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# NOMINATION

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HEARING  
BEFORE THE  
COMMITTEE ON  
LABOR AND PUBLIC WELFARE  
UNITED STATES SENATE  
NINETY-FOURTH CONGRESS

SECOND SESSION

ON

ROBERT C. CHASE, OF VIRGINIA, TO BE DEPUTY DIRECTOR  
OF THE COMMUNITY SERVICES ADMINISTRATION

JULY 21, 1976

Printed for the use of the Committee on Labor and Public Welfare



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## NOMINATION

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WEDNESDAY, JULY 21, 1976

U.S. SENATE,  
COMMITTEE ON LABOR AND PUBLIC WELFARE,  
*Washington, D.C.*

The committee met at 10:10 a.m., in room 4232, Dirksen Senate Office Building, Senator Harrison A. Williams, Jr. (chairman) presiding.

Present: Senators Williams, Kennedy, Stafford, and Taft.

The CHAIRMAN. We will come to order.

We have a nominee this morning, Mr. Robert C. Chase, who currently is the Deputy Assistant Secretary of the Department of Labor for Employment Standards, nominated to be the Deputy Director of the Community Services Administration.

Mr. Chase received his bachelor's degree at Connecticut Wesleyan; a masters degree in public administration from Syracuse University, and was Program Development Officer with the Peace Corps, acting as Director of that program in Nepal, and was connected to the Turkish affairs for the Agency for International Development, and later Chief of the South Asia Loan Division with that agency.

With the Department of Labor he worked as Special Assistant to the Secretary for Policy Evaluation and Research; Director of Special Projects Staff in the Office of the Under Secretary, taking responsibility for the designing and implementing of new programs, such as black lung disease; and was Executive Assistant to the Under Secretary for Labor.

At this point I wish to include in the record the biographical sketch of the nominee plus the duties of the office for which he was nominated.

[The information referred to follows:]

(1)

BIOGRAPHIC INFORMATION

ROBERT C. CHASE  
2004 Bedford Lane  
Alexandria, Virginia

Current Employment - Since April 1975

- Deputy Assistant Secretary for Employment Standards Administration, encompassing Federal Wage-Hour Division, Office of Federal Contract Compliance Programs, Women's Bureau, and all Federal Workers' Compensation Programs. ESA has a staff of over 3,000, approximately two-thirds of whom are located in regions and field stations throughout the country, a varied legislative portfolio (over 90 current laws), and a variety of both benefit and enforcement programs.

Prior Employment

- Executive Assistant to the Under Secretary, Department of Labor - 1974-75; full range of support functions, including coordination of inter-agency positions, (e.g., migrants initiatives, energy coordinator) external relations, and special analyses for Under Secretary.
- Director, Special Projects Staff, Office of the Under Secretary, and Deputy Director of predecessor, Welfare Reform Planning Staff - 1972-74; Undertook variety of special assignments, especially in designing and implementing on a "turn-key" basis, new Departmental programs such as that for Black Lung benefits.
- Special Assistant to the Assistant Secretary for Policy, Evaluation, and Research - 1970-72; broad range of support functions; executive officer; represented DOL on Domestic Council task forces on consumer affairs, problems of aging and of youth, strategy to facilitate more evenly balanced population and economic growth; helped design first Department-wide planning and evaluation system.
- Chief, South Asia Loan Division, Agency for International Development - 1965-69; responsible for development, analysis, negotiation of all public and private loans to five South Asian countries,

- 2 -

as well as implementation of Federal loan portfolio totalling approximately six billion dollars. Assistance instruments included dollar loans, local currency grants and loans, guarantees of private equity investments, etc.

- International Relations Officer, A.I.D. - 1963-65; coordinator for Turkish affairs including assistance on Turkish balance of payments problems, coordination of multi-national donor financing to dam project affecting down stream riparian rights, oversight of U.S. technical assistance to industry and labor sectors.
- Peace Corps, Program Development Officer - 1961-63; part of initial cadre developing Peace Corps policies and approaches to participating countries; Acting Director in Nepal; negotiated first agreement with Barbados.
- Management Intern, Office of the Secretary, Navy Department - 1960-61.

#### Education and Training

- BA--Connecticut Wesleyan (Honors) 1959
- MPA--Syracuse University 1960
- Various graduate economics courses-G.W. Univ. 62-64
- Misc. training (systems analysis; public speaking) 60-present
- Federal Executive Institute 1974 . . .

#### Awards/Recognition

Several Achievement Awards; quality step increases; letter of appreciation from President.

