

Public Law 91-152

AN ACT

To amend and extend laws relating to housing and urban development, and for other purposes.

December 24, 1969
[S. 2864]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing and Urban Development Act of 1969".

SEC. 2. Section 305(g) of the National Housing Act is amended—

(1) by striking out "\$1,000,000,000" and inserting in lieu thereof "\$2,500,000,000";

(2) by inserting "at par" immediately after "and to purchase"; and

(3) by striking out "\$15,000", "\$17,500", and "\$22,500" and inserting in lieu thereof "\$17,500", "\$20,000", and "\$25,000", respectively.

Housing and
Urban Development
Act of 1969.

80 Stat. 738.
12 USC 1720.

TITLE I—MORTGAGE CREDIT

EXTENSION OF PROGRAMS

SEC. 101. (a) Section 2(a) of the National Housing Act is amended by striking out "January 1, 1970" in the first sentence and inserting in lieu thereof "October 1, 1970".

53 Stat. 804;
Ante, p. 125.
12 USC 1703.

(b) Section 217 of such Act is amended—

(1) by striking out "title VIII, or title X" and inserting in lieu thereof "section 235, section 236, title VIII, title X, or title XI"; and

75 Stat. 177;
Ante, p. 125.
12 USC 1715h.

(2) by striking out "January 1, 1970" and inserting in lieu thereof "October 1, 1970".

(c) Section 221(f) of such Act is amended by striking out "January 1, 1970" in the fifth sentence and inserting in lieu thereof "October 1, 1970".

75 Stat. 152;
Ante, p. 125.
12 USC 1715i.

(d) Section 235 of such Act is amended by adding at the end thereof the following new subsection:

82 Stat. 477.
12 USC 1715z.

"(m) No mortgage shall be insured under this section after October 1, 1971, except pursuant to a commitment to insure before that date."

(e) Section 236 of such Act is amended by adding at the end thereof the following new subsection:

82 Stat. 498.
12 USC 1715z-1.

"(n) No mortgage shall be insured under this section after October 1, 1971, except pursuant to a commitment to insure before that date."

(f) Section 809(f) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

76 Stat. 418;
Ante, p. 125.
12 USC 1748h-1.

(g) Section 810(k) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

76 Stat. 418;
Ante, p. 125.
12 USC 1748h-2.

(h) Section 1002(a) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

79 Stat. 462;
Ante, p. 125.
12 USC 1749bbb.

(i) Section 1101(a) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

80 Stat. 1274;
Ante, p. 125.
12 USC 1749aaa.

LOWER DOWNPAYMENTS FOR FHA-FINANCED SALES HOUSING

SEC. 102. (a) Section 203(b)(2) of the National Housing Act is amended by striking out "\$20,000" each place it appears and inserting in lieu thereof "\$25,000".

71 Stat. 294;
79 Stat. 466.
12 USC 1709.

71 Stat. 296;
80 Stat. 1267.
12 USC 1715k.

79 Stat. 470.
12 USC 1715m.

78 Stat. 780.
12 USC 1715y.

(b) Section 220(d)(3)(A)(i) of such Act is amended by striking out “\$20,000” each place it appears and inserting in lieu thereof “\$25,000”.

(c) Section 222(b)(3) of such Act is amended by striking out “\$20,000” each place it appears and inserting in lieu thereof “\$25,000”.

(d) Section 234(c) of such Act is amended by striking out “\$20,000” each place it appears and inserting in lieu thereof “\$25,000”.

MOBILE HOMES

69 Stat. 635.
12 USC 1713.

SEC. 103. (a)(1) Section 207(a) of the National Housing Act is amended—

(A) by striking out “trailer coach mobile dwellings” in paragraph (1) and inserting in lieu thereof “mobile homes”;

(B) by striking out “trailer court or park” in paragraph (6) and inserting in lieu thereof “mobile home court or park”; and

(C) by striking out “trailer coach mobile dwellings” in paragraph (6) and inserting in lieu thereof “mobile homes”.

78 Stat. 774.

(2) Section 207(c)(3) of such Act is amended by striking out “trailer courts or parks” and inserting in lieu thereof “mobile home courts or parks”.

(b) Section 207(c)(3) of such Act is amended by striking out “\$1,800 per space or \$500,000 per mortgage” and inserting in lieu thereof “\$2,500 per space or \$1,000,000 per mortgage”.

53 Stat. 804.
12 USC 1703.

(c) Section 2 of such Act is amended—

(1) by inserting “(i)” after the words “for the purpose of” in the first sentence of subsection (a);

(2) by inserting “; and for the purpose of (ii) financing the purchase of a mobile home to be used by the owner as his principal residence” before the period at the end of the first sentence of subsection (a);

68 Stat. 590.

(3) by inserting “(other than mobile homes)” after “new residential structures” in clause (1) of subparagraph (iii) of the second paragraph of subsection (a);

(4) by inserting the following new sentence at the end of subsection (a): “The Secretary is hereby authorized and directed, with respect to mobile homes to be financed under this section, to (i) prescribe minimum property standards to assure the livability and durability of the mobile home and the suitability of the site on which the mobile home is to be located; and (ii) obtain assurances from the borrower that the mobile home will be placed on a site which complies with the standards prescribed by the Secretary and with local zoning and other applicable local requirements.”;

56 Stat. 305.

(5) by inserting “, except that an obligation financing the purchase of a mobile home may be in an amount not exceeding \$10,000” before the semicolon at the end of clause (1) in the first sentence of subsection (b);

55 Stat. 364.

(6) by inserting “: *Provided*, That an obligation financing the purchase of a mobile home may have a maturity not in excess of twelve years and thirty-two days” before the semicolon at the end of clause (2) in the first sentence of subsection (b); and

(7) by striking out “real property” each place it appears in subsection (c)(2) and inserting in lieu thereof “real or personal property”.

MAXIMUM MORTGAGE AMOUNT UNDER SECTION 220 MULTIFAMILY
HOUSING PROGRAM

SEC. 104. Section 220(d)(3)(B)(i) of the National Housing Act is amended to read as follows:

“(i) not exceed \$50,000,000;”.

68 Stat. 598;
78 Stat. 777.
12 USC 1715k.

MORTGAGE INSURANCE ON CONDOMINIUM UNITS FOR SERVICEMEN

SEC. 105. Section 222(b)(1) of the National Housing Act is amended by inserting “or 234(c),” immediately after “221(d)(2),”.

71 Stat. 296;
78 Stat. 779.
12 USC 1715m.

ASSISTANCE PAYMENTS UNDER SECTION 235 FOR PURCHASER ASSUMING
MORTGAGE

SEC. 106. (a) Section 235(c) of the National Housing Act is amended by striking out “subsection (j)(4)” and inserting in lieu thereof “subsection (i) or (j)(4)”.

82 Stat. 477.
12 USC 1715z.

(b) Section 235(b)(2) of such Act is amended by striking out the first proviso and inserting in lieu thereof the following: “: *Provided*, That if any cooperative member who has received assistance payments transfers his membership and occupancy rights to another person who satisfies the eligibility requirements prescribed by the Secretary and undertakes the obligation to pay occupancy charges, the new cooperative member may qualify for assistance payments upon the filing of an application with respect to the dwelling unit involved to be occupied by him”.

AUTHORIZATION FOR ASSISTANCE PAYMENTS UNDER SECTIONS 235 AND 236

SEC. 107. (a) The second sentence of section 235(h) of the National Housing Act is amended by striking out “\$100,000,000 on July 1, 1969, and by \$125,000,000 on July 1, 1970” and inserting in lieu thereof “\$125,000,000 on July 1, 1969, by \$125,000,000 on July 1, 1970, and by \$170,000,000 on July 1, 1971”.

(b) The second sentence of section 236(i)(1) of such Act is amended by striking out “\$100,000,000 on July 1, 1969, and by \$125,000,000 on July 1, 1970” and inserting in lieu thereof “\$125,000,000 on July 1, 1969, by \$125,000,000 on July 1, 1970, and by \$170,000,000 on July 1, 1971”.

