The capital grant assistance under this program has given—and will continue to give—help to communities of all sizes, including some faced with a breakdown or total loss of public transportation service. It is helping communities to carry out planned improvements in equipment and facilities which they could not themselves finance out of the farebox. And it is stimulating local initiative and local action in the planning and provision of transportation facilities in coordination with community development.

Title IV of the bill would authorize a new program of Federal grant assistance to States and metropolitan-area agencies.

These grants would finance up to 50 percent of the cost of programs demonstrating methods of establishing effective urban information centers. The centers would make it possible to assemble, correlate, and disseminate inormation and data on the physical, social, and economic problems of urban areas, and on the governmental and other programs dealing with such problems.

In recent years, there has been a great expansion of Federal, State, and local programs dealing with urban problems. These programs can be used to best advantage only if State and local governments, organizations and individuals have ready access to information regarding them.

In addition to information as to the availability of urban assistance programs, urban information centers can provide useful and necessary data needed for planning, programing, budgeting, and coordinating these programs.

Few State and local agencies have been able to develop effective information centers with their own resources. There are considerable technical problems involved in selecting the data which should be fed into the system, and in combining Federal, State, and local data which exists but is not in readily usable form. The assistance provided by this title would help State and local agencies resolve these problems.

The "Housing and Urban Development Amendments of 1966"—unlike the bills I have discussed—will authorize no new programs, but will make some needed changes in laws governing existing programs.

First, an amendment would permit lenders, who make loans under the FHA title I property improvement program to collect the one-half of 1 percent insurance premium from the borrower. This is the only FHA program under which the cost of the insurance is not directly borne by the borrower. We are nevertheless suggesting that the amendment be effective for only 1 year, as provided in this bill, so that the Congress may have an opportunity to determine the effect of the change on the volume and pattern of these FHA-insured loans.

The volume of this program has been declining greatly. By giving lenders the proposed small increase in the return of their loans, we will encourage the loans to be made. Without the loans, homeowners of lower income may be unable to obtain emergency home repair credit without paying high or even exorbitant rates.

The limit on the amount of a home mortgage insured by FHA under its special program for low- and moderate-income and displaced families—section 221(d)(2) will be increased from $11,000 to $12,500 in the case of a one-family home, and from $18,000 to $20,000 in the case of a two-family home. These increases are made necessary by increased home costs.