

## S.3066 - Housing and Community Development Act of 1974

93rd Congress (1973-1974)

**Sponsor:** [Sen. Sparkman, John J. \[D-AL\]](#) (Introduced 02/27/1974)  
**Committees:** Senate - Banking, Housing, and Urban Affairs | House - Banking and Currency  
**Committee Reports:** S.Rept 93-693; H.Rept 93-1279  
**Latest Action:** 08/22/1974 Public law 93-383. ([All Actions](#))  
**Roll Call Votes:** There have been [3 roll call votes](#)

**Summary(2)** Text(1) Actions(13) Titles(8) Amendments Cosponsors(0) Committees(2) Related Bills(1)



There are 2 summaries for S.3066.

Public Law (08/22/1974)



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### Shown Here:

#### Public Law No: 93-383 (08/22/1974)

(LATEST SUMMARY)

**Housing and Community Development Act of 1974 - Title I: Community Development - Authorizes the Secretary of Housing and Urban Development to make grants to States and Units of general local government to help finance Community Development Programs.**

Authorizes the Secretary to incur obligations for such grants of up to \$8,400,000,000 until July 1, 1977. Authorizes \$50,000,000 for each of fiscal years 1975, 1976, and \$100,000,000 for 1977 for grants to general local government units for urgent community development needs.

Requires grant applicants to: (1) set forth a three-year community development plan and formulate a program of operation; (2) operate such programs in accordance with the Civil Rights Act of 1964 and Public Law 90-284 (relating to fair housing); and (3) inform affected citizens of the various aspects of the program. Requires applicants to certify that their plans give maximum feasible priority to activities benefiting low- or moderate-income families.

Requires an annual review and audit to determine if grantees are carrying out their programs as required by this Act.

Authorizes the Secretary to release funds for projects to applicants who assume all of the responsibilities of environmental review, decision making, and action pursuant to the Environmental Policy Act that would otherwise apply to the Secretary.

States that community development programs approved under this title may include: (1) acquisition of real property that is deteriorating or useful for public purposes; (2) installation of public works facilities; (3) rehabilitation of buildings; and (4) provisions for public services not otherwise available.

Prescribes the allocation of grant funds under this title, including a ratio to determine amounts for individual cities which relates to poverty and housing overcrowding in the city. Requires that 80 percent of the non-urgent grant funds go to metropolitan areas.

Prescribes the full "hold-harmless" amount of a metropolitan city or urban county under this title.

Preserves a discretionary grant fund for special projects, including new communities, United States territories, and disaster-caused development needs.

Authorizes the guarantee of notes or other obligations of general local government units for acquisition of real property for community development programs.

Prohibits discrimination based upon race, color, national origin, or sex under programs funded by this title.

Sets wage standards for labor performed under contracts funded by this title.

Requires the termination or reduction of funds to grantees failing to comply with this title. Allows judicial review of such actions.

Allows 20 percent of the urgent-need grants to be applied toward the payment of principal and interest on temporary loans made to a local government unit under the Housing Act of 1949.

Permits continuance of local building codes (where assistance is sought under this Act) whose standards are as high or higher than those required by this Act.

Provides for the employment of low-income persons under programs approved by this title. Grants Congressional assent to interstate community development cooperation.

Title II: Assisted Housing - Authorizes assistance, under the United States Housing Act of 1937, to low-income families.

Allows public housing agencies to make assistance payments for the use of existing dwelling units.

Allows assistance payments for contracts with owners or prospective owners who construct or rehabilitate housing which will be used at least in part for low-income families.

Allows the Secretary to enter into contracts with public housing agencies by which they may assist owners or prospective owners of units over which such agencies assume management.

Requires such assistance contracts to set a maximum monthly rent, according to prescribed guidelines.

Disallows material differences in rents for assisted housing and comparable unassisted housing.

States that the terms of contracts for assistance payments shall not exceed one hundred and eighty days.

Reserves all ownership, management, and maintenance responsibilities in the owners.

Requires 30 percent of families assisted under this title to be "very low-income" families.

Authorizes the Secretary to make annual contributions for the operation of low-income housing projects to achieve and maintain adequate operating services and reserve funds.

Requires families living in assisted dwelling units to pay a minimum of twenty percent of their monthly incomes in rentals for such units.

Requires the Secretary to insure that special projects for the handicapped authorized under the United States Housing Act of 1937 provide quality services and management consistent with the needs of the occupant.

Prohibits the approval of a housing assistance plan under the United States Housing Act of 1937, the National Housing Act, or the Housing and Urban Development Act of 1965 unless the general local government unit certifies that such assistance is consistent with a housing assistance plan approved under title I of this Act.

Requires the allocation of assistance under provisions of the above-mentioned laws according to rates of poverty, overcrowding, and substandard housing.

Title III: Mortgage Credit Assistance - Extends the regular FHA insurance programs and the interest rate authority for veterans' home loans.

Increases the maximum mortgage amount under the FHA one-to-four-family and multifamily mortgage insurance programs.

Makes changes in down payment requirements for regular FHA one-to-four-family mortgages.

Provides for FHA insured financing on resale of cooperative dwellings.

Increases the amounts and time limits on home improvement loans.

Permits the co-insurance of any mortgage, advance, or loan in addition to co-insurance otherwise provided by this Act.

Prohibits the issuance of such insurance until it is determined that such co-insurance demonstration program will not disrupt the mortgage market or reduce the availability of mortgage credit to borrowers who depend on mortgage insurance under this Act.

Prohibits the purchase of mortgages by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation if the outstanding principal balance of the mortgage at the time of purchase exceeds 80 percent of the value of the property.

