

Public Law 1020

CHAPTER 1029

AN ACT

To extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities, and for other purposes.

August 7, 1956
[H. R. 11742]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing Act of 1956".

Housing Act of
1956.

TITLE I—FHA INSURANCE PROGRAMS

PROPERTY IMPROVEMENT LOANS

SEC. 101. (a) (1) Section 2 (a) of the National Housing Act is amended by striking out "September 30, 1956" and inserting in lieu thereof "September 30, 1959".

69 Stat. 635.
12 USC 1703.

(2) The proviso in the second paragraph of section 2 (a) of such Act is amended to read as follows: " : *Provided*, That this clause (iii) may in the discretion of the Commissioner be waived with respect to the period of occupancy or completion of any such new residential structures".

Ante, p. 11.

(b) Section 2 (b) of such Act is amended—

56 Stat. 305.

(1) by striking out "made for the purpose of financing the alteration, repair, or improvement of existing structures exceeds \$2,500, or for the purpose of financing the construction of new structures exceeds \$3,000" and inserting in lieu thereof "exceeds \$3,500";

(2) by striking out "except that" in clause (2) and inserting in lieu thereof "except that the Commissioner may increase such maximum limitation to five years and thirty-two days if he determines such increase to be in the public interest after giving consideration to the general effect of such increase upon borrowers, the building industry, and the general economy, and"; and

(3) by striking out "\$10,000" and inserting in lieu thereof "\$15,000 nor an average amount of \$2,500 per family unit".

62 Stat. 1275.

(c) Section 2 (b) of such Act is further amended by striking out "*Provided*, That" and inserting in lieu thereof the following: "*Provided*, That any such obligation with respect to which insurance is granted under this section on or after sixty days from the date of the enactment of this proviso shall bear interest, and insurance premium charges, not exceeding (A) an amount, with respect to so much of the net proceeds thereof as does not exceed \$2,500, equivalent to \$5 discount per \$100 of original face amount of a one-year note payable in equal monthly installments, plus (B) an amount, with respect to any portion of the net proceeds thereof in excess of \$2,500, equivalent to \$4 discount per \$100 of original face amount of such a note: *Provided further*, That the amounts referred to in clauses (A) and (B) of the preceding proviso, when correctly based on tables of calculations issued by the Commissioner or adjusted to eliminate minor errors in computation in accordance with requirements of the Commissioner, shall be deemed to comply with such proviso: *Provided further*, That".

SALES HOUSING INSURANCE

SEC. 102. (a) Section 203 (b) (2) of the National Housing Act is amended by striking out "(but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, 90 per centum)" and inserting in lieu thereof the following:

68 Stat 591;
post, p. 1092.
12 USC 1709.

"(but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than one year prior to the application for mortgage insurance, 90 per centum)".

68 Stat. 592.
12 USC 1709.

(b) Section 203 (h) of such Act is amended by striking out "\$7,000" and inserting in lieu thereof "\$12,000".

RENTAL HOUSING INSURANCE

64 Stat. 53.
12 USC 1713.

SEC. 103. (a) Section 207 (c) (2) of the National Housing Act is amended by striking out "80 per centum" and inserting in lieu thereof "90 per centum".

68 Stat. 595.
12 USC 1713.

(b) Section 207 (c) (3) of such Act is amended to read as follows:

"(3) not to exceed, for such part of such property or project as may be attributable to dwelling use, \$2,250 per room (or \$8,100 per family unit if the number of rooms in such property or project is less than four per family unit) or not to exceed \$1,000 per space or \$300,000 per mortgage for trailer courts or parks: *Provided*, That as to projects to consist of elevator type structures, the Commissioner may, in his discretion, increase the dollar amount limitation of \$2,250 per room to not to exceed \$2,700 per room and the dollar amount limitation of \$8,100 per family unit to not to exceed \$8,400 per family unit, as the case may be, to compensate for the higher costs incident to the construction of elevator type structures of sound standards of construction and design; except that the Commissioner may, by regulation, increase any of the foregoing dollar amount limitations per room contained in this paragraph by not to exceed \$1,000 per room in any geographical area where he finds that cost levels so require."

HOUSING FOR THE ELDERLY

68 Stat. 591:
ante, p. 1091.
12 USC 1709.

SEC. 104. (a) Section 203 (b) (2) of the National Housing Act is amended by striking out the final period and inserting in lieu thereof a comma and the following: "except that with respect to a mortgage executed by a mortgagor who is sixty years of age or older as of the date the mortgage is accepted for insurance, the mortgagor's payment required by this proviso may be paid by a corporation or person other than the mortgagor under such terms and conditions as the Commissioner may prescribe."

64 Stat. 52.
12 USC 1713.

(b) Section 207 (b) of such Act is amended—

(1) by inserting "(except provisions relating to housing for elderly persons)" before "to take" in the unnumbered paragraph immediately following paragraph (2); and

(2) by inserting "(except with respect to housing designed for elderly persons, with occupancy preference therefor, as provided in the paragraph following paragraph (3) of subsection (c))" after "hereunder" in the second unnumbered paragraph following paragraph (2).

67 Stat. 123.
12 USC 1713.

(c) Section 207 (c) of such Act is amended by striking out the unnumbered paragraph immediately following paragraph (3) and inserting in lieu thereof the following new paragraph:

"Notwithstanding any of the limitations contained in paragraphs (2) and (3) of this subsection, if the entire property or project is specially designed for the use and occupancy of elderly persons in accordance with standards established by the Commissioner and the mortgagor is a financially qualified nonprofit organization acceptable to the Commissioner, the mortgage may involve a principal obligation not in excess of \$8,100 per family unit for such part of such property

as may be attributable to dwelling use and not in excess of 90 per centum of the amount which the Commissioner estimates will be the replacement cost of such property or project when the proposed physical improvements are completed: *Provided*, That the Commissioner shall prescribe such procedures as in his judgment are necessary to secure to elderly persons priorities in occupancy of the units designed for their use."

(d) The Housing and Home Finance Administrator shall establish, in accordance with the provisions of section 601 of the Housing Act of 1949, as amended, an advisory committee on matters relating to housing for elderly persons.

68 Stat. 645.
12 USC 1701h.

COOPERATIVE HOUSING INSURANCE

SEC. 105. (a) Section 213 (a) of the National Housing Act is amended—

64 Stat. 54.
12 USC 1715e.

- (1) by striking out "or" at the end of paragraph (1);
- (2) by inserting "or" at the end of paragraph (2);
- (3) by adding after paragraph (2) the following new paragraph:

"(3) a mortgagor, approved by the Commissioner, which (A) has certified to the Commissioner, as a condition of obtaining the insurance of a mortgage under this section, that upon completion of the property or project covered by such mortgage it intends to sell such property or project to a nonprofit corporation or nonprofit trust of the character described in paragraph (1) of this subsection at the actual cost of such property or project as certified pursuant to section 227 of this Act and will faithfully and diligently make and carry out all reasonable efforts to consummate such sale, and (B) shall be regulated or restricted by the Commissioner as to rents, charges, capital structure, rate of return, and methods of operation during any period while it holds the mortgaged property or project; and for such purpose the Commissioner may make such contracts with, and acquire for not to exceed \$100 such stock or interest in, any such mortgagor as the Commissioner may deem necessary to render effective such restriction or regulation, such stock or interest to be paid for out of the Housing Fund and to be redeemed by such mortgagor at par upon the sale of such property or project to such nonprofit corporation or nonprofit trust;" and

68 Stat. 607.
12 USC 1715r.

- (4) by adding "referred to in paragraphs (1) and (2) of this subsection" after "which corporations or trusts".

(b) Section 213 (b) (2) of such Act is amended—

68 Stat. 595.
12 USC 1715e.

- (1) by striking out "65 per centum" and inserting in lieu thereof "50 per centum";

(2) by amending the last proviso to read as follows: "And *provided further*, That for the purposes of this section the word 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on, or after April 6, 1917, and prior to November 12, 1918, or on or after September 16, 1940, and prior to July 26, 1947, or on or after June 27, 1950, and prior to February 1, 1955"; and

(3) by inserting immediately after "\$8,900" a semicolon and the following: "except that the Commissioner may, by regulation, increase any of the foregoing dollar amount limitations per room contained in this paragraph by not to exceed \$1,000 per room in any geographical area where he finds that cost levels so require: *Provided further*, That in the case of a mortgagor of the character described in paragraph (3) of subsection (a) the mortgage shall

involve a principal obligation in an amount not to exceed 85 per centum of the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed physical improvements are completed: *Provided further*, That upon the sale of a property or project by a mortgagor of the character described in paragraph (3) of subsection (a) to a non-profit cooperative ownership housing corporation or trust within two years after the completion of such property or project, the mortgage given to finance such sale shall involve a principal obligation in an amount not to exceed the maximum amount computed in accordance with this subsection without regard to the preceding proviso".

