

Sec.

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CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 1437d, 1439, 1440, 3013, 3533, 3535, 5133, 9816, 11505 of this title; title 7 section 2008n; title 12 sections 1464, 1701x, 1715z, 1715z-13, 1834a; title 25 section 4104; title 40 section 14507.

§ 5301. Congressional findings and declaration of purpose

(a) Critical social, economic, and environmental problems facing Nation's urban communities

The Congress finds and declares that the Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems arising in significant measure from—

- (1) the growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities;
- (2) inadequate public and private investment and reinvestment in housing and other physical facilities, and related public and social services, resulting in the growth and persistence of urban slums and blight and the marked deterioration of the quality of the urban environment; and

(3) increasing energy costs which have seriously undermined the quality and overall effectiveness of local community and housing development activities.

(b) Establishment and maintenance of viable urban communities; systematic and sustained action by Federal, State, and local governments; expansion of and continuity in Federal assistance; increased private investment; streamlining programs and improvement of functioning of agencies; action to address consequences of scarce fuel supplies

The Congress further finds and declares that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable urban communities as social, economic, and political entities, and require—

- (1) systematic and sustained action by Federal, State, and local governments to eliminate blight, to conserve and renew older urban areas, to improve the living environment of low- and moderate-income families, and to develop new centers of population growth and economic activity;
 - (2) substantial expansion of and greater continuity in the scope and level of Federal assistance, together with increased private investment in support of community development activities;
 - (3) continuing effort at all levels of government to streamline programs and improve the functioning of agencies responsible for planning, implementing, and evaluating community development efforts; and
 - (4) concerted action by Federal, State, and local governments to address the economic and social hardships borne by communities as a consequence of scarce fuel supplies.
- #### (c) Decent housing, suitable living environment, and economic opportunities for persons of low and moderate income; community development activities which may be supported by Federal assistance

The primary objective of this chapter and of the community development program of each grantee under this chapter is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, not less than 70 percent of the aggregate of the Federal assistance provided to States and units of general local government under section 5306 of this title and, if applicable, the funds received as a result of a guarantee or a grant under section 5308 of this title, shall be used for the support of activities that benefit persons of low and moderate income, and the Federal assistance provided in this chapter is for the support of community development activities which are directed toward the following specific objectives—

- (1) the elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income;
- (2) the elimination of conditions which are detrimental to health, safety, and public wel-

fare, through code enforcement, demolition, interim rehabilitation assistance, and related activities;

(3) the conservation and expansion of the Nation's housing stock in order to provide a decent home and a suitable living environment for all persons, but principally those of low and moderate income;

(4) the expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for the development of viable urban communities;

(5) a more rational utilization of land and other natural resources and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers;

(6) the reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods;

(7) the restoration and preservation of properties of special value for historic, architectural, or esthetic reasons;

(8) the alleviation of physical and economic distress through the stimulation of private investment and community revitalization in areas with population outmigration or a stagnating or declining tax base; and

(9) the conservation of the Nation's scarce energy resources, improvement of energy efficiency, and the provision of alternative and renewable energy sources of supply.

It is the intent of Congress that the Federal assistance made available under this chapter not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.

(d) Consolidation of complex and overlapping Federal assistance programs into consistent system of Federal aid

It is also the purpose of this chapter to further the development of a national urban growth policy by consolidating a number of complex and overlapping programs of financial assistance to communities of varying sizes and needs into a consistent system of Federal aid which—

(1) provides assistance on an annual basis, with maximum certainty and minimum delay, upon which communities can rely in their planning;

(2) encourages community development activities which are consistent with comprehensive local and areawide development planning;

(3) furthers achievement of the national housing goal of a decent home and a suitable living environment for every American family; and

(4) fosters the undertaking of housing and community development activities in a coordinated and mutually supportive manner by Federal agencies and programs, as well as by communities.

