

tary housing for lower income families; to encourage large-scale experimentation in the use of such technologies; to provide a basis for comparison of such technologies with existing housing technologies in providing such housing; and to evaluate the effect of local housing codes and zoning regulations on the large-scale use of new housing technologies in the provision of such housing, the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall institute a program under which qualified organizations, public and private, will submit plans for the development of housing for lower income families, using new and advanced technologies, on Federal land which has been made available by the Secretary for the purposes of this section, or on other land where (1) local building regulations permit the construction of experimental housing, or (2) State or local law permits variances from building regulations in the construction of experimental housing for the purpose of testing and developing new building technologies.

(b) Approval of plans utilizing new housing technologies; considerations

The Secretary shall approve not more than five plans utilizing new housing technologies which are submitted to him pursuant to the program referred to in subsection (a) and which he determines are most promising in furtherance of the purposes of this section. In making such determination the Secretary shall consider—

- (1) the potential of the technology employed for producing housing for lower income families on a large scale at a moderate cost;
- (2) the extent to which the plan envisages environmental quality;
- (3) the possibility of mass production of the technology; and
- (4) the financial soundness of the organization submitting the plan, and the ability of such organization, alone or in combination with other organizations, to produce at least one thousand dwelling units a year utilizing the technology proposed.

(c) Number of dwelling units to be constructed for each type of technology; evaluation of projects

In approving projects for mortgage insurance under section 1715x(a)(2) of this title, the Secretary shall seek to achieve the construction of at least one thousand dwelling units a year over a five-year period for each of the various types of technologies proposed in approved plans under subsection (b). The Secretary shall evaluate each project with respect to which assistance is extended pursuant to this section with a view to determining (1) the detailed cost breakdown per dwelling unit, (2) the environmental quality achieved in each unit, and (3) the effect which local housing codes and zoning regulations have, or would have if applicable, on the cost per dwelling unit.

(d) Transfer of surplus property

Notwithstanding the provisions of chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, any land which is excess property within the meaning of chapters 1 to 11

of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41 and which is determined by the Secretary to be suitable in furtherance of the purposes of this section may be transferred to the Secretary upon his request.

(e) Report of findings; legislative recommendations

The Secretary shall, at the earliest practicable date, report his findings with respect to projects assisted pursuant to this section (including evaluations of each such project in accordance with subsection (c)), together with such recommendations for additional legislation as he determines to be necessary or desirable to expand the available supply of decent, safe, and sanitary housing for lower income families through the use of technologies the efficacy of which has been demonstrated under this section.

(Pub. L. 90-448, title I, § 108(a)-(e), Aug. 1, 1968, 82 Stat. 495, 496.)

Editorial Notes

CODIFICATION

In subsec. (d), "chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, any land which is excess property within the meaning of chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41" substituted for "the Federal Property and Administrative Services Act of 1949, any land which is excess property within the meaning of such Act" on authority of Pub. L. 107-217, § 5(c), Aug. 21, 2002, 116 Stat. 1303, which Act enacted Title 40, Public Buildings, Property, and Works, and Pub. L. 111-350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

Section was enacted as part of the Housing and Urban Development Act of 1968, and not as part of the National Housing Act which comprises this chapter.

§ 1701z-1. Research and demonstrations; authorization of appropriations; continuing availability of funds

The Secretary of Housing and Urban Development is authorized and directed to undertake such programs of research, studies, testing, and demonstration relating to the mission and programs of the Department as he determines to be necessary and appropriate. There is¹ authorized to be appropriated to carry out this title [12 U.S.C. 1701z-1 et seq.] \$35,000,000 for fiscal year 1993 and \$36,470,000 for fiscal year 1994.

