

riod following Nov. 30, 1983, submit to Congress a report setting forth the results of such evaluation. Such report to include an evaluation of whether use of such mortgages improves financial situation, or otherwise meets special needs, of elderly homeowners; an evaluation of any risks incurred by mortgagors as a result of use of such mortgages, and any recommendations of Secretary for appropriate safeguards to be included in such mortgages to minimize such risks; an evaluation of the potential for acceptance of such mortgages in the private market; and any recommendations of Secretary for establishment of a Federal program of insuring such mortgages.

STUDIES OF MORTGAGE INSURANCE PREMIUMS AND ALTERNATIVES TO STATUTORY MORTGAGE AMOUNTS

Section 309 of Pub. L. 96-153 directed Secretary of Housing and Urban Development to (a) conduct a study of the relative risks of loss for various classes of mortgages which may be insured under sections 1709(b) and 213 of this title, for the purpose of making recommendations on the advisability of reducing mortgage insurance premiums, and transmit the recommendations to Congress within 18 months from Dec. 21, 1979, and (b) conduct a study of alternatives to the present system of fixed statutory maximum amounts for mortgages insured under subchapters I and II of this chapter and report to Congress on the results of the study together with recommendations for legislative, by Mar. 1, 1980.

INSURANCE PROGRAM OR HOMEOWNERS TO MEET MORTGAGE PAYMENTS IN TIMES OF PERSONAL ECONOMIC ADVERSITY

Pub. L. 90-448, § 109, authorized Secretary of Housing and Urban Development to develop a plan of insurance to help homeowners meet mortgage payments in times of personal economic adversity, i.e., death, disability, illness, and unemployment; required the program to be actuarially sound through the use of premiums, fees, extended or increased payment schedules, or other similar methods in conjunction with federal participation as necessary; directed the Secretary to report to Congress within 6 months of Aug. 1, 1968 and to recommend legislation, authorizing him to contract with companies, corporations, or joint enterprises formed to provide home mortgage insurance protection for the purpose of reinsuring insurance reserve funds, subsidizing premium payments for lower income mortgagors, or otherwise making possible insurance protection of homeowners; and authorized the Secretary, in preparing his recommendations, to consult with other agencies or instrumentalities of the United States which insure or guarantee home mortgages in order that any recommended legislation afford equal benefits to mortgagors participating in their programs.

§ 1709-1. Repealed. Pub. L. 98-181, title IV, § 404(a), Nov. 30, 1983, 97 Stat. 1208

Section, Pub. L. 90-301, § 3(a), May 7, 1968, 82 Stat. 113; Pub. L. 90-448, title III, § 315, Aug. 1, 1968, 82 Stat. 512; Pub. L. 91-78, § 3, Sept. 30, 1969, 83 Stat. 125; Pub. L. 91-152, title IV, § 401, Dec. 24, 1969, 83 Stat. 394; Pub. L. 91-351, title VI, § 601, July 24, 1970, 84 Stat. 461; Pub. L. 92-213, § 1, Dec. 22, 1971, 85 Stat. 775; Pub. L. 92-335, § 1, July 1, 1972, 86 Stat. 405; Pub. L. 93-85, § 2, Aug. 10, 1973, 87 Stat. 220; Pub. L. 93-117, § 3, Oct. 2, 1973, 87 Stat. 422; Pub. L. 93-234, title II, § 208, Dec. 31, 1973, 87 Stat. 984; Pub. L. 93-383, title III, §§ 309(e), 317, Aug. 22, 1974, 88 Stat. 682, 685; Pub. L. 95-60, § 2, June 30, 1977, 91 Stat. 257; Pub. L. 95-80, § 2, July 31, 1977, 91 Stat. 339; Pub. L. 95-128, title III, § 302, Oct. 12, 1977, 91 Stat. 1131; Pub. L. 95-406, § 2, Sept. 30, 1978, 92 Stat. 880; Pub. L. 95-557, title III, § 302, Oct. 31, 1978, 92 Stat. 2096; Pub. L. 96-71, § 2, Sept. 28, 1979, 93 Stat. 501; Pub. L. 96-105, § 2, Nov. 8, 1979, 93 Stat. 794; Pub. L. 96-153, title III, § 302, Dec. 21, 1979, 93 Stat. 1112; Pub. L. 96-372, § 3, Oct. 3, 1980, 94 Stat. 1364; Pub. L. 96-399, title III, §§ 302, 332, Oct. 8, 1980,

94 Stat. 1639, 1652; Pub. L. 97-35, title III, § 332, Aug. 13, 1981, 95 Stat. 413; Pub. L. 97-289, § 2, Oct. 6, 1982, 96 Stat. 1231; Pub. L. 98-35, § 2, May 26, 1983, 97 Stat. 197; Pub. L. 98-109, § 2, Oct. 1, 1983, 97 Stat. 746, authorized the Secretary, until Dec. 1, 1983, to set the maximum interest rates for certain mortgage insurance programs, notwithstanding the authority of the Secretary of Housing and Urban Development to establish such rates, specified the criteria to be considered in establishing such rates, authorized the Secretary to provide that the interest rate applicable under section 1709(b) of this title be the negotiated interest rate specified in the commitment agreement, limited the amount of mortgages with such negotiated interest rates which may be insured and prohibited such negotiated interest rates with respect to mortgages subject to section 1715z-10 of this title.

MORTGAGE CREDIT INTEREST RATES

Section 4 of Pub. L. 90-301, as amended by Pub. L. 90-565, Oct. 12, 1968, 82 Stat. 1001; Pub. L. 91-9, Apr. 11, 1969, 83 Stat. 7; Pub. L. 91-38, July 1, 1969, 83 Stat. 43, which established a Commission to study mortgage interest rates and to make recommendations to assure the availability of an adequate supply of mortgage credit at a reasonable cost to the consumer, directed the Commission to make an interim report not later than July 1, 1969, and a final report of its study and recommendations not later than August 1, 1969, to enable the President, Congress, and the Secretary of Housing and Urban Development to take necessary action before October 1, 1969, when the authorization for the increase in interest rates above present statutory ceilings will expire, and provided that the Commission cease to exist sixty days after the submission of its final report, was repealed by Pub. L. 98-181, title IV, § 404(a), Nov. 30, 1983, 97 Stat. 1208.

§ 1709-1a. State constitutional and legal limits upon interest chargeable on loans, mortgages, or other interim financing arrangements; applicability; covered arrangements

(a) The provisions of the constitution of any State expressly limiting the amount of interest which may be charged, taken, received, or reserved by certain classes of lenders and the provisions of any law of that State expressly limiting the amount of interest which may be charged, taken, received, or reserved shall not apply to—

(1) any loan or mortgage which is secured by a one- to four-family dwelling and which is (A) insured under title I or II [12 U.S.C. 1702 et seq. or 1707 et seq.] of the National Housing Act, or (B) insured, guaranteed, or made under chapter 37 of title 38; or

(2) any temporary construction loan or other interim financing if at the time such loan is made or financing is arranged, the intention to obtain permanent financing substantially by means of loans or mortgages so insured, guaranteed, or made is declared.

(b) The provisions of this section shall apply to such loans, mortgages, or other interim financing made or executed in any State until the effective date (after June 30, 1976) of a provision of law of that State limiting the amount of interest which may be charged, taken, received, or reserved on such loans, mortgages, or financing. (Pub. L. 94-324, § 8, June 30, 1976, 90 Stat. 722.)

REFERENCES IN TEXT

The National Housing Act, referred to in subsec. (a)(1), is act June 27, 1934, ch. 847, 48 Stat. 1246, as