

Repeal.

38 Stat. 262.

68A Stat. 203.

SEC. 3. Subsection (k) of section 11 of the Federal Reserve Act (12 U.S.C. 248(k)) is repealed.

SEC. 4. Paragraph (2) of subsection (a) of section 584 of the Internal Revenue Code of 1954 is amended by inserting "or the Comptroller of the Currency" immediately after "the Board of Governors of the Federal Reserve System".

SEC. 5. Section 581 of the Internal Revenue Code of 1954 is amended by striking out "section 11(k) of the Federal Reserve Act (38 Stat. 262; 12 U.S.C. 248(k))", and inserting in lieu thereof "authority of the Comptroller of the Currency".

Approved September 28, 1962.

## Public Law 87-723

### AN ACT

September 28, 1962

[H. R. 12628]

To provide additional funds under section 202(a)(4) of the Housing Act of 1959, and to amend title V of the Housing Act of 1949, in order to provide low and moderate cost housing, both urban and rural, for the elderly.

Senior Citizens  
Housing Act of  
1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Senior Citizens Housing Act of 1962".

SEC. 2. The Congress finds that there is a large and growing need for suitable housing for older people both in urban and rural areas. Our older citizens face special problems in meeting their housing needs because of the prevalence of modest and limited incomes among the elderly, their difficulty in obtaining liberal long-term home mortgage credit, and their need for housing planned and designed to include features necessary to the safety and convenience of the occupants in a suitable neighborhood environment. The Congress further finds that the present programs for housing the elderly under the Housing and Home Finance Agency have proven the value of Federal credit assistance in this field and at the same time demonstrated the urgent need for an expanded and more comprehensive effort to meet our responsibilities to our senior citizens.

Loans, revolving  
fund.  
73 Stat. 567;  
75 Stat. 163.  
12 USC 1701q.

SEC. 3. (a) Section 202(a)(4) of the Housing Act of 1959 is amended by striking out "\$125,000,000" and inserting in lieu thereof "\$225,000,000".

(b) Effective with respect to applications for loans under section 202 of the Housing Act of 1959 made after the date of the enactment of this Act—

(1) section 202(d)(1) of such Act is amended by striking out "(A)", and by striking "and (B)" and all that follows and inserting in lieu thereof a period;

(2) section 202(d)(7) of such Act is amended by striking out all that follows "new structures" and inserting in lieu thereof a period; and

(3) section 202(d)(8) of such Act is amended by striking out "(A)", and by striking out "and (B)" and all that follows and inserting in lieu thereof a period.

Farm housing,  
financial as-  
sistance.  
63 Stat. 432.  
42 USC 1471.

SEC. 4. (a) (1) Section 501 of the Housing Act of 1949 is amended—

(A) by striking out the period at the end of subsection (a) and inserting in lieu thereof the following: "and (3) to elderly persons who are or will be the owners of land in rural areas for the construction, improvement, alteration, or repair of dwellings and related facilities, the purchase of previously occupied dwellings

and related facilities and the purchase of land constituting a minimum adequate site, in order to provide them with adequate dwellings and related facilities for their own use.”;

(B) by inserting at the end of subsection (b) the following new paragraph:

“(3) For the purposes of this title, the term ‘elderly persons’ means persons who are 62 years of age or over.”; and

“Elderly persons.”

(C) by inserting immediately before the semicolon at the end of clause (1) of subsection (c) the following: “, or that he is an elderly person in a rural area without an adequate dwelling or related facilities for his own use”.

(2) Section 502(a) of such Act is amended by adding at the end thereof the following new sentence: “In cases of applicants who are elderly persons, the Secretary may accept the personal liability of any person with adequate repayment ability who will cosign the applicant’s note to compensate for any deficiency in the applicant’s repayment ability.”

Loans for housing on adequate farms.  
42 USC 1472.

(b) Title V of the Housing Act of 1949 is amended by adding at the end thereof the following new section:

63 Stat. 432.  
42 USC 1471-1484.

“DIRECT AND INSURED LOANS TO PROVIDE HOUSING AND RELATED FACILITIES FOR ELDERLY PERSONS AND FAMILIES IN RURAL AREAS

“SEC. 515. (a) The Secretary is authorized to make loans to private nonprofit corporations and consumer cooperatives to provide rental housing and related facilities for elderly persons and elderly families of low or moderate income in rural areas, in accordance with terms and conditions substantially identical with those specified in section 502; except that—

42 USC 1472.

“(1) no such loan shall exceed the development cost or the value of the security, whichever is less;

“(2) such loans shall bear interest at rates determined by the Secretary, not to exceed the maximum rate provided in section 202(a)(3) of the Housing Act of 1959; and

73 Stat. 667.  
12 USC 1701g.

“(3) such a loan may be made for a period of up to fifty years from the making of the loan.