(Pub. L. 91-609, title V, § 501, Dec. 31, 1970, 84 Stat. 1784; Pub. L. 94-375, § 23(a), Aug. 3, 1976, 90 Stat. 1078; Pub. L. 95-128, title II, § 204, Oct. 12, 1977, 91 Stat. 1129; Pub. L. 95-557, title III, § 305(a), Oct. 31, 1978, 92 Stat. 2097; Pub. L. 96-153, title III, § 304, Dec. 21, 1979, 93 Stat. 1112; Pub. L. 96-399, title III, § 303, Oct. 8, 1980, 94 Stat. 1639; Pub. L. 97-35, title III, § 337, Aug. 13, 1981, 95 Stat. 414; Pub. L. 98-181, title I [title IV, § 466(a)], Nov. 30, 1983, 97 Stat. 1236; Pub. L. 100-242, title V, § 564, Feb. 5, 1988, 101 Stat. 1945; Pub. L. 101-625, title IX, § 951(a), Nov. 28, 1990, 104 Stat. 4417; Pub. L. 102-550, title IX, § 901, Oct. 28, 1992, 106 Stat. 3866.)

¹ So in original. Probably should be "are".

Editorial Notes

REFERENCES IN TEXT

This title, referred to in text, is title V of the Housing and Urban Development Act of 1970, Pub. L. 91-609, Dec. 31, 1970, 84 Stat. 1784, which is classified generally to section 1701z-1 et seq. of this title. For complete classification of this Act to the Code, see Short Title of 1970 Amendments note set out under section 1701 of this title and Tables.

CODIFICATION

Section was enacted as part of the Housing and Urban Development Act of 1970, and not as part of the National Housing Act which comprises this chapter.

AMENDMENTS

1992—Pub. L. 102-550 substituted “There is authorized to be appropriated to carry out this title \$35,000,000 for fiscal year 1993 and \$36,470,000 for fiscal year 1994.” for “There are authorized to be appropriated to carry out this title \$21,200,000 for fiscal year 1991 and \$22,100,000 for fiscal year 1992. From any amounts appropriated under this section for fiscal year 1991, the Secretary shall use not more than \$500,000 to carry out a demonstration project to test affordable housing technologies, and shall include in the annual report under section 3536 of title 42 (for the appropriate year) a statement of the activities under the demonstration program and findings resulting from the program. The statement shall set forth the amount and use of funds expended by the Secretary under the program for the year relating to the report and the Secretary shall include such a statement in each such annual report for each year that amounts appropriated under this section are used under the demonstration. All funds so appropriated shall remain available until expended unless specifically limited.”

1990—Pub. L. 101-625 substituted provisions authorizing appropriations of \$21,200,000 for 1991 and \$22,100,000 for 1992, for provisions authorizing \$17,000,000 for 1988 and \$18,000,000 for 1989, and added provisions limiting amount to be used for demonstration project in 1991 and requiring that annual report include statement relating to such project.

1988—Pub. L. 100-242 substituted “There are authorized to be appropriated to carry out this title \$17,000,000 for fiscal year 1988, and \$18,000,000 for fiscal year 1989.” for “There are authorized to be appropriated for activities under this title not to exceed \$19,000,000 for fiscal year 1984, and such sums as may be necessary for fiscal year 1985. Of the amount appropriated under the preceding sentence for fiscal year 1984, not less than \$2,000,000 shall be provided for implementation of a research program to be developed in consultation with public housing agencies, which program shall identify current problems of public housing management, specific solutions to such problems, and incentives to encourage implementation of such solutions.”

1983—Pub. L. 98-181 substituted provisions relating to appropriations for fiscal years 1984 and 1985 and the expenditure of not less than \$2,000,000 for a public housing management research program for provisions authorizing appropriations of \$65,000,000 for fiscal 1977, \$60,000,000 for fiscal 1978, \$62,000,000 for fiscal 1979, \$50,300,000 for fiscal 1980, \$51,000,000 for fiscal 1981 and \$35,000,000 for fiscal 1982.

1981—Pub. L. 97-35 inserted provisions authorizing appropriations for fiscal year 1982.

1980—Pub. L. 96-399 authorized appropriation of \$51,000,000 for fiscal year 1981.

