CHAPTER 48—GUARANTEES FOR FINANCING NEW COMMUNITY LAND DEVELOPMENT

§§ 3901 to 3906. Repealed. Pub. L. 98–181, title IV, § 474(e), Nov. 30, 1983, 97 Stat. 1239

Section 3901, Pub. L. 90–448, title IV, § 402, Aug. 1, 1968, 82 Stat. 513, set out a Congressional statement of purpose for this chapter.

Section 3902, Pub. L. 90–448, title IV, § 403, Aug. 1, 1968, 82 Stat. 514, provided Secretary with authority to guarantee obligations.

Section 3903, Pub. L. 90–448, title IV, § 404, Aug. 1, 1968, 82 Stat. 514, related to eligible new community development entitled to guarantees under this chapter.

Section 3904, Pub. L. 90–448, title IV, § 405, Aug. 1, 1968, 82 Stat. 514, related to eligibility of bonds, debentures, notes, and other obligations under this chapter.

Section 3905, Pub. L. 90–448, title IV, § 406, Aug. 1, 1968, 82 Stat. 515, related to fees and charges for guarantees and the submission of a report to Congress concerning such fees and charges.

Section 3906, Pub. L. 90–448, title IV, § 407, Aug. 1, 1968, 82 Stat. 515; Pub. L. 91–351, title VII, § 703, July 24, 1970, 84 Stat. 462; Pub. L. 91–609, title III, § 303(a), Dec. 31, 1970, 84 Stat. 1780, provided for a revolving guarantee fund. Section 4528 of this title transferred all receipts, funds, or other assets and all liabilities of the revolving fund established under this section to the revolving fund established under section 4518 of this title.

SHORT TITLE

Section 401 of title IV of Pub. L. 90–448 which provided that this title, which enacted this chapter and amended section 1492 of this title and sections 371 and 1464 of Title 12, Banks and Banking, may be referred to as the ''New Communities Act of 1968'', was repealed by Pub. L. 98–181, title IV, § 474(e), Nov. 30, 1983, 97 Stat. 1239.

SAVINGS PROVISION

Section 474(e) of Pub. L. 98–181 provided that: ''Any actions taken, prior to repeal, under the authority of any of the sections which are repealed by this section [repealing sections 3901 to 3906, 3908, 3909, 3911, 3914, 4511 to 4524, and 4528 to 4532 of this title] shall continue to be valid. Nothing in this subsection shall impair the validity of any guarantees which have been made pursuant to title IV [of the Housing and Urban Development Act of 1968, 42 U.S.C. 3901 et seq.] or title VII [of the Housing and Urban Development Act of 1970, 42 U.S.C. 4501 et seq.] and any such guarantees shall continue to be governed by the provisions of title IV or title VII, as applicable, as they existed immediately before the date of the enactment of this Act [Nov. 30, 1983].''

§ 3907. Omitted

CODIFICATION

Section, Pub. L. 90–448, title IV, § 408, Aug. 1, 1968, 82 Stat. 516; Pub. L. 91–609, title III, § 303(c), Dec. 31, 1970, 84 Stat. 1780, which related to incontestability of guarantees was omitted pursuant to section 4528 of this title, which terminated authority to guarantee bonds, debentures, notes, or other obligations under this chapter after Dec. 31, 1970, with exceptions now inapplicable.

§§ 3908, 3909. Repealed. Pub. L. 98–181, title IV, § 474(e), Nov. 30, 1983, 97 Stat. 1239

Section 3908, Pub. L. 90–448, title IV, § 409, Aug. 1, 1968, 82 Stat. 516, related to encouragement of small builders in new community construction under this chapter.

Section 3909, Pub. L. 90–448, title IV, § 410, Aug. 1, 1968, 82 Stat. 516, related to labor standards in construction under this chapter.

§ 3910. Omitted

CODIFICATION

Section, Pub. L. 90–448, title IV, § 411, Aug. 1, 1968, 82 Stat. 516, which related to real property taxation was omitted pursuant to section 4528 of this title, which terminated authority to guarantee bonds, debentures, notes, or other obligations under this chapter after Dec. 31, 1970, with exceptions now inapplicable.

