

per centum of the aggregate cost involved in any one fiscal year.”

Subsec. (b). Pub. L. 102-575, §4009(2), which directed amendment of subsec. (b) by striking out “, in which case a grant to the National Trust may include funds for the maintenance, repair, and administration of the property in a manner satisfactory for the Secretary”, was executed by striking out “, in which case a grant to the National Trust may include funds for the maintenance, repair, and administration of the property in a manner satisfactory to the Secretary” after “United States” to reflect the probable intent of Congress.

Subsecs. (d), (e). Pub. L. 102-575, §4009(3), added subsec. (d), relating to availability, and subsec. (e).

1986—Subsec. (a). Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

1980—Subsec. (a). Pub. L. 96-515, §202(a), (b), in par. (3) substituted provision directing that no grant be made for more than 50 per centum of the aggregate cost of carrying out projects and programs specified in section 470a(d)(1) and (2) of this title in any one fiscal year, except that for costs of State or local historic surveys or inventories the Secretary provide 70 per centum of the aggregate cost involved in any one fiscal year for provision directing that no grant be made for more than 50 per centum of the total cost involved, as determined by the Secretary, which determination was to be final, and inserted provision following cl. (6), that, except as otherwise permitted, the State share of the costs referred to in par. (3) be contributed by non-Federal sources and no grant made be treated as taxable income.

Subsec. (c). Pub. L. 96-515, §202(c), struck out subsec. (c) which authorized the Secretary in his discretion to waive the requirements of subsec. (a)(3) of this section for the purposes of making grants for the preparation of statewide historic preservation plans and surveys and project plans and restricted any grant made pursuant to this subsection to not to exceed 70 per centum of the cost of the project, with the total cost of grants made pursuant to this subsection in any fiscal year not to exceed one-half of the funds appropriated for that fiscal year pursuant to section 470h of this title.

1976—Pub. L. 94-422 reenacted subsecs. (a) and (b) without change, added subsec. (c), and redesignated former subsec. (c) as (d).

#### **§ 470b-1. Grants to National Trust for Historic Preservation**

##### **(a) Authority of Secretary of Housing and Urban Development; renovation or restoration costs; terms and conditions; amounts**

The Secretary of Housing and Urban Development is authorized to make grants to the National Trust for Historic Preservation, on such terms and conditions and in such amounts (not exceeding \$90,000 with respect to any one structure) as he deems appropriate, to cover the costs incurred by such Trust in renovating or restoring structures which it considers to be of historic or architectural value and which it has accepted and will maintain (after such renovation or restoration) for historic purposes.

##### **(b) Authorization of appropriations**

There are authorized to be appropriated such sums as may be necessary for the grants to be made under subsection (a) of this section.

(Pub. L. 89-754, title VI, §603, Nov. 3, 1966, 80 Stat. 1278.)

#### CODIFICATION

Section was enacted as part of the Demonstration Cities and Metropolitan Development Act of 1966, and

not as part of the National Historic Preservation Act, Pub. L. 89-665, which is classified generally to this subchapter.

#### **§ 470c. Apportionment of grant funds**

##### **(a) Basis for apportionment**

The amounts appropriated and made available for grants to the States for the purposes of this subchapter shall be apportioned among the States by the Secretary on the basis of needs as determined by him.

##### **(b) Basis; notification to State; reapportionment**

The amounts appropriated and made available for grants to the States for projects and programs under this subchapter for each fiscal year shall be apportioned among the States as the Secretary determines to be appropriate.

The Secretary shall notify each State of its apportionment under this subsection within thirty days following the date of enactment of legislation appropriating funds under this subchapter. Any amount of any apportionment that has not been paid or obligated by the Secretary during the fiscal year in which such notification is given, and for two fiscal years thereafter, shall be reapportioned by the Secretary in accordance with this subsection. The Secretary shall analyze and revise as necessary the method of apportionment. Such method and any revision thereof shall be published by the Secretary in the Federal Register.

##### **(c) Transfer of funds to local governments**

A minimum of 10 per centum of the annual apportionment distributed by the Secretary to each State for the purposes of carrying out this subchapter shall be transferred by the State, pursuant to the requirements of this subchapter, to local governments which are certified under section 470a(c) of this title for historic preservation projects or programs of such local governments. In any year in which the total annual apportionment to the States exceeds \$65,000,000, one half of the excess shall also be transferred by the States to local governments certified pursuant to section 470a(c) of this title.

##### **(d) Guidelines for use and distribution of funds to local governments**

The Secretary shall establish guidelines for the use and distribution of funds under subsection (c) of this section to insure that no local government receives a disproportionate share of the funds available, and may include a maximum or minimum limitation on the amount of funds distributed to any single local government. The guidelines shall not limit the ability of any State to distribute more than 10 per centum of its annual apportionment under subsection (c) of this section, nor shall the Secretary require any State to exceed the 10 per centum minimum distribution to local governments.