Title IV: Comprehensive Planning - Provides that assistance may be granted under this Act for an ongoing comprehensive planning process for States, cities, regions, and Indian reservations to be reviewed at least biennially for necessary or desirable amendments.

Authorizes the Secretary to provide fellowships for the graduate training of those wishing to develop general or specific capacities in urban affairs, and to make project grants and enter into contracts with institutions of higher education for the same purpose.

Title V: Rural Housing - Allows loans for the repair and improvement of rural dwellings to make them safe and sanitary (where the borrower does not otherwise qualify) of up to \$5,000.

Extends veterans preference to rural housing programs under the Housing Act of 1949.

Authorizes funds for loan programs for rural housing programs.

authorizes direct and insured loans to provide housing and related facilities for elderly persons and families in rural areas.

Authorizes direct and insured loans to provide condominium housing for low-and moderate-income families in rural areas.

Permits the Secretary to make loans to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, public agencies, and cooperatives.

Allows borrowers, under provisions of the Housing Act of 1949, to prepay taxes and insurance to the Secretary, who will hold such payments in escrow and pay them out at the appropriate time.

Authorizes the Secretary to make loans to low- or moderate- income families for the purchase of condominiums.

Provides for the transfer of pre-1965 insured housing loans to the Rural Housing Insurance Fund.

Title VI: Mobile Home Construction and Safety Standards - Directs the Secretary to establish appropriate Federal mobile home construction and safety standards after the consideration of specified factors. Directs the Secretary to appoint a National Mobile Home Advisory Council to assist him in establishing, amending, or revoking such standards.

Provides for judicial review of complaints by persons adversely affected by mobile home construction and safety standards.

Directs the Secretary to conduct research, testing, development, and training to carry out the purposes of this title.

Defines the acts prohibited under this title and imposes civil and criminal penalties for the commission of such acts.

Authorizes the Secretary to conduct inspections and investigations to promulgate or enforce standards established under this title, and requires manufacturers of mobile homes to supply specified information to the Secretary to enable him to carry out the purposes of this title.

Provides for notification of defects to purchasers of mobile homes by either the manufacturer, the Secretary, or both. Requires the manufacturer to correct such defects within a reasonable time at no expense to the owners.

Authorizes the Secretary to make grants to the States to assist them in developing State plans with respect to mobile home construction and safety requirements.

Title VII: Consumer Home Mortgage Assistance - Consumer Home Mortgage Assistance Act - States that savings and loan associations are authorized to invest an amount, not exceeding the greater of the sum of its surplus, undivided profits, and reserves or 3 percent of its assets, in loans or in interests therein the principal purpose of which is to provide financing with respect to what is or is expected to become primarily residential real estate within one hundred miles of their home office or within the State in which such office is located.

Increases the amount that may be loaned by such associations on single family dwellings from \$45,000 to \$55,000.

Permits any national banking association to make real estate loans secured by liens upon unimproved real estate, upon improved real estate, including improved farmland and improved business and residential properties, and upon real estate to be improved by a building or buildings to be constructed or in the process of construction, in an amount which when added to the amount unpaid upon prior mortgages, liens, encumbrances, if any, upon such real estate does not exceed the respective proportions of appraised value as provided in this title.

States that the amount of any such loan hereafter made shall not exceed  $66 \frac{2}{3}$  percent of the appraised value if such real estate is unimproved, 75 percent of the appraised value if such real estate is in the process of being improved by a building or building to be constructed or in the process of construction, or 90 percent of the appraised value if such real estate is improved by a building or buildings.

Allows national banking associations to make real estate loans secured by liens upon forest tracts which are properly managed in all respects.

Limits the amount that Federal Credit Unions may loan to its directors and members of its supervisory credit committee to \$2,500 without approval of the board of directors.

Prescribes meeting frequencies and procedures for credit committees of such credit unions.

Provides termination procedures for insured credit unions.

Title VIII: Miscellaneous - States that it is the purpose of this part to encourage the formation of State development agencies which have authority to carry out development activities designed to: (1) provide housing and related facilities for persons and families of low and moderate income; (2) promote the sound growth and development of neighborhoods through the revitalization of slum and blighted areas; (3) increase and improve employment opportunities for the unemployed and underemployed through the development and redevelopment of industrial, manufacturing, and commercial facilities; and (4) implement State land use and preservation policies.

Permits the guarantee of bonds, debentures, notes and other obligations issued by State development agencies to finance development activities described in the purposes of this title.

Establishes a revolving fund to provide for timely payment of liabilities incurred as a result of such guarantees.

Prohibits discrimination on account of sex in the extension of mortgage assistance under this Act.

Establishes a nonprofit, nongovernmental instrument to be known as the National Institute of Building Sciences to make findings and to advise both the public and private sectors of the economy with respect to the use of building science and technology in achieving nationally acceptable standards and other technical provision for use in Federal, State, and local housing and building regulations.

Authorizes the Secretary of Housing and Urban Development to transfer without payment to a unit of general local government, or a State, any real property (1) which is improved by a one- to four-family residence; (2) to which the Secretary holds title; (3) which is not occupied; (4) which is requested by such unit, State, or agency for use in an urban homestead program; and (5) which the Secretary determines is suitable for use in an urban homestead program which meets the requirements of this Act.

Authorizes interstate land sales under the Housing and Urban Development Act of 1968 when such sales and the parties thereto meet specified requirements.

Authorizes the Secretary of Housing and Urban Development to undertake demonstrations to determine the economic and technical feasibility of utilizing solar energy to heat or cool residential housing.

Provides additional authority to the Secretary of HUD to undertake research with respect to housing-related facilities.

Requires notice of flood hazards with respect to lands or dwellings to prospective purchasers or lessees a reasonable period in advance of the signing of the purchase agreement.