64 Stat. 54.
12 USC 1715e.

(c) Section 213 of such Act is further amended by adding at the end thereof the following subsection:

"(h) In the event that a mortgagor of the character described in paragraph (3) of subsection (a) obtains an insured mortgage loan pursuant to this section and fails to sell the property or project covered by such mortgage to a nonprofit housing corporation or nonprofit housing trust of the character described in paragraph (1) of subsection (a) hereof, such mortgagor shall not thereafter be eligible by reason of such paragraph (3) for insurance of any additional mortgage loans pursuant to this section."

68 Stat. 608.
12 USC 1715f.

(d) Paragraph (a) of section 227 of such Act is amended by inserting after "subsection (a) thereof" the following: "or with respect to any property or project of a mortgagor of the character described in paragraph (3) of subsection (a) thereof".

GENERAL MORTGAGE INSURANCE AUTHORIZATION

68 Stat. 596; 69
Stat. 636.
12 USC 1715h.

SEC. 106. Section 217 of the National Housing Act is amended—

(1) by striking out "July 1, 1955" in the first sentence and inserting in lieu thereof "July 1, 1956";

(2) by striking out "\$4,000,000,000" in the first sentence and inserting in lieu thereof "\$3,000,000,000"; and

(3) by striking out "section 2" in the first and second sentences and inserting in lieu thereof "section 2 and section 803".

HOUSING IN URBAN RENEWAL AREAS

68 Stat. 598.
12 USC 1715k.

SEC. 107. (a) Section 220 (d) (3) (B) (ii) of the National Housing Act is amended by inserting after "Commissioner" in the parenthetical phrase a comma and the following: "and shall include an allowance for builder's and sponsor's profit and risk of 10 per centum of all of the foregoing items except the land unless the Commissioner, after certification that such allowance is unreasonable, shall by regulation prescribe a lesser percentage".

(b) Section 220 (d) (3) (B) (iii) of such Act is amended by striking out in the first proviso thereof all that follows "construction and design" and inserting in lieu thereof a colon and the following: "*Provided, further*, That the Commissioner may, by regulation, increase any of the foregoing dollar amount limitations by not to exceed \$1,000 per room or per family unit, as the case may be, in any geographical area where he finds that cost levels so require".

LOW-COST HOUSING FOR DISPLACED FAMILIES

68 Stat. 600.
12 USC 1715l.

SEC. 108. Section 221 (d) of the National Housing Act is amended—

(1) by striking out "\$7,600" in paragraphs (2) and (3) and inserting in lieu thereof "\$9,000";

(2) by striking out "\$8,600" in paragraphs (2) and (3) and inserting in lieu thereof "\$10,000";

(3) by striking out "95 per centum of the appraised value (as of the date the mortgage is accepted for insurance) of a property, upon which there is located a dwelling designed principally for a single-family residence: *Provided*, That the mortgagor shall be the owner and occupant of the property at the time of the insurance and shall have paid on account of the property at least 5 per centum of the Commissioner's estimate of the cost of acquisition in cash or its equivalent" in paragraph (2) and inserting in lieu thereof the following: "the appraised value (as of the date the mortgage is accepted for insurance) of a property upon which there is located a dwelling designed principally for a single-family residence, less such amount as may be necessary to comply with the succeeding proviso: *Provided*, That the mortgagor shall be the owner and occupant of the property at the time of the insurance and shall have paid on account of the property at least \$200 in cash or its equivalent (which amount may include amounts to cover settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premium, and other prepaid expenses)";

(4) by striking out "95 per centum of" in paragraph (3);

(5) by striking out "agencies thereof" in paragraph (3) and inserting in lieu thereof "agencies thereof or the Federal Housing Commissioner"; and

(6) by striking out "thirty" in paragraph (4) and inserting in lieu thereof "forty".

APPROVAL OF COST CERTIFICATIONS

SEC. 109. Section 227 of the National Housing Act is amended—

(1) by inserting after the first sentence the following new sentence: "Upon the Commissioner's approval of the mortgagor's certification as required hereunder, such certification shall be final and incontestable, except for fraud or material misrepresentation on the part of the mortgagor.";

(2) by inserting after "legal expenses," each place it appears in paragraph (c) the following: "such allocations of general overhead items as are acceptable to the Commissioner,";

(3) by inserting after "maximum insurable mortgage amount" in paragraph (b) a semicolon and the following: "except that if the mortgage is to assist the financing of repair or rehabilitation and no part of the proceeds will be used to finance the purchase of the land or structure involved, the approved percentage shall be 100 per centum"; and by striking out "(without reduction by reason of the application of the approved percentage requirements of this section)" in clause (ii) (B) of paragraph (c);

(4) by amending the proviso in paragraph (c) to read as follows: "": *Provided*, That such additional amount under (A) of this clause (ii) shall in no event exceed the Commissioner's estimate of the fair market value of such land and improvements prior to such repair or rehabilitation, and such additional amount under (B) of this clause (ii) shall in no event exceed the approved percentage of the Commissioner's estimate of the fair market value of such land and improvements prior to such repair or rehabilitation"; and

(5) by adding at the end of paragraph (c) the following: "In the case of a mortgage insured under section 220 where the mortgagor is also the builder as defined by the Commissioner,

68 Stat. 607.
12 USC 1715r.

68 Stat. 596.
12 USC 1715k.

68 Stat. 596.
12 USC 1715k.

there shall be included in the actual cost, in lieu of the allowance for builder's profit under clause (i) or (ii) of the preceding sentence, an allowance for builder's and sponsor's profit and risk of 10 per centum (unless the Commissioner, after finding that such allowance is unreasonable, shall by regulation prescribe a lesser percentage) of all other items entering into the term 'actual cost' except land or amounts paid for a leasehold and amounts included under either (A) or (B) of clause (ii) of the preceding sentence. In the case of a mortgage insured under section 220 where the mortgagor is not also the builder as defined by the Commissioner, there shall be included in the actual cost an allowance for sponsor's profit and risk of the said 10 per centum or lesser percentage of all other items entering into the term 'actual cost' except land or amounts paid for a leasehold, amounts included under either (A) or (B) of the said clause (ii), and amounts paid by the mortgagor under a general construction contract."

Federal National
Mortgage Association.

68 Stat. 613.
12 USC 1717.

TITLE II—SECONDARY MORTGAGE MARKET

SEC. 201. Section 302 (b) of the National Housing Act is amended—

(1) by striking out "and (2)" and inserting in lieu thereof "(2)";

(2) by striking out "if (i)" and inserting in lieu thereof "if"; and

(3) by striking out "or (ii) the original principal obligation thereof exceeds or exceeded \$15,000 for each family residence or dwelling unit covered by the mortgage" and inserting in lieu thereof "; and (3) the Association may not purchase any mortgage, except a mortgage insured under section 803 or a mortgage covering property located in Alaska, Guam, or Hawaii, if the original principal obligation thereof exceeds or exceeded \$15,000 for each family residence or dwelling unit covered by the mortgage".

69 Stat. 647.
12 USC 1748b.

68 Stat. 614.
12 USC 1718.

SEC. 202. Section 303 (b) of such Act is amended by striking out the first sentence and inserting: "The Association shall accumulate funds for its capital surplus account from private sources by requiring each mortgage seller to make payments of nonrefundable capital contributions equal to 2 per centum of the unpaid principal amounts of mortgages purchased or to be purchased by the Association from such seller or equal to such other greater or lesser percentage, but not less than 1 per centum thereof, as the Association may determine from time to time, taking into consideration conditions in the mortgage market and the general economy."

68 Stat. 615.
12 USC 1719.

SEC. 203. Section 304 (a) of such Act is amended by striking out "at the market price" in the second sentence and inserting "within the range of market prices".

SEC. 204. (a) Section 304 (a) of such Act is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this section, advance commitments to purchase mortgages in secondary market operations under this section shall be issued only at prices which are sufficient to facilitate advance planning of home construction, but which are sufficiently below the price then offered by the Association for immediate purchase to prevent excessive sales to the Association pursuant to such commitments."

(b) Section 304 (d) of such Act is amended to read as follows:

"(d) The Association may not purchase participations in its operations under this section."

68 Stat. 617.
12 USC 1720.

SEC. 205. Section 305 (b) of such Act is amended by striking out the second sentence and inserting in lieu thereof the following:

"Notwithstanding any other provision of this section, the price to be paid by the Association for mortgages purchased in its operations under this section, during a period of one year from the date of the enactment of the Housing Act of 1956, shall be not less than 99 per centum of the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items."

SEC. 206. Section 305 (f) of such Act is amended by striking out "by the Housing Amendments of 1955" and inserting in lieu thereof "on or after August 11, 1955".

69 Stat. 651.
12 USC 1720.

SEC. 207. Section 305 (e) of such Act is amended—

69 Stat. 636.
12 USC 1720.

(1) by inserting "and purchase transactions" after the words "advance commitment contracts";

(2) inserting "or transactions" after the words "if such commitments"; and

(3) by striking out "but not more than \$5,000,000 of such authorization shall be available for such commitments in any one State" and inserting in lieu thereof "but such commitments in any one State shall not exceed \$5,000,000 outstanding at any one time".

