

mortgage and security purchasing authority of the Association.

SAVINGS PROVISION

For continued application of former sections 1720 and 1723e of this title to any purchase or commitment to purchase any mortgage made pursuant to those sections before Nov. 30, 1983, and the servicing and disposition of any such mortgage, see section 483(b) of Pub. L. 98-181, set out as a note under section 1720 of this title.

EFFECTIVE DATE

Pub. L. 93-449, §3(b), Oct. 18, 1974, 88 Stat. 1366, as amended by Pub. L. 94-50, title II, §207, July 2, 1975, 89 Stat. 256; Pub. L. 94-375, §13(d), Aug. 3, 1976, 90 Stat. 1075; Pub. L. 95-128, title IV, §407(e), Oct. 12, 1977, 91 Stat. 1138; Pub. L. 95-406, §3, Sept. 30, 1978, 92 Stat. 880; Pub. L. 95-557, title III, §303, Oct. 31, 1978, 92 Stat. 2096; Pub. L. 96-71, §3, Sept. 28, 1979, 93 Stat. 502; Pub. L. 96-105, §3, Nov. 8, 1979, 93 Stat. 795; Pub. L. 96-153, title III, §303, Dec. 21, 1979, 93 Stat. 1112; Pub. L. 96-372, §4, Oct. 3, 1980, 94 Stat. 1364; Pub. L. 96-399, title III, §337(a), Oct. 8, 1980, 94 Stat. 1655, which related to the effective date of former section 1723e of this title, was repealed by Pub. L. 98-181, title I [title IV, §483(a)], Nov. 30, 1983, 97 Stat. 1240.

EMERGENCY MORTGAGE PURCHASE ASSISTANCE; TRANSFER OF FUNDS

Pub. L. 98-371, title I, July 18, 1984, 98 Stat. 1218, in part directed Secretary to transfer all assets acquired and liabilities incurred pursuant to this section to management and liquidating functions fund established pursuant to section 1721 of this title, and that on Oct. 1, 1984, each outstanding obligation issued by Secretary of Housing and Urban Development to Secretary of the Treasury pursuant to subsec. (c) of this section, together with any promise to repay principal and unpaid interest which had accrued on each obligation, and any other term or condition specified by each such obligation, was canceled.

§ 1723f. Repealed. Pub. L. 96-294, title V, §533, June 30, 1980, 94 Stat. 740

Section, act June 27, 1934, ch. 847, title III, §314, as added Nov. 9, 1978, Pub. L. 95-619, title II, §242, 92 Stat. 3228, related to the purchase of energy conserving home improvement loans and advances of credit by the Association under the direction of the Secretary.

§§ 1723g, 1723h. Repealed. Pub. L. 102-550, title IX, §912(i)(2), Oct. 28, 1992, 106 Stat. 3876

Section 1723g, act June 27, 1934, ch. 847, title III, §315, as added Nov. 9, 1978, Pub. L. 95-619, title II, §243, 92 Stat. 3230; amended June 30, 1980, Pub. L. 96-294, title V, §531, 94 Stat. 737; Oct. 17, 1984, Pub. L. 98-479, title II, §203(a)(4), 98 Stat. 2229, set out authority of Solar Energy and Energy Conservation Bank to purchase loans and advances of credit for energy conservation improvements or solar energy systems.

Section 1723h, act June 27, 1934, ch. 847, title III, §316, as added Nov. 9, 1978, Pub. L. 95-619, title II, §244, 92 Stat. 3231; amended June 30, 1980, Pub. L. 96-294, title V, §532, 94 Stat. 739; Oct. 17, 1984, Pub. L. 98-479, title II, §203(a)(5), 98 Stat. 2229, set out authority of Solar Energy and Energy Conservation Bank to purchase mortgages secured by newly constructed homes with solar energy systems.

§ 1723i. Civil money penalties against issuers

(a) In general

(1) Authority

Whenever an issuer or custodian approved under section 1721(g) of this title knowingly and materially violates any provisions of sub-

section (b) of this section, the Secretary of Housing and Urban Development may impose a civil money penalty on the issuer or the custodian in accordance with the provisions of this section. The penalty shall be in addition to any other available civil remedy or any available criminal penalty and may be imposed whether or not the Secretary imposes other administrative sanctions.

(2) Amount of penalty

The amount of the penalty, as determined by the Secretary, may not exceed \$5,000 for each violation, except that the maximum penalty for all violations by a particular issuer or custodian during any one-year period shall not exceed \$1,000,000. Each violation of a provision of subsection (b)(1) of this section shall constitute a separate violation with respect to each pool of mortgages. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

(b) Violations for which penalty may be imposed

(1) Violations

The violations by an issuer or a custodian for which the Secretary may impose a civil money penalty under subsection (a) of this section are the following:

(A) Failure to make timely payments of principal and interest to holders of securities guaranteed under section 1721(g) of this title.

(B) Failure to segregate cash flow from pooled mortgages or to deposit either principal and interest funds or escrow funds into special accounts with a depository institution whose accounts are insured by the National Credit Union Administration or by the Federal Deposit Insurance Corporation through the Deposit Insurance Fund.

(C) Use of escrow funds for any purpose other than that for which they were received.

(D) Transfer of servicing for a pool of mortgages to an issuer not approved under this subchapter, unless expressly permitted by statute, regulation, or contract approved by the Secretary.

(E) Failure to maintain a minimum net worth in accordance with requirements prescribed by the Association;

(F) Failure to promptly notify the Association in writing of any changes that materially affect the business status of an issuer.

(G) Submission to the Association of false information in connection with any securities guaranteed, or mortgages pooled, under section 1721(g) of this title.

(H) Hiring, or retaining in employment, an officer, director, principal, or employee whose duties involve, directly or indirectly, programs administered by the Association while such person was under suspension or debarment by the Secretary.

(I) Submission to the Association of a false certification either on its own behalf or on behalf of another person or entity.

(J) Failure to comply with an agreement, certification, or condition of approval set