

DELEGATED PROCESSING

EXCERPT FROM CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT

[Public Law 101-625; 104 Stat. 4138; 12 U.S.C. 1713 note]

SEC. 328. [12 U.S.C. 1713 note] DELEGATION OF PROCESSING.

(a) **AUTHORITY.**—Not later than the expiration of the 60-day period beginning on the date of enactment of this Act,¹ the Secretary of Housing and Urban Development shall implement a system of mortgage insurance for mortgages insured under section 207, 221, 223, 232, or 241 of the National Housing Act that delegates processing functions to selected approved mortgagees or other individuals and entities expressly approved by the Department of Housing and Urban Development. Under such system, the Secretary shall retain the authority to approve rents, expenses, property appraisals, and mortgage amounts and to execute a firm commitment.

(b) **FULL INSURANCE PROGRAM.**—Notwithstanding subsection (a), the Secretary shall maintain a viable system for full insurance programs under such Act under which all processing functions are performed by officers and employees of the Department of Housing and Urban Development.