Age: 38

Married; two children

Civil Service Career Appointment GS-17

Home Phone **XXXXXXXX**

Office Phone: 523-6183

[Excerpt from the U.S. Government Manual, 1976-77]

COMMUNITY SERVICES ADMINISTRATION

The Community Services Administration's (CSA) overall purpose is to reduce poverty in America. It seeks to accomplish this goal by helping low-income families and individuals attain economic self-sufficiency.

The agency's programs are available to the poor in both urban and rural areas, including persons with a limited ability to speak and understand English. Agency guidelines, revised annually, fix the incomes which qualify a family or person for participation in antipoverty programs. These income guidelines vary according to the size of the family and whether or not the family or individual lives in an urban or rural location.

The basic technique of CSA's antipoverty programs is the combined use of Federal, State, and local funds in the organization and operation of Community action, and other programs which are directed and overseen by locally selected boards. In brief, CSA seeks to help the poor help themselves out of poverty by providing economic and educational opportunity and financial support.

The Community Services Administration was established by the Headstart, Economic Opportunity, and Community Partnership Act of 1974 (88 Stat. 2291; 42 U.S.C. 2701 note) as the successor to the Office of Economic Opportunity.

The CHAIRMAN. Now, Mr. Chase, I think you worked with this committee on section 503 of the Rehabilitation Act of 1973—relating to affirmative action in employment for handicapped individuals—is that right?

Mr. CHASE. That is correct, Mr. Chairman.

The CHAIRMAN. And we would like you to know that favorable personal statements have been given to me from members of the staff in that connection.

STATEMENT OF ROBERT C. CHASE, NOMINEE TO BE DEPUTY DIRECTOR OF THE COMMUNITY SERVICES ADMINISTRATION

Mr. CHASE. Thank you, Mr. Chairman.

I am pleased and honored to have the occasion to give the committee the opportunity to consider my nomination for this position.

I do have a prepared statement, but let me suggest that I dispense with that. If you are willing, I would like to put it in the record, make just a brief summary, and informal comments.

The CHAIRMAN. If you would, please.

Mr. CHASE. I would be remiss, Mr. Chairman, if I did not first thank you and the staff not only for what I gather are their recent kind comments, but the speediness with which I appreciate this hearing taking place. My nomination was sent forward by the President, I guess, in early June.

I think I would also be remiss if I did not thank you personally, and the rest of the committee, for having championed the cause of the poor for many years, and not insignificantly, the cause of the Community Services Administration in the last years, some of which have been extremely troublesome, as you are well aware.

Very briefly, as you apparently do have my résumé, I have spent 16 years in Washington as a Federal civil servant. I have worked for a variety of programs, several of which I gather the President and Mr. Martinez, the Director, felt were relevant to this particular position. More particularly, I have been with the Department of Labor as Energy Coordinator for the Secretary and for 2 years, in

the early seventies when H.R. 1 looked like it might see the light of day, I was very deeply involved in welfare reform.

More recently, in my capacity as Deputy Assistant Secretary for Employment Standards, I have had responsibilities for child labor laws, and equal employment, through the Federal contract compliance programs.

Throughout my career with the Federal service I have had two guideposts. One has been to seek management opportunities and challenges, and the other, opportunities to be of service.

I have always been personally and professionally interested in involving myself more deeply and more directly in the problems of the poor, and I think Community Services Agency is where that action is. So I was particularly pleased, and as my friends say, "stuck my neck out," when this opportunity presented itself.

The Community Services Administration has had rough going in the last couple of years. I think it has turned the corner. This committee confirmed Mr. Sam Martinez only a few months ago. I think his actions have already indicated a new attitude within the administration with respect to this particular Agency, and I certainly have taken that as a premise in putting myself forward for this position.

I think the Nation needs the Community Services Administration. I think it needs it to represent the poor in councils deliberating national policy, and I think it needs it to support the network of local community agencies throughout the Nation which have, over the last years, demonstrated the sort of job they can do in meeting the problems of the poor.

I am quite excited about the job. I, too, am anxious that the committee move with as much expedience as possible. And while I am not an expert on the Community Services Administration as yet, I would be most happy to answer any questions that you or others may have.

The CHAIRMAN. Thank you very much, Mr. Chase.

Senator Cranston could not be here, and has asked me to read a statement that he would have made. He says:

I have enjoyed a long and very productive relationship with Bob Chase in his capacity as Deputy Assistant Secretary for Employment Standards at the Labor Department. He has always gone out of his way to assist and cooperate with me and my staff. I know Bob will continue to do fine work in the important new position for which he has been nominated, and I look forward to a close and cooperative relationship with him and in our mutual effort to help the Nation's poor help themselves.