§ 3911. Repealed. Pub. L. 98–181, title IV, § 474(e), Nov. 30, 1983, 97 Stat. 1239

Section, Pub. L. 90–448, title IV, § 412, 1, 1968, 82 Stat. 516; Pub. L. 91–152, title III, § 304, Dec. 24, 1969, 83 Stat. 391; Pub. L. 91–609, title III, § 303(b), Dec. 31, 1970, 84 Stat. 1780, provided for supplementary grants under this chapter.

§§ 3912, 3913. Omitted

CODIFICATION

Sections were omitted pursuant to section 4528 of this title, which terminated authority to guarantee bonds, debentures, notes, or other obligations under this chapter after Dec. 31, 1970, with exceptions now inapplicable.

Section 3912, Pub. L. 90–448, title IV, § 413, Aug. 1, 1968, 82 Stat. 517, set out functions, powers and duties of the Secretary under this chapter.

Section 3913, Pub. L. 90–448, title IV, § 414, Aug. 1, 1968, 82 Stat. 517, related to audit of financial transactions of those whose obligations are guaranteed under this chapter.

§ 3914. Repealed. Pub. L. 98–181, title IV, § 474(e), Nov. 30, 1983, 97 Stat. 1239

Section, Pub. L. 90–448, title IV, § 415, Aug. 1, 1968, 82 Stat. 517, defined ''land development'', ''actual costs'', and ''new community assistance projects'' for purposes of this chapter.

CHAPTER 49—NATIONAL HOUSING PARTNERSHIPS

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3938. Annual report of corporation; audit of accounts.
3939. Applicability of antitrust laws.
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CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in title 12 sections 24, 1441a, 1441a–1, 1464, 1831q.

§ 3931. Congressional statement of purpose

The Congress finds that the volume of housing being produced for families and individuals of low or moderate income must be increased to meet the national goal of a decent home and a suitable living environment for every American family, and declares that it is the policy of the United States to encourage the widest possible participation by private enterprise in the provision of housing for low or moderate income families. The Congress has therefore determined that one or more private organizations should be created to encourage maximum participation by private investors in programs and projects to provide low and moderate income housing.

(Pub. L. 90–448, title IX, § 901, Aug. 1, 1968, 82 Stat. 547.)

§ 3932. Creation of corporations

(a) Authorization

There is hereby authorized to be created a private corporation for profit (hereinafter in this chapter referred to as the ''corporation''). The corporation will not be an agency or establishment of the United States Government. The corporation shall be subject to the provisions of this chapter and, to the extent consistent with this chapter, to the District of Columbia Business Corporation Act [D.C. Code, § 29–301 et seq.].

(b) Creation of additional corporations

Whenever the President finds it in the national interest to do so, he may cause the creation of an additional corporation or additional corporations to carry out the purposes of this chapter. All the provisions of this chapter shall thereupon become applicable to each such corporation, and to the limited partnership formed by it pursuant to section 3937 of this title.

(c) Creation of corporations and organization of other partnerships, joint ventures, or associations by private persons

Nothing in this chapter shall be construed to preclude private persons from creating other corporations and organizing other partnerships, joint ventures, or associations for the purposes set forth in this chapter as the purposes of the corporation and the partnership described in section 3937 of this title.

(Pub. L. 90–448, title IX, § 902, Aug. 1, 1968, 82 Stat. 547.)

REFERENCES IN TEXT

The District of Columbia Business Corporation Act, referred to in subsec. (a), is act June 8, 1954, ch. 269, 68 Stat. 179, as amended, which appears in chapter 3 (§ 29–301 et seq.) of Title 29, Corporations, of the District of Columbia Code.

§ 3933. Organization of corporation

(a) Appointment of incorporators; Chairman; initial board of directors

The President of the United States shall appoint, by and with the advice and consent of the Senate, incorporators of the corporation, one of whom shall be designated by the President to serve as chairman. The incorporators shall serve as the initial board of directors until the first annual meeting of stockholders or until their successors are elected and have qualified.

(b) Action by incorporators; filing articles of incorporation

The incorporators shall take whatever actions are necessary or appropriate to establish the corporation, including the filing of articles of incorporation as approved by the President.

(c) Initial offering of stock in corporation and of interests in partnership; terms of offering

The incorporators shall also arrange for an initial offering of shares of stock in the corporation and of interests in the partnership described in section 3937 of this title. If the incorporators deem it advisable in order to carry out the purposes of this chapter, the initial offering may be made upon terms which require the purchase of other securities of the corporation or of interests in such partnership.

(Pub. L. 90–448, title IX, § 903, Aug. 1, 1968, 82 Stat. 547.)

