

News
From _____

CONGRESSMAN

Nick Rahall

WEST VIRGINIA-4th DISTRICT

FOR IMMEDIATE RELEASE
MAY 13, 1979

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WASHINGTON D.C. --- WEST VIRGINIA'S FOURTH DISTRICT CONGRESSMAN NICK J. RAHALL, TOLD REP. AL ULLMAN (D-OR), THAT "HR 3712, WHICH YOU INTRODUCED, WILL HAVE A SERIOUS AND DEVASTATING EFFECT ON THE HOUSING MARKET IN SOUTHERN WEST VIRGINIA."

CONGRESSMAN RAHALL MADE THIS REMARK IN A LETTER TO REP. ULLMAN, CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE.

ULLMAN HAS INTRODUCED LEGISLATION THAT WOULD REMOVE THE FEDERAL TAX EXEMPTIONS ON INTEREST RECEIVED FROM MORTGAGE SUBSIDY BONDS. THE WAYS AND MEANS COMMITTEE WILL HOLD HEARINGS ON THE MEASURE, MONDAY, MAY 14, IN WASHINGTON.

RAHALL POINTED OUT IN HIS LETTER, "THE CURRENT INTEREST RATE ON HOME LOANS IN WEST VIRGINIA IS 11%. THE CURRENT INTEREST RATE ON HOME LOANS FINANCED THROUGH REVENUE BONDS HAVE BEEN RUNNING 8 1/2% TO 9%."

"NEEDLESS TO SAY," RAHALL STATED, "THESE RATES ARE A GREAT BARGIN FOR FAMILIES LOOKING TO PURCHASE THEIR OWN HOME."

RAHALL WENT ON TO SAY, "THE MOST DEVASTATING ASPECT OF THIS MEASURE, IS THE RETROACTIVE DATE OF APRIL 29, 1979. WITHOUT ENACTMENT, A FREEZE HAS BEEN PUT ON THE ENTIRE HOUSING MARKET IN WEST VIRGINIA STOPPING ALL BOND ISSUES FUNDING LOW AND MIDDLE INCOME MORTGAGE LOANS."

CONGRESSMAN RAHALL TOLD ULLMAN, "WEST VIRGINIA FACES A SEVERE HOUSING CRISIS. THERE IS A CONTINUING AND GROWING SHORTAGE OF FUNDS AVAILABLE THROUGH THE STATE FOR HOME LOANS. WITHOUT CONTINUATION OF THE REVENUE BOND PROGRAM TO FINANCE HOME LOANS, THE DREAM OF OWNING A HOME MAY NEVER BECOME A REALITY FOR THOUSANDS OF AMERICANS."