

for the property. If an agency head cannot reach an agreement with the owner, after negotiations have continued for a reasonable time, he should promptly institute condemnation proceedings and, at the same time or as soon thereafter as practicable, file a declaration of taking and deposit funds with the court in accordance with the Act of February 26, 1931 (46 Stat. 1421), if possession is required prior to the entry of the judgment in the condemnation proceeding.

(9) If an interest in real property is to be acquired by exercise of the power of eminent domain, the head of the Federal agency concerned should, except as to property to be acquired under section 25 of the Tennessee Valley Authority Act of 1933 (48 Stat. 70, as amended; 16 U.S.C. 831x), request the Attorney General to institute formal condemnation proceedings. No Federal agency head should intentionally make it necessary for an owner to institute legal proceedings to prove the fact of the taking of his property.

(10) If the acquisition of only part of a property would leave its owner with an uneconomic remnant, the head of the Federal agency concerned should acquire the entire property.

(11) In determining the boundaries of a proposed public improvement, the head of the Federal agency concerned should take into account human considerations, including the economic and social effects of such determination on the owners and tenants of real property in the area, in addition to engineering and other factors.

(b) The provisions of this section, being general policies for the guidance of Federal agencies, shall create no rights or liabilities not otherwise existing or available, nor affect the validity of any property acquisitions by purchase or condemnation.

COMPENSATION FOR PROPERTY ACQUIRED

SEC. 902. If the head of any Federal agency acquires real property for public use in any State or the District of Columbia, by purchase or condemnation, the fair market value of such property shall be paid as compensation therefor unless it is the intention of the seller to convey the property for less than fair market value.

BUILDINGS, STRUCTURES, AND IMPROVEMENTS

SEC. 903. (a) Notwithstanding any other provisions of law, if the head of a Federal agency acquires land or any interest in land for public use in a State, he shall acquire a like interest, or greater interest, in all buildings, structures, or other improvements comprising part of the real property so acquired which are required to be removed from the land or which, in the opinion of such agency head, will be adversely affected by such public use, if such improvements are not required to be removed.

(b) As used in this section, the term "real property" means land, or any interest in land, and (1) any building, structure, or other improvement imbedded in or affixed to land, and any article so affixed or attached to such building, structure, or improvement as to be an essential and integral part thereof; (2) any article affixed or attached to such real property in such manner that it cannot be removed without material injury to itself or the real property; and (3) any article so designed, constructed, or specially adapted for the purpose for which such real property is used that (A) it is an essential accessory or part of such real property, (B) it is not capable of use elsewhere, and (C) it would lose substantially all its value if removed from the real property.

(c) For the purpose of determining the extent of the acquisition of real property and the valuation thereof, no building, structure, or other improvement shall be deemed to be other than a part of the real property solely because of the right or obligation of a tenant, as against the owner of any other interest in the real property, to remove such building, structure, or improvement at the expiration of his term, and the head of the Federal agency shall pay to the tenant the fair value of the building, structure, or improvement, which fair value shall be determined by such agency head as the greatest of (1) the contributive value of the improvement to the present use of the entirety, (2) the current cost of reproduction less depreciation of the improvement, or (3) the value of the improvement for removal from the property.

EXPENSES INCIDENTAL TO TRANSFER OF TITLE TO UNITED STATES

SEC. 904. (a) The head of a Federal agency, not later than the date of payment of the purchase price or the date of deposit of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is