SEC. 208. So much of section 305 (c) of such Act as precedes the proviso is amended by striking out "purchasers" and inserting in lieu thereof "purchases".

68 Stat. 617.
12 USC 1720.

SEC. 209. (a) The last sentence of section 306 (c) of such Act is amended by striking out "and subsection (e) of this section".

68 Stat. 618, 619.
12 USC 1721.

(b) Section 306 (e) of such Act is repealed.

TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

SEC. 301. Section 102 (d) of the Housing Act of 1949 is amended by adding at the end thereof the following: "Notwithstanding section 110 (h) or the use in any other provision of this title of the term 'local public agency' or 'local public agencies' the Administrator may make advances of funds under this subsection for surveys and plans for an urban renewal project (including General Neighborhood Renewal Plans as hereinafter defined) to a single local public body which has the authority to undertake and carry out a substantial portion, as determined by the Administrator, of the surveys and plans or the project respecting which such surveys and plans are to be made: *Provided*, That the application for such advances shows, to the satisfaction of the Administrator, that the filing thereof has been approved by the public body or bodies authorized to undertake the other portions of the surveys and plans or of the project which the applicant is not authorized to undertake."

68 Stat. 624.
42 USC 1452

68 Stat. 629.
42 USC 1460.

SEC. 302. (a) (1) Section 105 (a) of the Housing Act of 1949 is amended by striking out "(including any redevelopment plan constituting a part thereof)".

68 Stat. 625.
42 USC 1455.

(2) Section 110 (b) of such Act is amended by inserting "and" after the semicolon at the end of clause (1), and by striking out "; and (3)" and all that follows and inserting in lieu thereof a period.

68 Stat. 626.
42 USC 1460.

(b) (1) Section 110 (c) of such Act is amended to read as follows:

"(c) 'Urban renewal project' or 'project' may include undertakings and activities of a local public agency in an urban renewal area for the elimination and for the prevention of the development or spread of slums and blight, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area, or any combination or part thereof, in accordance

with such urban renewal plan. Such undertakings and activities may include—

“(1) acquisition of (i) a slum area or a deteriorated or deteriorating area, or (ii) land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community, or (iii) open land necessary for sound community growth which is to be developed for predominantly residential uses: *Provided*, That the requirement in paragraph (a) of this section that the area be a slum area or a blighted, deteriorated or deteriorating area shall not be applicable in the case of an open land project;

“(2) demolition and removal of buildings and improvements;

“(3) installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the urban renewal area the urban renewal objectives of this title in accordance with the urban renewal plan;

“(4) disposition of any property acquired in the urban renewal area (including sale, initial leasing or retention by the local public agency itself) at its fair value for uses in accordance with the urban renewal plan;

“(5) carrying out plans for a program of voluntary repair and rehabilitation of buildings or other improvements in accordance with the urban renewal plan; and

“(6) acquisition of any other real property in the urban renewal area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.

“For the purposes of this title, the term ‘project’ shall not include the construction or improvement of any building, and the term ‘redevelopment’ and derivatives thereof shall mean development as well as redevelopment. For any of the purposes of section 109 hereof, the term ‘project’ shall not include any donations or provisions made as local grants-in-aid and eligible as such pursuant to clauses (2) and (3) of section 110 (d) hereof.

“Financial assistance shall not be extended under this title with respect to any urban renewal area which is not clearly predominantly residential in character unless such area will be a predominantly residential area under the urban renewal plan therefor: *Provided*, That, where such an area which is not clearly predominantly residential in character contains a substantial number of slum, blighted, deteriorated, or deteriorating dwellings or other living accommodations, the elimination of which would tend to promote the public health, safety, and welfare in the locality involved and such area is not appropriate for predominantly residential uses, the Administrator may extend financial assistance for such a project, but the aggregate of the capital grants made pursuant to this title with respect to such projects shall not exceed 10 per centum of the total amount of capital grants authorized by this title.

“In addition to all other powers hereunder vested, where land within the purview of clause (1) (ii) or (1) (iii) of the first paragraph of this subsection (whether it be predominantly residential or nonresidential in character) is to be redeveloped for predominantly nonresidential uses, loans and advances under this title may be extended therefor if the governing body of the local public agency determines that such redevelopment for predominantly nonresidential uses is necessary and appropriate to facilitate the proper growth and development of the

68 Stat. 626.
42 USC 1459.

Post, p. 1099.

community in accordance with sound planning standards and local community objectives and to afford maximum opportunity for the redevelopment of the project area by private enterprise: *Provided*, That loans and outstanding advances to any local public agency pursuant to the authorization of this sentence shall not exceed 2½ per centum of the estimated gross project costs of the projects undertaken under other contracts with such local public agency pursuant to this title."

(2) The first sentence of section 110 (d) of such Act is amended by striking out the words "either the second or third sentence" in clause (2) and inserting "the second sentence".

(c) The first sentence of section 110 (d) of such Act is amended by striking out the phrase ", public facilities financed by special assessments against land in the project area," in clause (3) and adding the following proviso before the period at the end of the sentence: "*And provided further*, That in any case where a public facility furnished as a local grant-in-aid is financed in whole or in part by special assessments against real property in the project area acquired by the local public agency as part of the project, an amount equal to the total special assessments against such real property (or, in the case of a computation pursuant to the proviso immediately preceding, the estimated amount of such total special assessments) shall be deducted from the cost of such facility for the purpose of computing the amount of the local grants-in-aid for the project".

(d) Section 110 (e) of such Act is amended by adding the following at the end thereof: "Where real property in the project area is acquired and is owned as part of the project by the local public agency and such property is not subject to ad valorem taxes by reason of its ownership by the local public agency and payments in lieu of taxes are not made on account of such property, there may (with respect to any project for which a contract of Federal assistance under this title is in force or is hereafter executed) be included, at the discretion of the Administrator, in gross project cost an amount equal to the ad valorem taxes which would have been levied upon such property if it had been subject to ad valorem taxes, but in all cases prorated for the period during which such property is owned by the local public agency as part of the project, and such amount shall also be considered a cash local grant-in-aid within the purview of section 110 (d) hereof. Such amount, and the amount of taxes or payments in lieu of taxes included in gross project cost, shall be subject to the approval of the Administrator and such rules, regulations, limitations, and conditions as he may prescribe."

SEC. 303. (a) Section 102 (d) of the Housing Act of 1949 is amended by adding the following at the end thereof:

"In order to facilitate proper preliminary planning for the attainment of the urban renewal objectives of this title, the Administrator may also make advances of funds (in addition to those authorized above) to local public agencies for the preparation of General Neighborhood Renewal Plans (as herein defined) for urban renewal areas of such scope that the urban renewal activities therein may have to be carried out in stages, consistent with the capacity and resources of the respective local public agency, over an estimated period of not more than ten years. No contract for advances for the preparation of a General Neighborhood Renewal Plan may be made unless the Administrator has determined that:

"(1) in the interest of sound community planning, it is desirable that the urban renewal area be planned for urban renewal purposes in its entirety;

68 Stat. 628.
42 USC 1460.

Ante, p. 1097.

General Neighborhood Renewal Plans.

"(2) the local public agency proposes to undertake promptly an urban renewal project embracing at least 10 per centum of such area, upon completion of the General Neighborhood Renewal Plan and the preparation of an urban renewal plan for such project; and

"(3) the governing body of the locality has by resolution or ordinance (i) approved the undertaking of the General Neighborhood Renewal Plan and the submission of an application for such advance and (ii) represented that such plan will be used to the fullest extent feasible as a guide for the provision of public improvements in such area and that the plan will be considered in formulating codes and other regulatory measures affecting property in the area and in undertaking other local governmental activities pertaining to the development, redevelopment, rehabilitation, and conservation of the area.

The contract for any such advance of funds for a General Neighborhood Renewal Plan shall be made upon the condition that such advance shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to the local public agency for the undertaking of the first urban renewal project in such area: *Provided*, That in the event of the undertaking of any other project or projects in such area an appropriate allocation of the amount of the advance, with interest, may be effected to the end that each such project may bear its proper allocable part, as determined by the Administrator, of the cost of the General Neighborhood Renewal Plan. As used herein, a General Neighborhood Renewal Plan means a preliminary plan (conforming, in the determination of the governing body of the locality, to the general plan of the locality as a whole and to the workable program of the community meeting the requirements of section 101) which outlines the urban renewal activities proposed for the area involved, provides a framework for the preparation of urban renewal plans and indicates generally, to the extent feasible in preliminary planning, the land uses, population density, building coverage, prospective requirements for rehabilitation and improvement of property, and any portions of the area contemplated for clearance and redevelopment."

68 Stat. 623,
42 USC 1451.

68 Stat. 624;
ante, p. 1097,
42 USC 1452.

(b) Section 102 (d) of such Act is further amended by striking out "The Administrator may make advances of funds to local public agencies for" and inserting in lieu thereof "The Administrator may make advances of funds to local public agencies for surveys of urban areas to determine whether the undertaking of urban renewal projects therein may be feasible and for".

