

# Housing Bill Not Expected To Affect Near-Record Building

By A. ROBERT SMITH  
Mail Tribune Washington Correspondent

Washington (Special)—Housing construction—Oregon lumber's major market—is now nearing a near record rate, 1.4 million, which isn't expected by federal housing officials to be radically affected one way or the other by the outcome of the big housing bill fight now shaping up between Congress and the White House.

The two different housing bills passed by the Senate and House both go beyond the wishes of President Eisenhower in extending and enlarging a number of housing programs, such as public housing, college dormitories and direct loans to veterans.

This sharp conflict between the Democrats in Congress who put through the housing legislation and the Republican president may become the most substantive test of strength and will of this session of Congress—for GOP legislators are saying flatly Eisenhower will veto the bill, and Democrats are speculating now to deal with this major presidential weapon.

**Not Serious Obstacles**  
The provisions of the various housing bills which will have the most noticeable consequences in building of residential homes are not, how-

ever, considered serious obstacles between the two parties. So that whoever wins this political battle, these provisions may survive.

Mainly, there is the \$6 billion added authorization for FHA mortgage insurance. This is provided in both Senate and House versions, and has been urgently requested by the president in a special message to Congress. FHA has only \$1½ billion left in unencumbered authorizations but has issued, on the assumption that new authorizations will be made, well over \$3 billion in agreements to insure. If all these agreements were presented to be honored by FHA now, it would have to turn down over half of them—until the new \$6 billion authorization comes through. A prolonged battle between the political parties might temporarily force FHA to shut down.

A House-Senate conference committee must work out a compromise version of the housing bill that will be sent to the White House. Some of the differences between the House and Senate versions lie in this area affecting residential family home construction. **Raises Mortgage Maximum**  
The House bill raises the maximum mortgage that can be insured by FHA for one-family homes from \$20,000 to \$25,000. The Senate bill leaves it at \$20,000, the level set in 1954. The Senate agreed with the House version in raising the ceiling on two-family dwellings to \$25,000.

Another factor in the number of homes that can be built

—and sold—is the down payment requirement. The House version reduces down payments considerably, especially on higher priced homes. Under a new formula, down payments would be dropped, for example, from \$1080 to \$755 on a \$17,000 home; from \$1980 to \$1355 on a \$20,000 home; from \$3000 to \$2105 on a \$23,000 home; from \$7000 to \$3105 on a \$27,000 home; and from \$10,000 to \$5,000 on a \$30,000 home.

The House bill also allows longer mortgage loans in order to reduce the monthly payments, especially for lower-priced homes so that more low income families may qualify for FHA-approved homes. Loans would be lengthened from 30 to 35 years, if the lender agreed to this long period. On a \$13,500 dwelling, this extension would cut monthly payments by \$4.05. **Loan Limit Unchanged**  
The Senate bill did not reduce down payment requirements or change the existing 30-year loan limit. The administration did not recommend any change in down payments, but it did suggest raising the ceiling to \$25,000 on the size of mortgages for single-family housing.

Although both House and Senate bills were pushed through by Democrats, they revealed different theories about housing. The Senate Banking Committee did not recommend as many liberalizing features as the House committee because it said "a trend has developed in the direction of producing higher priced houses which the com-

mittee feels does not serve the mass market for new homes... every effort should be made to reverse this trend and that builders should be encouraged to direct their efforts to providing more homes for the money. There should also be a continued effort to encourage the homebuilding industry to concentrate on lower cost homes, where the demand and need are real and urgent."

**Need Realized**  
The House committee felt it was helping low income housing by extending the loan period to 35 years, and it reported this view:

"While your committee believes that the bulk of FHA operations will continue to be in the field of low and medium price homes, we do recognize the need for a more realistic mortgage maximum which will enable FHA to play its role in helping the financing of the normal price range of most American homes. This normal range includes homes in higher cost areas, homes which are suitable for large families, and those which contain the additional space and equipment frequently demanded on today's market."

One other point on which all are agreed is that the GI mortgage rate should be raised once again. It would go from 4¾ to 5¼ per cent. It was raised last year from 4½ to 4¾ per cent after mortgage money became so tight at the lower figure that relatively few veterans could get loans under the program. World War II veterans must apply or lose their eligibility by July 25 of next year. Korean veterans have until Feb. 1, 1965. On another point, the administration recommended a more liberal provision than Congress provided. It wanted the Federal National Mortgage Association to have au-

## Vaccine for TB May Be Airborne

Chicago—(UPI)—Scientists predicted Wednesday that humans may be immunized from tuberculosis by simply breathing airborne vaccine.

Dr. Gardner Middlebrook, director of research at the National Jewish Hospital, Denver, told of vaccinating children and adults with sprays of BCG, the anti-tuberculosis vaccine.

In experiments held at the University of Illinois, 30 volunteers, aged 2 to 31, sat in a closed chamber and breathed regulated amounts of BCG for 45 minutes. So far, 27 of the 30 have "takes" (successful vaccinations).

"All 30 may be takes," said Dr. Sol Rosenthal, who guided the experiments here. "It's still too early to know."

About 17 per cent of the Great Salt Lake in Utah is salt as compared to the average 3.5 per cent salt content of the oceans.

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### Elk-Trail Students Tour Tribune Plant

Students of the Elk-Trail schools, grades three and four, toured the Mail Tribune May 27. The students visited the news room, various offices and the composing and make-up rooms during the morning.

Accompanying the students were Mrs. Dorothy Hume and Mrs. Lola Work.

Students included Connie Anderson, Kitty Barlow, Penny Fry, Donna Hawkins, La Vonne Myers, Jimmy Gerry, Orva Oliver, Larry Perry, Carol Ragsdale, Shirle Schu-

der, Charles Sitzer, Jerry Wakeman, Wes Millard, Clarice Wehde, Gloria Ragsdale, Joy Wilson, Judy Wilson, Gordon Poitevent, Billy Bard, Jack Davis, Tommy Lawson, Roy Myers, Cynthia Fry, Laura Dawson, Linda Robins, Sheron Oliver, Mickey Kalebaugh, Jacque Carilton, and Kathy Kincaid.

Three-fourths of all the farm work in the United States is done by farmers and their families and only one-fourth is done by hired help.

South Carolina has grown tea experimentally and with success but production costs were too high.

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