

the project and which is improved by a single- or two-family dwelling occupied by the owner for a period of not less than one year prior to the initiation of negotiations for the acquisition of such property. Such payment, not to exceed \$5,000, shall be an amount which, when added to the acquisition payment, equals the average price required for a decent, safe and sanitary dwelling of modest standards adequate in size to accommodate the displaced owner, reasonably accessible to public services and places of employment and available on the private market: *Provided*, that such payment shall be made only to a displaced owner who purchases and occupies a dwelling within one year subsequent to the date on which he is required to move from the dwelling acquired for the project.

"(2) The Secretary of Housing and Urban Development shall make the determinations under this subsection on the prices prevailing in the locality for dwellings meeting the requirements of paragraph (1) above for all agencies making such payments."

Section 802(f) of the bill would make all functions performed under Section 802 subject to the provisions of the Act of June 11, 1946 and judicial review. The Department of Justice and the major real property acquiring agencies advise that this provision would unnecessarily burden property acquiring agencies with the expense of making a record upon which defense of their determinations may be based and will add to the litigation load of the Department of Justice. Furthermore, it appears that under Section 802(f) only the publication, public inspection, and judicial review provisions of the Administrative Procedure Act would be applicable, although the "all functions performed under this section" language carries the implication that administrative determinations must be made in accordance with all the requirements of the Administrative Procedure Act. In the latter circumstance the expense to agencies would be considerable, and delays in making payments would detract from some of the intended benefits of the bill.

The primary purpose of Section 802(f) is to give recognition to the principle that the payments authorized by Section 802 should be viewed as rightful compensation of persons displaced by Federal programs. The need for this provision would appear to be more theoretical than practical. The Department of Defense advises that during 15 years it has administered thousands of applications for payments for relocation costs under its broad authority (10 U.S.C. 2680) with a negligible number of appeals from displaced individuals to the Department. We believe that the objective of this provision can be achieved by making clear that the provisions of Section 802 as regards relocation payments would represent congressional policy and that the heads of agencies would be responsible for its faithful execution. For the language now in Section 802(f) we recommend substituting:

"Any person aggrieved by a determination as to eligibility for a payment authorized by this section, or the amount of a payment, may have his application reviewed by the head of the agency, whose determination shall be final, and no provision of this section shall be construed to give any person a cause of action in any court."

Section 803(a) of the bill provides for a relocation assistance program not only to individuals actually displaced from the acquired property but also to those who occupy property *adjacent* to the acquired property and who are caused substantial economic injury by the acquisition.

We believe it is impractical to determine where to stop Government assistance if indirect effects of Government acquisition are to be considered. For example, a business operating one block (or farther) from the property taken might be affected more than one adjacent to it. Suppliers or customers of businesses adjacent to such property may also be adversely affected if those businesses move or cease operations. Moreover, it would often be impossible to determine whether the decreased profits or losses suffered by an adjacent business were actually caused by the property acquisition or by other factors. We are convinced that aid to those indirectly affected should be confined to that generally available, such as loans and advisory services from the Small Business Administration or assistance under the Manpower Development Training Act. We therefore recommend that the balance of Section 803(a) beginning with "If the head of such agency" on line 18, page 38, be deleted.

Section 803(c)(2) would require Federal agencies to assure the availability of adequate substitute dwellings within a reasonable period of time prior to displacement. The last clause of *Section 803(c)(2)* provides for waiver of the assurance requirement in periods of national emergency proclaimed by the