ket Oversight established pursuant to section 8.11 is*
11 *abolished, and section 8.11(a) and subtitle B shall*
12 *have no force or effect, at such date as the Farm Cred-*
13 *it Administration Board determines is appropriate,*
14 *following the placement of the Corporation in receiv-*
15 *ership but not later than the conclusion of the receiv-*
16 *ership and discharge of the receiver.”.*