

News  
From \_\_\_\_\_

CONGRESSMAN

# Nick Rahall

WEST VIRGINIA-4th DISTRICT

FOR IMMEDIATE RELEASE

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Washington D.C. --- U.S. Representative Nick J. Rahall (D-4th), said that the Small Business Administration will be in contact with disaster loan recipients in the coming weeks, to re-adjust loan repayments due to lower interest rates.

The House-Senate Small Business Conference Committee approved a reduction in S.B.A. Disaster loans interest rates this week, at the strong urging of Rahall, Senator Robert Byrd and Senator Jennings Randolph. A final vote on the Conference Committee's proposals will be taken in the House of Representatives and the Senate some time next week.

"I couldn't be more pleased," Congressman Rahall said, "this is a great legislative victory that means a lot to flood victims throughout Appalachia."

Congressman Rahall explained the new interest rate set up, pointing out that the present rate of 6 5/8% will be reduced through Oct. 1977. The reduced interest rates are as follows:

Home loans up to \$10,000-----	1% interest
Home loan over \$10,000 up to \$40,000-----	3% interest
Home loans over \$40,000-----	6 5/8% interest
Business loans up to \$250,000-----	3% interest
Business loans over \$250,000-----	6 5/8% interest
Business loans up to \$25,000 for economic injury due to natural disaster-----	3% interest

Flood victims have until August 12, 1977 to apply for S.B.A. loans, Rahall mentioned.

"When I first introduced legislation to lower the interest rates in late April, everyone told me that there was no way it would be successful," Rahall said, "but through the efforts of many fine people, some of whom came to Washington to urge Congressional Committees to lower the rates, in the long run we were able to do what was right for those home owners and businessmen who lost everything in the April flood."

Rahall observed that the 3% interest rate for business will spur the rebuilding of many towns, that has been stalled up to now. "Many businessmen were waiting to see if it would be profitable for them to start all over again, but now with the lower interest rates many more stores will begin to reopen."

Congressman Rahall also felt his recent meeting with President Carter gave a needed push to the approval of this legislation.