

Statement of  
F. C. Turner  
Federal Highway Administrator  
U. S. Department of Transportation  
Before the House Public Works Committee  
H. R. 14898, H. R. 14899, and other related bills  
March 18, 1970

Mr. Chairman and members of the Committee, I am pleased to appear before this Committee to comment on H. R. 14898 and H. R. 14899, as you have asked me to do. In this connection, it is obviously necessary to comment also on S. 1 as it has been referred to this Committee.

Due to the wisdom and foresight of the Congress, and the Public Works Committee in particular, the Federal-aid highway program now has one of the best relocation assistance programs ever to be authorized and funded for any public works improvement program, barring none.

Need for compliance by July 1, 1970. You are aware that section 37 of the Federal-Aid Highway Act of 1968 provides that the relocation assistance and payment provisions thereof were effective immediately, to the extent that the States were able to comply under their laws until July 1, 1970. After that date, such provisions are applicable to all States, without qualification of any kind.

I am pleased to report to you that 43 States and the District of Columbia now have legal authority to comply with that Act and are either presently operating under its provisions (Chapter 5, title 23, United States Code) or will be by July 1, 1970. Only 8 jurisdictions are still without the necessary enabling legislation. Three of these are operating under advance Federal funding, involving pre-audit of relocation payments or advance of funds to cover such payments. I am submitting for the record tabulations (Appendices A and B) which summarize this information by States.

Displacements and expenditures for relocation assistance.

A total of \$18,303,267 in relocation assistance payments was made by the Federal Highway Administration for the period from October 1, 1968, through December 31, 1969 (5 quarters).

During that period, 27,516 dwellings were displaced by Federal-aid highway projects, involving 79,957 individuals who were relocated into equal or better dwellings. Also displaced were 298 farms, 4,539 businesses, and 189 non-profit organizations.

Of the individuals displaced by highway construction, approximately three-fourths were white. Owners and tenants were about equally divided.

As might be expected, 80 percent of all residential displacements took place in urban areas, with 20 percent in rural areas.

About one quarter of the housing displaced involved the lowest valued housing, about half was in the middle range housing, and approximately one-quarter involved higher-priced housing.

During the 15-month period, approximately \$4.87 million worth of residential moving cost payments were made, averaging \$192.

Comparable business payments totaled \$6.37 million, averaging \$1,651. Farm payments accounted for \$120,174 and averaged \$433.

Replacement housing payments, or additives to fair market value, were made to 2,085 owner-occupants during the period, involving 6,658 individuals and over \$4.84 million, with the average being \$2,324 each.

Though not all of the problems have yet been identified and eliminated from the highway relocation assistance program, progress has been made during the past year in implementing the goals and objectives of the Congress in the Federal-Aid Highway Act of 1968.

Comments on the uniform relocation assistance bills.

Because of the Department's successful experience to date with the relocation program under title 23 we feel well qualified to comment on the bills pending before this Committee. We strongly support a Government-wide uniform relocation act and we hope that our recommendations will prove helpful in enacting such legislation.

I will comment on those provisions of the bills which we feel are major problems.

1. Our experience has indicated that our present relocation provisions, contained in Chapter 5, title 23, United States Code, represent a generally sound and workable approach on our Federal-aid projects. We have encountered no major difficulties in administering or implementing its provisions which closely parallel the provisions of H. R. 14898 and H. R. 14899. Therefore, we prefer the general philosophy of these bills. Further, these bills would be more compatible with legislation already enacted by the States to comply with Chapter 5 of title 23.

2. Section 105(1), (2), (3), (4) and (5) of S. 1, in defining various types of displaced persons, would include those who move as a result of "the reasonable expectation of acquisition" of their property. As the bill is presently drafted, these persons would be entitled to relocation payments even if their property is never subsequently acquired. Section 111(3) of the House bills would limit benefits to those persons whose property is actually taken for a project as provided under existing law (23 U.S.C. 511(3)).

We think some limitation is desirable. Relocation payments should be limited to persons actually displaced or who move due to some official act of the public

authorities such as a notice of condemnation. We anticipate that the implementing regulation will provide this limitation.

3. Under section 211(e)(1) of S. 1, the replacement housing payment to eligible displaced homeowners would be measured by that amount, up to \$5,000, if any, which when added to the price paid for the home would equal the average price for an adequate decent, safe, and sanitary dwelling "of modest standards". Under section 106(a) of the House bills that payment is measured by the amount necessary for the displaced homeowner to obtain a "comparable" dwelling which is decent, safe, and sanitary.

