

UNITED STATES



OF AMERICA

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 94<sup>th</sup> CONGRESS  
FIRST SESSION

VOLUME 121—PART 16

JUNE 21, 1975 TO JULY 7, 1975

(PAGES 20189 TO 21410)

grams that could be developed, would be adequate to meet the needs established under paragraph (1) if the programs referred to in clause (A) of paragraph (2) were terminated;

"(5) recommend what modifications in the programs referred to in paragraph (2) are required to meet the needs estimated under paragraph (1);

"(6) recommend those subject areas for which there are or are likely within 5 years to be significantly inadequate numbers of qualified research personnel and in which current training capacity is inadequate and will not develop without Federal support; and

"(7) provide a detailed description of the methodology by which the subject areas provided in paragraph (6) were recommended."

(b) Section 473(c) of the Act is amended (1) by inserting "preliminary" before "results" and (2) by striking out "March 31 of each year" and inserting "August 15, 1973" in lieu thereof.

(c) (1) Section 473 of the Act is further amended by adding at the end a new subsection (d) to read as follows:

"(d) A report of the final results of such study shall be submitted to the Secretary not later than March 31, 1977. The Secretary shall submit such study with his comments to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate not later than June 30, 1977."

(2) Section 473(b)(2) of the Act is amended by adding "and subsection (d)" after "subsection (c)".

(3) Section 473(c) of the Act is amended by striking out "March 31 of each year" and inserting "August 15, 1975" in lieu thereof.

SEC. 7. STATEMENT OF PURPOSE.—(a) Section 102(a) of the National Research Service Award Act of 1974 is amended (1) by inserting "and" at the end of paragraph (1), (2) by striking out "and necessary" in paragraph (2), (3) by striking out "; and" at the end of paragraph (2) and inserting a period in lieu thereof, and (4) by striking out paragraph (3).

(b) Section 102(b) of that Act is amended by striking out "increase" and inserting "ensure" in lieu thereof.

SEC. 8. EFFECTIVE DATE.—This Act is effective with respect to appropriations for fiscal years beginning after June 30, 1975.

DEPARTMENT OF HEALTH,  
EDUCATION, AND WELFARE,

May 13, 1975.

HON. NELSON A. ROCKEFELLER,  
President of the Senate,  
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a draft bill "To amend the Public Health Service Act and the National Research Service Award Act of 1974 to strengthen and improve the program of National Research Service Awards, and for other purposes." The bill would be cited as the "National Research Service Award Amendments of 1975."

The draft bill would extend the National Research Service Award Act of 1974 (title I of the National Research Act, Public Law 93-348) for three years, fiscal year 1976 through 1978.

The 1976 Budget includes funding of \$136 million for research training through the National Institutes of Health (NIH) and the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA). At this level, an estimated 12,000 trainees will be supported during 1976.

Currently, we are responsible for three types of research training support. First, we are continuing to support training grants and fellowships that were awarded prior to January, 1973. Because of the impact of released fiscal year 1973 funds that were obli-

gated in fiscal year 1974, this aspect of our research training support currently involves the obligation of about \$200 million for the support of 12,000 full-time trainees and 5,000 part-time trainees.

Second, in July, 1973, we announced a new fellowship program, limited to post-doctoral awards. A limited number of institutional awards were to be made under this program in shortage specialty areas where support was needed to provide training environments of types not in existence.

Third, the National Research Service Award Act of 1974, enacted in July, 1974, provided consolidated research training authority for NIH and ADAMHA. It superseded the previous research training authorities of NIH and ADAMHA which had been used. The new Act authorizes individual fellowships and institutional awards for biomedical and behavioral research and research training at both the pre- and post-doctoral levels. In return for Federal support, individual recipients must agree to a service payback obligation. The Act also requires the Secretary to contract with the National Academy of Sciences for a study of research personnel and training programs to identify those specific subject areas in which there are shortages of research personnel. Effective July 1, 1975, research training awards are to be granted only to train investigators in those shortage subject areas, as identified by the National Academy of Sciences.

The enclosed bill recognizes that extensive Federal assistance for biomedical research and research training is no longer necessary. In the 1960's, biomedical research grants grew at an average rate of about twenty-two percent annually. In the context of such rapid growth, a large amount of research training support was provided to attract and educate an increasing number of qualified individuals in a short period of time.

Now, however, partly as a result of past research training supports, institutional training capacity and student interest in such research have grown to the point at which the number of biomedical and behavioral researchers is in overall balance with national need. There remains, however, a chronic shortage of highly qualified research personnel in a few selected subject areas. Accordingly, we believe that Federal expenditures for research training should now be focused specifically on the alleviation of this shortage.

The 1976 Budget therefore contemplates that NRS Awards will be limited to awards to individuals for post-doctoral fellowships in areas in which there are insufficient numbers of research personnel. The 1976 Budget provides for 1,100 new fellowships because it brings the number of trainees roughly in line with the number of new researchers supported annually on research grants. Individual fellowship support was chosen because it is consistent with the Administration's general higher education policy of concentrating support on individual students in preference to support of institutions. Moreover, this post-doctoral support does not further aggravate any problems of excess supply of researchers because training will be only in areas of need. Furthermore, the approach will prevent institutions from becoming even more directly dependent than at present on Federal funds to pay faculty salaries.