82 Stat. 498.
12 USC 1715z-1.

INTEREST REDUCTION PAYMENTS UNDER SECTION 236 ON CERTAIN PROJECTS
FINANCED UNDER STATE OR LOCAL HOUSING PROGRAMS

SEC. 108. The proviso in section 236(b) of the National Housing Act is amended by striking out “with respect to a rental or cooperative housing project” and inserting in lieu thereof “with respect to a mortgage or part thereof on a rental or cooperative housing project”.

ASSISTANCE PAYMENTS WITH RESPECT TO EXISTING DWELLINGS
UNDER SECTION 235

SEC. 109. Section 235(h)(3) of the National Housing Act is amended—

(1) by inserting “and” at the end of subparagraph (A); and
(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following:

“(B) 30 per centum of the total additional amount of contracts for assistance payments authorized by appropriation Acts to be made prior to July 1, 1971.”.

PREFERENCES IN SECTION 237 MORTGAGE INSURANCE PROGRAM

82 Stat. 485.
12 USC 1715z-2.

SEC. 110. Section 237(d) of the National Housing Act is amended—

(1) by inserting “and in providing counseling services” after “applications”; and

(2) by inserting “(1) to families which are eligible for assistance payments under section 235, and (2)” after “this section”.

EXPANSION OF THE FHA NURSING HOME PROGRAM TO INCLUDE INTERMEDIATE CARE FACILITIES

73 Stat. 663.
12 USC 1715w.

SEC. 111. Section 232 of the National Housing Act is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

“(a) The purpose of this section is to assist in the provision of facilities for either of the following purposes or for a combination of such purposes:

“(1) The development of nursing homes for the care and treatment of convalescents and other persons who are not acutely ill and do not need hospital care but who require skilled nursing care and related medical services.

“(2) The development of intermediate care facilities for the care of persons who, while not in need of nursing home care and treatment, nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by licensed or trained personnel.”;

(2) by striking out “and” at the end of paragraph (1) of subsection (b);

(3) by redesignating paragraph (2) of subsection (b) as paragraph (3) and inserting after paragraph (1) of such subsection the following new paragraph:

“(2) the term ‘intermediate care facility’ means a proprietary facility or facility of a private nonprofit corporation or association licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located) for the accommodation of persons who, because of incapacitating infirmities, require minimum but continuous care but are not in need of continuous medical or nursing services; and”;

(4) by striking out “a new or rehabilitated nursing home” in the introductory text of subsection (d) and inserting in lieu thereof “a new or rehabilitated nursing home or intermediate care facility or combined nursing home and intermediate care facility”;

(5) by striking out “operation of the nursing home” in subsection (d)(2) and inserting in lieu thereof “operation of the home or facility or combined home and facility”;

(6) by striking out paragraph (4) of subsection (d) and inserting in lieu thereof the following:

“(4) The Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) of the Public Health Service Act for the State in which is located the nursing home or intermediate care facility or combined nursing home and intermediate care facility covered by the mortgage, a certification that (A) there is a need for such home or facility or combined home and facility, and (B) there are in force in such State or in the municipality or other political subdivision of the State in which

82 Stat. 511.

“Intermediate
care facility.”

82 Stat. 512.

73 Stat. 663.

78 Stat. 452.
42 USC 291d.

the proposed home or facility or combined home and facility is to be located reasonable minimum standards of licensure and methods of operation governing it. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory from the State agency that such standards will be applied and enforced with respect to any home or facility or combined home and facility located in the State for which mortgage insurance is provided under this section."; and

(7) by adding at the end thereof the following new subsections:

73 Stat. 663.
12 USC 1715w.

"(g) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section relating to intermediate care facilities, after consulting with the Secretary of Health, Education, and Welfare with respect to any health or medical aspects of the program which may be involved in such regulations.

"(h) The Secretary shall also consult with the Secretary of Health, Education, and Welfare as to the need for and the availability of intermediate care facilities in any area for which an intermediate care facility is proposed under this section."

RENT SUPPLEMENT UNITS IN SECTION 236 PROJECTS

SEC. 112. Section 101(j) (1) (D) of the Housing and Urban Development Act of 1965 is amended by inserting before the period at the end thereof a comma and the following: "except that the foregoing limitation may be increased to 40 per centum of the dwelling units in any such property if the Secretary determines that such increase is necessary and desirable in order to provide additional housing for individuals and families meeting the requirements of subsection (c)".

82 Stat. 502.
12 USC 1701s.

INCREASE IN MAXIMUM MORTGAGE AMOUNTS UNDER FHA INSURANCE PROGRAMS

SEC. 113. (a) (1) Section 203(b) (2) of the National Housing Act is amended by striking out "\$30,000", "\$32,500", and "\$37,500" wherever they appear and inserting in lieu thereof "\$33,000", "\$35,750", and "\$41,250", respectively.

71 Stat. 295;
78 Stat. 769.
12 USC 1709.

(2) Section 203(h) of such Act is amended by striking out "\$12,000" and inserting in lieu thereof "\$14,400".

70 Stat. 1092.

(3) Section 203(i) of such Act is amended by striking out "\$13,500" and inserting in lieu thereof "\$16,200".

82 Stat. 512.

(4) Section 203(m) of such Act is amended by striking out "\$15,000" and inserting in lieu thereof "\$18,000".

82 Stat. 512.

(b) (1) Section 207(c) (3) of such Act is amended by striking out "\$9,000", "\$12,500", "\$15,000", "\$18,500", and "\$21,000" wherever they appear and inserting in lieu thereof "\$9,900", "\$13,750", "\$16,500", "\$20,350", and "\$23,100", respectively.

78 Stat. 774;
79 Stat. 467.
12 USC 1713.

(2) Section 207(c) (3) of such Act is further amended by striking out "\$10,500", "\$18,000", "\$22,500", and "\$25,500" and inserting in lieu thereof "\$11,550", "\$19,800", "\$24,750", and "\$28,050", respectively.

(c) (1) Section 213(b) (2) of such Act is amended by striking out "\$9,000", "\$12,500", "\$15,000", "\$18,500", and "\$21,000" wherever they appear and inserting in lieu thereof "\$9,900", "\$13,750", "\$16,500", "\$20,350", and "\$23,100", respectively.

78 Stat. 774;
79 Stat. 467.
12 USC 1715e.

(2) Section 213(b) (2) of such Act is further amended by striking out "\$10,500", "\$18,000", "\$22,500", and "\$25,500" and inserting in lieu thereof "\$11,550", "\$19,800", "\$24,750", and "\$28,050", respectively.

71 Stat. 296;
78 Stat. 777.
12 USC 1715k.

78 Stat. 775;
79 Stat. 467.

75 Stat. 155;
79 Stat. 470.

75 Stat. 149;
80 Stat. 1268;
82 Stat. 483.
12 USC 1715l.

75 Stat. 149.

78 Stat. 775;
79 Stat. 467.

78 Stat. 775;
79 Stat. 467.

82 Stat. 483.

79 Stat. 470.
12 USC 1715m.

78 Stat. 776;
79 Stat. 467.
12 USC 1715v.

78 Stat. 780.
12 USC 1715y.

78 Stat. 781;
79 Stat. 468.

(d) (1) Section 220(d) (3) (A) (i) of such Act is amended by striking out "\$30,000", "\$32,500", "\$37,500", and "\$7,000" wherever they appear and inserting in lieu thereof "\$33,000", "\$35,750", "\$41,250", and "\$7,700", respectively.

(2) Section 220(d) (3) (B) (iii) of such Act is amended by striking out "\$9,000", "\$12,500", "\$15,000", "\$18,500" and "\$21,000" wherever they appear and inserting in lieu thereof "\$9,900", "\$13,750", "\$16,500", "\$20,350", and "\$23,100", respectively.

(3) Section 220(d) (3) (B) (iii) of such Act is further amended by striking out "\$10,500", "\$18,000", "\$22,500", and "\$25,500" wherever they appear and inserting in lieu thereof "\$11,550", "\$19,800", "\$24,750", and "\$28,050", respectively.