(Pub. L. 93-383, title I, §101, Aug. 22, 1974, 88 Stat. 633; Pub. L. 95-128, title I, §101, Oct. 12, 1977, 91 Stat. 1111; Pub. L. 96-399, title I, §104(a), Oct. 8, 1980, 94 Stat. 1616; Pub. L. 98-181, title I, §101(a), Nov. 30, 1983, 97 Stat. 1159; Pub. L. 100-242, title V, §502(a), (b), Feb. 5, 1988, 101 Stat. 1923; Pub. L. 101-625, title IX, §§902(a), 913(a), Nov. 28, 1990, 104 Stat. 4385, 4392; Pub. L. 103-233, title II, §232(a)(2)(A), Apr. 11, 1994, 108 Stat. 367.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (c) and (d), was in the original "this title", meaning title I of Pub. L. 93-383, Aug. 22, 1974, 88 Stat. 633, as amended, which enacted this chapter and amended sections 1452b, 1453, and 3311 of this title, section 1701u of Title 12, Banks and Banking, and section 711 of former Title 31, Money and Finance. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS

1994—Subsec. (c). Pub. L. 103-233 inserted "or a grant" after "guarantee" in second sentence.

1990—Subsec. (c). Pub. L. 101-625, §913(a), inserted "to States and units of general local government" after first reference to "Federal assistance provided" in second sentence.

Pub. L. 101-625, §902(a), substituted "70 percent" for "60 percent" in second sentence.

1988—Subsec. (c). Pub. L. 100-242, §502(a), substituted "60" for "51".

Subsec. (c)(6). Pub. L. 100-242, §502(b), struck out "to attract persons of higher income" before semicolon at end.

1983—Subsec. (c). Pub. L. 98-181, §101(a)(1), inserted "and of the community development program of each grantee under this chapter" in provisions preceding par. (1).

Pub. L. 98-181, §101(a)(2), inserted "not less than 51 percent of the aggregate of the Federal assistance provided under section 5306 of this title and, if applicable, the funds received as a result of a guarantee under section 5308 of this title, shall be used for the support of activities that benefit persons of low and moderate income, and" in provisions preceding par. (1).

1980—Subsec. (a)(3). Pub. L. 96-399, §104(a)(1)-(3), added par. (3).

Subsec. (b)(4). Pub. L. 96-399, §104(a)(4)-(6), added par. (4).

Subsec. (c)(9). Pub. L. 96-399, §104(a)(7)-(9), added par. (9).

1977—Subsec. (c)(8). Pub. L. 95-128, §101(a), added par. (8).

Subsec. (d)(4). Pub. L. 95-128, §101(b), provided that the development activities be undertaken by Federal agencies and programs as well as by communities.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 209 of title II of Pub. L. 103-233 provided that: "The amendments made by this title [enacting sections 5321 and 12840 of this title and amending this section and sections 5304, 5305, 5308, 5318, 12704, 12744, 12745, 12750, 12833, 12838, and 12893 of this title] shall apply with respect to any amounts made available to carry out title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.] after the date of the enactment of this Act [Apr. 11, 1994] and any amounts made available to carry out such title before such date of enactment that remain uncommitted on such date. The Secretary shall issue any regulations necessary to carry out the amendments made by this title not later than the expiration of the 45-day period beginning on the date of the enactment of this Act."

EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102-550, §2, Oct. 28, 1992, 106 Stat. 3681, provided that: "The provisions of this Act [see Tables for classification] and the amendments made by this Act

shall take effect and shall apply upon the date of the enactment of this Act [Oct. 28, 1992], unless such provisions or amendments specifically provide for effectiveness or applicability upon another date certain.”

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 913(a) of Pub. L. 101-625 applicable to amounts approved in any appropriation Act under section 5303 of this title for fiscal year 1990 and each fiscal year thereafter, see section 913(f) of Pub. L. 101-625, set out as a note under section 5306 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 98-181 applicable only to funds available for fiscal year 1984 and thereafter, see section 110(b) of Pub. L. 98-181, as amended, set out as a note under section 5316 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 114 of title I of Pub. L. 95-128 provided that: “The amendments made by this title [enacting section 5318 of this title, amending this section, sections 1452b, 5302 to 5308, and 5313 of this title, and section 461 of former Title 40, Public Buildings, Property, and Works, and enacting provisions set out as a note under section 5313 of this title] shall become effective October 1, 1977.”

SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102-550, §1(a), Oct. 28, 1992, 106 Stat. 3672, provided that: “This Act [see Tables for classification] may be cited as the ‘Housing and Community Development Act of 1992’.”

SHORT TITLE OF 1988 AMENDMENT

Section 1(a) of Pub. L. 100-242 provided that: “This Act [see Tables for classification] may be cited as the ‘Housing and Community Development Act of 1987’.”

