

an answer at this hearing. I know the gentleman has worked on it for more than a year now.

Mr. WELTNER. The position of the Commissioner is to be against it. But, there is no alternative proposal that I know of. If the chairman desires I will be happy to make available my file of correspondence which sets out the proposal, and very courteous response by Mr. Brownstein.

Mr. Brownstein states that although this proposal would protect the seller and the FHA and the mortgagee, that it would not protect the purchaser. I commented back to him that the only thing necessary to protect the purchaser is to assure that he is aware of the proximity to the airport. That could be done very simply by requiring a statement or acknowledgement to that effect. If we are protecting everyone other than the purchaser, then we could easily assure that the purchaser were protected by requiring that his certificate acknowledging on his part the realization that the home was within certain proximity of the airport. That is the only objection in truth that I could discern from this correspondence, and I will submit it and possibly the staff could extract those portions which would be relevant to Mr. Harvey's inquiry.

Mr. BARRETT. They may be, without objection, so ordered.  
(The material referred to follows:)

HOUSE OF REPRESENTATIVES,  
Washington, D.C., February 1, 1964.

Hon. PHILIP N. BROWNSTEIN,  
Commissioner, Federal Housing Administration,  
Washington, D.C.

DEAR MR. BROWNSTEIN: During my short tenure in Congress, I have become increasingly concerned over the plight of homeowners in sections adjacent to federally assisted airports. In my own district, substantial Federal funds have gone to expand the Atlanta Municipal Airport. In so doing, runways have been extended to such proximity to many residents as to create severe noise and vibration problems. The houses, though not within the zone subject to acquisition under the airport construction law, have nonetheless experienced sharp decline in property values.

I am aware that the question of FHA insurance for such houses has been considered at length and rejected as actuarially unsound. However, I hope that the consideration might be given to a separate appropriation to create a reserve fund specifically to cover losses in such circumstances.

It seems to me when one agency of the Government, FAA, generates action that diminishes residential values, it would be appropriate for another agency, FHA, to remedy the situation in this matter.

With the existence of such reserves, normal underwriting procedures could be applied in applications for insurance without regard to noise and vibration features. If FHA incurs higher than normal losses under default and foreclosure proceedings, the special reserve fund would maintain actuarial soundness of overall operations.

I am sure you are aware of the widespread existence of the problem. With the expansion of air travel and increased use of jet aircraft, it is only reasonable to anticipate that the problem will worsen in coming years.

I should like to have the opportunity of discussing this with you at your early convenience. May I hear from you on this matter?

Sincerely,

CHARLES LONGSTREET WELTNER,  
Member of Congress.