current 1968 fiscal year, through March, approvals totaled $32.9 million. The program for fiscal year 1969 calls for $56 million, including private sector participation. We are concentrating our efforts on increasing private participation in order to better meet the demand.

As of June 30, 1967, actual and estimated losses totaled 1.52 percent of disbursements since the 1961 inception of the program.

As of March 31, 1968, there were 22 loans delinquent out of the portfolio of 1,031 loans, which represents a delinquency rate of 2.1 percent.

That concludes the remarks on the displacement loan program.

The CHAIRMAN. Very good, Mr. Hendricks. That again is a special legislative authority for displaced business disaster loans as referred to by our colleague Mr. Kluczynski, where interstate highways are built or there is urban renewal. The law as we understand it, as the committee understands it, provides that where a business is displaced, if it is a disaster, a loan may be made to reinstate such a business. The law does not go so far as to provide for loans for damaged business.

Suppose that the small business is just off the interstate. The interstate doesn't take his property but the traiffic is diverted another way and his business hurts although he is not displaced. What is the situation with respect to that condition?

Mr. HENDRICKS. I understand that there is legislation that is either pending or has been or will be considered that takes this problem into consideration. I think that the Housing and Urban Development people probably have an interest in this type of victim or this type of person that is hurt, when they are beyond the confines of the urban renewal area.

The CHAIRMAN. You indicate that there are estimated to be some 13,000 businesses which will be displaced annually. How do you arrive at that figure?

Mr. HENDRICKS. It is not an easy figure to arrive at, Mr. Chairman, but working together with the Housing and Urban Development people, whose job it is, of course, to pass on these various projects, we have elicited this figure, which they feel is a rather sound projection.

The CHAIRMAN. Is the majority of this displacement to be through urban renewal? The interstate highway is more than 50 percent completed. Is it the interstate, or is it urban renewal, or both.

Mr. HENDRICKS. It is both, of course, but urban renewal will probably receive added emphasis in the next 2 or 3 years, particularly in view of the current innercity problems we are facing.

The CHAIRMAN. There is no maximum per loan limit on this type of loans?

Mr. HENDRICKS. No, sir.

The CHAIRMAN. And the interest rate is the cost to the Treasury at the time plus one-fourth of 1 percent?

Mr. HENDRICKS. This is correct. It is by formula, sir, but it is based ultimately or actually on the cost of money to Government.

The CHAIRMAN. And what is the maximum term for these loans?

Mr. HENDRICKS. Thirty years, sir.

The CHAIRMAN. And again dollarwise how much in amount has been loaned through this type of loan?

Mr. HENDRICKS. Well, to recount, in 1967, $32.7 million, which was a 78-percent increase over the prior year.