§ 3934. Board of Directors; membership; appointment; term

The corporation shall have a board of directors (hereinafter in this section referred to as

the ''board''), consisting of fifteen members. Three members of the board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, effective on the date on which the other members are elected, and for terms of three years or until their successors have been appointed and have qualified, except that the first three members of the board so appointed shall continue in office for terms of one, two, and three years, respectively, and any member so appointed to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. Twelve members of the board shall be elected by the stockholders.

(Pub. L. 90–448, title IX, § 904, Aug. 1, 1968, 82 Stat. 547.)

§ 3935. Financing the corporation

The corporation shall have the power to create and issue the number of shares stated in its articles of incorporation. Such shares may be divided into one or more classes, any or all of which classes may consist of shares with par value or shares without par value, with such designations, preferences, voting powers, and special or relative rights and such limitations, restrictions, or qualifications thereof as shall be stated in the articles of incorporation. The articles of incorporation may limit or deny the voting power of the shares of any class.

(Pub. L. 90–448, title IX, § 905, Aug. 1, 1968, 82 Stat. 548.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 12 section 24.

§ 3936. Purposes and powers of corporation

(a) Building, rehabilitation, acquisition, and financing of housing and related facilities for families and individuals of low or moderate income; acquisition and disposal of property; funds

In order to achieve the objectives and carry out the purposes of this chapter, the corporation is authorized to—

(1) plan, initiate, and carry out, pursuant to Federal programs or otherwise, the building, rehabilitation, acquisition, and financing of housing and related facilities primarily for the benefit of families and individuals of low or moderate income;

(2) buy, own, manage, lease, or otherwise acquire or dispose of property in connection with the developments, projects, or undertakings referred to in paragraph (1);

(3) provide such funds as may be necessary to accomplish the developments, projects, or undertakings referred to in paragraph (1); and

(4) for the purpose of generating income to support the building or rehabilitation of housing primarily for the benefit of families and individuals of low or moderate income (A) design, develop, manufacture and sell products and services for use in the construction, sale, or financing of housing, and (B) design and develop commercial, industrial, or retail facilities that are not directly related to housing, except that the development and preservation of housing for families and individuals of low or moderate income shall be the primary activity of the corporation.

(b) Authorization to enter into partnerships, limited partnerships, joint ventures, and other associations; manager or general partner of partnership, venture, or association; research and studies; technical assistance; loans or grants; hire or acceptance of services of consultants, experts, advisory boards and panels

Included in the activities authorized to the corporation for the accomplishment of the purposes indicated in subsection (a) of this section are, among others not specifically named—

(1) to enter into partnerships, limited partnerships, joint ventures, and other associations with individuals, corporations, and private and governmental agencies, organizations, and institutions;

(2) to act as manager or general partner of any such partnership, venture, or association;

(3) to conduct or contract for research and studies related to the development, demonstration, and evaluation of improved techniques and methods of constructing, rehabilitating, and maintaining housing;

(4) to provide technical assistance to nonprofit corporations, limited dividend corporations, and others with respect to the planning, refinancing, construction, rehabilitation, maintenance, and management of housing for low and moderate income families and individuals;

(5) to make loans or grants including grants of interests in housing and related facilities, to nonprofit corporations, limited dividend corporations, and others, in carrying out its activities under subsection (a) of this section; and

(6) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the corporation in carrying out the purposes of this chapter.

(c) Exercise of powers conferred upon stock corporation by District of Columbia Business Corporation Act

To carry out the foregoing purposes and engaged in the foregoing activities, the corporation shall have the usual powers conferred upon a stock corporation by the District of Columbia Business Corporation Act [D.C. Code, § 29–301 et seq.].

(d) Labor standards

Nothing in this chapter shall have the effect of waiving or otherwise affecting the applicability of the provisions of the Davis-Bacon Act (40 U.S.C. 276a—276a–5), or any other law requiring compliance with labor standards, in the case of any construction to which such provisions would otherwise apply.

(e) Maximum combined outstanding equity commitment

The combined outstanding equity commitment of the corporation and the partnership with respect to activities undertaken under subsection (a)(4) of this section may not exceed (1) 7 percent of their total combined equity com-

mitment outstanding during the first 12-month period following October 17, 1984; (2) 14 percent of their total combined equity commitment outstanding during the second 12-month period following October 17, 1984; or (3) 20 percent of their total combined equity commitment outstanding at any time thereafter.