Senator Cranston is particularly sensitive to the needs of people who are economically disadvantaged, and this is a strong and meaningful statement for the nominee, I will say.

Mr. CHASE. I appreciate that very gratefully.

The CHAIRMAN. You have been with the Government 16 years, is that right?

Mr. CHASE. That is right.

The CHAIRMAN. And prior to that you graduated from the Maxwell School?

Mr. CHASE. I went to graduate school at Maxwell at Syracuse, and received a master's in public administration, and before that, got my bachelor of arts degree from Wesleyan University in Middletown, Conn.

The CHAIRMAN. When you graduated from Maxwell did you come right into—

Mr. CHASE. Came right into the Federal Government as a management intern.

The CHAIRMAN. Yes. Where along the way had you come to this realization that your goal in life would be to be of service and of particular service to poor people?

Mr. CHASE. I think, Mr. Chairman, that has been an abiding interest and concern with me, frankly, since the time I was a young man.

The CHAIRMAN. Where did you grow up?

Mr. CHASE. In Massachusetts, Springfield, Mass.

The CHAIRMAN. This has been an adult ambition, to be of service, is that correct?

Mr. CHASE. I would put it that way, sir, yes.

The CHAIRMAN. You have had time, I am sure, to consider your approach to the position as Deputy Director of this Agency.

How do you view its role as an advocate for the poor?

Mr. CHASE. Well, I think there are a number of things that have been left undone, Mr. Chairman. Advocacy, as an aside, is a word that perhaps has been abused—misused. It carries a lot of emotional baggage, I think from the early days, when the antipoverty efforts were more controversial than they are now. I would prefer to think of CSA as having a spokesman's role. I think that it is terribly important that within the councils of the executive branch that there be a spokesman for those people who otherwise are relatively powerless, and not spoken for, and not represented. I think that was a function that was conceived by the Congress, and has been throughout the history of OEO and its successor, the Community Services Administration, as properly residing in this Agency.

I think that the function takes form in many ways. I think it takes the form of research into the basic causes of poverty, symptoms of poverty, and degrees of poverty. I think it manifests itself in evaluation of the way in which the Federal Government, through its various departments and programs does in fact, if it does, impact significantly on the poor.

I think it takes form in the way of devising new innovative ways of engineering and packaging current services or providing new services for income or jobs, all of which are needed to break the back of this problem. I think that those are ways in which I would like to see the Community Services Administration, and I know Mr. Martinez feels the same way, can do more and better in serving its function.

The CHAIRMAN. In your submitted statement, which will be in the record, you say you are talking in terms of three broad national initiatives—to consolidate funds that are used to provide social and economic services to the poor, to streamline the means and the institutions for their delivery, and to insure participation of the target beneficiaries.

Now, that certainly addresses itself to the national mood—that we have not been efficient in reaching the beneficiaries—that programs have been lost in the bureaucracy, as they say.

Could you spell out the meaning of that?

Mr. CHASE. I would be happy to in a couple of respects, Mr. Chairman.

My personal view is that the movement toward decentralization and decategorization, that is in the form of block grants or otherwise, is the wave of the future—particularly if balanced with sufficient protections to insure special priority emphasis such as equal employment. This is the most salutary way of doing the business of providing Federal benefits and services.

I come at this conclusion from the experience of the Labor Department where, as you are well aware, the CETA legislation was one of the pathfinders in the decategorized, decentralized programs. And while the final verdict is still out on that, and it has been through an unusual sort of test period within the last few years since the economic circumstances have been unique, on balance I am betting that Federal resources are going to have a higher payoff in that form of delivery. As you are well aware, both the administration and the Congress have supported a number of different programmatic forms to achieve these purposes.

The Community Action Agency program itself is a little different form of decentralization or decategorization, and I think it is unique even from the block-grant approach.

As you are aware, some of the mainstay money of the approximately 900 community action agencies out there is direct Federal funding—not through passthrough of any intermediary, for example, whether they be State or local. It is not as though they were without the sanction of the mayors or elected officials, but I think one of the things that makes the community action program unique is the fact that because there are fewer intervening layers, because there are fewer strings on the basic funding of those programs, they have a high degree of flexibility which permits them to be more responsive to the needs that are right there at the grassroots.

And that, again, is, I think you know, the deciding plus in terms of delivery of services. It is a delivery system that covers 75 percent of the poor population, and it is available for channeling other Federal or private or State and local funds directly to the poor. And, of course, the participation of the poor in the decisionmaking is, in itself, a terribly important piece from any vantage point.