(4) Section 220(h) (2) of such Act is amended by striking out "\$10,000" and inserting in lieu thereof "\$12,000".

(e) (1) Section 221(d) (2) of such Act is amended by striking out "\$15,000", "\$17,500", "\$20,000", "\$27,000", and "\$33,000" wherever they appear and inserting in lieu thereof "\$18,000", "\$21,000", "\$24,000", "\$32,400", and "\$39,600", respectively.

(2) Section 221(d) (2) of such Act is further amended by striking out "\$25,000", "\$32,000", and "\$38,000" and inserting in lieu thereof "\$30,000", "\$38,400", and "\$45,600", respectively.

(3) Section 221(d) (3) (ii) of such Act is amended by striking out "\$8,000", "\$11,250", "\$13,500", "\$17,000", and "\$19,250" wherever they appear and inserting in lieu thereof "\$9,200", "\$12,937.50", "\$15,525", "\$19,550", and "\$22,137.50", respectively.

(4) Section 221(d) (3) (ii) of such Act is further amended by striking out "\$9,500", "\$16,000", "\$20,000", and "\$22,750" and inserting in lieu thereof "\$10,925", "\$18,400", "\$23,000", and "\$26,162.50", respectively.

(5) Section 221(d) (4) (ii) of such Act is amended by striking out "\$8,000", "\$11,250", "\$13,500", "\$17,000", and "\$19,250" wherever they appear and inserting in lieu thereof "\$9,200", "\$12,937.50", "\$15,525", "\$19,550", and "\$22,137.50", respectively.

(6) Section 221(d) (4) (ii) of such Act is further amended by striking out "\$9,500", "\$16,000", "\$20,000", and "\$22,750" and inserting in lieu thereof "\$10,925", "\$18,400", "\$23,000", and "\$26,162.50", respectively.

(7) Section 221(h) (6) (A) of such Act is amended by striking out "\$15,000" and inserting in lieu thereof "\$18,000".

(f) Section 222(b) (2) of such Act is amended by striking out "\$30,000" and inserting in lieu thereof "\$33,000".

(g) (1) Section 231(c) (2) of such Act is amended by striking out "\$8,000", "\$11,250", "\$13,500", "\$17,000", and "\$19,250" wherever they appear and inserting in lieu thereof "\$8,800", "\$12,375", "\$14,850", "\$18,700", and "\$21,175", respectively.

(2) Section 231(c) (2) of such Act is further amended by striking out "\$9,500", "\$16,000", "\$20,000", and "\$22,750" and inserting in lieu thereof "\$10,450", "\$17,600", "\$22,000", and "\$25,025", respectively.

(h) (1) Section 234(c) of such Act is amended by striking out "\$30,000" and inserting in lieu thereof "\$33,000".

(2) Section 234(e) (3) of such Act is amended by striking out "\$9,000", "\$12,500", "\$15,000", "\$18,500", and "\$21,000" wherever they appear and inserting in lieu thereof "\$9,900", "\$13,750", "\$16,500", "\$20,350", and "\$23,100", respectively.

(3) Section 234(e) (3) of such Act is further amended by striking out "\$10,500", "\$18,000", "\$22,500", and "\$25,500" and inserting in lieu thereof "\$11,550", "\$19,800", "\$24,750", and "\$28,050", respectively.

(i) Section 235 of such Act is amended by striking out “\$15,000”, “\$17,500”, and “\$20,000” wherever they appear and inserting in lieu thereof “\$18,000”, “\$21,000”, and “\$24,000”, respectively.

82 Stat. 477.
12 USC 1715z.

(j) Section 237(c)(2) of such Act is amended by striking out “\$15,000” and “\$17,500” and inserting in lieu thereof “\$18,000” and “\$21,000”, respectively.

82 Stat. 485.
12 USC 1715z-2.

INCREASE IN GNMA PURCHASE AUTHORITY

SEC. 114. Section 302(b) of the National Housing Act is amended—

73 Stat. 669.
12 USC 1717.

(1) by striking out “exceeds or exceeded \$17,500” in clause (3) of the proviso in the first sentence and inserting in lieu thereof “exceeds or exceeded \$22,000”;

(2) by striking out “that exceeds \$17,500” in the second sentence and inserting in lieu thereof “that exceeds the otherwise applicable maximum amount”; and

79 Stat. 494.

(3) by striking out “did not exceed \$17,500” in the second sentence and inserting in lieu thereof “did not exceed the otherwise applicable maximum amount”.

GNMA SPECIAL ASSISTANCE PURCHASES

SEC. 115. Section 305 of the National Housing Act is amended by adding at the end thereof the following new subsection:

68 Stat. 616;
80 Stat. 1285.
12 USC 1720.

“(j) Notwithstanding any other provision of this Act, the Association is authorized to purchase pursuant to commitments or otherwise mortgages otherwise eligible for purchase under this section at a price equal to the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items, and to sell such mortgages at any time at a price within the range of market prices for the particular class of mortgages involved at the time of sale as determined by the Association. Mortgages insured under title V of the Housing Act of 1949, except mortgages for above moderate income families insured under section 517(a) of such Act, are eligible for purchase under this section.”

63 Stat. 432;
79 Stat. 498.
42 USC 1471-1490c.

TITLE II—URBAN RENEWAL AND HOUSING ASSISTANCE PROGRAMS

URBAN RENEWAL GRANT AUTHORITY

SEC. 201. Section 103(b) of the Housing Act of 1949 is amended—

63 Stat. 416;
82 Stat. 521.
42 USC 1453.

(1) by inserting before the period at the end of the first sentence the following: “, and by \$1,700,000,000 on July 1, 1970”; and

(2) by inserting after the first sentence the following new sentence: “Not less than 35 per centum of the amounts available to the Secretary for grants under this title during each of the fiscal years beginning July 1, 1969, and July 1, 1970, shall be for grants under part B.”

82 Stat. 518.
42 USC 1469-1469c.

EXTENSION OF URBAN RENEWAL ASSISTANCE TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS AND TO INDIAN TRIBES

SEC. 202. (a) Section 110(h) of the Housing Act of 1949 is amended by striking out the second sentence and inserting in lieu thereof the following: “The term ‘State’ includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory

68 Stat. 626.
42 USC 1460.

of the Pacific Islands, the territories and possessions of the United States, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States."

79 Stat. 477.
42 USC 1467.

(b) The first sentence of section 116 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

42 USC 1468.

(c) The first sentence of section 117 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

82 Stat. 525.
42 USC 1468a.

(d) The first sentence of section 118 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

EXTENSION OF PERIOD OF ELIGIBILITY OF LOCAL GRANTS-IN-AID FOR CERTAIN URBAN RENEWAL AND NEIGHBORHOOD DEVELOPMENT PROJECTS

SEC. 203. (a) The second paragraph of section 110(d) of the Housing Act of 1949 is amended—

73 Stat. 675.
42 USC 1460.

(1) by inserting "(except the second sentence of this paragraph)" after "any other provision of this subsection"; and

(2) by adding at the end thereof the following new sentence: "In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the three-year period referred to above shall be extended to a period of four years prior to the authorization by the Secretary of a contract for loan or capital grant for the project."

82 Stat. 519.
42 USC 1469b.

(b) Section 112(b) of such Act is amended—

75 Stat. 169.
42 USC 1463.

(1) by striking out "No expenditure" and inserting in lieu thereof "Subject to the second sentence of this subsection, no expenditure"; and

(2) by adding at the end thereof the following new sentence: "In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the seven-year period referred to in clause (1) of the preceding sentence shall be extended to a period of eight years prior to the authorization by the Secretary of a contract for a loan or capital grant for the project."

82 Stat. 519.
42 USC 1469b.

(c) Section 133(a) of such Act is amended—

(1) by striking out "For" and inserting in lieu thereof "Except as otherwise provided in this subsection, for";

(2) by striking out "the second paragraph" and inserting in lieu thereof "the first sentence of the second paragraph"; and

(3) by adding at the end thereof the following new sentence: "In connection with any neighborhood development program for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and for which no contract for financial assistance under the program has been authorized by the Secretary, the three-year and seven-year periods referred to above shall be extended to periods of four and eight years, respectively, prior to authorization of (1) the

first contract for financial assistance under the program which includes the urban renewal area benefited by the public improvement or facility (or the expenditures) for which credit is claimed, or (2) a contract for a loan or capital grant for an urban renewal project authorized after the date of the enactment of the Housing and Urban Development Act of 1969 in an area which is benefited by the public improvement or facility (or the expenditures) for which credit is claimed and which was included in the neighborhood development program application."

