

good faith in conformity with any rule, regulation, or interpretation thereof by the Board of Governors of the Federal Reserve System, notwithstanding the fact that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(f) Authority to establish rules regarding losses and liability among depository institutions

The Board is authorized to impose on or allocate among depository institutions the risks of loss and liability in connection with any aspect of the payment system, including the receipt, payment, collection, or clearing of checks, and any related function of the payment system with respect to checks. Liability under this subsection shall not exceed the amount of the check giving rise to the loss or liability, and, where there is bad faith, other damages, if any, suffered as a proximate consequence of any act or omission giving rise to the loss or liability.

(Pub. L. 100-86, title VI, §611, Aug. 10, 1987, 101 Stat. 650.)

EFFECTIVE DATE

Section effective Sept. 1, 1988, see section 613(b) of Pub. L. 100-86, set out as a note under section 4001 of this title.

CHAPTER 42—LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP

SUBCHAPTER I—PREPAYMENT OF MORTGAGES INSURED UNDER NATIONAL HOUSING ACT

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CODIFICATION

Subtitles A and B of the Low-Income Housing Preservation and Resident Homeownership Act of 1990, Pub. L. 100-242, title II, as revised generally by Pub. L. 101-625, title VI, §601(a), Nov. 28, 1990, 104 Stat. 4249, comprise subchapter I of this chapter. Prior to the general revision by Pub. L. 101-625 subtitles A and B (§§201-235) of the Emergency Low Income Housing Preservation Act of 1987, Pub. L. 100-242, title II, Feb. 5, 1988, 101 Stat. 1877, as amended by Pub. L. 100-628, title X, §§1021-1027, Nov. 7, 1988, 102 Stat. 3270, 3271; Pub. L. 101-235, title II, §§201, 202(a)-(c), 203(b), Dec. 15, 1989, 103 Stat. 2037, 2038; Pub. L. 101-402, §1, Oct. 1, 1990, 104 Stat. 866; Pub. L. 101-494, §§1(c), 2(a), Oct. 31, 1990, 104 Stat. 1185, were set out as a note under section 1715l of this title and amended section 1715z-6 of this title.

Subtitle C of the Low-Income Housing Preservation and Resident Homeownership Act of 1990, Pub. L. 100-242, title II, as added by Pub. L. 102-550, title III, §312, Oct. 28, 1992, 106 Stat. 3765, comprises subchapter II of this chapter. Another subtitle C of title II of Pub. L. 100-242 amended sections 1472, 1485, and 1487 of Title 42, The Public Health and Welfare.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in section 1715z-1 of this title; title 42 sections 8107, 12742, 12877.

SUBCHAPTER I—PREPAYMENT OF MORTGAGES INSURED UNDER NATIONAL HOUSING ACT

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in sections 4125, 4143, 4146 of this title; title 42 section 1437f.

§ 4101. General prepayment limitation**(a) Prepayment and termination**

An owner of eligible low-income housing may prepay, and a mortgagee may accept prepayment of, a mortgage on such housing only in accordance with a plan of action approved by the Secretary under this subchapter or in accordance with section 4114 of this title. An insurance contract with respect to eligible low-income housing may be terminated pursuant to section 1715t of this title only in accordance with a plan of action approved by the Secretary under this subchapter or in accordance with section 4114 of this title.

(b) Foreclosure

A mortgagee may foreclose the mortgage on, or acquire by deed in lieu of foreclosure, any eligible low-income housing project only if the mortgagee also conveys title to the project to the Secretary in connection with a claim for insurance benefits.

(c) Effect of unauthorized prepayment

Any prepayment of a mortgage on eligible low-income housing or termination of the mort-

gage insurance on such housing not in compliance with the provisions of this subchapter shall be null and void and any low-income affordability restrictions on the housing shall continue to apply to the housing.

(Pub. L. 100-242, title II, §211, as added Pub. L. 101-625, title VI, §601(a), Nov. 28, 1990, 104 Stat. 4249.)

EFFECTIVE DATE

Section 605 of Pub. L. 101-625 provided that: "This subtitle [subtitle A (§§601-605) of title VI of Pub. L. 101-625, enacting this chapter, amending sections 1715z-6 and 1715z-15 of this title and section 1437f of Title 42, The Public Health and Welfare, and enacting provisions set out below] shall take effect on the date of the enactment of this Act [Nov. 28, 1990]."

SHORT TITLE

Section 201 of title II of Pub. L. 100-242, as added by Pub. L. 101-625, title VI, §601(a), Nov. 28, 1990, 104 Stat. 4249, provided that: "This title [enacting this chapter, amending section 1715z-15 of this title and sections 1437f, 1472, 1485, and 1487 of Title 42, The Public Health and Welfare, and enacting provisions set out below] may be cited as the 'Low-Income Housing Preservation and Resident Homeownership Act of 1990'."

APPLICABILITY

Section 235 of Pub. L. 100-242, as added by Pub. L. 101-625, title VI, §601(a), Nov. 28, 1990, 104 Stat. 4274, provided that: "Subject to section 605 of the Cranston-Gonzalez National Affordable Housing Act [Pub. L. 101-625, set out above], the requirements of this subtitle [subtitle B (§§211-235) of title II of Pub. L. 100-242, enacting this subchapter] shall apply to any project that is eligible low-income housing on or after November 1, 1987."

REGULATIONS

Pub. L. 102-550, title III, §332, Oct. 28, 1992, 106 Stat. 3773, provided that: "Except as otherwise provided in this title [enacting sections 4141 to 4147 of this title, amending sections 1715z-1, 1715z-6, 4103, 4105 to 4112, 4116, 4119, 4121, 4122, 4124, and 4125 of this title, enacting provisions set out as notes under this section and sections 1715z-6, 4109, and 4117 of this title, and amending provisions set out as a note under this section], the Secretary of Housing and Urban Development shall issue interim regulations implementing this title and the amendments made by this title not later than the expiration of the 90-day period beginning on the date of the enactment of this Act [Oct. 28, 1992], which shall take effect upon issuance. The Secretary shall issue final regulations implementing this title and the amendments made by this title after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance."

LOW-INCOME HOUSING PRESERVATION

Pub. L. 104-204, title II, Sept. 26, 1996, 110 Stat. 2883, provided in part: "That of the total amount provided under this head, \$350,000,000 shall be available for use in conjunction with properties that are eligible for assistance under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) [see Short Title note above] or the Emergency Low Income Housing Preservation Act of 1987 (ELIHPA) [see Codification note set out preceding this section], of which \$75,000,000 shall be available for obligation until March