

1 IN THE SENATE

BY THE RULES COMMITTEE BY REQUEST
OF THE LEGISLATIVE COUNCIL

2 SENATE JOINT RESOLUTION NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - FIRST SPECIAL SESSION

5 Requesting the waiver of certain require-
6 ments relating to FHA mortgage insurance
7 benefits on homes in the Tanana Valley
8 disaster area.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 WHEREAS defaults on mortgages covered by Federal Housing Administration
11 mortgage insurance can be anticipated in the case of a number of homes
12 severely damaged in the Tanana Valley disaster of August 14, 1967; and

13 WHEREAS payment of FHA mortgage insurance benefits to mortgagees hold-
14 ing defaulted mortgages is normally contingent on delivery of the affected
15 property to the Administration in livable condition or, if in damaged con-
16 dition, subject to an offset against benefits for repairs; and

17 WHEREAS absorption by lenders of the cost of repairing flood-damaged
18 homes in order to qualify for FHA mortgage insurance benefits will in-
19 evitably serve to discourage further capital investment in the state by
20 outside lenders holding defaulted mortgages; and

21 WHEREAS absorption of such costs will seriously impair the credit
22 rating of banking institutions in the state holding or servicing the
23 defaulted mortgages; and

24 WHEREAS encouraging and attracting investment capital to the state is
25 vital to its economic development and well-being;

26 BE IT RESOLVED that the Secretary of Housing and Urban Development is
27 respectfully urged, in the case of homes damaged in the Tanana Valley
28 natural disaster of August 14, 1967, to waive the requirements of livability
29 governing delivery of damaged properties on which recovery of Federal

1 Housing Administration mortgage insurance benefits are sought, so as to
2 help protect the state's economy and vital needs of future development.

3 COPIES of this Resolution shall be sent to the Honorable Lyndon B.
4 Johnson, President of the United States; the Honorable Robert C. Weaver,
5 Secretary of Housing and Urban Development; the Honorable Phillip N.
6 Brownstein, Commissioner, Federal Housing Administration; the Honorable
7 Elmer Gagnon, Director, Federal Housing Administration, Alaska; and the
8 Honorable E. L. Bartlett and the Honorable Ernest Gruening, U. S. Senators,
9 and the Honorable Howard W. Pollock, U. S. Representative, members of the
10 Alaska delegation in Congress.

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