There is authorized to be appropriated not to exceed \$50,000,000, which shall constitute a revolving fund to be used by the Secretary in carrying out this subsection.

Appropriation.

“(b) The Secretary is authorized to insure and make commitments to insure loans made to any individual, corporation, association, trust, or partnership to provide rental housing and related facilities for elderly persons and elderly families in rural areas, in accordance with terms and conditions substantially identical with those specified in section 502; except that—

“(1) no such loan shall exceed \$100,000 or the development cost or the value of the security, whichever is least;

“(2) such loans shall bear interest at rates determined by the Secretary, not to exceed the maximum rate provided in section 203(b)(5) of the National Housing Act;

68 Stat. 591.  
12 USC 1709.

“(3) provide for complete amortization by periodic payments within such term as the Secretary may prescribe;

“(4) for insuring such loans, the Secretary shall utilize the Agricultural Credit Insurance Fund subject to all the provisions of section 309 and the second and third sentences of section 308 of the Consolidated Farmers Home Administration Act of 1961, including the authority in section 309(f)(1) of that Act to utilize the insurance fund to make, sell, and insure loans which could be

Agricultural Credit Insurance Fund.  
75 Stat. 309, 308.  
7 USC 1929, 1928.

insured under this subsection; but the aggregate of the principal amounts of such loans made by the Secretary and not disposed of shall not exceed \$10,000,000 outstanding at any one time; and the Secretary may take liens running to the United States though the notes may be held by other lenders; and

“(5) no loan shall be insured under this subsection after June 30, 1964.

“(c) No loan shall be made or insured under subsection (a) or (b) unless the Secretary finds that the construction involved will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials.

“(d) As used in this section—

“(1) the term ‘housing’ means new or existing housing suitable for dwelling use by elderly persons or elderly families;

“(2) the term ‘related facilities’ includes cafeterias or dining halls, community rooms or buildings, appropriate recreation facilities, and other essential service facilities;

“(3) the term ‘elderly persons’ means persons who are 62 years of age or over; and the term ‘elderly families’ means families the head of which (or his spouse) is 62 years of age or over; and

“(4) the term ‘development cost’ means the costs of constructing, purchasing, improving, altering, or repairing new or existing housing and related facilities and purchasing and improving the necessary land, including necessary and appropriate fees and charges approved by the Secretary.

“(e) Amounts made available pursuant to section 513 of this Act shall be available for administrative expenses incurred under this section.”

(c) (1) Section 511 of the Housing Act of 1949 is amended—

(A) by striking out “section 504(b)” and inserting in lieu thereof “section 504(b) or 515(a)”; and

(B) by striking out “\$650,000,000” and inserting in lieu thereof “\$700,000,000, of which \$50,000,000 shall be available exclusively for assistance to elderly persons as provided in clause (3) of section 501(a)”.

(2) Section 506(a) of such Act is amended by striking out “section 514” each place it appears and inserting in lieu thereof “sections 514 and 515”.

(3) Section 504(a) of such Act is amended by striking out “(1) in the form of a loan, or combined loan and grant, in excess of \$1,000, or (2) in the form of a grant (whether or not combined with a loan) in excess of \$500” and inserting in lieu thereof “in the form of a loan, grant, or combined loan and grant in excess of \$1,000”.

(4) Paragraph (12) of section 5200 of the Revised Statutes (12 U.S.C. 84) is amended by inserting “or title V of the Housing Act of 1949,” immediately before “shall be subject under this section”.

Approved September 28, 1962.

## Public Law 87-724

### JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1963, and for other purposes.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the joint resolution of August 31, 1962 (Public Law 87-625), is hereby amended by striking out “September 30, 1962” and inserting in lieu thereof “October 31, 1962”.

Approved September 29, 1962.

Loan authority,  
expiration date.

Definitions.

63 Stat. 438;  
75 Stat. 186.  
42 USC 1483.

42 USC 1481.  
42 USC 1474.  
Ante, p. 671.

42 USC 1471.  
42 USC 1476.  
42 USC 1484.

September 29, 1962  
[H. J. Res. 897]

Ante, p. 427.