

Legislation has been introduced in California, AB 1072 (Ralph). This bill provides that the Department of Public Works may acquire property outside of the freeway right-of-way, and it may contract with public and private organizations for the development of replacement housing. For example, one of the replacement procedures we are considering in Watts is moving houses. We are acquiring many single family homes for the freeways we are building in Los Angeles. We propose to purchase a large vacant parcel and move on sound single family residences to provide some of the replacement housing needs for those displaced in Watts.

We believe that in such circumstances, since Government is responsible for the displacement of families, Government should also be responsible to insure that adequate replacement housing is available. Replacement housing, and not the direct payment of money, should be the objective of any such program.

For this reason, we do not feel that a bonus payment would in and of itself provide adequate replacement housing. In our opinion, payment of a bonus would result in general inflation in the real estate market and would not necessarily provide the needed replacement housing. On the other hand, replacement housing can be provided without inflation, both by the public and private sector, through programs which would develop replacement housing.

This entire principle, of course, does not apply to persons who do not have low income and who do not live in economically depressed areas. For all other property owners, the payment of market value is normally adequate and, together with adequate reimbursement for moving costs, is sufficient to enable them to relocate in comparable residences.

As we have indicated, we have been concerned with this problem for some time. During the time that applications were made by the State of California to place the Century Freeway on the Interstate System, we proposed that this concept be used in the Watts area to take care of the homeowners who lived there. When the Department of Transportation approved the State's application, it directed that the urban design plan for the project include, where desirable, relocation housing. For this reason, together with the fact that we believe that these principles are very worth while and desirable, clear authorization should be given to the Department of Transportation to reimburse the State for the Federal share of the cost of this activity.

Mr. KLUCZYNSKI. That has been a very fine statement. It was brief and to the point.

Like you said, and for this reason, we believe that the Topics program should be made permissive rather than mandatory.

Now, we try to do something for both the people who are moved because of the Federal bulldozers going into the community and the construction of roads. We would pay the family \$200, is that right?

Mr. RHYNER. Yes, sir.

Mr. KLUCZYNSKI. And we would pay \$3,000 for a business.

Mr. RHYNER. Yes, sir.

Mr. KLUCZYNSKI. That is not nearly enough. We are trying to do something.

The gentleman from Florida.

Mr. CRAMER. I yield to my colleague from California, Mr. Clausen.