

RELOCATION PAYMENTS FOR INDIVIDUALS AND BUSINESSES DISPLACED BY FEDERAL HIGHWAY PROGRAMS AND BY ACTIVITIES OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HIGHWAY PROGRAMS (FEDERAL-AID HIGHWAY ACT OF 1962)

Residential, \$200 maximum; *Business*, \$3,000 maximum.

Only available if authorized by State law. Relocation costs are considered part of the construction costs and are reimbursable by the Federal Government pro-rata according to the respective Federal/State shares of the construction costs up to the above maximums.

Currently, 37 states, the District of Columbia and Puerto Rico have legislation authorizing relocation payments.

About 20 state laws are substantially in accordance with the Federal provisions. Some are considerably more liberal than the Federal maximum (i.e., up to \$500 for residential moves and up to \$25,000 for business moves in Pennsylvania); some are more stringent (i.e., Connecticut makes relocation payments only on projects that have more than 20 families to be displaced). Fifteen states have no authorizing legislation.

HUD PROGRAMS (RELOCATION CAUSED BY ANY ONE OF 11 PROGRAMS)

Residential—up to \$200 for individuals and families for moving expenses including storage costs and loss of property.

Business—(and nonprofit organizations):

(1) up to \$3,000 for moving expenses, including storage costs and reimbursement for property loss incurred in the move;

(2) if moving expenses exceed \$3,000, reimbursement for actual moving expenses may be made, up to a maximum of \$25,000. Payments in excess of \$25,000 may be made if shared by the locality.

Note: Payment for a combination of direct property loss incurred because of the move and moving expense is limited to \$3,000.

(3) *Small Business Displacement Payment*—payment of \$2,500 in addition to any of the above for eligible business. Generally eligible if average annual net earnings before taxes is less than \$10,000, provided gross annual receipts are in excess of \$1,500.

The CHAIRMAN. Mr. Williams, any questions?

Mr. WILLIAMS. No questions, thank you.

The CHAIRMAN. Mr. Mitchell, any questions?

Mr. MITCHELL. Mr. Administrator, concerning your new regulation that 3 percent disaster loans are limited to \$100,000 on direct loans, now a small business firm that gets that 3 percent disaster loan at \$100,000, is he still then eligible for your regular direct small business loan up to \$100,000 at 5.5 percent?

Mr. MOOT. Under the criteria for a regular business loan.

Mr. MITCHELL. The regular business loan?

Mr. MOOT. Yes, sir.

Mr. MITCHELL. In other words, the \$100,000 limitation is cumulative?

Mr. MOOT. That is right. One loan program does not mutually exclude application under another.

The CHAIRMAN. Mr. Administrator, you know the answers. You are on top of your program and your agency, and I think you are one of the finest Small Business Administrators that we have had.

We are going to suspend these hearings until 10 o'clock in the morning, at which time we will want to talk about the antipoverty programs of which Mr. Greenberg, I believe, is the coordinator.

Unless there are further questions, we will stand adjourned until 10 o'clock tomorrow.

Mr. MOOT. Thank you very much.