The CHAIRMAN. What are the major categories still defined under that umbrella of Community Services Administration?

Mr. CHASE. There are two major programmatic elements remaining. One is the community action program, which is, if you will, the bread-and-butter program which serves as a delivery vehicle. It is the network that is spread across the country.

The second is the community development corporations. I think we have about 40 of those. They tend to be targeted on specific neighborhoods of high unemployment and urban decay. Half are in rural areas and half in urban areas.

The unique feature that makes them particularly provocative and useful for the future is that they have the capacity to create jobs, to invest in the community, not just the social service and physical infrastructure necessary to rebuild that community, but in businesses that will, in turn, not only generate profits but employ residents of that community.

My own view is that this movement is the best hope for genuine neighborhood and urban redevelopment in this country.

It is still a very modest program, but the expansion of further community development corporations is a programmatic aim of the Community Services Administration.

The CHAIRMAN. Have you had an opportunity to analyze the community development corporations which are in being and how they are doing?

Mr. CHASE. Not nearly to the degree that I would like to and intend to. I am still, as you know, employed with the Department of Labor.

The CHAIRMAN. I know that, and that is why I wonder if you have, or are aware of certain changes that are being suggested?

Mr. CHASE. I am not sure what your specific reference is.

The CHAIRMAN. Well, we have legislation that is before us that would certainly encourage more economic development by certain entities that create enterprises, are you familiar with Dr. Sullivan's work?

Mr. CHASE. Yes, at Philadelphia. It is a nationwide program.

The CHAIRMAN. Have you analyzed that?

Mr. CHASE. I have not, Senator. I am familiar with it through a manpower context. Original funding for Reverend Sullivan's work has been traditionally through the manpower program, and I am familiar only through that manner and not of his more recent proposals, no. It is something I would look into, and I appreciate your suggesting it.

The CHAIRMAN. Well, on your record of achievement in other areas, it seems to me your background suggests that you will fit into this agency.

Senator Kennedy, Mr. Chase has worked with this committee in other capacities, and we are pleased to have him here as a nominee for the Community Service Administration.

Senator KENNEDY. Thank you very much, Mr. Chairman.

I, too, want to join in both welcoming and congratulating Mr. Chase on this appointment. The fact that he was born in Springfield, Mass., should not be held against him for his position.

As the chairman has pointed out, you have an extremely impressive background in public service and have demonstrated, I think, by the years of your own life experience, your concern for these central problems. And I think that is reassuring.

Mr. CHASE. Thank you, sir.

Senator KENNEDY. There are those of us who likewise are very much interested in these programs and have supported them over the past.

If I could, I would like to direct your attention to the transfer of some of the funds which have been targeted for the economic development program into the community action program, moneys that would have been used in the transition period and now are to be in the other programs.

As I understand, it may be legal, but it does concern me, concerns us who believe that the economic development programs are very much the heart of the old program of fighting poverty. It has been an area in which we have been—I have been particularly—interested in, and I am just as interested in what you might be able to tell us about it.

I know, obviously, that you want to say that you want to deal with the terms of the programing, and that is an initial desire. But I do not know whether it ought to be done at the cost of resources and moneys which were targeted for those economic programs which are a very essential part of our whole effort in fighting poverty.

Would you comment on that?

Mr. CHASE. I would be happy to, Senator.

I should add, because I have not been over there at CSA and this business is a fairly intricate problem, I do not really feel on top of the current status. I know that Mr. Martinez would be happy to apprise you of his current intentions in this respect. But I do know two things—

Senator KENNEDY. If you would just yield on that. We have Mr. Martinez here, and the chairman asked some questions on this particular aspect at my behest, and he gave a strong support for this program. So we have got—

Mr. CHASE. He is very supportive of the program. I do not think there is any question about that.

Senator KENNEDY. We really tried to, at least during our hearings with them, stress at least our strong interest in it and our strong commitment at the time. I am sure he is committed to it. He has been on the board, and he stated so, and I have no reason to doubt him.

But we are still seeing this movement of resources and funds, and it is a matter of some concern, and I am very interested.

Mr. CHASE. My understanding, Senator, is that you very graciously may have provided the way around this conundrum. That is, through the floor supplement to the appropriations bill for 1977, and I hope the Congress, in its wisdom, and the administration will see fit to include it all the way through that tortuous process, that 15 million, which I think does provide a way of avoiding a tradeoff between the very real need to annualize our funding of these CAA programs which you are aware of, and the need—equally strong need to maintain our support for the community development corporations.