(Pub. L. 90–448, title IX, § 906, Aug. 1, 1968, 82 Stat. 548; Pub. L. 98–181, title IV, § 467, Nov. 30, 1983, 97 Stat. 1236; Pub. L. 98–479, title I, § 104(c)(1), (2), Oct. 17, 1984, 98 Stat. 2225.)

REFERENCES IN TEXT

The District of Columbia Business Corporation Act, referred to in subsec. (c), is act June 8, 1954, ch. 269, 68 Stat. 179, as amended, which appears in chapter 3 (§ 29–301 et seq.) of Title 29, Corporations, of the District of Columbia Code.

The Davis-Bacon Act, referred to in subsec. (d), is act Mar. 3, 1931, ch. 411, 46 Stat. 1494, as amended, which is classified generally to sections 276a to 276a–5 of Title 40, Public Buildings, Property, and Works. For complete classification of this Act to the Code, see Short Title note set out under section 276a of Title 40 and Tables.

AMENDMENTS

1984—Subsec. (a)(4). Pub. L. 98–479, § 104(c)(1), added par. (4).

Subsec. (e). Pub. L. 98–479, § 104(c)(2), added subsec. (e).

1983—Subsec. (a)(1). Pub. L. 98–181 inserted references to acquisition and financing.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 3937, 3938 of this title.

§ 3937. National housing partnership

(a) Formation of limited partnership; partnership agreement

The corporation is authorized to arrange for the formation, as a separate organization, of a limited partnership (hereinafter in this chapter referred to as the ''partnership'') under the District of Columbia Uniform Limited Partnership Act [D.C. Code, § 41–201 et seq.] for the purpose of engaging in any of the activities authorized for the corporation under section 3936 of this title, and to enter into a partnership agreement governing the affairs of such limited partnership.

(b) Applicability of other laws; legal status of limited partnership

The partnership shall be subject to the provisions, to the extent consistent with this chapter, of (1) the District of Columbia Uniform Limited Partnership Act and (2) those provisions of the District of Columbia Uniform Partnership Act [D.C. Code, § 41–101 et seq.] made applicable by section 6(2) of that Act [D.C. Code, § 41–105(b)]. Notwithstanding any inconsistency between the provisions of such Acts, or of any other law, and the provisions of this section, the partnership organized pursuant to this section shall be deemed to have the legal status of a limited partnership.

(c) Authorization to enter into partnerships, limited partnerships, or joint ventures organized under State or local laws for purpose of engaging in low and moderate income housing developments, projects, or undertakings

The partnership is authorized to enter into partnerships, limited partnerships, or joint ventures organized under applicable State or local law for the purpose of engaging in low and moderate income housing developments, projects, or undertakings in particular localities.

(d) General partner; capital of partnership; contribution of partners

The corporation shall be the general partner in the partnership. The capital of the partnership and the contributions of the partners shall be in such amounts and at such times as are set forth in or pursuant to the partnership agreement.

(e) Partnership agreement; participation in low and moderate income housing developments, projects, or undertakings; limitation on aggregate initial equity investment

The partnership agreement shall include provisions designed to assure that (1) the partnership shall participate in low and moderate income housing developments, projects, or undertakings in a manner designed to encourage the participation therein of local interests, and (2) in any such development, project, or undertaking the partnership shall not subscribe to more than 25 per centum (including equity investments made in services or property) of the aggregate initial equity investment unless, in the judgment of the corporation as general partner, the balance of the required equity investment is not readily obtainable from other responsible investors residing or doing business in the local community.

(f) Partnership agreement; authorization for stockholders to become limited partners; inclusion of other limited partners; acquisition of assignor's stock by assignee of limited partner; approval of substitution or addition of partnership member

The partnership agreement may without limitation (1) permit each of the stockholders of the corporation to become a member of the partnership as a limited partner, (2) authorize the inclusion of other limited partners in addition to the stockholders of the corporation, (3) provide that the assignee of the partnership interest of a limited partner of the partnership who is also a stockholder of the corporation may not become a substituted limited partner unless he also acquires the assignor's stock of the corporation, and (4) include provisions requiring that the corporation as a general partner approve the substitution or addition of a member of the partnership.

