

were tenants. So, they got no compensation by way of condemnation. Their business, which they had built up over a lifetime, small as it was, was destroyed. They could not relocate anywhere.

That whole area was taken. Their business was tied up with the University of Maryland Law School, Dentistry School, the Nursing School, the schools in that area.

Now, the purpose of my amendment to title VIII is to cover that specific type of hardship where you have tenants or lessees in an urban renewal area, where they are elderly people of 50 years or older, where they are not high-income earners, where their net income per year is less than \$10,000.

I just think that to turn them loose and give them \$5,000 after destroying their business and destroying their lives, is unconscionable. My proposal to you, gentlemen, is that you provide additional compensation within rigid, designated, specified cases. Where the parties are tenants, where they are over 50, where they have averaged less than \$10,000 a year over the last 3 years, I propose that they receive three times their average net earnings for the past 3 years.

For instance, if the net annual earnings had averaged \$6,000 for this elderly couple, and I think it might have been that much, they would be entitled to receive \$18,000.

Now, that, I think is only fair compensation. One of the tragedies of these urban renewal areas and the Federal highway projects, and others, is the failure to really compensate the poor and the helpless who are overrun. I can tell you stories about highway relocation in Maryland that are just tragic. In Baltimore City, I know of a person who bought a house 18 years ago for \$7,500 or \$8,000 and paid off most of his mortgage of \$7,000 over those 18 years; then the notice of condemnation went out.

People left the area and then 2 years later the State roads acquisition agent came and advised him that he would be given fair market value, and there were not many willing buyers in that area. He got \$1,100 for a house he paid \$8,500 for, and he still had almost that much left in the mortgage.

This whole area which we are looking into is one which really needs study, and my "Ma and Pa" amendment, as I call it, would correct one specific kind of injustice that has been a by product of urban renewal. I have been working on this now for 4 years, since I have been in the Senate, and it is a rather simple measure. Furthermore, I do not think it would be an expensive amendment.

HUD has indicated there would not be more than 1,000 businesses a year at the most who would be eligible. As I indicated to you, the criteria again as follows: the proprietor of the business would have to be a tenant, not an owner, would have to be 50 years of age or older, his average annual net earnings for the preceding three years would have had to have been less than \$10,000 per year, his business would have had to have been of such character that he could not be relocated without substantial loss of his existing patronage. For a person who meets these criteria, the compensation would be three times his average annual net earnings for the period preceding the condemnation.

So, I am very delighted that you would take time to hear me, Mr. Chairman.

Senator MUSKIE. Thank you very much, Senator.