INCLUSION OF ENCLOSED PEDESTRIAN MALLS AS ELIGIBLE URBAN RENEWAL ACTIVITIES

SEC. 204. (a) Section 110(c)(3) of the Housing Act of 1949 is amended by inserting after "playgrounds," the following: "pedestrian malls and walkways (including in the case of an enclosed mall or walkway any necessary roofs, walls, columns, lighting, and climate control facilities)."

70 Stat. 1098.
42 USC 1460.

(b) The first sentence of the second unnumbered paragraph following paragraph (10) of section 110(c) of such Act is amended by inserting after "provided" the following: "in paragraph (3) with respect to enclosed pedestrian malls and walkways and as provided".

70 Stat. 1098;
82 Stat. 610.
42 USC 1460.

REHABILITATION GRANTS

SEC. 205. Section 115(c) of the Housing Act of 1949 is amended by striking out "or (2) \$3,000" and inserting in lieu thereof "or (2) \$3,500".

79 Stat. 457;
82 Stat. 521.
42 USC 1466.

LOCAL GRANTS-IN-AID CREDIT FOR CERTAIN FACILITIES BUILT ON BEHALF OF PUBLIC UNIVERSITIES

SEC. 206. Clause (A)(ii) of the second proviso in section 110(d) of the Housing Act of 1949 is amended by striking out "by a public university" and inserting in lieu thereof "by or on behalf of a public university".

80 Stat. 1280.
42 USC 1460.

INCOME LIMITATION UNDER REHABILITATION LOAN PROGRAM

SEC. 207. Section 312(a) of the Housing Act of 1964 is amended by striking out the last sentence and inserting in lieu thereof the following: "In making loans with respect to residential property under this section, priority shall be given to applications made by persons whose annual income, as determined pursuant to criteria and procedures established by the Secretary, is within the limitations prescribed by the Secretary for occupants of projects financed with below-market interest rate mortgages insured (in the area involved) under section 221(d)(3) of the National Housing Act."

82 Stat. 523.
42 USC 1452b.

75 Stat. 150;
Anfe, p. 384.
12 USC 1715L.

SUPPLEMENTAL GRANTS TO ENCOURAGE URBAN RENEWAL LOANS FROM PRIVATE SOURCES

SEC. 208. The proviso in the first paragraph of section 102(c) of the Housing Act of 1949 is amended—

82 Stat. 522.
42 USC 1452.

(1) by striking out "if";

(2) by striking out "the interest rate on such a loan from a source other than the Federal Government is greater than the rate

at which funds could be made available under the Federal loan contract.”;

(3) by striking out “from such sources” and inserting in lieu thereof “from a source other than the Federal Government”; and

(4) by inserting “or a supplemental grant in an amount which he determines is necessary to enable a local public agency to obtain funds from a source other than the Federal Government” immediately after “contract rate”.

REVIEW OF RELOCATION PLANS UNDER URBAN RENEWAL PROGRAM

79 Stat. 475.
42 USC 1455.

SEC. 209. Section 105(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new paragraph:

“(3) Within one year after the date of the enactment of this paragraph, and every two years thereafter, the Secretary shall review each locality’s relocation plan under this subsection and its effectiveness in carrying out such plan.”

REPLACEMENT OF HOUSING UNITS WHERE PROJECT INVOLVES DEMOLITION OR REMOVAL OF RESIDENTIAL STRUCTURES

63 Stat. 416;
80 Stat. 1281.
42 USC 1455.

SEC. 210. Section 105 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

“(h) If any urban renewal project which receives Federal recognition after the date of the enactment of this subsection includes the demolition or removal of any residential structure or structures (whether or not it is a project taken into account for purposes of applying subsection (f)), there shall be provided in the area within which the local public agency has jurisdiction (by construction or rehabilitation) standard housing units for occupancy by low and moderate income families (including but not limited to units provided under Federal- or State-assisted housing programs and including units of low-rent housing in private accommodations assisted under section 23 of the United States Housing Act of 1937) at least equal in number to the number of units occupied by such families prior to the demolition or removal of such structure or structures: *Provided*, That the Secretary shall have authority where he deems it appropriate to take into account suitable housing outside such area for purposes of meeting the requirement of this subsection. If the Secretary finds that the percentage of vacancies for all existing housing units in the area within which the local public agency has jurisdiction is 5 per centum or greater, he may waive the requirements of this subsection to the extent that he determines there are existing standard housing units in such area which will be available for occupancy by low and moderate income families who are being displaced by the urban renewal project.”

79 Stat. 455.
42 USC 1421b.

LOANS FOR PUBLIC HOUSING PROJECTS

50 Stat. 891.
42 USC 1409.

SEC. 211. Section 9 of the United States Housing Act of 1937 is amended by striking out the third sentence.

PUBLIC HOUSING ANNUAL CONTRIBUTIONS

50 Stat. 892;
63 Stat. 425.
42 USC 1410.
82 Stat. 503.

SEC. 212. (a) The proviso in section 10(b) of the United States Housing Act of 1937 is amended by inserting after “any contract” the following: “, although not limited to debt service requirements.”

(b) The first sentence of section 10(e) of such Act is amended by

striking out “\$150,000,000 on July 1 in each of the years 1969 and 1970” and inserting in lieu thereof “\$225,000,000 on July 1, 1969, and \$170,000,000 on July 1, 1970”.

REDUCED RENTALS FOR VERY LOW INCOME TENANTS OF PUBLIC HOUSING PROJECTS

SEC. 213. (a) The second paragraph of section 2(1) of the United States Housing Act of 1937 is amended by inserting after “rents” the following: “(which may not exceed one-fourth of the family’s income, as defined by the Secretary)”.

73 Stat. 680;
79 Stat. 457.
42 USC 1402.

(b) The requirement in section 2(1) of the United States Housing Act of 1937 that the rents fixed by public housing agencies may not exceed one-fourth of a low-rent housing tenant’s income shall be effective not later than ninety days following the date of the enactment of this Act. The requirement shall not apply in any case in which the Secretary of Housing and Urban Development determines that limiting the rent of any tenant or class of tenants, as provided by such section 2(1), will result in a reduction in the amount of welfare assistance which would otherwise be provided to such tenant or class of tenants by a public agency.

(c) The second sentence of section 14 of the United States Housing Act of 1937 is amended by inserting after “Government,” the following: “or is necessary to insure the low-rent character of the project involved.”

63 Stat. 426.
42 USC 1414.

NOTIFICATIONS TO APPLICANTS FOR ADMISSION TO PUBLIC HOUSING PROJECTS

SEC. 214. Section 10(g) of the United States Housing Act of 1937 is amended—

75 Stat. 164.
42 USC 1410.

- (1) by striking out “and” at the end of paragraph (2);
- (2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof “; and”; and
- (3) by adding after paragraph (3) a new paragraph as follows:
 - “(4) the public housing agency shall promptly notify (i) any applicant determined to be ineligible for admission to the project of the basis for such determination and provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination, and (ii) any applicant determined to be eligible for admission to the project of the approximate date of occupancy insofar as such date can be reasonably determined.”

ROOM COST LIMITATIONS FOR PUBLIC HOUSING PROJECTS

SEC. 215. The first sentence of section 15(5) of the United States Housing Act of 1937 is amended—

79 Stat. 487.
42 USC 1415.

- (1) by striking out “\$2,400 per room (\$3,500 per room” and inserting in lieu thereof “\$2,800 per room (\$3,900 per room”;
- (2) by striking out “\$3,500 per room and \$4,000 per room” and inserting in lieu thereof “\$4,000 per room and \$4,500 per room”; and
- (3) by striking out “\$750 per room” and inserting in lieu thereof “\$1,500 per room in the case of accommodations designed specifically for elderly families, or \$1,400 per room in any other case.”