69 Stat. 637,
42 USC 1456.

SEC. 304. Section 106 (e) of the Housing Act of 1949 is amended by striking out "\$70,000,000" and inserting in lieu thereof "\$100,000,000".

SEC. 305. Section 106 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) (1) Notwithstanding any other provision of this title, an urban renewal project respecting which a contract for a capital grant is executed under this title may include the making of relocation payments (as defined in paragraph (2)); and such contract shall provide that the capital grant otherwise payable under this title shall be increased by an amount equal to such relocation payments and that no part of the amount of such relocation payments shall be required to be contributed as part of the local grant-in-aid.

"(2) As used in this subsection, the term 'relocation payments' means payments by a local public agency, in connection with a project, to individuals, families, and business concerns for their reasonable and necessary moving expenses and any actual direct losses of property

except goodwill or profit (which are incurred on and after the date of the enactment of the Housing Act of 1956, and for which reimbursement or compensation is not otherwise made) resulting from their displacement by an urban renewal project included in an urban renewal area respecting which a contract for capital grant has been executed under this title. Such payments shall be made subject to such rules and regulations prescribed by the Administrator as are in effect on the date of execution of the contract for capital grant (or the date on which the contract is amended pursuant to paragraph (3)), and shall not exceed \$100 in the case of an individual or family, or \$2,000 in the case of a business concern.

“(3) Any contract with a local public agency which was executed under this title before the date of the enactment of the Housing Act of 1956 may be amended to provide for payments under this subsection for expenses and losses incurred on or after such date.”

SEC. 306. Section 104 of such Act is amended to read as follows:

63 Stat. 416.
42 USC 1454.

“REQUIREMENTS FOR LOCAL GRANTS-IN-AID

“SEC. 104. Every contract for capital grants under this title shall require local grants-in-aid in connection with the project involved. Such local grants-in-aid, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency on which contracts for capital grants have theretofore been made, shall not be required in excess of one-third of the aggregate net project costs of all projects of the local public agency on which contracts for capital grants have been made.”

SEC. 307. (a) Title I of the Housing Act of 1949 is amended by adding at the end thereof the following new section:

63 Stat. 414.
42 USC 1451-1460.

“DISASTER AREAS

“SEC. 111. Where the local governing body certifies, and the Administrator finds, that an urban area is in need of redevelopment or rehabilitation as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2 (a) of the Act entitled ‘An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes’ (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended, has determined to be a major disaster, the Administrator is authorized to extend financial assistance under this title for an urban renewal project with respect to such area without regard to the following:

64 Stat. 1109.
42 USC 1855a.

“(1) the ‘workable program’ requirement in section 101 (c), except that any contract for temporary loan or capital grant pursuant to this section shall obligate the local public agency to comply with the ‘workable program’ requirement in section 101 (c) by a future date determined to be reasonable by the Administrator and specified in such contract;

68 Stat. 623.
42 USC 1451.

“(2) the requirements in section 105 (a) (iii) and section 110 (b) (1) that the urban renewal plan conform to a general plan of the locality as a whole and to the workable program referred to in section 101 (c);

68 Stat. 625, 626.
42 USC 1455, 1460.

“(3) the ‘relocation’ requirements in section 105 (c): *Provided*, That the Administrator finds that the local public agency has presented a plan for the encouragement, to the maximum extent feasible, of the provision of dwellings suitable for the needs of families displaced by the catastrophe or by redevelopment or rehabilitation activities;

63 Stat. 417.
42 USC 1455.

“(4) the ‘public hearing’ requirement in section 105 (d);

63 Stat. 414; 68 Stat. 626,
42 USC 1452,
1460.

"(5) the requirements in sections 102 and 110 that the urban renewal area be a slum area or a blighted, deteriorated, or deteriorating area; and

"(6) the requirements in section 110 with respect to the predominantly residential character or predominantly residential re-use of urban renewal areas.

In the preparation of the urban renewal plan with respect to a project aided under this section, the local public agency shall give due regard to the removal or relocation of dwellings from the site of recurring floods or other recurring catastrophes in the project area."

68 Stat. 597.
12 USC 1715k.

(b) Subparagraph (A) of section 220 (d) (1) of the National Housing Act is amended to read as follows:

63 Stat. 414.
42 USC 1451-
1460.

68 Stat. 590.

68 Stat. 623.
42 USC 1451.

Ante, p. 1101.

"(A) be located in (i) the area of a slum clearance and urban redevelopment project covered by a Federal-aid contract executed or a prior approval granted, pursuant to title I of the Housing Act of 1949 before the effective date of the Housing Act of 1954, or (ii) an urban renewal area (as defined in title I of the Housing Act of 1949, as amended) in a community respecting which the Housing and Home Finance Administrator has made the certification to the Commissioner provided for by section 101 (c) of the Housing Act of 1949, as amended, or (iii) the area of an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended: *Provided*, That, in the case of an area within the purview of clause (i) or (ii) of this subparagraph, a redevelopment plan or an urban renewal plan (as defined in title I of the Housing Act of 1949, as amended), as the case may be, has been approved for such area by the governing body of the locality involved and by the Housing and Home Finance Administrator, and the Administrator has certified to the Commissioner that such plan conforms to a general plan for the locality as a whole and that there exist the necessary authority and financial capacity to assure the completion of such redevelopment or urban renewal plan: *And provided further*. That, in the case of an area within the purview of clause (iii) of this subparagraph, an urban renewal plan (as required for projects assisted under such section 111) has been approved for such area by such governing body and by the Administrator, and the Administrator has certified to the Commissioner that such plan conforms to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements, and that there exist the necessary authority and financial capacity to assure the completion of such urban renewal plan, and".

68 Stat. 599.
12 USC 1715l.

Ante, p. 1101.

(c) Section 221 (a) of the National Housing Act is amended—

(1) by adding immediately before the period at the end of the first sentence a comma and the following: "or (3) there is being carried out an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended"; and

(2) by striking out "clause (2)" each place it appears in the last proviso and inserting in lieu thereof "clause (2) or (3)".

68 Stat. 640.
40 USC 461.

(d) The second sentence of section 701 of the Housing Act of 1954 is amended to read as follows: "The Administrator is further authorized to make planning grants for similar planning work (1) in metropolitan and regional areas to official State, metropolitan, or regional planning agencies empowered under State or local laws to perform such planning; (2) to cities, other municipalities, and counties having a population of twenty-five thousand or more according to the latest decennial census which have suffered substantial damage as a

result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2 (a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended, has determined to be a major disaster; and (3) to State planning agencies, to be used for the provision of planning assistance to the cities, other municipalities, and counties referred to in clause (2) hereof."

SEC. 308. The last sentence of section 701 of the Housing Act of 1954 is amended by striking out "\$5,000,000" and inserting in lieu thereof "\$10,000,000".

64 Stat. 1109.
42 USC 1855a.

68 Stat. 640.
40 USC 461.

TITLE IV—PUBLIC HOUSING

LOW-RENT PUBLIC HOUSING

SEC. 401. (a) Subsection (i) of section 10 of the United States Housing Act of 1937 is amended effective August 1, 1956, to read as follows:

69 Stat. 638.
42 USC 1410.

"(i) Notwithstanding any other provision of law, the Authority may enter into new contracts for loans and annual contributions after July 31, 1956, for not more than thirty-five thousand additional dwelling units, which amount shall be increased by thirty-five thousand additional dwelling units on July 1, 1957, and may enter into only such new contracts for preliminary loans in respect thereto as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into hereunder: *Provided*, That the authority to enter into new contracts for annual contributions with respect to each such thirty-five thousand additional dwelling units shall terminate two years after the first date on which such authority may be exercised under the foregoing provisions of this subsection: *Provided further*, That any balance of the authorization provided by this subsection, as amended by section 108 (b) of the Housing Amendments of 1955, not utilized by July 31, 1956, shall be available in any succeeding year: *Provided further*, That no such new contract for annual contributions for additional units shall be entered into except with respect to low-rent housing for a locality respecting which the Housing and Home Finance Administrator has made the determination and certification relating to a workable program as prescribed in section 101 (c) of the Housing Act of 1949, as amended: *And provided further*, That no new contracts for loans and annual contributions for additional dwelling units in excess of the number authorized in this sentence shall be entered into unless authorized by the Congress."

68 Stat. 623.
42 USC 1451.

(b) Clause (2) of the third proviso appearing in that part of the Independent Offices Appropriation Act, 1953, which is captioned "Annual contributions:" under the heading "PUBLIC HOUSING ADMINISTRATION" is repealed.

66 Stat. 403.
42 USC 1411b.

SEC. 402. Section 101 (c) of title I of the Housing Act of 1949, as amended, is amended by inserting the following after the first comma therein: "or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to August 1, 1956,".

