

anomalous to create new towns, while rebuilding cities, without assuring that a significant number of relocatees would have the choice of living in the new towns. Federal programs should not force the poor to remain in the city ghettos or force them to relocate to new towns. The poor as well as the other classes should be enabled to choose where to live. But as presently worded the two bills may force the poor to remain in the poor areas.

3. A balanced transportation system is essential to a suitable living environment. Seventy percent of our population now live in urban areas. Conservative estimates indicate that the urban population will increase by an additional 14 percent within 20 years. To this end we support in addition to the proposed mass transit amendments the following:

(a) The Reuss-Ashley-Moorhead amendment requiring the Secretary of HUD to develop an "expedited program for research, the development and demonstration of new systems of urban transport no later than January 1, 1967." This amendment appropriately deals with the mass transit problem comprehensively. It encompasses the entire urban mass transit problem—technical, financial, economic, governmental, and social.

(b) The Bingham-Tydings proposal (H.R. 10126) to permit a State to use highway trust funds for urban mass transportation. This will foster creative federalism.

(c) The Bingham-Williams extension of the mass transit program (H.R. 12407) to include operating deficits of mass transit companies providing commuter services and requiring the local public agency and company to develop a comprehensive commuter service improvement plan.

Next, we turn our attention to amendments to H.R. 13064—Housing and Urban Development Amendments of 1966.

1. To expand rehabilitated housing we support the Sullivan proposal (H.R. 13063) to amend the National Housing Act to authorize mortgages, executed by nonprofit organizations, to finance the purchase and rehabilitation of deteriorating or substandard housing for subsequent sale to low-income purchasers.

Next, we like to refer to amendments to the Internal Revenue Code which we believe would improve housing conditions in our cities.

2. We support tax credits to landlords who rent rehabilitated housing to low-income families at below market rates. Fair market rates can be established in the same manner as they are for rent subsidies. Those renting the rehabilitated housing would be the same persons eligible for the rent subsidy program. Second, we would like to bring to your attention amendments to the Internal Revenue Code

1. Tax credit for builder constructing units for low-income families or for landlord renting at low rate to low-income families.

2. The Architects' Renewal Committee in Harlem (ARCH), through its Director, Mr. Richard Hatch, and its counsel, Mr. Leon Friedman have proposed a change in the Internal Revenue Code which would have great effect in preventing landlords from abusing their buildings and the lives of those who occupy them. I should like to ask the committee's approval for making this statement by ARCH a part of the hearing record.

Mr. BARRETT. Without objection, it is so ordered.