

APRIL 8, 1975

Office of the White House Press Secretary

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NOTICE TO THE PRESS

The President has signed H. R. 2783--National Insurance Development Act of 1975--which extends the authority of the Secretary of Housing and Urban Development to continue federally-assisted riot reinsurance and crime insurance programs for two years, until April 30, 1977.

The riot reinsurance program was established in 1968 to aid homeowners, tenants and businessmen to obtain fire and other property insurance at reasonable rates while substantially relieving insurers of the risk of loss from riots or civil disorders. In 1970 authority to write direct burglary and robbery insurance policies was also given to HUD. Enactment of the two federally-assisted insurance programs was prompted by the inability of property owners in inner-city areas to obtain insurance at reasonable rates.

H. R. 2783 will extend the present powers of the Secretary of Housing and Urban Development to write new riot reinsurance and crime insurance policies for two years, through April 30, 1977.

However, H. R. 2783 will not extend the Secretary's authority to continue existing reinsurance and crime insurance coverages beyond the present expiration date of April 30, 1978.

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