

this reduction mandatory. Congressman Halpern's bill H.R. 12765 will accomplish that result. We urge its approval.

There is one more item that I would like to mention. In section 212 (b) of H.R. 13064 and H.R. 13065, page 23 of the bill, a simple innocuous sentence, which states that "Section 102 of such amendment is amended by striking out subsection (h)" is inimical to the interests of housing cooperatives. Subsection (h) provides that the FHA Commissioner shall appoint a special assistant for cooperative housing with a special staff.

The section implicitly recognizes cooperative housing as an important adjunct to the housing program. Perhaps the housing Administrator or the FHA Commissioner, while not intending to abolish the special housing cooperative section felt that the language of the act was no longer necessary in amending the bill in certain technical ways.

Lest there be no misunderstanding at some future date, we urge the retention of subsection (h) and the elimination of section 212(b) from the pending bill.

Mr. Chairman, again I should like to thank you for the courtesy extended to me. I also want to take this opportunity to publicly thank Congressman Seymour Halpern, Congressman Abraham J. Multer, Senator Jacob K. Javits, and Congressmen James J. Delaney, John M. Murphy, Joseph P. Addabbo, Paul Fino, and Benjamin Rosenthal for their support and interest in the cooperative housing program.

Mr. BARRETT. Thank you, Mr. Reich. You have made a very fine statement here. We appreciate it.

I just want to say—not asking you any questions, but making a statement—the members that you spoke of worked inexhaustibly for mutuality legislation last year, and they are to be commended for the very fine work they put into this program. We will give your recommendations the closest attention.

Mr. Widnall?

Mr. WIDNALL. No questions.

Mr. BARRETT. Mr. Fino?

Mr. FINO. Mr. Chairman, I have no questions, except I do want to compliment Mr. Reich for his wonderful statement and constructive statement here this morning. As Mr. Reich fully knows, I am cognizant of the problem and understand the difficulties that the co-ops are encountering. I am all for them. I hope I will be able to convince the members of the subcommittee of this problem, and try to rectify it.

Mr. REICH. Thank you.

Mr. BARRETT. Thank you, Mr. Reich. We are certainly glad you were able to come here this morning.

Our next witness is coming forward.

Please identify yourself, sir.

STATEMENT OF HON. JAMES J. WALSH, MAYOR OF SCRANTON, PA.

Mr. WALSH. Mr. Chairman and members of the Subcommittee on Housing, my name is James J. Walsh. I am appearing here today as mayor of the city of Scranton, Pa., in full support of the urban development legislative package now under consideration by your