68 Stat. 623.
42 USC 1451.

50 Stat. 888.
42 USC 1430.

SEC. 403. Subsection (d) of section 21 of the United States Housing Act of 1937 is amended by striking out the figure "10" in both places it appears and inserting in lieu thereof the figure "15".

63 Stat. 431.
42 USC 1421.

HOUSING FOR THE ELDERLY

50 Stat. 888,
42 USC 1402.

SEC. 404. (a) Paragraph (2) of section 2 of the United States Housing Act of 1937 is amended by adding at the end thereof the following: "The term 'families' means families consisting of two or more persons, a single person sixty-five years of age or over, or the remaining member of a tenant family. The term 'elderly families' means families the head of which (or his spouse) is sixty-five years of age or over."

50 Stat. 891,
42 USC 1410.

(b) Section 10 of such Act is amended by adding at the end thereof the following new subsection:

63 Stat. 423.

"(m) For the purpose of increasing the supply of low-rent housing for elderly families, the Authority may assist the construction of new housing or the remodeling of existing housing in order to provide accommodations designed specifically for such families. Notwithstanding the provisions of subsection 10 (g), any public housing agency, in respect to dwelling units suitable to the needs of elderly families, may extend a prior preference to such families and may waive the provisions of clause (ii) of section 15 (8) (b) with respect to such units: *Provided*, That, as among such families, the 'First' preference in subsection 10 (g) shall apply."

63 Stat. 422,
42 USC 1415.

63 Stat. 424,
42 USC 1415.

(c) Section 15 (5) of such Act is amended by inserting after the word "Alaska" the following: "or \$2,250 in the case of accommodations designed specifically for elderly families".

FARM-LABOR CAMPS

64 Stat. 73,
42 USC 1412.

SEC. 405. Section 12 (f) of the United States Housing Act of 1937 is amended by adding at the end thereof the following: "Notwithstanding any other provision of law, upon the filing of a request therefor within eighteen months after the date of the enactment of this sentence, the Authority shall relinquish, transfer, and convey, without monetary consideration, all of its rights, title, and interest in and with respect to any such project or any part thereof (including such land as is determined by the Authority to be reasonably necessary to the operation of such project, and including contractual rights to revenues, reserves, and other proceeds therefrom), (1) in the case of any State other than Florida, to any public housing agency whose area of operation includes the project, upon a finding and certification by the public housing agency (which shall be conclusive upon the Authority) that the project is needed to house persons and families of low income and that preference for occupancy in the project will be given first to low-income agricultural workers and their families and second to other low-income persons and their families; and (2) in the case of Florida, to any public housing agency in the State whenever, under the laws of the State, such agency (A) is authorized to acquire and operate such project, (B) is required to give preference for occupancy in such project, first, to low-income agricultural workers and their families, and second, to other low-income persons and their families, (C) is required, in the event of the disposition of such project by sale or otherwise, to use the proceeds thereof and any available accumulated earnings to construct facilities (which shall be subject to the same preferences as those specified in clause (B)) for occupancy by low-income agricultural workers and their families in the same area, and (D) is required, so long as it continues to own or operate such project, to have on its managing board one or more members whose principal occupation is farming. Upon the relinquishment and transfer of any such project it shall cease to be a low-rent project within the meaning of this Act, and the Authority shall have no further jurisdiction over it, except

that in any conveyance under the preceding sentence the Authority may reserve to the United States any mineral rights of whatsoever nature upon, in, or under the property, including such rights of access to and the use of such parts of the surface of the property as may be necessary for mining and saving the minerals. Any project, or part thereof not relinquished and conveyed pursuant to this subsection or under a contract for disposal pursuant to this subsection within eighteen months after the date of the enactment of this sentence shall be disposed of by the Authority pursuant to subsection (e) of section 13 of this Act, notwithstanding the parenthetical clause in such subsection.”.

50 Stat. 895.
42 USC 1413.

DISPOSITION OF DEFENSE HOUSING

SEC. 406. (a) Notwithstanding the provisions of any other law, there are hereby transferred to the jurisdiction of the Department of Defense, effective on the first day of the month following enactment of the Housing Act of 1956, all right, title, and interest, including contractual rights and obligations and any reversionary interest, held by the Federal Government in and with respect to all real and personal property comprising the following housing projects:

Project Numbered:	Location
ALA-1D1	Ozark, Alabama.
ALA-1D2	Ozark, Alabama.
ALA-2D1	Foley, Alabama.
ALA-2D2	Foley, Alabama.
ARIZ-1D1	Yuma, Arizona.
ARIZ-1D2	Yuma, Arizona.
ARIZ-3D1	Flagstaff, Arizona.
CAL-3D1	Oceanside, California.
CAL-3D2	Oceanside, California.
CAL-4D1	Miramar, California.
CAL-6D1	San Ysidro, California.
CAL-7D2	Barstow, California.
CAL-9D1	Barstow, California.
CAL-9D2	Barstow, California.
CAL-10D1	Twentynine Palms, California.
COLO-1D1	Colorado Springs, Colorado.
FLA-2D1	Green Cove Springs, Florida.
FLA-4D1	Milton, Florida.
FLA-8082	Pensacola, Florida.
FLA-8084	Pensacola, Florida.
GA-1D1	Hinesville, Georgia.
KAN-3D1	Hutchinson, Kansas.
ME-4D1	Brunswick, Maine.
MD-1D1	Bainbridge, Maryland.
MO-1D1	Waynesville, Missouri.
MO-2D1	Waynesville, Missouri.
MO-4D1	Waynesville, Missouri.
MO-5D1	Waynesville, Missouri.
NEV-2D1	Fallon, Nevada.
NC-1D1	Camp Lejeune, North Carolina.
NC-3D1	Camp Lejeune, North Carolina.
NC-4D1	Elizabeth City, North Carolina.
RI-1D1	Portsmouth, Rhode Island.
RI-2D1	Portsmouth, Rhode Island.
TEX-2D1	Kingsville, Texas.
TEX-3D1	Hondo, Texas.
TEX-5D1	Beeville, Texas.
TEX-5D2	Beeville, Texas.
TEX-6D1	Mission, Texas.
VA-6D1	Quantico, Virginia.
VA-10D1	Yorktown, Virginia.
VA-12D1	Yorktown, Virginia.
VA-13D1	Williamsburg, Virginia.

The provisions of title III of the Defense Housing and Community Facilities and Services Act of 1951, as amended, and of the Act entitled “An Act to expedite the provision of housing in connection

65 Stat. 303.
42 USC 1592-
1592o.

54 Stat. 1125,
42 USC 1521-
1590.

12 USC 1701g-5.

65 Stat. 303,
42 USC 1592-
1592a.

68 Stat. 645,
42 USC 1592a.

Cobalt, Idaho.

Newport, R. I.

64 Stat. 66,
42 USC 1586.

Philadelphia,
Pa.

54 Stat. 1125,
42 USC 1521-
1590.

with national defense, and for other purposes", approved October 14, 1940, as amended, shall not apply to any property transferred hereunder and, except as otherwise provided herein, the laws relating to similar property of the Department of Defense shall be applicable to the property transferred. The Department of Defense is authorized to utilize any revenues derived from the property transferred hereunder, after its transfer, for the maintenance, operation, improvement, and liquidation of such property and for administrative expenses in connection therewith. There is hereby transferred to the Department of the Navy out of the fund entitled "Office of the Administrator revolving fund (liquidating programs)" established in the Office of the Administrator, Housing and Home Finance Agency, under title II of the Independent Offices Appropriation Act, 1955 (68 Stat. 272, 295), as amended, \$375,000 to be available until expended for repair and rehabilitation of such property by the Navy.

(b) Notwithstanding the provisions of this or any other law, any housing constructed or acquired under the provisions of title III of the Defense Housing and Community Facilities and Services Act of 1951, as amended, which is not transferred under the provisions of subsection (a) hereof shall, as expeditiously as possible, but not later than June 30, 1957, be disposed of on a competitive bid basis to the highest responsible bidder upon such terms and after such public advertisement as the Housing and Home Finance Administrator may deem in the public interest; except that the Administrator may reject any bid which he deems less than the fair market value of the property and may thereafter dispose of the property by negotiation: *Provided*, That the third proviso in section 302 (b) of such Act shall be applicable to housing disposed of under this subsection, except that project numbered IDA-2D1 at Cobalt, Idaho, shall be sold only for use on the site.

(c) The Housing and Home Finance Administrator is hereby directed to convey (pursuant to the provisions of section 606 of the Act entitled "An Act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, as amended): (1) Housing project numbered RI-37013 to the Housing Authority of the City of Newport, Rhode Island: *Provided*, That notwithstanding the provisions of that section or of any other law, the agreement required by that section shall permit the use of the project in whole or in part for the housing of military personnel without regard to their income, and shall require the Authority, in selecting tenants, to give a first preference in respect of three hundred and sixty dwelling units to such military personnel as the Secretary of Defense or his designee prescribes for three years after the date of conveyance and to give thirty days' advance notice of available vacancies to such designee, and (2) housing projects numbered PA-36011 and PA-36012 to the Housing Authority of Philadelphia, Pennsylvania: *Provided*, That notwithstanding the provisions of that section or of any other law, the agreement required by that section shall permit the use of the projects in whole or in part for the housing of military personnel without regard to their income, and shall require the Authority, in selecting tenants, to give a first preference in respect of seven hundred dwelling units to such military personnel as the Secretary of Defense or his designee prescribes for three years after the date of conveyance and to give thirty days' advance notice of available vacancies to such designee.