The "comparable" standard is presently used in 23 U.S.C. 506(a) and in our implementing regulations. We would prefer to continue operating under this standard both because we believe it easier to administer (a "comparable" house is a well-understood real estate term) and would more accurately implement the policies set forth in section 201 of S. 1 (and section 501 of chapter 23) for the fair and equitable treatment of all displaced persons.

4. Section 231(b) of S. 1 requires as a further condition for Federal aid that replacement housing actually be available to displaced persons. Section 102(3) in the House bills requires that replacement dwellings be available "to the extent that can reasonably be accomplished".

Secretary Volpe recently announced a new Department of Transportation policy prohibiting approval of any project of the Department involving dislocation unless the displacees are provided adequate replacement housing. The three principle parts of the new Department of Transportation policy are:

1. Specific written assurance that adequate replacement housing will be available (built, if necessary) before the initial approval or endorsement of any project.
2. Construction will be authorized only upon verification that replacement housing is in place and has been made available to all affected persons.
3. All replacement housing must be fair housing -- open to all persons regardless of race, color, religion, sex, or national origin. This is in addition to the requirement that replacement housing must be offered all affected persons regardless of their race, color, religion, sex, or national origin.

This policy is one that has high priority with this Department, therefore, we feel that it would be a desirable policy for all Federal agencies. In practice we have been administering the 1968 Act's provisions in accordance

with the above three provisions and would expect to continue to do so. We would prefer to retain the language of the present law to avoid forcing states to further amend their existing legislation.

5. Section 241(a)(4) of S. 1 provides that any person aggrieved by a determination as to eligibility for a relocation payment, or the amount of a payment, may have his application reviewed by the head of the Federal agency whether he is displaced by a direct Federal project or by a federally-assisted State project. The House bills, section 110(a)(3), provide that such review shall be by the head of the State agency making the eligibility determination.

The Federal-Aid Highway Act of 1968 (23 U.S.C. 510(a)(3)) provides that an aggrieved person may have his application reviewed by the head of the State agency making the eligibility determination. We prefer that review be by the head of the agency conducting the project, whether Federal or State as the case may be. It is inappropriate to have State agencies review Federal determinations on Federal projects. Conversely, the State agency should review its own decisions on federally-assisted projects. Federal review of such decisions could interfere with normal channels of State court review.

Further, review by the head of a State agency would be more consistent with the philosophy of Federal-State partnership in the administration of the Federal-aid highway program. Such a review procedure at the State level permits the State agency head to inspect aggrieved persons' property and review their problems in the field and respond without delay to problems that may develop in the implementation of this program.

6. We recommend a technical change in section 253(b) of S. 1 to correct an error of omission. Sections 252(a) (12) and (13) were omitted from the sections listed in section 253(b). Section 253(b) should be amended to include those sections. If this is not done the Highway Relocation Program would be repealed 180 days after passage of S. 1. This would delay enactment of much necessary State legislation which is now imminent; would eliminate relocation benefits for many persons for another year; and could make the relocation program largely academic with respect to a large segment of the Federal-aid highway program. In addition, early repeal could leave States in the position of being required by State law to make certain relocation payments which would no longer be federally reimbursable; the payment provided by 23 U.S.C. 505(c) for example.



The change we are recommending would assure that our relocation program could remain in effect until July 1, 1971, the date that S. 1 would become mandatory.

7. A strict interpretation of the language in section 106(a) of the House bills and section 211(e)(1) of S. 1 could prevent the owner-occupant of a dwelling unit from receiving the \$5,000 additive payment if he did not have a "real property" interest in the dwelling unit. For example, it could deny payment to owner-occupants of mobile homes whose dwelling units could no longer be moved but are considered personal property under State law. The legislative history of the similar highway provision, 23 U.S.C. 506(a), indicates that if otherwise eligible, ownership of the dwelling unit rather than ownership of real property is the key to eligibility. We have interpreted our relocation act in this manner. We think this preferable and important.

Any uniform bill should make it clear that mobile homeowners as well as cooperative and condominium apartment owners are covered by its provisions.

