exceeding that amount. As an option, a small businessman could choose to receive a payment not to exceed $5000. The $5000 payment is designed for a business which "cannot be relocated without a substantial loss to its existing partonage." I submit that for an elderly proprietor, such as the owner of the candy store I have described, that $5000 payment is inadequate. Urban renewal did not result in his relocation; it put him out of business. It cut off his source of income as effectively as if his business had been condemned. And this calamity happened too late in life for him to begin again.

The amendment I have offered would make a more equitable settlement in these very specific cases where it will not be possible to move and begin again. It would provide a lump-sum cash payment—in lieu of relocation and moving expenses—equal to 3 times the average annual earnings of the business for the past three years. If, for example, the candy store owner had an average annual income of $5000, he would be entitled, under my amendment, to a lump-sum payment of $15,000. This would, in effect, be a payment in compensation for future earnings lost. Of course, this amendment would have very limited applicability. In order to qualify, a proprietor would have to meet the following four tests:

1. He would have to be 50 years of age or older.
2. He would have had to be a tenant and not the owner of the property in which his business was located.
3. His average annual net earnings for the preceding 3 years would have to have been less than $10,000 per year, and
4. His business would have to have been of such character that it could not be relocated without "a substantial loss of its existing patronage."

In essence, this amendment would apply only to the small "Mom and Pop" neighborhood stores in which the owners were over 50 years old, earned less than $10,000, and rented their shop. I might note that if the storekeeper owned his premises, he would obtain condemnation payments for his property as well as relocation funds—and thus would be much more adequately compensated than the storekeeper who is merely a tenant.

The payment formula I have suggested would provide a modest amount, wholly consistent with our moral obligations to alleviate the hardships imposed by urban renewal progress.

Furthermore, Mr. Chairman, the cost of this amendment would be low. I have received an estimate from the Department of Housing and Urban Development that not more than 1,000 businesses per year would qualify under this amendment. If we assume the average annual earnings of these 1,000 businesses to be $7,000 per year—a relatively high figure considering the $10,000 ceiling in the amendment—we would be paying an average of $21,000 to each of these 1,000 businesses estimated, or a total of $21 million. This is a small sum in relation to our total urban development budget.

Mr. Chairman, I am pleased that the Committee is considering this amendment and I greatly appreciate being invited to appear here today to speak for it. Thank you very much.

Senator MUSKIE. Our last witness is Mr. Berkeley G. Burrell, president of the National Business League.

TESTIMONY OF BERKELEY G. BURRELL, PRESIDENT, NATIONAL BUSINESS LEAGUE, ACCOMPANIED BY CHARLES T. WILLIAMS VICE PRESIDENT, SCHENLEY DISTILLERS CO., AND BUXTON COOK, ASSOCIATE DIRECTOR OF RESEARCH, NATIONAL BUSINESS LEAGUE

Senator MUSKIE. Mr. Burrell, will you identify the gentlemen with you?

Mr. BURRELL. Thank you.

Mr. Charles T. Williams, who is by vocation vice president of Schenley Affiliates, and on my right is Mr. Buxton Cook, who is the associate director of research for the National Business League.

I myself am Berkeley G. Burrell, president of the National Business League, an organization of Negro businessmen primarily, founded