SEC. 407. (a) The Act entitled "An Act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, as amended, is amended by adding at the end thereof the following new section 614:

"SEC. 614. (a) Notwithstanding the provisions of this or any other law, (1) any housing to be sold on-site determined by the Administrator to be permanent, located on lands owned by the United States and under the jurisdiction of the Administrator, which is not relinquished, transferred, under contract of sale, sold, or otherwise disposed of by the administrator under other provisions of this Act or under the provisions of other law by January 1, 1957, except housing which is determined by the Administrator by that date to be suitable for sale in accordance with section 607 (b) of this Act; and (2) any permanent housing to be sold off-site which is not relinquished, transferred, under contract of sale, sold, or otherwise disposed of prior to the effective date of this section shall be disposed of, as expeditiously as possible, on a competitive basis to the highest responsible bidder upon such terms and after such public advertisement as the Administrator may deem in the public interest; except that the Administrator may reject any bid which he deems less than the fair market value of the property and may thereafter dispose of the property by negotiation.

64 Stat. 70.
42 USC 1587.

"(b) Notwithstanding the provisions of this or any other law, all contracts entered into after the enactment of this section for the sale, transfer, or other disposal of housing (other than housing subject to the provisions of section 607 (b) of this Act) determined by the Administrator to be permanent, except contracts entered into pursuant to subsection (a) hereof, shall require that if title does not pass to the purchaser by April 1, 1957 (or within sixty days thereafter if such time is necessary to cure defects in title in accordance with the provisions of the contract), the rights of the purchaser shall terminate and thereafter the housing shall be sold under the provisions of subsection (a) hereof. For the purposes of this subsection, title shall be considered to have passed upon the execution of a conditional sales contract.

64 Stat. 70.
42 USC 1587.

"(c) The dates set forth in subsections (a) and (b) of this section shall not be subject to change by virtue of the provisions of section 611 of this Act."

65 Stat. 314.
42 USC 1589a.
Alexandria, Va.

(b) Notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized to sell and convey, at fair market value as determined by him on the basis of an appraisal made by an independent real-estate expert, to the city of Alexandria, Virginia, or to the Alexandria Redevelopment and Housing Authority, or to any agency or corporation established or sponsored in the public interest by such city, all of the right, title, and interest of the United States in and to the Chinquapin Village housing project, VA-44131, located in Alexandria, Virginia. Any sale pursuant to this authorization shall be made within six months after the date of the enactment of this subsection and shall be on such terms and conditions as the Administrator shall determine.

(c) Notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized and directed to sell and convey to the city of Euclid, Ohio, for a total price of \$6,125,000, all of the right, title, and interest of the United States in and to the housing projects known as Euclid Homes (OH-33074) and Lakeshore Village (OH-33071) located in Euclid, Ohio. The purchase price shall be secured by a mortgage which need not be a general obligation of such city, and shall be paid in equal annual installments within twenty years from the date of sale with the right of prepayment of all or any part thereof. No down-payment shall be required, and the unpaid balances shall bear interest at the rate of 4½ per centum per annum. The Administrator may impose such other terms and conditions as he may deem necessary or desirable, including a requirement

Euclid, Ohio.

Atlanta, Ga.

that any net revenues be applied by such city as advance payment on the last maturing installments of the purchase price.

(d) (1) Notwithstanding any other provision of law, the Public Housing Commissioner is authorized and directed to sell and convey by quitclaim deed to the Georgia Institute of Technology, upon full payment in cash of the purchase price determined under paragraph (2), all of the right, title, and interest of the United States in and to that real property (including furniture, fixtures, and equipment located on the property on the date of the execution of the contract or sale under this subsection), situated in Atlanta, Georgia, known as the Techwood Dormitory and more particularly described as follows:

Commencing at the intersection of the south line of North Avenue with the east line of Techwood Drive; thence running north 89 degrees 45 minutes east 94.47 feet along the south line of North Avenue to the east line of property formerly owned by Mrs. Emma L. Ellis; thence south 00 degrees 12.5 minutes east 155.0 feet more or less to the south line of an alley formerly known as Linden Alley and the north line of property formerly owned by Mildred W. Seydel; thence north 89 degrees 45 minutes east along the south line of said alley 170.0 feet more or less to a point in the south side of said alley which is distant 100.0 feet westerly from the west line of William Street; thence south 00 degrees 12.5 minutes east 290.0 feet more or less to a point on the south side of the former location of Linden Avenue, which point is 100.0 feet more or less west of the west line of Williams Street; thence running south 89 degrees 45 minutes west 281.57 feet more or less along the south side of the former location of Linden Avenue to its intersection with the east line of Techwood Drive; thence north 00 degrees 02 minutes east 293.88 feet more or less along the east line of Techwood Drive; thence north 6 degrees 06 minutes east 151.98 feet more or less along the east line of Techwood Drive to its intersection with the south line of North Avenue and the point of beginning.

(2) The purchase price of the property referred to in paragraph (1) shall be the fair market value of the land described in such paragraph on the date of the execution of the contract of sale under this subsection, as determined by the Public Housing Commissioner, excluding for purposes of such determination the value of any buildings, furniture, fixtures, and equipment located on such land.

(3) If the property referred to in paragraph (1) is not sold and conveyed to the Georgia Institute of Technology within six months after the date of the enactment of this Act, the Public Housing Commissioner shall dispose of such property at public sale to the highest competitive bidder.

Glastonbury,
Conn.
69 Stat. 638.

(e) The last proviso of subsection (c) of section 108 of the Housing Amendments of 1955 is amended by striking out "12" and inserting in lieu thereof "24".

PAYMENTS IN LIEU OF TAXES

SEC. 408. Notwithstanding the provisions of any other law or any contract or rule of law, the Public Housing Commissioner shall approve payments in lieu of taxes for project fiscal years ending prior to April 1, 1956, by each of the following local public agencies in the following amounts:

Housing Authority of the City of Houston (Texas), \$200,324.82.
Quincy Housing Authority (Illinois), \$12,549.75.
Housing Authority of the City of Fresno (California), \$6,874.13.
Reading Housing Authority (Pennsylvania), \$11,106.59.
Huntington, West Virginia, Housing Authority (West Virginia), \$13,049.38.

Housing Authority of the City of Los Angeles (California), \$104,765.05.

Housing Authority of the City of Monroe (Louisiana), \$1,560.76.

Housing Authority of the City of Dothan (Alabama), \$1,238.46.

Housing Authority of the City of Sacramento (California), \$26,628.29.

Cincinnati Metropolitan Housing Authority (Ohio), \$59,576.64.

Housing Authority of the City of Tampa (Florida), \$22,959.85.

TITLE V—MILITARY HOUSING

ARMED SERVICES HOUSING MORTGAGE INSURANCE

SEC. 501. Section 801 (g) of the National Housing Act is amended to read as follows:

69 Stat. 646.
12 USC 1748.

“(g) The term ‘State’ includes the several States, and Alaska, Hawaii, Puerto Rico, the District of Columbia, Guam, the Virgin Islands, the Canal Zone, and Midway Island.”

SEC. 502. Section 803 (a) of such Act is amended by striking out “September 30, 1956” and inserting in lieu thereof “June 30, 1958”.

69 Stat. 647.
12 USC 1748b.

SEC. 503. Section 803 (a) of such Act is further amended by striking out the first proviso and inserting in lieu thereof the following: “: *Provided*, That the aggregate amount of principal obligations of all mortgages insured under this title (except mortgages insured pursuant to the provisions of this title in effect prior to the enactment of the Housing Amendments of 1955) shall not exceed \$2,300,000,000”.

SEC. 504. Section 803 (b) (2) of such Act is amended by striking out all that follows clause (i) and inserting in lieu thereof the following: “, and (ii) with the approval of the Commissioner, shall have determined that adequate housing is not available for such personnel at reasonable rentals within reasonable commuting distance of the installation and that the mortgaged property will not, so far as can reasonably be foreseen, substantially curtail occupancy in existing housing covered by mortgages insured under this Act. The housing accommodations shall comply with such standards and conditions as the Commissioner may prescribe to establish the acceptability of such property for mortgage insurance, except that the certification of the Secretary of Defense or his designee shall (for purposes of mortgage insurance under this title) be conclusive evidence to the Commissioner of the existence of the need for such housing. However, if the Commissioner does not concur in the housing needs as certified by the Secretary, the Commissioner may require the Secretary to guarantee the Armed Services Housing Mortgage Insurance Fund against loss with respect to the mortgage covering such housing. The Commissioner shall report to the Committees on Banking and Currency of the Senate and the House of Representatives each instance in which he has required the Secretary to guarantee the Armed Services Housing Mortgage Insurance Fund, with reasons therefor. There are hereby authorized to be appropriated such sums as may be necessary to provide for payment to meet losses arising from such guaranty.”