The enclosed draft bill is predicated upon this reorientation of administrative objectives under the NRSA Act.

Section 3 of the bill would require the Secretary annually to determine the subject areas for which there are, or shortly will be, significantly inadequate numbers of individuals qualified to perform biomedical or behavioral research, and with respect to which subject areas research training capacity is materially insufficient to remedy this inadequacy.

The Secretary would allocate Awards on the basis of this annual determination, making Awards only for research or research training in shortage subject areas.

One of the key elements of the current authority is a study to be undertaken by the National Academy of Sciences under which there will be identified the specific subject areas of need for additional research personnel. However, the Act is unclear that the NAS recommendations are intended only to be advisory to the Secretary. The bill would resolve this point and, in other respects, somewhat expand and clarify the purposes of the study. We do not believe that an annual NAS study is necessary, however, and have proposed to amend the Act to provide, instead, for only one such study, to be completed by March 31, 1977.

In this regard, current law provides that no NRS Awards may be made for research or research training after June 30, 1975, except in subject areas determined to have need for research personnel by the NAS study authorized by section 473. Inasmuch as NAS will not have completed its study to determine these areas with the specificity necessary to guide the making of these awards in time to meet this date, the bill would extend the date to June 30, 1976.

The draft bill would also somewhat ameliorate the harshness of the formula under which an individual who has failed to complete his service obligation must repay his Award. Under it, an individual who has served only part of the service commitment period receives only half credit for the actual length of service in the payback formula. As we would modify it, an individual who fails to complete his service commitment would receive three-fourths credit for the time served.

Finally, the draft bill would authorize NRS Awards for research at Federal hospitals and other Federal facilities.

We urge that the bill receive prompt and favorable consideration.

We are advised by the Office of Management and Budget that enactment of this proposal would be in accord with the program of the President.

Sincerely,

CASPAR WEINBERGER,  
Secretary.

By Mr. MONDALE (for himself,  
Mr. PHILIP A. HART, Mr. WILLIAMS,  
Mr. PACKWOOD, Mr. JAVITS,  
Mr. STONE, Mr. HUMPHREY,  
and Mr. KENNEDY):

S. 2014. A bill entitled "The Emergency Mortgage Relief Act of 1975." Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MONDALE. Mr. President, I continue to believe that President Ford's veto of the Emergency Housing Act of 1975 was an unfortunate action on his part.

That bill could have meant 800,000 new jobs, 400,000 new homes, \$12 billion in construction activity over the next year, and an important stimulus to the entire economy.

All of this was prevented by this unfortunate veto. However, Mr. President, another extremely important provision of H.R. 4485 also was prevented from becoming law because of the President's veto.

I speak, of course, of the portion of H.R. 4485 which was designed to help 100,000 American homeowners save their homes from mortgage foreclosure. I have been working on this program for more than 2 years. I offered this

proposal as an amendment to the housing bill during Senate consideration in April.

My amendment would have authorized the Department of Housing and Urban Development to make payments of up to \$250 monthly for a period of no longer than 2 years on behalf of homeowners facing foreclosure because of unemployment or underemployment during our current economic difficulties.

With unemployment in this Nation at 9.2 percent, foreclosure has become an immediate and tragic problem for thousands of Americans. Because of President Ford's veto, these unfortunate citizens will lose their homes in the coming months if Federal help is not forthcoming.

While I cannot accept the President's objections to H.R. 4485, it is clear that he is firmly against enactment of new programs of interest subsidies and down-payment incentives to help our troubled housing industry.

I am not convinced, however, that the President is totally opposed to a program of foreclosure relief. It is in the hope that the President and the Department of Housing and Urban Development will be receptive to helping the thousands of American families faced with foreclosure that I introduce this legislation today.

The proposal I send to the desk embodies the foreclosure relief amendment I offered to H.R. 4485 on the Senate floor. This provision has been overwhelmingly approved by the Senate, by the House, and by the House-Senate conferees.

A similar proposal has long been sponsored in the House by Congressman LUD ASHLEY of Ohio.

It is a narrow provision, designed to specifically address a specific problem. There is, of course, a foreclosure relief measure currently pending on the Senate Calendar. That bill, S. 1457, continues to have my full and enthusiastic support. It embodies many of the concepts which I have submitted to both the 93d and the 94th Congress.

Unfortunately, however, I fear that even this excellent bill, brought to the floor by the distinguished chairman of the Senate Housing Subcommittee (Mr. SPARKMAN) who has long been a supporter of the mortgage relief concept, may be too broad for the administration. In the thought that this might be the case, I am introducing the narrow measure, which has been approved by the House and the Senate overwhelmingly, as a separate bill.

I am pleased that I am joined in introducing this bill by a bipartisan group of Senators, including several members of Banking, Housing and Urban Affairs Committee. These Senators are listed on the bill.

