

SEC. 6. The International Trade Fair, Incorporated, shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under this joint resolution. The actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for, articles imported under this joint resolution, shall be reimbursed by the International Trade Fair, Incorporated, to the United States under regulations to be prescribed by the Secretary of the Treasury. Receipts from such reimbursement shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1524).

Approved March 28, 1958.

International
Trade Fair, Inc.
Payment of cus-
toms charges, etc.

52 Stat. 1087.

Public Law 85-363

AN ACT

To provide that the Fort Gaines lock and dam on the Chattahoochee River shall hereafter be known and designated as the Walter F. George lock and dam.

March 28, 1958
[H. R. 9653]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in honor of the late Senator Walter F. George, the name of the Fort Gaines lock and dam on the Chattahoochee River north of Fort Gaines, Georgia, shall hereafter be known and designated as the Walter F. George lock and dam, and shall be dedicated as a monument to his distinguished public service. Any law, regulation, map, document, or record of the United States in which such lock and dam is referred to as the Fort Gaines lock and dam shall be held and considered to refer to such lock and dam by the name of the Walter F. George lock and dam.

Fort Gaines, Ga.
Walter F. George
lock and dam.

Approved March 28, 1958.

Public Law 85-364

AN ACT

To stimulate residential construction.

April 1, 1958
[S. 3418]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 203 (b) (2) of the National Housing Act is amended by striking out "\$10,000" wherever it appears and inserting in lieu thereof "\$13,500".

(b) Section 220 (d) (3) of such Act is amended by striking out "\$10,000" wherever it appears and inserting in lieu thereof "\$13,500".

SEC. 2. Section 305 (c) of the National Housing Act is amended by striking out "\$450,000,000" and inserting in lieu thereof "\$950,000,000".

SEC. 3. (a) Section 305 (f) of the National Housing Act is amended by striking out all that follows the first colon and inserting in lieu thereof the following: "Provided, That the total amount of purchases and commitments authorized by this subsection shall not exceed \$500,000,000 outstanding at any one time: *Provided further*, That of the amount authorized in the preceding proviso not less than \$58,750,000 shall be available for such purchases and commitments with respect to mortgages insured under section 809."

(b) The last paragraph of section 803 (b) of the National Housing Act is amended by striking out "4" and inserting in lieu thereof "4½".

Housing.
Residential con-
struction.
71 Stat. 295.
12 USC 1709.
71 Stat. 296.
12 USC 1515k.
71 Stat. 299.
12 USC 1720.

Military housing.

12 USC 1748h-1.
12 USC 1748b.

12 USC 1720.

SEC. 4. Section 305 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

12 USC 1716.

"(g) With a view to further carrying out the purposes set forth in section 301 (b), and notwithstanding any other provision of this Act, the Association is authorized to make commitments to purchase and to purchase, service, or sell any mortgages which are insured under title II of this Act or guaranteed under the Servicemen's Readjustment Act of 1944, if the original principal obligation thereof does not exceed \$13,500: *Provided*, That the total amount of purchases and commitments authorized by this subsection shall not exceed \$1,000,000,000 outstanding at any one time: *Provided further*, That applicants for such commitments shall be required to certify that construction of the housing to be covered by the mortgages has not commenced."

58 Stat. 294.
38 USC 693 note.64 Stat. 75.
38 USC 694f.

SEC. 5. (a) Section 512 of the Servicemen's Readjustment Act of 1944 (38 U. S. C., sec. 694 (1)) is amended to read as follows:

"DIRECT LOANS TO VETERANS"

39 USC 694a.

"SEC. 512. (a) The Congress finds that housing credit under section 501 of this title is not and has not been generally available to veterans living in rural areas, or in small cities and towns not near large metropolitan areas. It is therefore the purpose of this section to provide housing credit for veterans living in such rural areas and such small cities and towns.

Housing credit
shortage area.

"(b) Whenever the Administrator finds that private capital is not generally available in any rural area or small city or town for the financing of loans guaranteed under section 501 of this title, he shall designate such rural area or small city or town as a 'housing credit shortage area', and shall make, or enter into commitments to make, loans for any or all of the following purposes in such area—

"(1) For the purchase or construction of a dwelling to be owned and occupied by a veteran as his home;

"(2) For the purchase of a farm on which there is a farm residence to be owned and occupied by a veteran as his home;

"(3) For the construction on land owned by a veteran of a farm residence to be occupied by him as his home; or

"(4) For the repair, alteration, or improvement of a farm residence or other dwelling owned by a veteran and occupied by him as his home.

Lien.
Liquidation.

If there is an indebtedness which is secured by a lien against land owned by a veteran, the proceeds of a loan made under this section for the construction of a dwelling or farm residence on such land may be expended also to liquidate such lien, but only if the reasonable value of the land is equal to or in excess of the amount of the lien.

Requirements.

