

Our next witness this afternoon is a very distinguished Member of Congress from New York, the Honorable Seymour Halpern. Come forward, Congressman.

I observe, Congressman, you have an associate with you. Will you be kind enough to introduce your associate?

Mr. HALPERN. Be happy to.

Mr. BARRETT. Mr. Halpern is a member of the full Banking and Currency Committee. Everyone respects you for your capabilities: you are very knowledgeable and very helpful, not only to your constituency but to this full committee, the Banking and Currency Committee and we are certainly proud to have you here this afternoon.

**STATEMENT OF HON. SEYMOUR HALPERN, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW YORK; ACCOMPANIED
BY PETER CONNELL, ADMINISTRATIVE ASSISTANT**

Mr. HALPERN. I thank the chairman for his very generous remarks.

I would like to introduce Mr. Peter Connell, my administrative assistant who has made a very careful study of the proposed housing act and the amendments thereto and has been especially helpful to me in preparing this analysis.

Mr. Chairman, I wish to thank you for the opportunity of presenting my views on pending legislation to this distinguished subcommittee.

I would like to commend this subcommittee as being one of the most effective, most hard-working subcommittees, and I want to commend you, Mr. Chairman, for your superb leadership.

Mr. BARRETT. Will you yield to me, please?

We have two distinguished gentlemen here—Mr. Carl Hertz and Mr. Harry Norman—and we are hoping we can terminate our hearings this afternoon at 3 o'clock. So I just want to somewhat relieve the minds of these distinguished gentlemen coming here through the interest of our colleague, Bob Sweeney, but we will do everything we can to terminate the hearings.

Mr. HALPERN. I can assure you, Mr. Chairman, I am not going to be very long. I shall try to confine my remarks within 10 minutes.

Mr. BARRETT. Consume the time necessary.

Mr. HALPERN. I am aware that the subcommittee has been conducting extensive hearings on several very important and forward-looking measures in the past few weeks, so in the interests of brevity, I shall restrict my remarks today to that legislation which concerns management type cooperative housing. Specifically, Mr. Chairman, I refer to my bills, H.R. 12765 and H.R. 12766, and to section 102 of your bill, H.R. 13065.

Mr. Chairman, over the past few years, I have become increasingly impressed by the splendid record established by management type housing cooperatives in meeting their mortgage commitments. As you know, these mortgages are insured by the FHA pursuant to section 213 of the National Housing Act. In return for insuring these mortgages, the FHA exacts an insurance premium of one-half of 1 percent of the outstanding mortgage balance.

Quite obviously, this is an insurance program, and as such, should be grounded on sound actuarial practices. Ordinarily, good insurance ex-