

Section 810(a) would repeal existing laws relating to payment of moving costs and make the provisions of title VIII immediately effective upon the enactment of this act. This is highly impractical since it would leave all agencies without any guidance pending issuance of regulations pursuant to section 805. Additionally, many States will require enactment of enabling legislation for compliance with the act. It is suggested that a new section should be added to this title to provide for the effective date of this title. This amendment is necessary to provide sufficient time for the assignment of responsibility and for drafting of regulations for direct Federal programs and to allow State and local governments sufficient time to make necessary changes in their laws and possibly their constitutions to permit the agreements required as a condition of Federal aid. We recommend the new section 811 should read as follows: "This act shall become effective 180 days after enactment, except that sections 807, 808, and 810(a) (4), (5), (6), (7), (8), (9), and (10) shall become effective 3 years after enactment; *Provided*, That, commencing 180 days after enactment, the provisions of sections 807 and 808 shall be applicable with respect to any contract, grant to, or agreement with a State agency, where such State agency is able under State law or local ordinance to agree to the requirements set out in section 807(a) and the provisions of law governing relocation payments and assistance otherwise applicable to the provisions of Federal financial assistance to such State agency shall be superseded by this act."

Title IX would prescribe uniform policies for the acquisition of real property for Federal and federally assisted programs. This Department is in accord with the general objectives of title IX, which, for the most part, coincide with established policies. However, it is believed desirable to amend certain of these provisions for purposes of clarification, permitting greater flexibility and more fully protecting the Government's interest.

Section 901(a) (3) provides that prior to negotiations with landowners, the head of the Federal agency will establish a fair reasonable price for the property and make a prompt offer for the full amount so established.

It is understood that the intent of this provision is to assure that the acquiring agency will reimburse owners in an amount which is fair and reasonable, commensurate with the appraised value of the land, and arrived at through mutual negotiation. If this interpretation is correct then these provisions would not be in conflict with the present policy of this Department.

On the other hand, if the agency is to establish a fixed amount as the fair price for the property, and may not offer less, it may be equally inappropriate for the agency to voluntarily pay more than the fair price should the owner refuse to accept the fixed amount. This will result in reverting to a one-price policy, utilized by this Department prior to 1961. The current negotiation policy was adopted as a result of the enactment of section 301 of the Land Acquisition Policy Act of 1960. An opinion of the Department of Justice was that Congress intended for the Army to engage in actual, practical, and realistic negotiations, taking into consideration all of the flexible factors considered in normal transactions by a willing seller and a willing buyer. The objective of this policy is to acquire land at a fair