SHORT TITLE OF 1986 AMENDMENT

Pub. L. 99-272, title III, §3001(a), Apr. 7, 1986, 100 Stat. 101, provided that: “This title [amending sections 1437b, 1437g, 1452b, 1483, 1485, 1487, 1490, 1490c, 4026, 4056, 4101, 5302, and 5308 of this title, and sections 1703, 1715h, 1715i, 1715z, 1715z-9, 1715z-10, 1715z-14, 1748h-1, 1748h-2, 1749bb, 1749aaa, 1749bbb, and 2811 of Title 12, Banks and Banking, enacting provisions set out as notes under section 5308 of this title, and amending provisions set out as a note under section 1701q of Title 12] may be cited as the ‘Housing and Community Development Reconciliation Amendments of 1985’.”

SHORT TITLE OF 1984 AMENDMENT

Pub. L. 98-479, §1, Oct. 17, 1984, 98 Stat. 2218, provided: “That this Act [amending sections 1437a, 1437b, 1437d, 1437f, 1437h, 1437i, 1437o, 1438 to 1440, 1452, 1455, 1456, 1471, 1472, 1480, 1481, 1483, 1485, 1487, 1490, 1490a to 1490c, 1493, 2414, 3337, 3535, 3541, 3936, 3938, 4016, 4017, 4101, 4105, 4124, 4502, 5302, 5304 to 5306, 5308, 5312, 5317, 5318, 5403, 6863, 8004, 8010, and 8107 of this title, sections 1425a, 1457, 1701c, 1701h, 1701q, 1701s, 1701x, 1701z-2, 1701z-13, 1702, 1705, 1706e, 1709, 1713, 1715d, 1715h, 1715i, 1715n, 1715y, 1715z, 1715z-1, 1715z-1a, 1715z-5 to 1715z-9, 1717, 1719, 1721, 1723a, 1723g, 1723h, 1732, 1735f-5, 1735f-9, 1749, 1749a, 1749c, 1749aaa, 1749aaa-3, 1749bbb-8, 1749bbb-13, 1749bbb-17, 1750c, 1757, 2706, 2709, 3612, and 3618 of Title 12, Banks and Banking, and sections 1635 and 1715 of Title 15, Commerce and Trade, enacting provisions set out as notes under sections 1472 and 5305 of this title and sections 1715b, 1732 and 3618 of Title 12, and amending provisions set out as notes under sections 602, 5316, and 5318 of this title and section 1701z-6 of Title 12] may be cited as the ‘Housing and Community Development Technical Amendments Act of 1984’.”

SHORT TITLE OF 1981 AMENDMENT

Pub. L. 97-35, title III, §300, Aug. 13, 1981, 95 Stat. 384, provided that: “This subtitle [subtitle A (§§300-371) of

title III of Pub. L. 97-35, enacting sections 1437j-1, 1437n, and 4028 of this title and sections 1701z-14, 1735f-9, 1735f-10, 2294a, and 3701 to 3717 of Title 12, Banks and Banking, amending sections 1436a, 1437 to 1437d, 1437f, 1437g, 1437i, 1437j, 1437l, 1439, 1452b, 1483, 1485, 1487, 1490a, 1490c, 4017, 4026, 4056, 4081, 4127, 4518, 5302 to 5313, 5316, 5318, 5320, and 8107 of this title and sections 1701s, 1701j-2, 1701q, 1701x, 1701z-1, 1701z-14, 1703, 1706e, 1709-1, 1713, 1715e, 1715h, 1715k, 1715l, 1715n, 1715v, 1715y, 1715z, 1715z-1, 1715z-1a, 1715z-1b, 1715z-7, 1715z-9, 1715z-10, 1720, 1721, 1735c, 1748h-1, 1748h-2, 1749bb, 1749aaa, 1749bbb, and 1749bbb-3 of Title 12, repealing sections 8121 to 8124 of this title and section 461 of former Title 40, Public Buildings, Property, and Works, enacting provisions set out as notes under 1436a, 1437a, 1437f, 4028, 5304, 5305, 5306, 5318 of this title and sections 1703, 1720, and 3701 of Title 12, and repealing provisions set out as notes under section 8121 of this title and section 1701s of Title 12] may be cited as the ‘Housing and Community Development Amendments of 1981’.”