Mr. President, I implore my colleagues to act quickly and decisively on a mortgage relief bill. Thousands of American families face the frightening prospect of foreclosure in the immediate future.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2014

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Mortgage Relief Act of 1975."

HOMEOWNERS RELIEF

SEC. 2. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to make repayable emergency mortgage relief payments on behalf of homeowners who are delinquent in their mortgage payments.

(b) Emergency mortgage relief payments shall not be approved with respect to any mortgage unless—

(1) the holder of the mortgage has indicated to the mortgagor its intention to foreclose;

(2) the mortgagor and holder of the mortgage have indicated in writing to the Secretary and to any agency or department of the Federal Government responsible for the regulation of the holder that circumstances (such as the volume of delinquent loans in its portfolio) make it probable that there will be a foreclosure and that the mortgagor is in need of emergency mortgage relief authorized by this title, except that such statement by the holder of the mortgage may be waived by the Secretary if in his judgment such waiver would further the purposes of this title;

(3) payments under the mortgage have been delinquent for at least 2 months;

(4) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make the full mortgage payments;

(5) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(6) the mortgaged property is the principal residence of the mortgagor.

As used in this title, the term "mortgaged property" includes, but is not limited to, property owned in fee simple, condominium units, mobile homes, or multiunit dwellings.

(c) Mortgage relief payments on behalf of a homeowner may be in an amount up to the amount of the principal, interest, taxes, ground rents, hazard insurance, and mortgage insurance premiums due under the mortgage, but such payments shall not exceed the lesser of \$250 per month or the amount determined to be reasonably necessary to supplement such amount as the homeowner is capable of contributing toward such mortgage payment.

(d) Mortgage relief payments may be made by the Secretary for up to 12 months, and may be extended once for up to 12 additional months. The Secretary shall require the mortgagor to report any increase in income which will permit a reduction or termination of mortgage relief payments during this period.

(e) Mortgage relief payments made under this title shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe, except that interest on such payments shall not exceed 8 per centum per annum. Interest shall not begin to accrue until after the last payment made by the Secretary in behalf of the homeowner. The Secretary may defer repayment of the mortgage relief payments until the disposition of the property or the completion of the period of amortization for the mortgage. The Secretary shall require such security for the repayment of mortgage relief payments as he deems appropriate and may secure such repayment by a lien on the mortgaged property. The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief payments as he deems appropriate

to facilitate the prompt and efficient implementation of the assistance program authorized by this title.

NOTIFICATION

SEC. 3. Until 2 years from the date of enactment of this Act, each Federal supervisory agency, with respect to financial institutions subject to its jurisdiction, and the Secretary, with respect to other approved mortgagees, shall (1) take appropriate action, not inconsistent with laws relating to the safety or soundness of such institutions or mortgagees, as the case may be, to waive or relax limitations pertaining to the operations of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forbearance in residential mortgage loan foreclosures, and (2) request each such institution or mortgagee to notify that Federal supervisory agency, the Secretary, and the mortgagor, at least 30 days prior to instituting foreclosure proceedings in connection with any mortgage loan. As used in this section the term "Federal supervisory agency" means the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration.

AUTHORIZATION AND EXPIRATION DATE

SEC. 4. (a) There are authorized to be appropriated for purposes of this title not to exceed \$500,000,000. Any amounts so appropriated shall remain available until expended.

(b) Mortgage relief payments shall not be made after July 1, 1976, except with respect to mortgagors receiving the benefit of payments on such date.

REPORTS

SEC. 5. Within 60 days after enactment of this title and within each 60-day period thereafter prior to July 1, 1976, the Secretary shall make a report to the Congress on (1) the current rate of delinquencies and foreclosures in the housing market areas of the country which should be of immediate concern if the purpose of this title is to be achieved; (2) the extent of, and prospect for continuance of, voluntary forbearance by mortgagees in such housing market areas; (3) actions being taken by governmental agencies to encourage forbearance by mortgagees in such housing market areas; (4) actions taken and actions likely to be taken with respect to making assistance under this title available to alleviate hardships resulting from any serious rates of delinquencies and foreclosures; and (5) the current default status and projected default trends with respect to mortgages covering multifamily properties with special attention to mortgages insured under the various provisions of the National Housing Act and with recommendations on how such defaults and prospective defaults may be cured or avoided in a manner which, while giving weight to the financial interests of the United States, takes into full consideration the urgent needs of the many low- and moderate-income families that currently occupy such multifamily properties.

By Mr. EAGLETON (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BROOKE, Mr. CANNON, Mr. CASE, Mr. CLARK, Mr. CRANSTON, Mr. CULVER, Mr. DOLE, Mr. EASTLAND, Mr. FANNIN, Mr. HASKELL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HUMPHREY, Mr. INOUE, Mr. JAVITS, Mr. JOHNSTON, Mr. KENNEDY, Mr. LEAHY, Mr. MCINTYRE, Mr. METCALF, Mr. MONDALE, Mr. MOSS, Mr. PACKWOOD, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH,