

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

CONGRESSMAN

# Nick Rahall

WEST VIRGINIA-4th DISTRICT

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Washington D.C. --- U.S. Representative Nick J. Rahall (D-4th), announced that hearings will be held June 9, to consider HR 6567, legislation introduced by Rahall that would provide lower interest rates on disaster loans and other assistance to flood victims in Appalachia. The hearings will be held by the House Committee on Small Business.

"I am pleased the Small Business Committee has finally decided to consider by bill," Rahall said, "because I believe HR 6567 provides more equitable and straight-forward flood relief, than the legislation passed by the Senate last week."

Congressman Rahall explained, "The Senate version of the disaster relief bill contains a complicated three tiered interest rate structure for home loans, which seems fine on the surface, however I fear more bureaucratic red-tape will result because of it." Rahall pointed out, "The flat 3% interest rate for business and home loans contained in HR 6567, I feel will be much easier to administer." (COMPARISON OF HOUSE AND SENATE BILL ATTACHED)

Rahall went on to say, "The Senate version has a \$3,000 forgiveness clause, while HR 6567 has a \$5,000 forgiveness clause for eligible flood victims." Rahall's measure also contains a provision for \$5,000 grants to the elderly and other eligible disaster victims. The Senate version contains no such provision.

Congressman Rahall said, "I am encouraged by the action taken by the Senate, because the people in southern West Virginia need financial assistance as soon as possible. I feel however, that if any help is going to be provided, it must be worthwhile and direct."

"The flood victims throughout Appalachia deserve more than just half-way programs to provide relief," Rahall stated. "They have gone through enough."

In regards to the hearings on HR 6567, Rahall said he has already been in contact with flood victims in southern West Virginia who may be called upon to testify before the House Committee.

"I want the Small Business Committee to hear first-hand accounts that describe the need for economic recovery in southern West Virginia," Rahall said.



COMPARISON OF  
HOUSE AND SENATE FLOOD  
RELIEF MEASURES

	<u>HR 6567</u>	<u>S 1442</u>
<u>INTEREST RATE ON BUSINESS LOANS</u>	3 %	3 %
<u>INTEREST RATE ON HOME LOANS</u>	3 %	1 % ON FIRST \$5,000 2 % ON SECOND \$5,000 3 % ABOVE \$10,000
<u>FORGIVENESS CLAUSE</u>	\$5,000 AND 1% INTEREST RATE ON REMAINING BALANCE	DAMAGE MUST EXCEED 30% VALUE OF PROPERTY TO RECEIVE UP TO \$3,000
<u>GRANTS TO THE ELDERLY AND OTHER ELIGIBLE FLOOD VICTIMS</u>	\$5,000	NONE