69 Stat. 647.
12 USC 1748b.

Report to Congressional committees.

Appropriation.

SEC. 505. Section 803 (b) (3) (B) of such Act is amended to read as follows:

69 Stat. 648.
12 USC 1748b.

“(B) not to exceed an average of \$16,500 per family unit for such part of such property or project (including ranges, refrigerators, shades, screens, and fixtures) as may be attributable to dwelling use: *Provided*, That the replacement cost of the property or project as determined by the Commissioner, including the estimated value of any usable utilities within the boundaries

of the property or project where owned by the United States and not provided for out of the proceeds of the mortgage, shall not exceed an average of \$16,500 per family unit; and⁵.

69 Stat. 648.
12 USC 1748b.

SEC. 506. (a) Section 803 (b) (3) (C) of such Act is amended by striking out "eligible builder of" and inserting in lieu thereof "eligible bidder with respect to".

69 Stat. 651.
42 USC 1594.

(b) Sections 403 (a) and 403 (b) of the Housing Amendments of 1955 are amended by striking out "eligible builder" wherever the term appears therein and inserting in lieu thereof "eligible bidder".

(c) Section 403 (a) of the Housing Amendments of 1955 is amended by striking out "the builder" wherever appearing therein and inserting in lieu thereof "the mortgagor".

(d) Section 403 (a) of the Housing Amendments of 1955 is amended by striking out "with any builder".

SEC. 507. Section 403 (a) of the Housing Amendments of 1955 is further amended by inserting immediately before the last sentence the following: "Any such contract shall provide for the furnishing by the contractor of a performance bond and a payment bond with a surety or sureties satisfactory to the Secretary of Defense, or his designee, and the furnishing of such bonds shall be deemed a sufficient compliance with the provisions of section 1 of the Act of August 24, 1935 (49 Stat. 793), and no additional bonds shall be required under such section."

40 USC 270a.

69 Stat. 652.
42 USC 1594b.

SEC. 508. Section 405 of the Housing Amendments of 1955 is amended by striking out "\$9,000,000" and inserting in lieu thereof "\$21,000,000".

69 Stat. 653.
42 USC 1594c.

SEC. 509. The second sentence of section 406 of the Housing Amendments of 1955 is amended by inserting after the colon immediately following the first proviso the following: "*Provided further*, That such plans, drawings, and specifications, when developed pursuant to arrangements made under this section after the date of the enactment of the Housing Act of 1956, shall follow the principle of modular measure, in order that the housing may be built by conventional construction, on-site fabrication, factory precutting, factory fabrication, or any combination of these construction methods:".

69 Stat. 646.
12 USC 1720,
1748-1748g; 42 USC
1594-1594e.

SEC. 510. Title IV of the Housing Amendments of 1955 is amended by adding at the end thereof the following new section:

"SEC. 410. In the construction of housing under the authority of this title and title VIII of the National Housing Act, as amended, the maximum limitations on net floor area for each unit shall be the same as the net floor area permanent limitations prescribed in the second, third, and fourth provisos of section 3 of the Act of June 12, 1948 (62 Stat. 375), or in section 3 of the Act of June 16, 1948 (62 Stat. 459), other than the first, second, and third provisos thereof."

62 Stat. 379, 462.
5 USC 626p; 34
USC 911b-911d.
69 Stat. 653.
42 USC 1594
note.

SEC. 511. Section 408 of the Housing Amendments of 1955 is amended by adding at the end thereof the following: "Nothing contained in the provisions of title VIII of the National Housing Act in effect prior to August 11, 1955, or any related provision of law, shall be construed to exempt from State or local taxes or assessments the interest of a lessee from the Federal Government in or with respect to any property covered by a mortgage insured under such provisions of title VIII: *Provided*, That, no such taxes or assessments (not paid or encumbering such property or interest prior to June 15, 1956) on the interest of such lessee shall exceed the amount of taxes or assessments on other similar property of similar value, less such amount as the Secretary of Defense or his designee determines to be equal to (1) any payments made by the Federal Government to the local taxing or other public agencies involved with respect to such property, plus (2) such amount as may be appropriate for any expenditures made

by the Federal Government or the lessee for the provision or maintenance of streets, sidewalks, curbs, gutters, sewers, lighting, snow removal or any other services or facilities which are customarily provided by the State, county, city, or other local taxing authority with respect to such other similar property: *And provided further*, That the provisions of this section shall not apply to properties leased pursuant to the provisions of section 805 of the National Housing Act as amended on or after August 11, 1955, which properties shall be exempt from State or local taxes or assessments."

69 Stat. 651.
12 USC 1748d.

ACQUISITION OF WHERRY ACT HOUSING

SEC. 512. Section 404 of the Housing Amendments of 1955 is amended to read as follows:

69 Stat. 652.
42 USC 1594a.

"SEC. 404. (a) Whenever the Secretary of Defense or his designee deems it necessary for the purpose of this title, he may acquire by purchase, donation, condemnation, or other means of transfer, any land or (with the approval of the Federal Housing Commissioner) any housing financed with mortgages insured under the provisions of title VIII of the National Housing Act as in effect prior to the enactment of the Housing Amendments of 1955. The purchase price of any such housing shall not exceed the Federal Housing Commissioner's estimate of the replacement cost of such housing and related property (not including the value of any improvements installed or constructed with appropriated funds) as of the date of final endorsement for mortgage insurance reduced by an appropriate allowance for physical depreciation, as determined by the Secretary of Defense or his designee upon the advice of the Commissioner: *Provided*, That in any case where the Secretary or his designee acquires a project held by the Commissioner, the price paid shall not exceed the face value of the debentures (plus accrued interest thereon) which the Commissioner issued in acquiring such project.

63 Stat. 570.
12 USC 1748 et
seq.

"(b) Notwithstanding any provision of subsection (a) to the contrary, the Secretary of Defense or his designee shall, in the manner provided in subsection (a), acquire by purchase, donation, or other means of transfer or, if the parties cannot agree upon terms for acquisition by such means, by condemnation, any housing constructed under the mortgage insurance provisions of title VIII of the National Housing Act (as in effect prior to the enactment of the Housing Amendments of 1955) which is located at or near a military installation where the construction of housing under the Armed Services Housing Mortgage Insurance Program has been approved by the Secretary.

"(c) Condemnation proceedings instituted pursuant to this section shall be conducted in accordance with the provisions of the Act of August 1, 1888 (25 Stat. 357; 40 U. S. C., sec. 257) as amended, or any other applicable Federal statute. Before any such condemnation proceedings are instituted, an effort shall be made to acquire the property involved by negotiation. In any condemnation proceedings instituted pursuant to this section, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under the first section of the Act of February 26, 1931 (46 Stat. 1421), providing for such declarations. Unless title is in dispute, the court, upon application, shall promptly pay to the owner at least 75 per centum of the amount so deposited, but such payment shall be made without prejudice to any party to the proceeding. In the event that condemnation proceedings are instituted in accordance with procedures under such Act of February 26, 1931, the court shall order that the amount depos-

40 USC 258a.

40 USC 258 a-
258e.

ited shall be paid in a lump sum or over a period not exceeding five years in accordance with stipulations executed by the parties in the proceedings. In connection with condemnation proceedings which do not utilize the procedures under such Act, the Secretary or his designee, after final judgment of the court, may pay or agree to pay in a lump sum or, in accordance with stipulations executed by the parties to the proceedings, over a period not exceeding five years the difference between the outstanding principal obligation, plus accrued interest, and the price for the property fixed by the court. Unless such payment is made in a lump sum, the unpaid balance thereof shall bear interest at the rate of 4 per centum per annum.

“(d) Property acquired under this section may be occupied, used, and improved for the purposes of this section prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended.

40 USC 255.

“(e) The Secretary or his designee may, in the case of any housing acquired or to be acquired under this section, make arrangements with the mortgagee whereby such mortgagee will agree to release and waive all requirements of accruals for reserves for replacement, taxes, and hazard insurance provided for under the corporate charter and indenture agreement with respect to such housing, upon the execution of a written agreement by the Secretary or his designee that the purposes for which such reserves and other funds were accrued will be carried out.

“(f) Any housing acquired under this section may be (1) assigned as public quarters to military personnel and their dependents; or (2) leased to military and civilian personnel for occupancy by them and their dependents, upon such terms and conditions as will in the judgment of the Secretary of Defense or his designee be in the best interest of the United States, without loss to military personnel of their basic allowance for quarters or appropriate allotments. Amounts equal to the quarters allowances or appropriate allotments of military personnel to whom such housing is assigned as public quarters under clause (1), and the rental charges realized under clause (2), shall be deposited in the revolving fund created by subsection (g).