In conclusion, I wish to reiterate the Department of Transportation's support of uniform relocation assistance legislation. The Department is proud to have been one of the first Federal agencies to provide relocation benefits and we will be glad to work with this Committee in achieving the best possible uniform legislation.

Thank you.

Statement of  
F. C. Turner  
Federal Highway Administrator  
Department of Transportation

LIST OF STATES WITH  
AUTHORITY TO PROVIDE RELOCATION ASSISTANCE  
March 12, 1970

Total

44 - The following States and the District of Columbia have authority to provide relocation assistance in accordance with the Federal-Aid Highway Act of 1968:

	<u>Effective Date</u>		<u>Effective Date</u>
Alabama	7-10-69	Nevada	4-14-69
Alaska	5-1-69	New Hampshire	8-23-68
Arizona	4-2-69	New Jersey	1-2-69
Arkansas	8-7-69	New Mexico	4-3-69
California	11-2-68	North Carolina	1-1-70
Colorado	5-31-69	North Dakota	8-23-68
Connecticut	7-1-70	Ohio	8-5-69
Delaware	7-1-70	Oregon	8-23-68
Dist. of Col.	8-23-68	Pennsylvania	8-23-68
Florida	7-1-69	Rhode Island	8-23-68
Georgia	7-1-69	South Carolina	8-23-68
Idaho	3-28-69	South Dakota	7-1-69
Illinois	8-5-69	Tennessee	10-1-69
Indiana	8-23-68	Texas	4-2-69
Iowa	8-23-68	Utah	5-13-69
Kansas	4-25-69	Vermont	3-10-70
Maine	8-23-68	Virginia	2-26-70
Massachusetts	8-23-68	Washington	8-23-68
Maryland	8-23-68	West Virginia	8-23-68
Minnesota	8-23-68	Wisconsin	7-1-70
Missouri	8-23-68	Wyoming	3-5-69
Montana	7-1-69		
Nebraska	8-23-68		

6 - Legislation is under consideration in the following States:

Kentucky <u>1/</u>	Hawaii <u>1/</u>
New York	Mississippi
Oklahoma	Puerto Rico

2 - Legislation will be considered in the following States and Puerto Rico during the 1970 legislative session:

Louisiana <u>2/</u>	Michigan <u>1/</u>
---------------------	--------------------

1/ Advanced Federal Funding to be employed pending enactment of States enabling legislation.

2/ Constitutional revisions may be necessary.

Statement of  
F. C. Turner  
Federal Highway Administrator  
Department of Transportation

RELOCATION ASSISTANCE PROGRAM -

SUPPLEMENTAL PAYMENTS

Summary of State's relocation supplemental payment programs as of December 31, 1969.

1.	States which can and have made supplemental payments:		
	a.	By legal authority effective on or retroactive to August 23, 1968 -- Indiana, Iowa, Maine, Maryland, Massachusetts, Minnesota, Missouri, Nebraska, New Hampshire, North Dakota, Oregon, Pennsylvania, Rhode Island, South Carolina, Washington, West Virginia	- 16
	b.	By legislative authority from effective date of State law -- Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Idaho, Illinois, Kansas, Montana, Nevada, New Jersey, New Mexico, Ohio, South Dakota, Tennessee, Texas, Utah, Wyoming	- 20
	c.	By agreements for advance of funds, retroactive to August 23, 1968 -- Delaware*, Hawaii, Kentucky, Michigan (these States will require enabling legislation by July 1, 1970)	- <u>4</u>
		SUBTOTAL	40
2.	States which have legislative authority but have not made supplemental payments:		
	a.	By legal authority effective on or retroactive to August 23, 1968 -- District of Columbia	- 1
	b.	By legislative authority from effective date of State law -- Georgia, North Carolina, Vermont, Virginia	- <u>4</u>
		SUBTOTAL	5

3. States which have enabling legislation effective after March 12, 1970 -- Connecticut, Wisconsin, (Delaware*)	-	2
4. States which require enabling legislation by July 1, 1970 -- Mississippi, New York, Oklahoma, Puerto Rico, (see 1c above for other States)	-	4
5. State which will require constitutional amendment -- Louisiana -	-	<u>1</u>
TOTAL		52**
* Delaware enabling legislation effective July 1, 1970.		
** Includes Puerto Rico and District of Columbia.		
TOTALS - States that have made supplementary payments	40	
States that have not made supplementary payments	12	