1979—Pub. L. 96-153 authorized appropriation of \$50,300,000 for fiscal year 1980.

1978—Pub. L. 95-557 substituted “not to exceed \$60,000,000 for the fiscal year 1978, and not to exceed \$62,000,000 for the fiscal year 1979” for “and not to exceed \$60,000,000 for the fiscal year 1978”.

1977—Pub. L. 95-128 authorized appropriation of \$60,000,000 for fiscal year 1978.

1976—Pub. L. 94-375 substituted provision authorizing appropriations for fiscal year 1977 in an amount not exceeding \$65,000,000 for provision which authorized sums to be appropriated as may have been necessary.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective Oct. 1, 1981, see section 371 of Pub. L. 97-35, set out as an Effective Date note under section 3701 of this title.

REHABILITATION DEMONSTRATION GRANT PROGRAM

Pub. L. 105-276, title V, §599G, Oct. 21, 1998, 112 Stat. 2666, provided that:

“(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, to the extent amounts are provided in appropriation Acts to carry out this section, carry out a program to demonstrate the effectiveness of making grants for rehabilitation of single family housing located within 10 demonstration areas designated by the Secretary. Of the areas designated by the Secretary under this section—

“(1) 6 shall be areas that have primarily urban characteristics;

“(2) 3 shall be areas that are outside of a metropolitan statistical area; and

“(3) 1 shall be an area that has primarily rural characteristics.

In selecting areas, the Secretary shall provide for national geographic and demographic diversity.

“(b) GRANTEES.—Grants under the program under this section may be made only to agencies of State and local governments and non-profit organizations operating within the demonstration areas.

“(c) SELECTION CRITERIA.—In selecting among applications for designation of demonstration areas and grants under this section, the Secretary shall consider—

“(1) the extent of single family residences located in the proposed area that have rehabilitation needs;

“(2) the ability and expertise of the applicant in carrying out the purposes of the demonstration program, including the availability of qualified housing counselors and contractors in the proposed area willing and able to participate in rehabilitation activities funded with grant amounts;

“(3) the extent to which the designation of such area and the grant award would promote affordable housing opportunities;

“(4) the extent to which selection of the proposed area would have a beneficial effect on the neighborhood or community in the area and on surrounding areas;

“(5) the extent to which the applicant has demonstrated that grant amounts will be used to leverage additional public or private funds to carry out the purposes of the demonstration program;

“(6) the extent to which lenders (including local lenders and lenders outside the proposed area) are willing and able to make loans for rehabilitation activities assisted with grant funds; and

“(7) the extent to which the application provides for the involvement of local residents in the planning of rehabilitation activities in the demonstration area.

“(d) USE OF GRANT FUNDS.—Funds from grants made under this section may be used by grantees—

“(1) to subsidize interest on loans, over a period of not more than 5 years from the origination date of the loan, made after the date of the enactment of this Act [Oct. 21, 1998] for rehabilitation of any owner-occupied 1- to 4-family residence, including the payment of interest during any period in which a residence is uninhabitable because of rehabilitation activities;

“(2) to facilitate loans for rehabilitation of 1- to 4-family properties previously subject to a mortgage insured under the National Housing Act [12 U.S.C.

1701 et seq.] that has been foreclosed or for which insurance benefits have been paid, including to establish revolving loan funds, loan loss reserves, and other financial structures; and

“(3) to provide technical assistance in conjunction with the rehabilitation of owner-occupied 1- to 4-family residences, including counseling, selection contractors, monitoring of work, approval of contractor payments, and final inspection of work.

“(e) DEFINITION OF REHABILITATION.—For purposes of this section, the term ‘rehabilitation’ has the meaning given such term in section 203(k)(2)(B) of the National Housing Act (12 U.S.C. 1709(k)(2)(B)).

“(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section such sums as may be necessary for each of fiscal years 1999 through 2003.

“(g) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998].”