MANAGEMENT AND SERVICES IN PUBLIC HOUSING PROJECTS

82 Stat. 503.
42 USC 1415.

SEC. 216. The last sentence of section 15(10) of the United States Housing Act of 1937 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

ELIMINATION OF WORKABLE PROGRAM REQUIREMENT WITH RESPECT TO LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS AND OTHER LOW-RENT PUBLIC HOUSING, AND WITH RESPECT TO MORTGAGE INSURANCE UNDER SECTION 221(d)(3) PROGRAM

68 Stat. 623.
42 USC 1451.

SEC. 217. (a) Section 101(c) of the Housing Act of 1949 is amended—

(1) by striking out "or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to August 1, 1956,";

(2) by striking out "or section 221(d)(3)";

75 Stat. 150.
12 USC 1715l.

(3) by striking out "(i)", and "or (ii) section 221(d)(3) of the National Housing Act if payments with respect to the mortgaged property are made or are to be made under section 101 of the Housing and Urban Development Act of 1965," in the first proviso; and

79 Stat. 451.
12 USC 1701s.

(4) by striking out "or a contract for annual contributions or capital grants was entered into pursuant to the United States Housing Act of 1937,".

75 Stat. 163.
42 USC 1410.

(b) The second proviso in section 10(e) of the United States Housing Act of 1937 is amended by striking out "no such new contract" and all that follows down through "Housing Act of 1949, and".

79 Stat. 455;
82 Stat. 504.
42 USC 1421b.

(c) Section 23(f) of the United States Housing Act of 1937 is amended by striking out all that follows "this Act" where it first appears and inserting in lieu thereof "shall not apply to low-rent housing assisted or to be assisted under this section."

AUTHORIZATION FOR HOUSING FOR THE ELDERLY OR HANDICAPPED

73 Stat. 667;
79 Stat. 457.
12 USC 1701q.

SEC. 218. Section 202(a)(4) of the Housing Act of 1959 is amended to read as follows:

"(4) There is authorized to be appropriated for the purposes of this section not to exceed \$500,000,000, which amount shall be increased by \$150,000,000 on July 1, 1969. Amounts so appropriated shall constitute a revolving fund to be used by the Secretary in carrying out this section."

AUTHORIZATION FOR COLLEGE HOUSING DEBT SERVICE GRANTS

82 Stat. 604.
12 USC 1749.

SEC. 219. Section 401(f)(2) of the Housing Act of 1950 is amended by striking out all that follows "exceed" and inserting in lieu thereof "\$20,000,000, which amount shall be increased by \$4,200,000 on July 1, 1970."

ASSISTANCE FOR HOUSING IN ALASKA

80 Stat. 1284.
42 USC 3371.

SEC. 220. Section 1004(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "\$7,500" and inserting in lieu thereof "\$10,875".

TITLE III—MODEL CITIES AND METROPOLITAN DEVELOPMENT PROGRAMS

AUTHORIZATION FOR MODEL CITIES PROGRAM

SEC. 301. (a) Section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out “and” the third time it appears;

(2) by inserting before the period at the end thereof the following: “, and not to exceed \$600,000,000 for the fiscal year ending June 30, 1971”; and

(3) by adding at the end thereof the following new sentence: “Under regulations prescribed by the Secretary, 10 per centum of the amounts appropriated pursuant to this subsection for the fiscal year ending June 30, 1970, and for any fiscal year thereafter shall be used for assistance to city demonstration agencies in cities or counties having a population (according to the most recent decennial census) of less than 100,000, and may be so used (to the extent specifically provided in such regulations) without regard to the limitation set forth in the first sentence of section 105(c).”

(b) Section 111(c) of such Act is amended by striking out “1970” and inserting in lieu thereof “1971”.

80 Stat. 1260;
82 Stat. 602.
42 USC 3311.

80 Stat. 1257.
42 USC 3305.
82 Stat. 602.

AUTHORIZATION FOR COMPREHENSIVE PLANNING GRANTS

SEC. 302. The fifth sentence of section 701(b) of the Housing Act of 1954 is amended by striking out “and not to exceed \$390,000,000 prior to July 1, 1970” and inserting in lieu thereof “and not to exceed \$390,000,000 prior to July 1, 1971”.

82 Stat. 529.
40 USC 461.

AUTHORIZATION FOR OPEN SPACE, URBAN BEAUTIFICATION, AND HISTORIC PRESERVATION GRANTS

SEC. 303. The first sentence of section 702(b) of the Housing Act of 1961 is amended by striking out “and not to exceed \$460,000,000 prior to July 1, 1970” and inserting in lieu thereof “and not to exceed \$460,000,000 prior to July 1, 1971”.

82 Stat. 534.
42 USC 1500a.

AUTHORIZATION FOR NEW COMMUNITY SUPPLEMENTARY ASSISTANCE GRANTS

SEC. 304. Section 412(d) of the Housing and Urban Development Act of 1968 is amended by striking out “July 1, 1970” and inserting in lieu thereof “July 1, 1971”.

82 Stat. 517.
42 USC 3911.

COMMUNITY FACILITIES GRANTS

SEC. 305. (a) Section 702(c) of the Housing and Urban Development Act of 1965 is amended by striking out “1969” in clause (2) and inserting in lieu thereof “1970”.

(b) Section 708(b) of such Act is amended by striking out “1970” and inserting in lieu thereof “1971”.

(c) The second sentence of section 708(a) of such Act is amended by inserting before the period at the end thereof the following: “, and not to exceed \$100,000,000 for the fiscal year commencing July 1, 1970”.

82 Stat. 534.
42 USC 3102.

82 Stat. 534.
42 USC 3108.

URBAN MASS TRANSPORTATION

SEC. 306. (a) The first sentence of section 4(b) of the Urban Mass Transportation Act of 1964 is amended—

- (1) by striking out “and” the second time it appears; and
- (2) by striking out the period and inserting in lieu thereof “; and \$300,000,000 for fiscal year 1971.”

(b) Section 5 of such Act is amended by striking out “1970” and inserting in lieu thereof “1971”.

78 Stat. 304;
82 Stat. 534.
49 USC 1603.

82 Stat. 535.
49 USC 1604.

TRAINING AND FELLOWSHIP PROGRAMS

SEC. 307. Title VIII of the Housing Act of 1964 is amended to read as follows:

“TITLE VIII—TRAINING AND FELLOWSHIP PROGRAMS

“FINDINGS AND PURPOSE

“SEC. 801. (a) The Congress finds that the rapid expansion of the Nation’s urban areas and urban population has caused severe problems in urban and suburban development and created a national need to (1) provide special training in skills needed for economic and efficient community development, and (2) support research in new or improved methods of dealing with community development problems.

“(b) It is the purpose of this title to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists, and to assist and encourage the States, in cooperation with public or private universities and colleges and urban centers and with business firms and associations, labor unions, and other interested associations and organizations, to (1) organize, initiate, develop, and expand programs which will provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibility for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs, and (2) support State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems.

“FELLOWSHIPS FOR CITY PLANNING AND URBAN STUDIES

“SEC. 802. (a) The Secretary is authorized to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists as herein provided. Persons shall be selected for such fellowships solely on the basis of ability and upon the recommendation of the Urban Studies Fellowship Advisory Board established pursuant to subsection (b). Fellowships shall be solely for training in public and private nonprofit institutions of higher education having programs of graduate study in the field of city planning or in related fields (including architecture, civil engineering, eco-

78 Stat. 802.
20 USC 801-
811.

nomics, municipal finance, public administration, and sociology), which programs are oriented to training for careers in city and regional planning, housing, urban renewal, and community development.

