



DEPARTMENT OF THE INTERIOR
INFORMATION SERVICE

FISH AND WILDLIFE SERVICE

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FEDERAL FISHING VESSEL SUBSIDY EXCLUDED FROM MORTGAGE INSURANCE

Federal funds providing for part of the cost of the construction of a fishing vessel can not be included in the actual cost of the vessel for mortgage insurance purposes, the Department of the Interior announced today.

Amended regulations governing the mortgage insurance program will be published in the Federal Register in the near future. The mortgage insurance program and the recently established fishing vessel construction subsidy program are both under the jurisdiction of the Department of the Interior.

Under the construction differential legislation the Congress provided certain limitations which must be met before a prospective fishing vessel owner can qualify for Federal help. Under the mortgage insurance legislation a mortgage covering the financing of the construction, reconditioning or reconstruction of a fishing vessel may be insured, a program similar to that operated by the Federal Housing Administration for insuring loans on new homes.

Under the amendment to the insurance program regulations the amount of the insured mortgage will be based upon the actual cost to the fishing vessel owner, with the Federal subsidy excluded.

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