

place of business as a result of a federally financed public activity can be assured that they will be compensated adequately for the expenses and losses incurred as a result of the move. It is of equal importance that they not be forced to move from their homes unless there is adequate provision to assure them of appropriate housing elsewhere. Passage of this legislation is needed to eliminate the serious inequities which prevail today.

In the area of relocation payments, this legislation is an important milestone in the creative Federal approach to urban problems. There are some items of compensation which are new to HUD programs. For example, one is the proposal for payment of expenses in searching for replacement farm property, which the administration would extend to other properties. Another is the proposal to contribute toward the cost of substitute personal property up to an amount measured by the moving expenses that would have been incurred if a business or farm operation had not disposed of personal property. Just as there are items which are new to us, there are features in title VIII which represent departures for other Federal departments and agencies. The complexities of administering a program of relocation payments and services are extensive, and I pledge our full resources and accumulated experience in achieving the uniform and effective administration that is contemplated.

The Deputy Director of the Bureau of the Budget in his recent testimony before the subcommittee provided detailed comments and recommendations concerning the provisions of title VIII. These comments and recommendations were developed in close consultation with interested departments and agencies. My remarks, therefore, will merely serve to underscore and supplement the Budget Bureau testimony.

One of the greatest concerns of the Department has been the very real hardship often suffered by lower income homeowners who are displaced as a result of federally assisted acquisition activities. Frequently, these homeowners, many of whom are elderly or with limited resources, are unable, with the amount that they were paid for their previous home, to buy another home which is of the same approximate size and similarly located with respect to employment, shopping, and transportation. When the value of the home which is taken is inadequate to afford a decent, suitable replacement, the practical consequence of the displacement has been a loss of homeownership. A payment, in such cases, of not to exceed \$5,000 as proposed by the Bureau of the Budget will help fill the gap for many displaced homeowners. We give this proposal our strongest endorsement.

The provision in section 802(b) to give a displaced business the option of receiving an amount equal to its average annual net earnings up to \$5,000 appears to confuse the concept of a fixed relocation payment—designed to simplify the burdens of administration—with the small business displacement payment presently provided in HUD programs. These concepts should be separated in the manner suggested by the Bureau of the Budget—one payment for actual moving expenses and another for economic readjustment.

We fully endorse the objectives of title IX to establish a uniform policy for the land acquisition practices of all Federal and federally assisted programs. The development programs in our Department