“(b) There is hereby established the Urban Studies Fellowship Advisory Board (hereinafter referred to as the ‘Board’), which shall consist of nine members to be appointed by the Secretary as follows: Three from public institutions of higher learning and three from private nonprofit institutions of higher education, who are the heads of departments which provide academic courses appropriately related to the fields referred to in subsection (a), and three from national organizations which are directly concerned with problems relating to urban, regional, and community development. The Board shall meet upon the request of the Secretary and shall make recommendations to him with respect to persons to be selected for fellowships under this section. Members of the Board shall be entitled to receive transportation expenses and a per diem in lieu of subsistence as authorized for members of advisory committees created pursuant to section 601 of the Housing Act of 1949.

Urban Studies
Fellowship
Advisory Board.
Establishment.

68 Stat. 645.
12 USC 1701h.

“MATCHING GRANTS TO STATES

“SEC. 803. (a) Subject to the provisions of this title and in accordance with regulations prescribed by him, the Secretary may make matching grants to States to assist in—

“(1) organizing, initiating, developing, or expanding programs to provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibilities for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs; and

“(2) supporting State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems, and collecting, collating, and publishing statistics and information relating to such research.

“(b) No grants may be made to a State under this section unless the Secretary has approved a plan for the State which—

“(1) sets forth the proposed use of the funds and the objectives to be accomplished;

“(2) explains the method by which the required amounts from non-Federal sources will be obtained;

“(3) provides such fiscal control and fund accounting procedures as may be reasonably necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State under this section;

“(4) designates an officer or agency of the State government who has responsibility and authority for the administration of a statewide research and training program as the officer or agency with responsibility and authority for the execution of the State's program under this section; and

“(5) provides that such officer or agency will make such reports to the Secretary, in such form, and containing such information, as may be reasonably necessary to enable the Secretary to perform his duties under this section.

"(c) No grant may be made under this section for any use unless an amount at least equal to such grant is made available from non-Federal sources for the same purpose and for concurrent use.

"STATE LIMIT

"SEC. 804. Not more than 10 per centum of the total amount appropriated for the purposes of this title may be used for making grants to any one State.

"TECHNICAL ASSISTANCE, STUDIES, AND PUBLICATION OF INFORMATION

"SEC. 805. In order to carry out the purpose of this title, the Secretary is authorized to provide technical assistance to State and local governmental or public bodies and to undertake such studies and publish and distribute such information, either directly or by contract, as he shall determine to be desirable. Nothing contained in this title shall limit any authority of the Secretary under any other provision of law.

"APPROPRIATION

"SEC. 806. There is authorized to be appropriated for the purpose of making grants and providing fellowships under this title, without fiscal year limitation, not to exceed \$30,000,000. Any amounts appropriated under this section shall remain available until expended.

"MISCELLANEOUS

"State."

"SEC. 807. (a) As used in this title the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands; and the term 'Secretary' means the Secretary of Housing and Urban Development.

Appropriation.

"(b) There are authorized to be appropriated such sums as may be necessary for administrative and other expenses in carrying out this title."

EXTENSION OF URBAN INFORMATION AND TECHNICAL ASSISTANCE SERVICES AUTHORIZATION

SEC. 308. Section 906 of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

80 Stat. 1284;
82 Stat. 603.
42 USC 3356.

TITLE IV—MISCELLANEOUS

FLEXIBLE INTEREST RATE AUTHORITY

SEC. 401. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, is amended by striking out "January 1, 1970" and inserting in lieu thereof "October 1, 1970".

82 Stat. 113;
Ante, p. 125.
12 USC 1709-1.

AUTHORIZATION FOR PROPERTY ACQUISITIONS IN APPLYING ADVANCES IN
TECHNOLOGY TO HOUSING AND URBAN DEVELOPMENT

SEC. 402. The first sentence of section 1010(c) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

- (1) by inserting “(1)” after “authorized”; and
- (2) by inserting before the period a comma and the following: “and (2) notwithstanding any other provision of law, to acquire, use and dispose of land and other property as he deems necessary to carry out the purposes of subsection (a) (1) of this section”.

80 Stat. 1286;
82 Stat. 603.
42 USC 3372.

EXTENSION OF CERTAIN PROVISIONS OF LAW RELATING TO HOUSING AND
URBAN DEVELOPMENT TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 403. (a) Paragraph (12) of section 2 of the United States Housing Act of 1937 is amended to read as follows:

50 Stat. 889.
42 USC 1402.

“(12) The term ‘State’ includes the States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and the territories and possessions of the United States.”

(b) Section 206 of the Housing Amendments of 1955 is amended by striking out “and the Territories and possessions of the United States” and inserting in lieu thereof “the Trust Territory of the Pacific Islands, and the territories and possessions of the United States.”

70 Stat. 1114.
42 USC 1496.

(c) (1) Section 201(d) of the National Housing Act is amended by inserting “the Trust Territory of the Pacific Islands,” after “Guam,”.

55 Stat. 61.
12 USC 1707.

(2) Section 207(a)(7) of such Act is amended by inserting “the Trust Territory of the Pacific Islands,” after “Guam,”.

12 USC 1713.

(3) Section 9 of such Act is amended by inserting “the Trust Territory of the Pacific Islands,” after “Guam,”.

66 Stat. 603.
12 USC 1706d.

EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION
WITH HUD-ASSISTED PROJECTS

SEC. 404. Section 3 of the Housing and Urban Development Act of 1968 is amended to read as follows:

82 Stat. 476.
12 USC 1701u.

“EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN
CONNECTION WITH ASSISTED PROJECTS

“SEC. 3. In the administration by the Secretary of Housing and Urban Development of programs providing direct financial assistance in aid of housing, urban planning, development, redevelopment, or renewal, public or community facilities, and new community development, the Secretary shall—

“(1) require, in consultation with the Secretary of Labor, that to the greatest extent feasible opportunities for training and employment arising in connection with the planning and carrying out of any project assisted under any such program be given to lower income persons residing in the area of such project; and

“(2) require, in consultation with the Administrator of the Small Business Administration, that to the greatest extent feasible contracts for work to be performed in connection with any such project be awarded to business concerns, including but not limited to individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the area of such project.”

URBAN PROPERTY PROTECTION AND REINSURANCE—ENTRY INTO
REINSURANCE CONTRACTS

82 Stat. 561.
12 USC
1749bbb-8.

SEC. 405. Section 1222(d) of the National Housing Act is amended by striking out all that follows "thereafter" the first time it appears and inserting in lieu thereof a period.

URBAN PROPERTY PROTECTION AND REINSURANCE—STATE SHARE
OF REINSURED LOSSES

82 Stat. 562.
12 USC
1749bbb-9.

SEC. 406. Section 1223(a) of the National Housing Act is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) in any State which has not, after the close of the second full regular session of the appropriate State legislative body following the date of the enactment of this title, adopted appropriate legislation, retroactive to the date of the enactment of this title, under which the State, its political subdivisions, or a governmental corporation or fund established pursuant to State law, will reimburse the Secretary for any reinsured losses in that State in any reinsurance contract year, in an amount up to 5 per centum of the aggregate property insurance premiums earned in that State during the calendar year immediately preceding the end of the reinsurance contract year on those lines of insurance reinsured by the Secretary in that State during the contract year, to the extent that reinsured losses paid by the Secretary for such year exceed the total of (A) reinsurance premiums earned in that State during that reinsurance contract year plus (B) the excess of (i) the total premiums earned by the Secretary for reinsurance in that State during a preceding period measured from the end of the most recent reinsurance contract year with respect to which the Secretary was reimbursed for losses under this title over (ii) any amounts paid by the Secretary for reinsured losses that were incurred during such period;"

STUDY OF REINSURANCE AND OTHER PROGRAMS

82 Stat. 565.
12 USC
1749bbb-15.

SEC. 407. Section 1235(b) of the National Housing Act is amended by striking out "one year following the date of the enactment of this title" and inserting in lieu thereof "June 30, 1970".

EMERGENCY FLOOD INSURANCE PROGRAM

82 Stat. 582.
42 USC 4051-
4055.

SEC. 408. Part A of chapter II of title XIII of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new section:

"EMERGENCY IMPLEMENTATION OF PROGRAM

42 USC 4011-
4027.

"SEC. 1336. (a) Notwithstanding any other provisions of this title, for the purpose of providing flood insurance coverage at the earliest possible time, the Secretary shall carry out the flood insurance program authorized under chapter I during the period ending December 31, 1971, in accordance with the provisions of this part and the other provisions of this title insofar as they relate to this part but subject to the modifications made by or under subsection (b).

