tion of real property in Federal and federally assisted programs. This policy is to be as uniform as practicable as to (1) relocation payments, (2) advisory assistance, (3) assurance of availability of standard housing, and (4) Federal reimbursement for relocation payments under federally assisted programs.

The Department of Defense subscribes to the principle of reimbursing owners and tenants for their expenses and losses resulting from dislocation made necessary by public works projects, and also to the desirability of establishing uniformity of procedures to the extent practicable.

The military departments, since 1951, have administered a similar program pursuant to section 2680 of title 10, United States Code. This authorizes payments to displaced owners and tenants for actual expenses, losses and damages incurred as a direct result of moving by reason of the acquisition of their property; total payments are limited to 25 percent of the values of the land acquired. The experience of this Department is that this law accomplishes the objective of affording reasonable financial assistance to displaced persons.

Title VIII would, in effect, expand the existing requirements to place primary responsibility on the acquiring agency to provide all forms of social and economic relief. The imposition of the collateral requirements by this proposal might, as a practical matter, often result in costly delays or preclude the accomplishment of land acquisition programs to meet defense missions. However, it is the view of this Department that title VIII, while administratively burdensome, presents a workable system, provided it is amended in certain aspects. Comments will be confined to those sections recommended for modification.

Section 802(b) provides that under certain circumstances, a displaced person who moves or discontinues his business may elect to accept an optional payment of up to $5,000. We understand that the intent of this optional payment is to cover both (1) the cost of moving, and (2) a readjustment allowance payment to assist small businesses in making up for the economic impact of displacement.

If this is in fact the intent, we recommend that section 802(b) be revised to treat these two purposes more clearly by providing for two separate payments; one for actual moving expenses and one for economic readjustment. Accordingly, section 802(b) should be amended as follows: Delete the first sentence in section 802(b) beginning on line 19, page 33, with the word "If" and ending on line 2, page 34 with "lesser." Substitute the following for this sentence: "In addition to the payment authorized by subsection (a) of this section an additional payment is authorized for any displaced person who moves or discontinues his business: *Provided*, The average annual net earnings of the business are less than $10,000 per year. This payment shall be in an amount equal to the average annual net earnings of the business or $2,500, whichever is the lesser.".

Section 802(c)(3) provides that an additional payment of $300 be made if the displaced person purchases a dwelling as his residence within 1 year from the date of displacement. This is an optional lump sum payment to cover closing costs and miscellaneous expenses for the acquisition of a replacement dwelling. The amount is not considered unreasonable in view of current market conditions. It is an item