

(Pub. L. 95-557, title II, §209, Oct. 31, 1978, 92 Stat. 2095; Pub. L. 98-479, title II, §204(n)(3), Oct. 17, 1984, 98 Stat. 2234.)

## REFERENCES IN TEXT

Section 1452b of title 42, referred to in subsec. (b)(1), was repealed by Pub. L. 101-625, title II, §289(b)(1), Nov. 28, 1990, 104 Stat. 4128.

This Act, referred to in subsec. (b)(2), is Pub. L. 95-557, Oct. 31, 1978, 92 Stat. 2080, known as the Housing and Community Development Amendments of 1978. For complete classification of this Act to the Code, see Short Title of 1978 Amendments note set out under section 5301 of Title 42, The Public Health and Welfare, and Tables.

## CODIFICATION

Section was enacted as part of the Housing and Community Development Amendments of 1978, and not as part of the National Housing Act which comprises this chapter.

## AMENDMENTS

1984—Subsec. (d), Pub. L. 98-479 substituted “conjunction” for “conjunction” in provisions preceding par. (1).

#### § 1701z-14. Lower cost technology demonstration program

The Secretary of Housing and Urban Development is authorized to develop and implement a demonstration program utilizing lower cost building technology for projects located on inner-city vacant land.

(Pub. L. 97-35, title III, §339C, Aug. 13, 1981, 95 Stat. 417.)

## CODIFICATION

Section was enacted as part of the Housing and Community Development Amendments of 1981 and also as part of the Omnibus Budget Reconciliation Act of 1981, and not as part of the National Housing Act which comprises this chapter.

## EFFECTIVE DATE

Section effective Oct. 1, 1981, see section 371 of Pub. L. 97-35, set out as a note under section 3701 of this title.

#### § 1701z-15. Approval of individual residential water purification or treatment units

##### (a) In general

When the existing water supply does not meet the minimum property standards established by the Department of Housing and Urban Development and a permanent alternative acceptable water supply is not available, a continuous supply of water may be provided through the use of approved residential water treatment equipment or a water purification unit that provides bacterially and chemically safe drinking water.

##### (b) Approval process

A performance-based approval of the equipment or unit and the maintenance, monitoring, and replacement plan for such equipment or unit shall be certified by field offices of the Department of Housing and Urban Development based upon general standards recognized by the Department as modified for local or regional conditions. As a part of such approved plan, a separate monthly escrow account may be required to be established through the lender to cover the cost of the approved yearly maintenance

and monitoring schedule and projected replacement of the equipment or unit.

(Pub. L. 100-242, title IV, §424, Feb. 5, 1988, 101 Stat. 1915.)

## CODIFICATION

Section was enacted as part of the Housing and Community Development Act of 1987, and not as part of the National Housing Act which comprises this chapter.

#### § 1701z-16. Energy efficient mortgages pilot program

##### (a) Establishment of pilot program

###### (1) In general

Not later than 6 months after October 24, 1992, the Secretary of Housing and Urban Development (hereafter referred to as the “Secretary”) shall establish an energy efficient mortgage pilot program in 5 States, to promote the purchase of existing energy efficient residential buildings and the installation of cost-effective improvements in existing residential buildings.

###### (2) Pilot program

The pilot program established under this subsection shall include the following criteria, where applicable:

###### (A) Origination

The lender shall originate a housing loan that is insured under title II of the National Housing Act [12 U.S.C. 1707 et seq.] in accordance with the applicable requirements.

###### (B) Approval

The mortgagor’s base loan application shall be approved if the mortgagor’s income and credit record is found to be satisfactory.

###### (C) Costs of improvements

The cost of cost-effective energy efficiency improvements shall not exceed the greater of—

- (i) 5 percent of the property value (not to exceed 5 percent of the limit established under section 203(b)(2)(A)) of the National Housing Act (12 U.S.C. 1709(b)(2)(A));<sup>1</sup> or
- (ii) 2 percent of the limit established under section 203(b)(2)(B) of such Act [12 U.S.C. 1709(b)(2)(B)].

###### (D) Limitation

In any fiscal year, the aggregate number of mortgages insured pursuant to this section may not exceed 5 percent of the aggregate number of mortgages for 1- to 4-family residences insured by the Secretary of Housing and Urban Development under title II of the National Housing Act (12 U.S.C. 1707 et seq.) during the preceding fiscal year.

##### (3) Authority for mortgagees

In granting mortgages under the pilot program established pursuant to this subsection, the Secretary shall grant mortgagees the authority—

- (A) to permit the final loan amount to exceed the loan limits established under title

<sup>1</sup> So in original. There probably should be an additional closing parenthesis.