“(b) In carrying out the flood insurance program pursuant to subsection (a), the Secretary—

“(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 1307; and

“(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 1334) and sections 1345 and 1346 to such extent and in such manner as he may consider necessary or appropriate to carry out the purpose of this section.”

82 Stat. 576.
42 USC 4014.

42 USC 4054,
4081.
42 USC 4082.

EXTENSION OF FLOOD INSURANCE PROGRAM TO COVER LOSSES FROM WATER-CAUSED MUDSLIDES

SEC. 409. (a) Section 1302 of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new subsection:

82 Stat. 572.
42 USC 4001.

“(f) The Congress also finds that (1) the damage and loss which results from mudslides is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this title to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available under this title for purposes of the flood insurance program, protection against damage and loss resulting from mudslides that are caused by accumulations of water on or under the ground.”

(b) Section 1370 of such Act is amended by inserting “(a) after ‘SEC. 1370.’”, and by adding at the end thereof the following new subsection:

82 Stat. 588.
42 USC 4121.

“(b) The term ‘flood’ shall also include inundation from mudslides which are caused by accumulations of water on or under the ground; and all of the provisions of this title shall apply with respect to such mudslides in the same manner and to the same extent as with respect to floods described in paragraph (1), subject to and in accordance with such regulations, modifying the provisions of this title (including the provisions relating to land management and use) to the extent necessary to insure that they can be effectively so applied, as the Secretary may prescribe to achieve (with respect to such mudslides) the purposes of this title and the objectives of the program.”

“Flood.”

NATIONAL FLOOD INSURANCE PROGRAM—ADOPTION OF LOCAL FLOOD CONTROL MEASURES

SEC. 410. (a) Section 1305(c)(2) of the Housing and Urban Development Act of 1968 is amended by striking out “June 30, 1970, permanent” and inserting in lieu thereof “December 31, 1971, adequate”.

82 Stat. 574.
42 USC 4012.

(b) Section 1315 of such Act is amended—

82 Stat. 580.
42 USC 4022.

(1) by striking out “June 30, 1970” and inserting in lieu thereof “December 31, 1971”; and

(2) by striking out “permanent” and inserting in lieu thereof “adequate”.

(c) Section 1361(c) of such Act is amended by striking out “permanent” and inserting in lieu thereof “adequate”.

82 Stat. 587.
42 USC 4102.

INTERSTATE LAND SALES

82 Stat. 591.
15 USC 1702.

SEC. 411. Section 1403(a)(10) of the Housing and Urban Development Act of 1968 is amended to read as follows:

"(10) the sale or lease of real estate which is free and clear of all liens, encumbrances, and adverse claims if each and every purchaser or his or her spouse has made a personal on-the-lot inspection of the real estate which he purchased and if the developer executes a written affirmation to that effect to be made a matter of record in accordance with rules and regulations of the Secretary. As used in this subparagraph, the terms 'liens', 'encumbrances', and 'adverse claims' do not refer to property reservations which land developers commonly convey or dedicate to local bodies or public utilities for the purpose of bringing public services to the land being developed, nor to taxes and assessments imposed by a State, by any other public body having authority to assess and tax property, or by a property owners' association, which, under applicable State or local law, constitute liens on the property before they are due and payable, nor to beneficial property restrictions which would be enforceable by other lot owners or lessees in the subdivision, if (A) the developer, prior to the time the contract of sale or lease is entered into, has furnished each purchaser or lessee with a statement, the form and content of which has been approved by the Secretary, setting forth in descriptive and concise terms all such reservations, taxes, assessments, and restrictions which are applicable to the lot to be purchased or leased, and (B) receipt of such statement has been acknowledged in writing by the purchaser or lessee, and a copy of the acknowledged statement is filed with the Secretary in accordance with such rules and regulations as he may require."

REPORTS

82 Stat. 602.
42 USC 1441c.

SEC. 412. (a) Section 1603 of the Housing and Urban Development Act of 1968 is amended by striking out "January 15," and inserting in lieu thereof "February 15,".

82 Stat. 479.
12 USC 1715z.

(b) The last sentence of section 235(h)(2) of the National Housing Act is amended by striking out "annually" and inserting in lieu thereof "semiannually".

82 Stat. 500.
12 USC 1715z-1.

(c) The last sentence of section 236(i)(2) of the National Housing Act is amended by striking out "annually" and inserting in lieu thereof "semiannually".

RURAL HOUSING

63 Stat. 438.
76 Stat. 671.
79 Stat. 498.
Ante, p. 125.
42 USC 1483,
1485, 1487.

SEC. 413. (a) Sections 513, 515(b)(5), and 517(a)(1) of the Housing Act of 1949 are each amended by striking out "January 1, 1970" wherever it appears and inserting in lieu thereof "October 1, 1973".

(b) Section 517(c) of such Act is amended by striking out all that follows "section" and inserting in lieu thereof a period.

(c) Section 517 of such Act is amended by adding at the end thereof the following new subsection:

"(k) Any sale by the Secretary of loans individually or in blocks, pursuant to subsections (c) and (g), shall be treated as a sale of assets for the purposes of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement

42 Stat. 20.
31 USC 1.

Sale of assets.

with the purchaser, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser."

(d) Section 517 of such Act is further amended by adding at the end thereof (after subsection (k)), as added by subsection (c) of this section) the following new subsection:

79 Stat. 498.
42 USC 1487.

"(1) The Secretary may also, upon the application of lenders, builders, or sellers and upon compliance with requirements specified by him, make commitments upon such terms and conditions as he shall prescribe to make or insure loans under this section to eligible applicants."

(e) (1) Section 517 of such Act is further amended by adding at the end thereof (after subsection (l)), as added by subsection (d) of this section) the following new subsection:

"(m) The assets and liabilities of, and authorizations applicable to, the Rural Housing Direct Loan Account are hereby transferred to the Fund, and such Account is hereby abolished. Such assets and their proceeds, including loans made out of the Fund pursuant to this section, shall be subject to all of the provisions of this section."

(2) The first sentence of section 517(d) of such Act is amended—

(A) by striking out "(a) and (b)" and inserting in lieu thereof "(a), (b), and (m)"; and

(B) by inserting "or otherwise acquired by" after "loans made from".

(3) Section 518 of such Act is repealed.

Repeal.
42 USC 1488.
42 USC 1489.

(4) Section 519 of such Act is amended by striking out "or the Rural Housing Direct Loan Account" and "or Account".

(f) (1) Title V of such Act is amended by adding at the end thereof a new section as follows:

63 Stat. 432;
82 Stat. 553.
42 USC 1471-
1490c.

"FINANCIAL ASSISTANCE TO NONPROFIT ORGANIZATIONS TO PROVIDE SITES FOR RURAL HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES

"SEC. 524. (a) The Secretary may make loans, on such terms and conditions and in such amounts as he deems necessary, to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, and cooperatives eligible for assistance under section 235 or 236 of the National Housing Act or section 521 of this Act. Such a loan shall bear interest at a rate prescribed by the Secretary taking into consideration a rate determined annually by the Secretary of the Treasury as the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, and shall be repaid within a period not to exceed two years from the making of the loan or within such additional period as may be authorized by the Secretary in any case as being necessary to carry out the purposes of this section.

82 Stat. 477,
498, 551.
12 USC 1715z,
1715z-1.
42 USC 1490a.

"(b) In determining whether to extend financial assistance under this section, the Secretary shall take into consideration, among other factors, (1) the suitability of the area to the types of dwellings which can feasibly be provided, and (2) the extent to which the assistance will (i) facilitate providing needed decent, safe, and sanitary housing, (ii) be utilized efficiently and expeditiously, and (iii) fulfill a need in the area which is not otherwise being met through other programs, including those being carried out by other Federal, State, or local agencies."

