

any financial interest in such owner or in which such owner has any financial interest. The Secretary shall issue any regulations appropriate to implement the preceding sentence.

(d) Management exception

A qualified purchaser shall not be precluded from retaining as a property management entity a company that is owned or controlled by the selling owner or a principal thereof if retention of the management company is neither a condition of sale nor part of consideration paid for sale and the property management contract is negotiated by the qualified purchaser on an arm's length basis.

(Pub. L. 100-242, title II, § 231, as added Pub. L. 101-625, title VI, § 601(a), Nov. 28, 1990, 104 Stat. 4273; amended Pub. L. 102-550, title III, § 317(a)(6), Oct. 28, 1992, 106 Stat. 3772.)

AMENDMENTS

1992—Subsec. (b). Pub. L. 102-550 substituted “4112(c)” for “4112(d)”.

§ 4122. Preemption of State and local laws

(a) In general

No State or political subdivision of a State may establish, continue in effect, or enforce any law or regulation that—

(1) restricts or inhibits the prepayment of any mortgage described in section 4119(1) of this title (or the voluntary termination of any insurance contract pursuant to section 1715t of this title) on eligible low income housing;

(2) restricts or inhibits an owner of such housing from receiving the authorized annual return provided under section 4104 of this title;

(3) is inconsistent with any provision of this subchapter, including any law, regulation, or other restriction that limits or impairs the ability of any owner of eligible low income housing to receive incentives authorized under this subchapter (including authorization to increase rental rates, transfer the housing, obtain secondary financing, or use the proceeds of any of such incentives); or

(4) in its applicability to low-income housing is limited only to eligible low-income housing for which the owner has prepaid the mortgage or terminated the insurance contract.

Any law, regulation, or restriction described under paragraph (1), (2), (3), or (4) shall be ineffective and any eligible low-income housing exempt from the law, regulation, or restriction, only to the extent that it violates the provisions of this subsection.

(b) Effect

This section shall not prevent the establishment, continuing in effect, or enforcement of any law or regulation of any State or political subdivision of a State not inconsistent with the provisions of this subchapter, such as any law or regulation relating to building standards, zoning limitations, health, safety, or habitability standards for housing, rent control, or conversion of rental housing to condominium or cooperative ownership, to the extent such law or regulation is of general applicability to both housing receiving Federal assistance and nonassisted

housing. This section shall not preempt, annul, or alter any contractual restrictions or obligations existing before November 28, 1990, that prevent or limit an owner of eligible low-income housing from prepaying the mortgage on the housing (or terminating the insurance contract on the housing).

(Pub. L. 100-242, title II, § 232, as added Pub. L. 101-625, title VI, § 601(a), Nov. 28, 1990, 104 Stat. 4273; amended Pub. L. 102-550, title III, § 311, Oct. 28, 1992, 106 Stat. 3765.)

AMENDMENTS

1992—Subsec. (b). Pub. L. 102-550 substituted “, such as any law or regulation” for “and” after “subchapter”.

§ 4123. Severability

If any provision of this subchapter, or the application of such provision with respect to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to any other person or circumstance, shall not be affected by such holding.

(Pub. L. 100-242, title II, § 233, as added Pub. L. 101-625, title VI, § 601(a), Nov. 28, 1990, 104 Stat. 4274.)

REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 100-242, Feb. 5, 1988, 101 Stat. 1815, as amended, known as the Housing and Community Development Act of 1987. For complete classification of this Act to the Code, see Short Title of 1988 Amendment note under section 5301 of Title 42, The Public Health and Welfare, and Tables.

§ 4124. Authorization of appropriations

(a) In general

There are authorized to be appropriated for assistance and incentives authorized under this subchapter \$638,252,784 for fiscal year 1993 and \$665,059,401 for fiscal year 1994.

(b) Grants

Subject to approval in appropriation Acts, not more than \$50,000,000 of the amounts made available under subsection (a) for fiscal year 1993, and not more than \$50,000,000 of the amounts made available under subsection (a) for fiscal year 1994, shall be available for grants under section 4111(d)(2) of this title.

(Pub. L. 100-242, title II, § 234, as added Pub. L. 101-625, title VI, § 601(a), Nov. 28, 1990, 104 Stat. 4274; amended Pub. L. 102-550, title III, § 301, Oct. 28, 1992, 106 Stat. 3762.)

AMENDMENTS

1992—Pub. L. 102-550 amended section generally. Prior to amendment, section read as follows:

“(a) GENERAL.—There are authorized to be appropriated for assistance and incentives authorized under this chapter \$425,000,000 for fiscal year 1991 and \$858,000,000 for fiscal year 1992.

“(b) GRANTS.—Of the amounts made available under subsection (a) of this section, not more than \$100,000,000 for each of fiscal years 1991 and 1992 shall be available for grants under section 4111(d)(2) of this title, subject to approval in appropriations Acts.”

§ 4125. State preservation project assistance

(1) In general

Upon application by a State or local housing authority (including public housing agencies),