(g) Liability of corporation as general partner; treatment of interest of limited partner in partnership

A corporation which is a limited partner in the partnership shall not become liable as a general partner by reason of the fact that (1) such corporation is a holder of shares of voting stock

of the corporation constituting not more than 5 per centum of the total number of outstanding shares of such stock and exercises any of the rights (including voting rights) of a holder of such shares, and/or (2) a person who is an officer or director of such corporation (or of another corporation which controls or is subject to the control of, or is under common control with, such corporation) is a director of the corporation and performs the duties of that office. The interest of a limited partner in the partnership shall not be treated as a stock interest in the corporation, notwithstanding that such interest of a limited partner may be proportionate to his stock interest in the corporation.

(h) Execution of certificate of partnership and amendments

The certificate of the partnership and any amendment thereof required by the District of Columbia Uniform Limited Partnership Act [D.C. Code, § 41–201 et seq.] shall be executed and acknowledged by the corporation as member and by each other member of the partnership or his attorney-in-fact duly authorized by power of attorney in writing. The corporation may execute and acknowledge the certificate and any amendment thereof as attorney-in-fact for any member, member to be substituted or added, or assigning member, by whom the certificate or amendment is required to be executed and acknowledged and who has appointed the corporation as such attorney.

(Pub. L. 90–448, title IX, § 907, Aug. 1, 1968, 82 Stat. 549.)

REFERENCES IN TEXT

The District of Columbia Uniform Limited Partnership Act, referred to in subsecs. (a) and (h), is Pub. L. 87–716, Sept. 28, 1962, 76 Stat. 655, as amended, which appears in chapter 2 (§ 41–201 et seq.) of Title 41, Partnerships, of the District of Columbia Code.

The District of Columbia Uniform Partnership Act, referred to in subsec. (b), is Pub. L. 87–709, Sept. 27, 1962, 76 Stat. 636, as amended, which appears in chapter 1 (§ 41–101 et seq.) of Title 41 of the District of Columbia Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 3932, 3933 of this title; title 12 sections 24, 1464.

§ 3938. Annual report of corporation; audit of accounts

(a)(1) The corporation shall submit an annual report to the President for transmittal to the Congress within six months after the end of its fiscal year. The report shall include a comprehensive and detailed report of the operations, activities, and financial condition of the corporation and the partnership under this chapter.

(2) The report shall contain a description of the activities undertaken under section 3936(a)(4) of this title, and shall specify, as a percentage of equity and in dollars, the extent of the corporation's and the partnership's investment in housing for the benefit of families and individuals of low or moderate income, the extent of the corporation's and the partnership's investment in other housing, and the extent of the corporation's and the partnership's activities which are undertaken under section 3936(a)(4) of this title.

(b) The accounts of the corporation and of the partnership shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States.

(Pub. L. 90–448, title IX, § 908, Aug. 1, 1968, 82 Stat. 550; Pub. L. 98–479, title I, § 104(c)(3), Oct. 17, 1984, 98 Stat. 2225.)

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–479 designated existing provisions as par. (1) and added par. (2).

§ 3939. Applicability of antitrust laws

Nothing contained herein shall affect the applicability of the Federal antitrust laws to the activities of the corporation and the partnership created under this chapter and of the persons participating therein or in partnerships, limited partnerships, or joint ventures with either of them.

(Pub. L. 90–448, title IX, § 909, Aug. 1, 1968, 82 Stat. 550.)

§ 3940. Reservation of right to repeal, alter, or amend chapter

The right to repeal, alter, or amend this chapter at any time is expressly reserved.

(Pub. L. 90–448, title IX, § 910, Aug. 1, 1968, 82 Stat. 550.)

§ 3941. State or local taxation or regulation; access to judicial process

Nothing contained in this chapter shall preclude a State or other local jurisdiction from imposing, in accordance with the laws of such State or other local jurisdiction, any valid nondiscriminatory tax, obligation, or regulation on the partnership as a taxable and or legal entity, but no limited partner of the partnership not otherwise subject to taxation or regulation by or judicial process of a State or other local jurisdiction shall be subject to taxation or regulation by or subject to or denied access to judicial process of such State or other local jurisdiction, or be subject or denied access to any greater extent, because of activities of the corporation or partnership within such State or other local jurisdiction.

(Pub. L. 90–448, title IX, § 912, as added Pub. L. 91–351, title VIII, § 711, July 24, 1970, 84 Stat. 463.)

CHAPTER 50—NATIONAL FLOOD INSURANCE

Sec.
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