(Pub. L. 89-665, title I, §103, Oct. 15, 1966, 80 Stat. 916; Pub. L. 94-422, title II, §201(2), Sept. 28, 1976, 90 Stat. 1319; Pub. L. 96-515, title II, §203, Dec. 12, 1980, 94 Stat. 2993; Pub. L. 102-575, title XL, §4010, Oct. 30, 1992, 106 Stat. 4759; Pub. L. 106-208, §5(a)(6), May 26, 2000, 114 Stat. 318.)

## AMENDMENTS

2000—Subsec. (a). Pub. L. 106-208 substituted “purposes of this subchapter” for “purposes this subchapter” and “determined by him.” for “determined by him:.”

1992—Subsec. (a). Pub. L. 102-575, § 4010(1), substituted “for the purposes this subchapter” for “for comprehensive statewide historic surveys and plans under this subchapter”.

Subsec. (b). Pub. L. 102-575, § 4010(2), (3), substituted “as the Secretary determines to be appropriate” for “by the Secretary in accordance with needs as disclosed in approved statewide historic preservation plans” and inserted at end “The Secretary shall analyze and revise as necessary the method of apportionment. Such method and any revision thereof shall be published by the Secretary in the Federal Register.”

1980—Subsec. (b). Pub. L. 96-515, § 203(a), inserted “and programs” after “projects” and substituted provision directing the Secretary to notify each State of its apportionment under this subsection within thirty days following enactment of legislation appropriating funds for provision directing the Secretary to notify each State of its apportionment, with the amounts available thereafter for payment to such State.

Subsecs. (c), (d). Pub. L. 96-515, § 203(b), added subsecs. (c) and (d).

1976—Subsec. (a). Pub. L. 94-422, which directed amendment of subsec. (a) by deleting “Provided, however, That the amount granted to any one State shall not exceed 50 per centum of the total cost of the comprehensive statewide historic survey and plan for that State, as determined by the Secretary,” after “determined by him:.”, was executed by deleting the quoted language, which did not contain a comma after “Secretary”, to reflect the probable intent of Congress.

#### § 470d. Loan insurance program for preservation of property included on National Register

##### (a) Establishment

The Secretary shall establish and maintain a program by which he may, upon application of a private lender, insure loans (including loans made in accordance with a mortgage) made by such lender to finance any project for the preservation of a property included on the National Register.

##### (b) Loan qualifications

A loan may be insured under this section only if—

- (1) the loan is made by a private lender approved by the Secretary as financially sound and able to service the loan properly;
- (2) the amount of the loan, and interest rate charged with respect to the loan, do not exceed such amount, and such a rate, as is established by the Secretary, by rule;
- (3) the Secretary has consulted the appropriate State Historic Preservation Officer concerning the preservation of the historic property;
- (4) the Secretary has determined that the loan is adequately secured and there is reasonable assurance of repayment;
- (5) the repayment period of the loan does not exceed the lesser of forty years or the expected life of the asset financed;
- (6) the amount insured with respect to such loan does not exceed 90 per centum of the loss sustained by the lender with respect to the loan; and
- (7) the loan, the borrower, and the historic property to be preserved meet other terms and

conditions as may be prescribed by the Secretary, by rule, especially terms and conditions relating to the nature and quality of the preservation work.

The Secretary shall consult with the Secretary of the Treasury regarding the interest rate of loans insured under this section.

##### (c) Limitation on amount of unpaid principal balance of loans

The aggregate unpaid principal balance of loans insured under this section and outstanding at any one time may not exceed the amount which has been covered into the Historic Preservation Fund pursuant to section 470h of this title and subsections (g) and (i)<sup>1</sup> of this section, as in effect on December 12, 1980, but which has not been appropriated for any purpose.

##### (d) Assignability of insurance contracts; contract as obligation of United States; contestability

Any contract of insurance executed by the Secretary under this section may be assignable, shall be an obligation supported by the full faith and credit of the United States, and shall be incontestable except for fraud or misrepresentation of which the holder had actual knowledge at the time it became a holder.

##### (e) Conditions and methods of payment as result of loss

The Secretary shall specify, by rule and in each contract entered into under this section, the conditions and method of payment to a private lender as a result of losses incurred by the lender on any loan insured under this section.

##### (f) Protection of financial interests of Federal Government

In entering into any contract to insure a loan under this section, the Secretary shall take steps to assure adequate protection of the financial interests of the Federal Government. The Secretary may—

- (1) in connection with any foreclosure proceeding, obtain, on behalf of the Federal Government, the property securing a loan insured under this part; and
- (2) operate or lease such property for such period as may be necessary to protect the interest of the Federal Government and to carry out subsection (g) of this section.

##### (g) Conveyance to governmental or nongovernmental entity of property acquired by foreclosure

(1) In any case in which a historic property is obtained pursuant to subsection (f) of this section, the Secretary shall attempt to convey such property to any governmental or nongovernmental entity under such conditions as will ensure the property's continued preservation and use; except that if, after a reasonable time, the Secretary, in consultation with the Advisory Council on Historic Preservation, determines that there is no feasible and prudent means to convey such property and to ensure its continued preservation and use, then the Secretary may convey the property at the fair market value of its interest in such property to any entity without restriction.

<sup>1</sup> So in original. Probably should be “subsections (g) and (h)”.