Mortgage rates are bumping statutory ceilings all over the United States. Many States in the past have enacted usury laws. In Eastern and Southern States the general usury ceiling is 6 percent. Recently the Vermont ceiling has come up from 6 to 6½ percent; the Maryland ceiling from 6 to 8 percent; and in New York from 6 percent to as much as 7½ percent.

High-interest rates are affecting needed public expenditures for schools and other facilities. In Virginia, both Fairfax County and the city of Alexandria have been forced to either postpone or reduce planned bond sales. The State of Virginia has postponed a proposed January 15 bond issue. Fairfax County, Va., had planned to issue nearly $18 million worth of school and park bonds in mid-January. When the county sold bonds in September 1968 the rate of interest was 4.6 percent. Fairfax officials have been advised that the mid-January issue would require an interest rate of at least 5.2 percent. This interest differential will cost the county an additional $1.3 million over the life of the $18 million bond issue.

The city of Alexandria has been forced to reduce to $4½ million a proposed $10 million bond sale because of soaring costs in the financial markets. The State of Maryland is in a quandary about a $55.8 million bond sale which was planned for January 21. Interest costs are exorbitant now, but State officials fear that things may get worse.

The final burden is borne by the citizens of the States and localities involved. They suffer from overcrowded schools, insufficient health, transportation and recreational facilities and all the many essential services that should be provided through other State and local public facilities.

According to the *American Builder*, the outlook for housing in cities, suburbs and rural areas is indeed grim. In the November issue of this publication there is a series of articles pertaining to these different areas. The author of these articles contends that in the cities, housing is "heading for a decade of failure." In the suburbs, the public "couldn't care less." In the rural areas, "everyone is leaving," and the article comments that those responsible for housing do nothing but "talk, talk, talk."

The National Farmers Union during the past few years has been much exercised over the invasion of agriculture by corporations and wealthy individuals. Recently this witness appeared before the House Ways and Means Committee and pointed out that multimillionaires were using tax loopholes to escape payment of their fair share of the tax burden. Statistics were put in the record from the Internal Revenue Service of the Treasury Department indicating that 86 percent of the individuals who had a net income of $1 million or more were reporting losses on their farm investments.

During the past 2 years, Farmers Union in its newsletter and in other places has published such figures and they have attracted a great deal of attention. So much significance was attached to these figures which were widely quoted all over the United States that Senator Lee Metcalf, at our suggestion, introduced a bill which would close the tax loophole by limiting farm losses to $15,000 plus taxes, interest and several other items. An alternative offered in this bill is that farm investors may use the accrual method if they will report inventory as