SHORT TITLE OF 1980 AMENDMENT

Section 1 of Pub. L. 96-399 provided: “That this Act [enacting sections 1436a, 1436b, 1437l, 1437m, 1490j and 5320 of this title, sections 1735f-8 and 2809 to 2811 of Title 12, Banks and Banking, and sections 3601 to 3616 of Title 15, Commerce and Trade, amending this section, sections 1437c, 1437d, 1437f, 1437g, 1437k, 1439, 1441c, 1452b, 1471, 1472, 1480, 1483 to 1487, 1490a, 1490c to 1490e, 3535, 4127, 5302 to 5308, 5316 to 5318, 5401 to 5404, 5406 to 5416, 5419, 5421 to 5423, 5425, 6833, 6835, 8004, 8102, 8105, 8107, and 8124 of this title, sections 86a, 1425a, 1454, 1701q, 1701s, 1701u, 1701z-1, 1701z-11, 1703, 1706e, 1707, 1709, 1709-1, 1713, 1715d, 1715e, 1715h, 1715k, 1715l to 1715n, 1715u to 1715w, 1715y to 1715z-1, 1715z-1a, 1715z-5 to 1715z-7, 1715z-9, 1715z-10, 1717, 1720, 1721, 1723e, 1735c, 1735f-7a, 1748h-1, 1748h-2, 1749bb, 1749aaa and 2803 of Title 12 and sections 461 and 484b of former Title 40, Public Buildings, Property and Works, repealing section 2809 of Title 12, enacting provisions set out as notes under sections 1472, 3535, 5302, 5313, 5401, 5424 and 8106 of this title, sections 86a, 1701z-6, 1703, 1715d, 1715z, 1717, 1723a, 1723e and 3305 of Title 12, section 3601 of Title 15, and section 461 of former Title 40, and amending provisions set out as notes under section 5401 of this title and sections 86a, 1701z-6, 1723e, and 1735f-4 of Title 12] may be cited as the ‘Housing and Community Development Act of 1980’.”

SHORT TITLE OF 1979 AMENDMENT

Pub. L. 96-153, §1, Dec. 21, 1979, 93 Stat. 1101, provided: “That this Act [enacting section 1735f-7 of Title 12, Banks and Banking, section 1719a of Title 15, Commerce and Trade, and section 1437k of this title, amending section 5315 of Title 5, Government Organization and Employees, sections 90, 1426, 1431, 1451, 1452, 1455, 1464, 1701q, 1701s, 1701z-1, 1701z-11, 1703, 1706e, 1709, 1709-1, 1713, 1715e, 1715h, 1715k, 1715l, 1715m, 1715v, 1715y, 1715z, 1715z-1, 1715z-1a, 1715z-6, 1715z-7, 1715z-9, 1715z-10, 1717, 1728, 1735c, 1748h-1, 1748h-2, 1749bb, 1749aaa, 1749bbb, 1757, 1787, and 1821 of Title 12, sections 1701, 1702, 1703, 1708, 1709, 1711, 1715, and 1717 of Title 15, section 461 of former Title 40, Public Buildings, Property, and Works, and sections 1437a, 1437c, 1437d, 1437f, 1437g, 1439, 1452b, 1471, 1472, 1474, 1479, 1480, 1483, 1484, 1485, 1486, 1487, 1490a, 1490c, 3533a, 3541, 4026, 4056, 4127, 5302, 5303, 5304, 5306, 5318, 5419, 8107, 8123, 8124, and 8146 of this title, and enacting provisions set out as notes under sections 1701, 1701q, 1701s, 1703, 1709, 1723e, and 1728 of Title 12, section 1701 of Title 15, and sections 1437a, 1437f, and 5304 of this title] may be cited as the ‘Housing and Community Development Amendments of 1979’.”

