ideas" with regard to relocation of families, and businesses, and pass them on to the agencies responsible for the relocation program.

As you are well aware, an Act of Congress approved October 6, 1964 authorized the Commissioners of the District of Columbia to pay relocation costs made necessary by actions of the District, and for other purposes. The District, under this Act, is authorized to pay relocation payments for moving costs not to exceed $200.00 in the case of an individual or family or in the case of a business concern or nonprofit organization, $3000.00, (if greater, the total certified actual moving expenses not to exceed $25,000.00).

In order to comment fully to the recommendation of the "Study" and to advise you of any action that we are taking to give maximum emphasis to our relocation assistance program, I will comment on each recommendation in order:

RECOMMENDATION V—RESIDENCE RELOCATION PAYMENTS

Item (b) Specifies a limit of 100 miles for any residential moves.

Our regulation does not specify any limit to residential moves. The distance of residential moves are limited to the maximum relocation payment. This seems a sufficient control and there appears to be no need to amend our regulations in this respect.

Item (c) Grants a relocation allowance equal to the moving expense allowance of $100, whichever is the lesser.

I feel that item (c) probably is one of the most under-emphasized areas in the whole relocation program. A person who has to suffer the inconveniences, adjustments, and additional incidental expense for the benefit of the general public's good, should be compensated at the expense of the general public for the imposition.

I would therefore recommend that the item be in the range of $500 to $1000 and apply to every displacee whether he be renting or is a home owner.

Item (d) Grants additional payment of $300 to the displacee purchasing a home within a year after date of taking.

Our regulations do not include any provision for Item (c) or (d) and under the Act of Congress dated October 6, 1964 does not authorize these payments.

I do feel, however, that an allowance for closing costs, attorney's fees, financing charges and other related costs including those expenses which necessitate the displacee adapting to a new residence which has different physical characteristics requiring financial outlays as the purchasing of different size rugs, drapes, etc., should be a legitimate expense to be compensated for under a relocation program.

If the displacee must borrow money to acquire his new home and is to be compensated under item (d), he should be paid without a dollar limitation, for all costs involved in purchasing the new home. A time limitation of one year seems reasonable. In order to provide any of these expenses to a displacee the District will require additional enabling legislation.

If the Congress would amend Title 23 USC to allow the additional payment, then you may rest assured that I would recommend action to amend our Act of 1964 accordingly so as to participate in the more liberal and equitable provision.

RECOMMENDATION 2—RELOCATION PAYMENTS FOR BUSINESS ESTABLISHMENTS

Item (a) Provides for business and nonprofit organizations to be paid for reasonable and necessary moving expenses up to to but not to exceed $25,000.00.

Our regulations comply with this part of the recommendations, however, it should be noted that the existing BPR PPM'S stipulate the maximum business relocation expenses, for which reimbursement can be obtained as $3000.00.

The Study points out that 15.5% of the businesses reviewed involved moving costs in excess of $3000.00. The Study indicates of those businesses under review 84.5% moved for under $3000.00; 14.1% moved within the range of $3000.00 to $25,000.00; and 1.4% exceeded the $25,000.00. It would, therefore seem reasonable, in view of the Study, that the Bureau should increase its maximum participation figure to at least the recommended figure of $25,000.00.

It would seem much more equitable, however, to remove the dollar limitation entirely. Since the figures appear to show that this will not add unreasonably to the program cost (1.4% are over $25,000.00), why should this small percentage suffer financially.

Item (b) Provides for a relocation allowance in an amount equal to the average annual net earnings or $2500.00 whichever is the lesser.

96-030—68——32