

I would also like to point out that nearly half of the blighted housing in the Nation is in rural areas, in the small towns, villages, and on the farms.

As you know, the principal means of financing our social institutions in the rural areas is the property tax, and this has caused a great disparity on the family farmers because they are not receiving an income equal to their city brothers for the same work contribution and investment and yet they are being taxed at a higher rate.

In 1964 farm real estate taxes went up in every State except Montana for a grand total of \$1.4 billion. Average tax, according to the U.S. Department of Agriculture was \$1.51 per acre, but the average New Jersey farmer paid \$12.10. The farmer in New Mexico paid 18 cents. The point that I am making is that the present means of paying for the services and facilities that are needed is not fair to the farmer through the property tax method of raising revenue. We want to do all we can to help our neighbor in the city—and this bill is badly needed to demonstrate what can be done for them, however, I hope that this committee might also consider the cause of the present situation, the people who are streaming to the cities for lack of rural opportunity. This has caused a population buildup in the cities that exceeds the capacity of their social service agencies, police forces, housing, health services, medical facilities, and job opportunities. There are more people than the city can accommodate. I hope that you might give this some serious consideration.

I know Dr. Carstenson has more that he would like to say about the bill and the proposals we submit for rural areas. Thank you so much.

Mr. BARRETT. Dr. Carstenson?

Dr. CARSTENSON. Thank you, Mr. Chairman, Congressman Widnall.

I want to express at this time the appreciation for the work that you and the committee did last year in developing what I thought was a very excellent bill. Also, I want to commend you on the fact that despite the excellent bill passed last year, you still feel there is much more to be done to develop our cities and rural communities.

I have served on the Legislative Committee of the National Housing Conference and I have had opportunity to discuss the various bills before the committee and in general, we endorsed them. I have talked with Mr. Keith at the National Housing Conference and Boris Shiskin, and many other people who have been working on these bills.

Having said that, I do feel that there is a lack of equity of treatment of our small towns and rural areas. What I am going to propose to you this morning I have already discussed with Congressman Stephens, of Georgia, who is most interested in this proposal and with Congressman Hansen on the committee and several of the other congressional members from rural areas.

Frankly, the portion of the housing bill last year on rural housing programs helped us a great deal last summer in the heat of the effort to pass the 1965 Housing Act. We were able to gain much congressional support by the rural programs in the previous bill. Some of the lack of enthusiasm among some of the Congressmen for the 1966 bill might be increased if the small towns and rural areas were given equity treatment, fair and equal treatment with the cities. We are making such a series of proposals.