

group practice includes such specialities as are appropriate and compatible with the needs of the area; and on the appropriateness of the arrangements and agreements among the participating physicians or dentists. They will also advise us on the design and equipment of each proposed facility and the need for such a facility in the area in question. To help us in appraising the financial soundness of the proposal HEW has agreed to provide us with estimates of the revenues each group practice facility can be expected to produce.

With this very important assistance from HEW, I believe we will have no difficulty establishing procedures for reviewing applications for mortgage insurance under the proposed legislation and in making sound judgments on them, both from a real estate and financial standpoint and from the standpoint of whether the facilities so financed will contribute to the medical and health objective of the bill.

In effect, what we contemplate is a joint processing of applications, with FHA reviewing those elements of the proposal relating to the soundness of the mortgage financing and HEW reviewing those elements of the proposal which relate to medicine and health. To speed up this joint review, we would propose that HEW and FHA would carry out many of these steps simultaneously.

Because of the need for facilities of this nature and the apparent lack of adequate financing, we would hope that the proposal will receive favorable consideration by the Congress.

With your permission, Mr. Chairman, we are submitting suggested amendments, in line with our report on the bill, which we believe would improve the administration of the program. These will include technical and conforming amendments, some of which result from organizational changes in the creation of the Department.

Mr. BARRETT. You may submit it for the record. Without objection, it is so ordered.

(The amendments referred to follow:)

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROPOSED AMENDMENTS
TO H.R. 9256, 89TH CONGRESS

Page 1

Strike out "Housing and Home Finance Administrator" in the title and insert in lieu thereof "Secretary of Housing and Urban Development".

Page 2

Line 5: Strike out "X" and insert in lieu thereof "XI".

Line 8: Strike out "1001" and insert in lieu thereof "1101" and strike out "Commissioner" and insert in lieu thereof "Secretary".

Lines 14 through 16: Strike out in their entirety and insert in lieu thereof "ment thereon".

Lines 19 and 20: Strike out "Commissioner" and insert in lieu thereof "Secretary".

Line 21: Strike out "Commissioner" and insert in lieu thereof "Secretary".

Line 25: Strike out "Com-".

Page 3

Line 1: Strike out "missioner" and insert in lieu thereof "Secretary".

Line 7: Strike out "Commissioner" and insert in lieu thereof "Secretary".

Line 8: Strike out "is completed," and insert in lieu thereof "or rehabilitation is completed.".

Line 9: Strike out in its entirety and insert in lieu thereof "The value of the property may".

Line 10: Strike out "sioner's discretion,".

Lines 11 through 14: Strike out in their entirety and insert in lieu thereof "physical improvements, equipment, utilities within the boundaries of the property,".