

really didn't have any application and I would appreciate knowing if those two provisions in fact mean something or are they just a bunch of rhetoric that, as a practical matter, will never make any difference?

PRESIDENT: Senator Vickers, do you want to volunteer?

SENATOR VICKERS: Mr. President, I will attempt to answer some of Senator Warner's questions, but I will say at the outset that I do not know the exact provisions of these two pieces of legislation. But I can tell you that the \$2.5 billion loan guarantee is, as I understand it, is part of the 90 percent loan guarantee program, but there are also some parts of that amendment, or this legislation, that as I recall, and I don't have it before me, but Bill Lock is on the phone as we speak trying to get that information directly from Washington as to exactly what the provisions are. The, as I recall, it is an attempt to set up a mechanism whereby the loans could be processed much faster and one of the provisions that I believe is in there, and I would hope that Senator Warner wouldn't hold me to this until we get the information directly from Washington, is that the banker would basically approve the loan and then it would be up to the FHA people to disprove it. So it would turn the process around and the idea being that that would cut down on the length of time that the paperwork has been taking to process these loans. There are also some provisions to provide more funds for FHA to hire more people to help process these loans because that has been a big bottleneck. We've got a paperwork bottleneck in Nebraska and many other places in this nation for the use of those funds. That, I think, is number one, the \$2.5 billion. The \$100 million interest buy down provision as I understand it is a mechanism tied, I think it is tied to the 90 percent of loan guarantee, but I can't exactly guarantee that either, but I believe it is, that says to the bank that if you will write down the interest 1 percent or 2 percent, if you will lower the interest 2 percent the federal government will give an extra 2 percent to the bank to make the total loan 4 percent less for example. And I believe that is part of the 90 percent guarantee loan program, Senator Warner, but I apologize. I do not have the legislation, or a copy of it. They were still in the process of much as we do in this body, it would appear to me, write the legislation as they were discussing it on the floor of the Senate when we were back there so I can't tell you the exact provisions that got