REPORT REGARDING RESEARCH ACTIVITIES

Pub. L. 101-625, title IX, §951(b), Nov. 28, 1990, 104 Stat. 4417, directed Secretary of Housing and Urban Development, not later than the expiration of the 1-year period beginning on Nov. 28, 1990, to submit to Congress a report listing and describing various research activities, studies, testing, and demonstration programs relating to mission and programs of Department of Housing and Urban Development that are being conducted, have concluded, or will conclude during such period, pursuant to section 501 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1), title V of such Act (12 U.S.C. 1701z-1 et seq.), or any other authority, such report to include a statement identifying the individual or entity that is conducting each such activity, study, test, and demonstration program.

§ 1701z-2. Advanced technologies, methods, and materials for housing construction, rehabilitation, and maintenance

(a) General acceptance; costs, reduction; health and safety restrictions on expanded housing production

The Secretary shall require, to the greatest extent feasible, the employment of new and improved technologies, methods, and materials in housing construction, rehabilitation, and maintenance under programs administered by him with a view to reducing costs, and shall encourage and promote the acceptance and application of such advanced technology, methods, and materials by all segments of the housing industry, communities, industries engaged in urban development activities, and the general public. To the extent feasible, in connection with the construction, major rehabilitation, or maintenance of any housing assisted under section 1701z-1 of this title, the Secretary shall assure that there is no restraint by contract, building code, zoning ordinance, or practice against the employment of new or improved technologies, techniques, materials, and methods or of preassembled products which may reduce the cost or improve the quality of such construction, rehabilitation, and maintenance, and therefore stimulate expanded production of housing, except where such restraint is necessary to insure safe and healthful working and living conditions.

(b) Experimental construction under approved housing plans on Federal or other lands with view toward ultimate mass housing production; use of section 1701z-1 funds and authority

To encourage large-scale experimentation in the use of new technologies, methods, and mate-

rials, with a view toward the ultimate mass production of housing and related facilities, the Secretary shall wherever feasible conduct programs under section 1701z-1 of this title in which qualified organizations, public and private, will submit plans for development and production of housing and related facilities using such new advances on Federal land which has been made available or acquired by the Secretary for the purpose of this subsection or on other land where (1) local building regulations permit such experimental construction, or (2) necessary variances from building regulations can be granted. The Secretary may utilize the funds and authority available to him under the provisions of section 1701z-1 of this title to assist in the implementation of plans which he approves.

(c) Acquisition, use, and disposal of property; transfer of excess property

Notwithstanding any other provision of law, the Secretary is authorized, in connection with projects under this title [12 U.S.C. 1701z-1 et seq.], to acquire, use and dispose of any land and other property required for the project as he deems necessary. Notwithstanding the provisions of chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, any land which is excess property within the meaning of chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41 and which is determined by the Secretary to be suitable in furtherance of the purposes of subsection (b) may be transferred to the Secretary upon his request.

(d) Technical assistance; reports; general dissemination and form of reports, data, and information

In order to effectively carry out his activities under section 1701z-1 of this title, the Secretary is authorized to provide such advice and technical assistance as may be required and to pay for the cost of writing and publishing reports on activities and undertakings financed under section 1701z-1 of this title, as well as reports on similar activities and undertakings, not so financed, which are of significant value in furthering the purposes of that section. He may disseminate (without regard to the provisions of section 3204 of title 39 or section 4154 of such title with respect to any period before the effective date of such section 3204 as provided in section 15(a) of the Postal Reorganization Act) any reports, data, or information acquired or held under this title [12 U.S.C. 1701z-1 et seq.], including related data and information otherwise available to the Secretary through the operation of the programs and activities of the Department of Housing and Urban Development, in such form as he determines to be most useful to departments, establishments, and agencies of Federal, State, and local governments, to industry, and to the general public.

(e) Contracts or grants; authority; advance and progress payments; work limitation

The Secretary is authorized to carry out the functions authorized in section 1701z-1 of this title either directly or, without regard to section 6101 of title 41, by contract or by grant. Ad-