

made, a highway department land acquisition man contacts the owner and says in effect; "We are going to take this piece of property for highway purposes and we are prepared to make you an offer in line with our appraisal." In a specific case, the appraisal was \$87,000.

Regardless of the appraisal, the owner usually says that's not enough. Eventually, the land acquisition man secures a counter offer. Again, in this specific case the counter offer was \$100,000 against an original offer of \$87,000.

Then the acquisition people say that they have no authority to exceed the appraisal. So the owner filed a suit and received an out of court settlement, not the \$100,000 which the owner was willing to take, but for \$250,000. This has happened many, many times.

Now, Mr. Secretary, is it the fault of the statute or the fault of the procedure that there can be no adjustment after the original appraisal?

In almost every case we have taken a tremendous shellacking once an owner goes to court.

If we authorize a 10 percent adjustment or some other flexible figure over the original appraisal which would be less than the court costs involved, we could save a substantial amount of money. I can give you four or five specific cases where the award was more than double the amount for which the landowner was willing to settle. I hope some flexibility can be granted.

Secretary BOYD. That may raise some question about the quality of the appraisers that are used, Mr. Roberts. But the answer—do you want to know specifically whether State law prohibits going above the appraisal or whether Federal law prohibits going above?

Mr. ROBERTS. Yes, whether our basic law is at fault.

Secretary BOYD. I think we will have to submit this for the record.

Mr. ROBERTS. I will withdraw it and take it up with Frank later.

Mr. Secretary.

Secretary BOYD. All right.

Mr. KLUCZYNSKI. Any questions on my left?

Mr. CLEVELAND. Yes.

Mr. KLUCZYNSKI. The gentleman from New Hampshire.

Mr. CLEVELAND. I yield to the gentleman from Iowa.

Mr. KLUCZYNSKI. Mr. Schwengel.

Mr. SCHWENGEL. Mr. Secretary, it is good to see you here with the committee.

Secretary BOYD. Thank you.

Mr. SCHWENGEL. I had the pleasure of working with you on the tremendous problem of building roads.

I listened with increasing interest to your testimony and compliment you on your presentation.

But I have some questions. Some of the questions have been asked and have been clarified, but on the testimony relating to safety and research on safety, it quickened my interest because of some experience we had had in Iowa. A year ago you had some rules and regulations where Federal money was involved and those regulations had not been relaxed, changed. You put about seven small counties who have responsibility for building roads in the country out of business, and it occurred to me that, frankly, you relax and change your position, but not without stirring up agony—and there is still apprehension about what you may do.