

which the tenants are paying rentals in excess of 30 per centum of their incomes, in any project which is assisted under section 1484, 1485, or 1487 of this title and under section 1490a(a)(1)(B) of this title unless the project owner is receiving, or has applied for (within the most recent period of 180 days prior to the effective date of such increase), assistance payments with respect to such project under section 1490a(a)(2)(A) or 1490a(a)(5) of this title or section 1437f of this title.

(July 15, 1949, ch. 338, title V, § 530, as added Pub. L. 96-399, title V, § 509, Oct. 8, 1980, 94 Stat. 1670; amended Pub. L. 98-181, title I [title V, § 517(d)], Nov. 30, 1983, 97 Stat. 1248; Pub. L. 105-276, title V, § 599C(e)(2)(G), Oct. 21, 1998, 112 Stat. 2663.)

#### Editorial Notes

##### AMENDMENTS

1998—Pub. L. 105-276 substituted “assistance payments with respect to such project under section 1490a(a)(2)(A) or 1490a(a)(5) of this title” for “rental assistance payments with respect to such project under section 1490a(a)(2)(A) of this title”.

1983—Pub. L. 98-181 substituted “30 per centum” for “25 per centum”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 98-181 effective six months after Nov. 30, 1983, or upon the earlier promulgation of implementing regulations, see section 517(f) of Pub. L. 98-181, set out as a note under section 1490a of this title.

#### § 1490k. FHA insurance

The Secretary is authorized to act as an agent of the Secretary of Housing and Urban Development to recommend insurance of any mortgage meeting the requirements of section 1709 of title 12.

(July 15, 1949, ch. 338, title V, § 531, as added Pub. L. 98-181, title I [title V, § 520], Nov. 30, 1983, 97 Stat. 1249.)

#### § 1490l. Processing of applications

##### (a) Priority

Except as otherwise provided in subsection (c), the Secretary shall, in making assistance available under this subchapter, give a priority to applications submitted by—

- (1) persons and families that have the greatest housing assistance needs because of their low income and their residing in inadequate dwellings;
- (2) applicants applying for assistance for projects that will serve such persons and families; and
- (3) applicants residing in areas which are the most rural in character.

##### (b) Preliminary reservation of assistance at time of initial approval of project

In making available the assistance authorized by section 1483 of this title and section 1490a(a) of this title with respect to projects involving insured and guaranteed loans and interest credits and rental assistance payments, the Secretary shall process and approve requests for such assistance in a manner that provides for a

preliminary reservation of assistance at the time of initial approval of the project.

##### (c) Prioritization of section 1485 housing assistance

###### (1) In general

The Secretary shall make assistance under section 1485 of this title available pursuant to an objective procedure established by the Secretary, under which the Secretary shall identify counties and communities having the greatest need for such assistance and designate such counties and communities to receive such assistance.

###### (2) Objective measures

The Secretary shall use the following objective measures to determine the need for rental housing assistance under paragraph (1):

- (A) The incidence of poverty.
- (B) The lack of affordable housing and the existence of substandard housing.
- (C) The lack of mortgage credit.
- (D) The rural characteristics of the location.
- (E) Other factors as determined by the Secretary, demonstrating the need for affordable housing.

###### (3) Information

In administering this subsection, the Secretary shall use information from the most recent decennial census of the United States, relevant comprehensive affordable housing strategies under section 12705 of this title, and other reliable sources obtained by the Secretary which demonstrate the need for affordable housing in rural areas.

###### (4) Designation

A designation under this subsection shall not be effective for a period of more than 3 years, but may be renewed by the Secretary in accordance with the procedure set forth in this subsection. The Secretary shall take such other reasonable actions as the Secretary considers to be appropriate to notify the public of such designations.

(July 15, 1949, ch. 338, title V, § 532, as added Pub. L. 98-181, title I [title V, § 521], Nov. 30, 1983, 97 Stat. 1250; amended Pub. L. 104-180, title VII, § 734(f), Aug. 6, 1996, 110 Stat. 1604.)

#### Editorial Notes

##### AMENDMENTS

1996—Subsec. (a). Pub. L. 104-180, § 734(f)(1), substituted “Except as otherwise provided in subsection (c), the Secretary” for “The Secretary” in introductory provisions.

Subsec. (c). Pub. L. 104-180, § 734(f)(2), added subsec. (c).

#### § 1490m. Housing preservation grants

##### (a) Statement of purposes

The purpose of this section is to authorize the Secretary to make grants to eligible grantees including private nonprofit organizations, Indian tribes, general units of local government, counties, States, and consortia of other eligible grantees, in order to—

- (1) rehabilitate or replace single family housing in rural areas which is owned by low- and very low-income persons and families, and