SHORT TITLE OF 1978 AMENDMENT

Pub. L. 95-557, §1, Oct. 31, 1978, 92 Stat. 2080, provided that: “This Act [enacting sections 3541, 5319, 8001 to 8010, 8101 to 8107, 8121 to 8124, and 8141 to 8146 of this title and sections 1701z-9 to 1701z-13, 1715z-1a, 1715z-1b, 1735f-6, of Title 12, Banks and Banking, amending sec-

tions 1437a, 1437c, 1437e, 1437f, 1437g, 1441c, 1452b, 1476, 1480, 1483 to 1487, 1490a, 1490c, 1490e, 3371, 3535, 4026, 4056, 4127, 4521, 5304, 5305, 5307, 5318 and 5425, of this title, sections 1454, 1701j-2, 1701q, 1701z-1, 1703, 1706e, 1709, 1709-1, 1713, 1715h, 1715i, 1715n, 1715y, 1715z, 1715z-1, 1715z-5, 1715z-6, 1715z-9, 1715z-10, 1715z-11, 1715w, 1717, 1720, 1735c, 1748h-1, 1748h-2, 1749bb, 1749aaa, 1749bbb, and 1749bbb-3 of Title 12, section 1702 of Title 15, Commerce and Trade, and sections 461 and 484b of former Title 40, Public Buildings, Property, and Works, and enacting provisions set out as notes under sections 1437c, 1437f, 1441, 1476, 1480, 5313, 8001, 8101, 8121, and 8141 of this title and sections 1454, 1701z-6, 1701z-9, 1709, 1715z-1, and 1723e of Title 12] may be cited as the 'Housing and Community Development Amendments of 1978'."

SHORT TITLE OF 1977 AMENDMENT

Section 1 of Pub. L. 95-128 provided that: "This Act [enacting sections 3540 and 5318 of this title and sections 2901 to 2905 of Title 12, Banks and Banking, amending this section, sections 1437c, 1437f, 1437g, 1439, 1452b, 1471, 1472, 1476, 1479, 1483 to 1485, 1487, 1490a, 1490c, 1490h, 3533, 4003, 4013, 4026, 4056, 4103 to 4106, 4127, 4501 to 4503, 4521, 5302 to 5308, 5313, 5403, and 5409 of this title, sections 355, 1430, 1454, 1464, 1701q, 1701x, 1701z-1, 1703, 1706e, 1709, 1709-1, 1715h, 1715k to 1715m, 1715w, 1715y, 1715z, 1715z-1, 1715z-3, 1715z-7, 1715z-9, 1715z-10, 1717, 1723a, 1723c, 1748h-1, 1748h-2, 1749bb, and 1749aaa of Title 12, and section 461 of former Title 40, Public Buildings, Property, and Works, and enacting provisions set out as notes under this section, sections 1421b, 1437d, 1490h, 4501, and 5313 of this title, and sections 1715z-1, 1723e of Title 12] may be cited as the 'Housing and Community Development Act of 1977'."

SHORT TITLE

Section 1 of Pub. L. 93-383 provided: "That this Act [enacting this chapter, sections 1701j-2, 1701i-1, 1701z-5, 1701z-6, 1706e, 1715z-9 to 1715z-11, and 1735f-3 to 1735f-5 of Title 12, Banks and Banking, section 803a of Title 20, Education, and sections 1437 to 1437j, 1438 to 1440, 1490e to 1490g, 4104a, and 5401 to 5426 of this title, amending sections 5315 and 5316 of Title 5, Government Organization and Employees, sections 24, 371, 1431, 1436, 1454, 1464, 1701q, 1701u, 1701x, 1701z-3, 1703, 1709, 1709-1, 1713, 1715e, 1715h, 1715k to 1715n, 1715v, 1715w, 1715y, 1715z, 1715z-1, 1715z-3, 1715z-6, 1715z-7, 1717, 1718, 1719, 1723a, 1735b, 1748h-1, 1748h-2, 1749bb, 1749aaa, 1749aaa-4, 1749aaa-5, 1757, 1759, 1761b, 1761d, 1763, 1772, 1782, 1786, and 1788 of Title 12, sections 1701 to 1703 of Title 15, Commerce and Trade, sections 801, 802, and 806 of Title 20, section 711 of former Title 31, Money and Finance, sections 460 and 461 of former Title 40, Public Buildings, Property, and Works, sections 1441a, 1441c, 1452b, 1453, 1471, 1472, 1474, 1476 to 1478, 1483, 1485, 1487, 1490, 1490a, 1490c, 1490d, 1586, 3311, 3533, 3604 to 3606, 3631, 4014, 4512, 4514 to 4516, 4519, and 4532 of this title, and sections 1602 and 1602a of former Title 49, Transportation, repealing sections 1411d and 1455a of this title, and enacting provisions set out as notes under this section, sections 1464, 1701q, 1715i, 1715z-1, 1716b, and 1723a of Title 12, section 1703 of Title 15, sections 1410, 1421b, 1437, 1437a, 1437f, 3532, and 5401 of this title, and section 1602a of former Title 49] may be cited as the 'Housing and Community Development Act of 1974'."

INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS

Pub. L. 105-276, title V, § 590, Oct. 21, 1998, 112 Stat. 2651, provided that:

"(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, for not less than 10 jurisdictions that are metropolitan cities or urban counties for purposes of title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.], grant exceptions not later than 90 days after the date of the enactment of this Act [Oct. 21, 1998] for such jurisdictions that provide that—

"(1) for purposes of the HOME investment partnerships program under title II of the Cranston-Gonzalez

National Affordable Housing Act [42 U.S.C. 12721 et seq.], the limitation based on percentage of median income that is applicable under section 104(10), 214(1)(A), or 215(a)(1)(A) [42 U.S.C. 12704(10), 12744(1)(A), 12745(a)(1)(A)] for any area of the jurisdiction shall be the numerical percentage that is specified in such section; and

"(2) for purposes of the community development block grant program under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.], the limitation based on percentage of median income that is applicable pursuant to section 102(a)(20) [42 U.S.C. 5302(a)(20)] for any area within the State or unit of general local government shall be the numerical percentage that is specified in subparagraph (A) of such section.

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

FINDINGS AND PURPOSE

Section 2 of Pub. L. 100-242 provided that:

"(a) FINDINGS.—The Congress finds that—

"(1) for the past 50 years, the Federal Government has taken the leading role in enabling the people of the Nation to be the best housed in the world, and recent reductions in Federal assistance have contributed to a deepening housing crisis for low- and moderate-income families;

"(2) the efforts of the Federal Government have included a system of specialized lending institutions, favorable tax policies, construction assistance, mortgage insurance, loan guarantees, secondary markets, and interest and rental subsidies, that have enabled people to rent or buy affordable, decent, safe, and sanitary housing; and

"(3) the tragedy of homelessness in urban and suburban communities across the Nation, involving a record number of people, dramatically demonstrates the lack of affordable residential shelter, and people living on the economic margins of our society (lower income families, the elderly, the working poor, and the deinstitutionalized) have few available alternatives for shelter.

"(b) PURPOSE.—The purpose of this Act [see Short Title of 1988 Amendment note above], therefore, is—

"(1) to reaffirm the principle that decent and affordable shelter is a basic necessity, and the general welfare of the Nation and the health and living standards of its people require the addition of new housing units to remedy a serious shortage of housing units for all Americans, particularly for persons of low and moderate income;

"(2) to make the distribution of direct and indirect housing assistance more equitable by providing Federal assistance for the less affluent people of the Nation;

"(3) to provide needed housing assistance for homeless people and for persons of low and moderate income who lack affordable, decent, safe, and sanitary housing; and

"(4) to reform existing programs to ensure that such assistance is delivered in the most efficient manner possible."

BUDGET COMPLIANCE

Section 3 of Pub. L. 100-242 provided that:

"(a) IN GENERAL.—This Act and the amendments made by this Act [see Short Title of 1988 Amendment note above] may not be construed to provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1988 in excess of the appropriate aggregate levels established by the concurrent resolution on the budget for such fiscal year for the programs authorized by this Act and the amendments made by this Act.

"(b) DEFINITIONS.—For purposes of this section, the terms 'budget authority', 'budget outlays', 'concurrent resolution on the budget', and 'entitlement authority' have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622)."

CREDIT LIMITATION

Section 4 of Pub. L. 100-242 provided that: "Any new credit authority (as defined in section 3 of the Congressional Budget Act of 1974 [2 U.S.C. 622]) which is provided by this Act [see Short Title of 1988 Amendment note above], or by an amendment made by this Act, shall be effective only to such extent or in such amounts as are provided in appropriation Acts."

LIMITATION ON SPENDING AUTHORITY

Section 5 of Pub. L. 100-242 provided that: "Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974 [2 U.S.C. 651(c)]) which is provided by this Act, or by an amendment made by this Act [see Short Title of 1988 Amendment note above], shall be effective only to such extent or in such amounts as are provided in appropriation Acts."