79 Stat. 498.
42 USC 1487.

(2) Section 517(b) of such Act is amended by striking out "and 515" and inserting ", 515", and by adding after "(b) (4)", the following: "and 524,".

SALE OF LAND FOR HOUSING

63 Stat. 377.
40 USC 471
note.

SEC. 414. (a) Notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949, any surplus real property within the meaning of such Act may in the discretion of the Administrator of General Services be transferred to the Secretary of Housing and Urban Development at his request for sale or lease by him at its fair value for use in the provision of rental or cooperative housing to be occupied by families or individuals of low or moderate income. Any such sale or lease of surplus land shall be made only to (1) a public body which will use the land in connection with the development of a low-rent housing project assisted under the United States Housing Act of 1937, or under a State or local program found by the Secretary of Housing and Urban Development to have the same general purposes as the Federal program under such Act, or (2) a purchaser or lessee who will use the land in connection with the development of housing (A) with respect to which annual payments will be made to the housing owner pursuant to section 101 of the Housing and Urban Development Act of 1965, (B) financed with a mortgage which receives the benefit of the interest rate provided for in the proviso in section 221(d) (5) of the National Housing Act, or (C) with respect to which interest reduction payments will be made under section 236 of the National Housing Act: *Provided*, That prior to any such sale or lease to a purchaser or lessee other than a public body, the Secretary shall notify the governing body of the locality where the land is located of the proposed sale or lease and no such sale or lease shall be made if the local governing body, within ninety days of such notification, formally advises the Secretary that it objects to the proposed sale or lease. If the United States paid valuable consideration for any such land the Secretary shall not sell it for less than its cost to the United States at the time of acquisition. In addition, if such land contains improvements constructed by the Federal Government which have potential use in the provision of housing for low- or moderate-income families or individuals, the improvements shall be separately appraised for such use and the price for which such land is sold shall include an amount which is not less than the value of such improvements as so appraised.

(b) As a condition to any sale or lease of surplus land under this section to a purchaser or lessee other than a public body, the Secretary shall obtain such undertakings as he may consider appropriate to assure that the property will be used in the provision of rental or cooperative housing to be occupied by families or individuals of low or moderate income for a period of not less than forty years. If during such period the property is used for any purpose other than the purpose for which it was sold or leased it shall revert to the United States (or, in the case of leased property, the lease shall terminate) unless the Secretary, after the expiration of the first twenty years of such period, has approved the use of the property for such other purpose. The Secretary shall notify the Committees on Banking and Currency of the Senate and House of Representatives whenever any surplus land is sold or leased by him, or he approves a change in the use of any surplus land theretofore sold or leased by him, pursuant to the authority of this section.

50 Stat. 888.
42 USC 1430.

79 Stat. 451.
12 USC 1701 s.

75 Stat. 152;
79 Stat. 454.
12 USC 1715 l.
82 Stat. 498.
12 USC 1715 z-1.

AUTHORITY TO TRANSFER ADDITIONAL AMOUNTS FROM GENERAL INSURANCE
FUND TO SPECIAL RISK INSURANCE FUND

SEC. 415. Section 238(b) of the National Housing Act is amended by striking out "the sum of \$5,000,000" in the first sentence and inserting in lieu thereof "at such times and in such amounts as he may determine to be necessary, a total sum of \$20,000,000".

82 Stat. 487.
12 USC 1715z-3.

SAVINGS AND LOAN ASSOCIATIONS

SEC. 416. (a) Section 5 of the Federal Home Loan Bank Act (12 U.S.C. 1425) is amended to read as follows:

Regulations.
47 Stat. 727.

"SEC. 5. No institution shall be admitted to or retained in membership, or granted the privileges of nonmember borrowers, if the combined total of the amounts paid to it for interest, commission, bonus, discount, premium, and other similar charges, less a proper deduction for all dividends, refunds, and cash credits of all kinds, creates an actual net cost to the home owner in excess of the lawful contract rate of interest applicable to such transactions, or, in case there is no lawful contract rate of interest applicable to such transactions, in excess of such rates as may be prescribed in writing by the Board acting in its discretion from time to time. This section applies only to home mortgage loans on single-family dwellings."

(b) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:

Investment
authority.
48 Stat. 132.

"Without regard to any other provision of this subsection, any such association is authorized to invest in shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968, and is authorized to invest in any partnership, limited partnership, or joint venture formed pursuant to section 907(a) or 907(c) of that Act."

82 Stat. 547.
42 USC 3931-
3940.

(c) (1) Section 404(d) (2) (B) of the National Housing Act (12 U.S.C. 1727(d) (2) (B)) is amended by striking out "1966" and inserting in lieu thereof "1965".

82 Stat. 858.

(2) Section 6(b) of the Act of September 21, 1968 (Public Law 90-505), is amended by striking out "1968" and inserting in lieu thereof "1965".

82 Stat. 859.
12 USC 1727
note.

RESTRAINTS AGAINST USE OF NEW AND IMPROVED TECHNOLOGIES

SEC. 417. Section 1010(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (3) a new paragraph as follows:

"(4) assure, to the extent feasible, in connection with the construction, major rehabilitation, or maintenance of any housing

80 Stat. 1286;
82 Stat. 603.
42 USC 3372.

assisted under this section, that there is no restraint by contract, building code, zoning ordinance, or practice against the employment of new or improved technologies, techniques, materials, and methods or of preassembled products which may reduce the cost or improve the quality of such construction, rehabilitation, and maintenance, and therefore stimulate expanded production of housing under this section, except where such restraint is necessary to insure safe and healthful working and living conditions."

MISCELLANEOUS AND TECHNICAL AMENDMENTS

82 Stat. 478.
12 USC 1715z.

SEC. 418. (a) Section 235(c) of the National Housing Act is amended by inserting immediately before the period at the end of the first sentence the following: ": *Provided further*, That the Secretary is authorized to continue making such assistance payments where the mortgage has been assigned to the Secretary".

82 Stat. 499.
12 USC 1715z-1.

(b) Section 236(b) of such Act is amended by striking out "*Provided*, That" and inserting in lieu thereof the following "*Provided*, That the Secretary is authorized to continue making such interest reduction payments where the mortgage has been assigned to the Secretary: *Provided further*, That".

75 Stat. 182;
82 Stat. 510.
12 USC 1715n.

(c) Section 223(d) of such Act is amended by inserting the following new sentence at the end thereof: "A loan involving a project covered by a mortgage insured under section 213 that is the obligation of the Cooperative Management Housing Insurance Fund shall be the obligation of such fund, and loans involving projects covered by a mortgage insured under section 236 or under any section of this title pursuant to subsection (e) of this section shall be the obligation of the Special Risk Insurance Fund."

82 Stat. 486.
12 USC 1715n.

(d) Section 223(e) of such Act is amended to read as follows:

53 Stat. 807.
12 USC 1715c.
80 Stat. 1274.
12 USC 1749aaa-
1749aaa-5.

"(e) Notwithstanding any of the provisions of this Act except section 212, and without regard to limitations upon eligibility contained in any section of this title or title XI, the Secretary is authorized, upon application by the mortgagee, to insure under any section of this title or title XI a mortgage executed in connection with the repair, rehabilitation, construction, or purchase of property located in an older, declining urban area in which the conditions are such that one or more of the eligibility requirements applicable to the section or title under which insurance is sought could not be met, if the Secretary finds that (1) the area is reasonably viable, giving consideration to the need for providing adequate housing or group practice facilities for families of low and moderate income in such area, and (2) the property is an acceptable risk in view of such consideration. The insurance of a mortgage pursuant to this subsection shall be the obligation of the Special Risk Insurance Fund."

63 Stat. 57.
12 USC 1715d.

(e) Section 214 of such Act is amended by inserting in the first sentence after "construct dwellings" the words "or mobile home courts or parks".

80 Stat. 1274.
12 USC 1749aaa.

(f) Section 1101(c) (2) of such Act is amended—

(1) by striking out "value of the property or project" and inserting in lieu thereof "replacement cost of the property or project"; and

(2) by striking out "The value" and inserting in lieu thereof "The replacement cost".

Approved December 24, 1969.