“(g) There is hereby created a fund which shall be used by the Secretary of Defense or his designee as a revolving fund for the purpose of paying for housing and related property acquired under this section, paying interest, principal, mortgage insurance premiums, and other obligations (except those for maintenance and operation) with respect to such housing, and paying expenses incurred in the alteration, improvement, rehabilitation, and repair of such housing. The amounts and charges referred to in the last sentence of subsection (f) of this section, and any savings realized in the operation of section 405, shall be deposited in such fund. For the purposes of the preceding sentence, the term ‘savings realized in the operation of section 405’ means the difference between the amount made available for payments under section 405 and the amount actually used in making such payments.

69 Stat. 652.
42 USC 1594b.

“(h) The Secretary of the Treasury is authorized and directed to establish on the books of the Treasury Department the revolving fund created pursuant to the authority of this section. To provide capital for such fund, there is authorized to be appropriated a sum not to exceed \$50,000,000 and the Secretary of Defense, with the approval of the President, is authorized to transfer from unexpended balances of any appropriations of the military departments not carried to the surplus fund of the Treasury such sums as may be determined by the Secretary of Defense to be necessary to provide adequate capital for the revolving fund.”

TITLE VI—MISCELLANEOUS

COLLEGE HOUSING

SEC. 601. Section 401 (d) of the Housing Act of 1950 is amended by striking out "\$500,000,000" and inserting in lieu thereof "\$750,000,000".

69 Stat. 645.
12 USC 1749.

RESEARCH

SEC. 602. (a) The Housing and Home Finance Administrator is authorized and directed to undertake such programs of investigation, analysis, and research as he determines to be necessary and appropriate in the exercise of his responsibilities, including the formulation and carrying out of national housing policies and programs. Without limiting such authority, such programs shall develop and supply data and information on—

- (1) the housing inventory of the Nation and the production, use, and demolition and conversion of residential structures, and such other factors as affect the total supply of housing;
- (2) mortgage market problems;
- (3) the extent to which adequate housing is available to the low-income and middle-income families of the Nation through public and private means;
- (4) housing for elderly persons;
- (5) residential design, assembly methods, and materials use in relation to cost, utility, and comfort; and
- (6) characteristics of current and prospective housing market demand.

(b) (1) In order to permit the Administrator to carry out the functions vested in him by subsection (a) of this section, he is hereby authorized to enter into contracts with agencies of State and local governments and educational institutions and other nonprofit organizations and into working agreements with departments and independent establishments and agencies of the Federal Government in accordance with paragraph (3) of this subsection: *Provided*, That the total amount of such contracts and working agreements shall not exceed \$500,000 during the fiscal year 1957, which amount shall be increased by further amounts of \$1,000,000 on July 1, 1957, and July 1, 1958, respectively.

(2) There are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated such sums as may be necessary to carry out the purposes of this section, including administrative expenses which are hereby authorized, and amounts necessary to make payments pursuant to contracts or working agreements authorized under subsection (b) (1) of this section.

(3) The provisions of the third and fourth sentences of subsection (a) of section 301 of the Housing Act of 1948 and of subsection (c) of section 502 of such Act shall apply to contracts and appropriations pursuant to this section.

63 Stat. 431.
12 USC 1701e.
62 Stat. 1284.
12 USC 1701c.

(c) The Administrator may disseminate (without regard to the provisions of section 306 of the Penalty Mail Act of 1948 (39 U. S. C. 321n)) any data or information acquired or held under this section, including related data and information otherwise available to the Administrator through the operation of the programs and activities of the Housing and Home Finance Agency, in such form as he shall determine to be most useful to departments, establishments, and agencies of the Federal Government or State or local governments, to industry and to the general public.

62 Stat. 1049.

(d) In carrying out the provisions of this section, the Administrator is hereby authorized to request and receive such information or data as he deems appropriate from private individuals, organizations, and other public agencies. Any such information or data shall be used only for the purposes for which it is supplied, and no publication shall be made by the Administrator whereby the information or data furnished by any particular person or establishment can be identified, except with the consent of such person or establishment.

(e) Nothing contained in this section shall limit any authority of the Administrator under title III of the Housing Act of 1948, as amended, or any other provision of law.

63 Stat. 431.
12 USC 1701e-
1701f-1.

PUBLIC FACILITY LOANS

SEC. 603. Title II of the Housing Amendments of 1955 is amended by adding at the end thereof the following new section:

"SEC. 206. As used in this title, the term 'States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States."

69 Stat. 642.
42 USC 1491-
1495.

HOME OWNERS' LOAN ACT OF 1933

SEC. 604. (a) Section 5 (c) of the Home Owners' Loan Act of 1933 is amended by striking out "\$2,500" in the proviso at the end of the second paragraph and inserting in lieu thereof "\$3,500".

(b) Section 5 (c) of such Act is further amended by striking out "15 per centum" in the first sentence and inserting in lieu thereof "20 per centum".

68 Stat. 636; 69
Stat. 641.
12 USC 1464.

HOSPITAL CONSTRUCTION

SEC. 605. (a) Notwithstanding the provisions of section 104 of the Defense Housing and Community Facilities and Services Act of 1951, the authority under section 304 of such Act to make loans or grants, or other payments to public and nonprofit agencies for the construction of hospitals is hereby revived and extended with respect to public and nonprofit agencies which have, prior to June 30, 1953, applied under such section 304 for such loans or grants, or other payments for the construction of hospitals, and have been denied such loans or grants, or other payments solely because of the unavailability of funds for such purpose.

(b) The authority granted by this section shall expire June 30, 1958.

(c) There is hereby authorized to be appropriated the sum of \$5,000,000 for the purposes of this section for each of the fiscal years ending June 30, 1957, and June 30, 1958.

65 Stat. 295.
42 USC 1591c.
65 Stat. 305.
42 USC 1592c.

Expiration date.

Appropriation.

FARM HOUSING

SEC. 606. (a) The first sentence of section 511 of the Housing Act of 1949 is amended to read as follows: "The Secretary may issue notes and other obligations for purchase by the Secretary of the Treasury for the purpose of making loans under this title (other than loans under section 504 (b)). The total principal amount of such notes and obligations issued pursuant to this section during the period beginning July 1, 1956, and ending June 30, 1961, shall not exceed \$450,000,000."

(b) Section 512 of such Act is amended to read as follows:

63 Stat. 438.
42 USC 1481.

63 Stat. 435.
42 USC 1474.

63 Stat. 438.
42 USC 1482.

"CONTRIBUTIONS"

"SEC. 512. In connection with loans made pursuant to section 503, the Secretary is authorized to make commitments for contributions aggregating not to exceed \$10,000,000 during the period beginning July 1, 1956, and ending June 30, 1961."

63 Stat. 434.
42 USC 1473.

(c) Clause (b) of section 513 of such Act is amended to read as follows: "(b) not to exceed \$50,000,000 for grants pursuant to section 504 (a) and loans pursuant to section 504 (b) during the period beginning July 1, 1956, and ending June 30, 1961; and?"

63 Stat. 438.
42 USC 1483.

(d) This section shall take effect as of July 1, 1956.

Effective date.

SERVICEMEN'S READJUSTMENT ACT OF 1944

SEC. 607. Paragraph (C) of subsection (b) of section 512 of the Servicemen's Readjustment Act of 1944 is amended by striking out "1957" and inserting in lieu thereof "1958".

59 Stat. 168.
38 USC 694l.

Approved August 7, 1956.

Public Law 1021

CHAPTER 1030

AN ACT

To amend the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938 to provide for a Great Plains conservation program.

August 7, 1956
[H. R. 11833]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended (a) by inserting "(a)" after the period following "SEC. 16," and (b) by adding the following subsection:

Soil Conservation and Domestic Allotment Act, amendments.
49 Stat. 1151.
16 USC 590p.

"(b) Notwithstanding any other provision of law—

"(1) the Secretary is authorized, within the amounts of such appropriations as may be provided therefor, to enter into contracts of not to exceed ten years with producers in the Great Plains area determined by him to have control for the contract period of the farms or ranches covered thereby. Such contracts shall be designed to assist farm and ranch operators to make, in orderly progression over a period of years, changes in their cropping systems and land uses which are needed to conserve the soil and water resources of their farms and ranches and to install the soil and water conservation measures needed under such changed systems and uses. Such contracts shall be in effect during the period ending not later than December 31, 1971, on farms and ranches in counties in the Great Plains area of the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming, designated by the Secretary as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors. The producer shall furnish to the Secretary a plan of farming operations which incorporates such soil and water conservation practices and principles as may be determined by him to be practicable for maximum mitigation of climatic hazards of the area in which the farm is located, and which outlines a schedule of proposed changes in cropping systems and land use and of the conservation measures which are to be carried out on the farm or ranch during the contract period to protect the farm or ranch from erosion and deterioration by natural causes. Under the contract the producer shall agree—

Great Plains conservation program.