LIMITATION ON WITHHOLDING OR CONDITIONING OF ASSISTANCE

Section 817 of Pub. L. 93-383, as amended by Pub. L. 98-181, title III, § 302(c), Nov. 30, 1983, 97 Stat. 1206, provided that: "Assistance provided for in this Act [see Short Title note above] the National Housing Act, [12 U.S.C. 1701 et seq.], the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], the Housing Act of 1949 [42 U.S.C. 1441 et seq.], the Demonstration Cities and Metropolitan Development Act of 1966 [see Short Title note set out under section 3331 of this title], the Housing and Urban Development Acts of 1965, 1968, 1969, and 1970 [see Short Title notes set out under section 1701 of Title 12, Banks and Banking], and section 17 of the United States Housing Act of 1937 [42 U.S.C. 1437o] shall not be withheld or made subject to conditions or preference by reason of the tax-exempt status of bonds or other obligations issued or to be issued to provide financing for use in connection with such assistance, except where otherwise expressly provided or authorized by law."

ACT REFERRED TO IN OTHER SECTIONS

The Housing and Community Development Act of 1974 is referred to in sections 12705, 12706 of this title; title 12 sections 4707, 4712; title 25 section 1632; title 40 section 3162.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 5305 of this title.

§ 5302. General provisions**(a) Definitions**

As used in this chapter—

(1) The term "unit of general local government" means any city, county, town, township, parish, village, or other general purpose political subdivision of a State; Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa, or a general purpose political subdivision thereof; a combination of such political subdivisions that, except as provided in section 5306(d)(4) of this title, is recognized by the Secretary; the District of Columbia; and the Trust Territory of the Pacific Islands. Such term also includes a State or a local public body or agency (as defined in section 4512¹ of this title), community association, or other entity, which is approved by the Secretary for the purpose of providing public facilities or services to a new community as part of a program meeting the eligibility standards of section 4513¹ of this title or title IV of the Housing and Urban Development Act of 1968 [42 U.S.C. 3901 et seq.].

(2) The term "State" means any State of the United States, or any instrumentality thereof

approved by the Governor; and the Commonwealth of Puerto Rico.

(3) The term "metropolitan area" means a standard metropolitan statistical area as established by the Office of Management and Budget.

(4) The term "metropolitan city" means (A) a city within a metropolitan area which is the central city of such area, as defined and used by the Office of Management and Budget, or (B) any other city, within a metropolitan area, which has a population of fifty thousand or more. Any city that was classified as a metropolitan city for at least 2 years pursuant to the first sentence of this paragraph shall remain classified as a metropolitan city. Any unit of general local government that becomes eligible to be classified as a metropolitan city, and was not classified as a metropolitan city in the immediately preceding fiscal year, may, upon submission of written notification to the Secretary, defer its classification as a metropolitan city for all purposes under this chapter, if it elects to have its population included in an urban county under subsection (d) of this section. Notwithstanding the second sentence of this paragraph, a city may elect not to retain its classification as a metropolitan city. Any city classified as a metropolitan city pursuant to this paragraph, and that no longer qualifies as a metropolitan city in a fiscal year beginning after fiscal year 1989, shall retain its classification as a metropolitan city for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such city shall be 50 percent of the amount calculated under section 5306(b) of this title; and (B) the remaining 50 percent shall be added to the amount allocated under section 5306(d) of this title to the State in which the city is located and the city shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 5306(d) of this title as increased by this sentence. Any unit of general local government that was classified as a metropolitan city in any fiscal year, may, upon submission of written notification to the Secretary, relinquish such classification for all purposes under this chapter if it elects to have its population included with the population of a county for purposes of qualifying for assistance (for such following fiscal year) under section 5306 of this title as an urban county under paragraph (6)(D). Any metropolitan city that elects to relinquish its classification under the preceding sentence and whose port authority shipped at least 35,000,000 tons of cargo in 1988, of which iron ore made up at least half, shall not receive, in any fiscal year, a total amount of assistance under section 5306 of this title from the urban county recipient that is less than the city would have received if it had not relinquished the classification under the preceding sentence.

(5) The term "city" means (A) any unit of general local government which is classified as a municipality by the United States Bureau of the Census or (B) any other unit of general local government which is a town or township

¹ See References in Text note below.