"(c) No loan may be made under this section to a veteran unless he shows to the satisfaction of the Administrator that—

"(1) he is a satisfactory credit risk;

"(2) the payments to be required under the proposed loan bear a proper relation to his present and anticipated income and expenses;

"(3) he is unable to obtain from a private lender in such housing credit shortage area, at an interest rate not in excess of the rate authorized for guaranteed home loans, a loan for such purpose for which he is qualified under section 501 of this title; and

39 USC 694a.

"(4) he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act or under the Housing Act of 1949.

50 Stat. 522; 63
Stat. 413.
42 U S C 1441
note; 7 USC 1000.

"(d) (1) Loans made under this section shall bear interest at a rate determined by the Administrator, not to exceed the rate authorized for guaranteed home loans, and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as may be applicable.

Interest rate.

"(2) The original principal amount of any loan made under this section shall not exceed an amount which bears the same ratio to \$13,500 as the amount of guaranty to which the veteran is entitled under section 501 at the time the loan is made bears to \$7,500; and the guaranty entitlement of any veteran who heretofore or hereafter has been granted a loan under this section shall be charged with an amount which bears the same ratio to \$7,500 as the amount of the loan bears to \$13,500.

Loan amount.

38 USC 694a.

"(3) In connection with any loan under this section, the Administrator is authorized to make advances in cash to pay the taxes and assessments on the real estate, to provide for the purpose of making repairs, alterations, and improvements, and to meet the incidental expenses of the transaction. The Administrator shall determine the expenses incident to origination of loans made under this section, which expenses, or a reasonable flat allowance in lieu thereof, shall be paid by the veteran in addition to the loan closing costs.

Improvements.
Cash advances.

"(4) Loans made under this section shall be repaid in monthly installments; except that in the case of loans made for any of the purposes described in paragraph (2), (3), or (4) of subsection (b), the Administrator may provide that such loans shall be repaid in quarterly, semiannual, or annual installments.

Installments.

"(5) The Administrator may sell, and shall offer for sale, to any person or entity approved for such purpose by him, any loan made under this section at a price not less than par; that is, the unpaid balance plus accrued interest, and shall guarantee any loan thus sold subject to the same conditions, terms, and limitations which would be applicable were the loan guaranteed under section 501 of this title.

Guaranty.

38 USC 694a.

"(6) No veteran may obtain loans under this section aggregating more than \$13,500.

Limitation.

"(e) (1) If any builder or sponsor proposes to construct one or more dwellings in a housing credit shortage area, the Administrator may enter into commitment with such builder or sponsor, under which funds available for loans under this section will be reserved for a period not in excess of three months, or such longer period as the Administrator may authorize to meet the needs in any particular case, for the purpose of making loans to veterans to purchase such dwellings. Such commitment may not be assigned or transferred except with the written approval of the Administrator. The Administrator shall not enter into any such commitment unless such builder or sponsor pays a nonrefundable commitment fee to the Administrator in an amount determined by the Administrator, not to exceed 2 per centum of the funds reserved for such builder or sponsor.

Commitments.

Fee.

"(2) Whenever the Administrator finds that a dwelling with respect to which funds are being reserved under this subsection has been sold, or contracted to be sold, to a veteran eligible for a direct loan under this section, the Administrator shall enter into a commitment to make the veteran a loan for the purchase of such dwelling. With respect to any loan made to an eligible veteran under this subsection, the Administrator may make advances during the construction of the dwelling, up to a maximum in advances of (A) the cost of the land plus (B) 80 per centum of the value of the construction in place.

Post, p. 1274.
Maximum advances.

Loan referral for private lenders.

"(3) After the Administrator has entered into a commitment to make a veteran a loan under this subsection, he may refer the proposed loan to the Voluntary Home Mortgage Credit Committee, in order to afford a private lender the opportunity to acquire such loan subject to guaranty as provided in paragraph (5) of subsection (d) of this section. If, before the expiration of sixty days after the loan made to the veteran by the Administrator is fully disbursed, a private lender agrees to purchase such loan, all or any part of the commitment fee paid to the Administrator with respect to such loan may be paid to such private lender when such loan is so purchased.

38 USC 694m.

"If a private lender has not purchased or agreed to purchase such loan before the expiration of sixty days after the loan made by the Administrator is fully disbursed, the commitment fee paid with respect to such loan shall become a part of the special deposit account referred to in subsection (c) of section 513 of this title. If a loan is not made to a veteran for the purchase of a dwelling, the commitment fee paid with respect to such dwelling shall become a part of such special deposit account.

Exemptions and requirements.

38 USC 694d.

"(4) The Administrator may exempt dwellings constructed through assistance provided by this subsection from the minimum land planning and subdivision requirements prescribed pursuant to subsection (b) of section 504 of this title, and with respect to such dwellings may prescribe special minimum land planning and subdivision requirements which shall be in keeping with the general housing facilities in the locality but shall require that such dwellings meet minimum requirements of structural soundness and general acceptability.

Expiration date.

"(f) The authority to make loans under this section shall expire July 25, 1960, except that if a commitment to a veteran to make such a loan was issued by the Administrator before that date the loan may be completed after that date.

Processing of application.

"(g) (1) The Administrator shall commence the processing of any application for a loan under this section upon the receipt of such application, and shall continue such processing notwithstanding the fact that the assistance of the Voluntary Home Mortgage Credit Committee has been requested by the Administrator for the purpose of ascertaining whether or not such loan can be placed with a private lender.

"(2) If the assistance of such Committee has been requested by the Administrator in connection with any such application, and the Administrator is not notified by such Committee within (A) twenty working days after such assistance has been requested, or (B) twenty working days after the date of enactment of this subsection, whichever is the later, that it has been successful in enabling the applicant to place such loan with a private lender or expects to do so within ten additional working days, the Administrator shall proceed forthwith to complete any part of the processing of such application remaining unfinished, and to grant or deny the application in accordance with the provisions of this section.

"(3) As used in this subsection, the term 'working days' means calendar days exclusive of Saturdays, Sundays, and legal holidays."

Availability of funds, etc.
69 Stat. 168.

(b) (1) Subsection (a) of section 513 of such Act (38 U. S. C., sec. 694m) is amended (1) by striking out "June 30, 1957" and inserting "July 25, 1960", and (2) by inserting immediately before the period at the end of the second sentence thereof the following: "retaining, however, a reasonable reserve for making loans with respect to which he has entered into commitments with veterans before such last day".

(2) Subsection (c) of such section is amended by striking out "June 30, 1958" and inserting "June 30, 1961".

(3) Subsection (d) of such section 513 is amended by striking out "1957" and inserting "1960".

(c) (1) The fourth sentence of subsection (a) of section 500 of such Act (38 U. S. C., sec. 694) is amended by striking out all that follows "in this title," and inserting "is automatically guaranteed by the Government by this title in an amount not exceeding 60 per centum of the loan if the loan is made for any of the purposes specified in section 501 of this title and not exceeding 50 per centum of the loan if made for any of the purposes specified in section 502, 503, or 507 of this title: *Provided*, That unless the loan is made for one of the purposes specified in section 501 of this title the aggregate amount guaranteed shall not exceed \$2,000 in the case of non-real-estate loans, nor \$4,000 in the case of real-estate loans, or a prorated portion thereof on loans of both types or combination thereof."

Loans guaranty.

(2) Subsection (b) of section 501 of such Act (38 U. S. C., sec. 694a) is amended by striking out all that follows "(b)" to the colon immediately preceding the first proviso and inserting: "Any loan made to a veteran for any of the purposes specified in subsection (a) or subsection (c) of this section 501 is automatically guaranteed, if otherwise made pursuant to the provisions of this title, in an amount not exceeding 60 per centum of the loan".

69 Stat. 162.

(3) Subsection (c) of such section 501 is amended by striking out "may be guaranteed" and inserting "is automatically guaranteed".

69 Stat. 161.

(d) (1) Section 500 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 694) is amended by striking out "eleven" and inserting in lieu thereof "thirteen".

70 Stat. 913.

(2) Subsection (g) of such section is amended to read as follows:

70 Stat. 914.

"(g) Notwithstanding any other provision of this title, if a loan report or an application for loan guaranty relating to a loan under this title has been received by the Administrator on or before July 25, 1960, such loan may be guaranteed or insured under the provisions of this title on or before July 25, 1961."

(3) Section 507 of such Act (38 U. S. C. 694h) is amended by striking out "eleven" and inserting in lieu thereof "thirteen".

70 Stat. 914.

(e) (1) Section 500 (b) of the Servicemen's Readjustment Act of 1944 is amended by striking out the last proviso and inserting in lieu thereof the following: "*And provided further*, That the Administrator, with the approval of the Secretary of the Treasury, may prescribe by regulation from time to time such rate of interest as he may find the loan market demands, but the rate of interest so prescribed by the Administrator shall not exceed at any time the rate of interest (exclusive of premium charges for insurance, and service charges if any), established by the Federal Housing Commissioner under section 203 (b) (5) of the National Housing Act, less one-half of 1 per centum per annum; except that such rate shall in no event exceed 4¾ per centum per annum."

Interest.
67 Stat. 136.
38 USC 694.

68 Stat. 591.
12 USC 1709.

(2) The provisions of the Servicemen's Readjustment Act of 1944 with respect to the interest chargeable on loans made or guaranteed under such Act which were in effect prior to the date of enactment of this Act shall, notwithstanding the amendment made by this subsection, continue to be applicable (1) to any loan made or guaranteed prior to such date of enactment, and (2) to any loan with respect to which a commitment to guarantee has been entered into by the Veterans' Administration prior to such date.

Interest rate applicable.

SEC. 6. Section 605 of the Housing Act of 1957 is hereby repealed:

Repeal.

Approved April 1, 1958.