Senator KENNEDY. Well, would you be willing to write the conferees a letter?

Mr. CHASE. I would be very happy to.

Senator KENNEDY. Indicating your support for that program?

Mr. CHASE. For community development?

Senator KENNEDY. Yes, for the money needed.

Mr. CHASE. I really, Senator, do not feel sufficiently on top of the merits or demerits with respect to the respective positions off the top of my head to take such a position. I think that in the last analysis the Director will have to.

Senator KENNEDY. Well, could you ask the Director if he would do it and let us know?

Mr. CHASE. I would be happy to.

Senator KENNEDY. Because I share with you the central concern for that, and I think it would be helpful. I think it would be very useful if we could have some indication from the agency about how that money could be utilized.

As I understand, we offered the amendment, and we reviewed the various applications of the programs that were ongoing. It certainly is warranted, and it was certainly justified. And it was on that basis that it was accepted.

And I think that justification is ongoing and continuing, and I think it would be very helpful if we had a note for the conferees to indicate just what you have stated to us about the importance of it, and how it would be useful to have those resources for the agency and for the reasons that you have stated here.

Let me ask in an additional area. I do not know whether you are familiar—I hope you will be after this hearing—with the very minimal effort that has been made by the agency in terms of rural housing money in my own State of Massachusetts.

You are aware of the organization for those housing programs, basically set up under USDA. Well, that is a different program which we do not very well need. But, under the separate housing program, rural housing program in OEO, we just have not done very well.

I have met with a number of the groups in the State who have made application; and, I have been impressed both with them and the competency of the people that are fashioning the applications and their desire for it, and the need for it. I do not mind a good deal of the money going to Carl Perkins' district—there is a great need, as I have been down there. There is a lot of very, very difficult rural housing problems that exist in Appalachia, and I have seen it. It is a matter of tremendous tragedy, obviously, to the families of the people in that area. So, I am convinced it is warranted and justified.

But I do think we have some serious pockets of need. We do in many States, and we do in mine.

And if you would take a look at those various programs that come on through and evaluate those in a kind of, I think, fair way, I am sure that you would. We would be very grateful for that.

Mr. CHASE. I would be happy to, Senator.

It is an area of considerable interest to me. I do know that the community action agencies in the West, in particular have done some useful work in this area. and it may very well have occurred independently in some of our eastern States. More particularly, they have helped rural groups to so package their proposals that they have drawn money out of the agriculture loan program or Rural Housing Administration, and there may very well be more that we can do and should do in that area, and I would be happy to look into it.

Senator KENNEDY. You should look into it, particularly in my own State. On a broader issue, the first allocation in the rural housing under Perkins' provision, I understand, has come out to approve grants.

Now, that is a \$3 million total, and 70 percent of that has gone to the southern part of the country.

Mr. CHASE. Well, rural Massachusetts means western Massachusetts, and we both know that. And so I, too, have a particular interest.

Senator KENNEDY. That is good.

But I am just as interested in the other part of the country. And aside from our own particular State, the allocation of moneys is generally under that Perkins' provision. And the greatest—70 percent—of that went into the southern part of the country.

It is interesting that there are more rural poor in my State than in 24 other States in the country. I bet there are others, in terms of the State of New Jersey, many other States that have similar kinds of needs. And, you know, basically, we want to see that resources go where the needs are.

But I do think we need some explanation for the process that is being used. And when I meet with our people, they know this, and they know that 70 percent goes to the southern part of the country. They want to know the justification for it, why we are not doing better, and why I am not, as a member of the committee, fully committed to this program.

And I want to be able to give them some justification for this.

So, could you give us some explanation for the process that is used and the way in which those decisions have been made on it?

Mr. CHASE. I would be happy to supply that for the record, Senator.

Senator KENNEDY. Fine.

[The information referred to follows:]

#### FUNDS ALLOCATED BY CONGRESS FOR RURAL HOUSING

The Congress appropriated \$3.0 million in Fiscal Year 1976 for Rural Housing, and the Agency has committed funds totalling that amount for this purpose.

These funds were granted to the existing pilot programs which required refunding and to several rural community action agencies and low-income housing groups. We took this action for several reasons: (1) \$3.0 million was not sufficient to create planning objectives with a national comprehensive orientation, (2) many of the applications submitted included areas outside the Congressional intent for the scope of program, and (3) we had more than enough solid proposals in hand or in process to absorb those funds.

For those reasons, we believed that the refunding of the existing pilot programs, together with a few new, innovative proposals was necessary and responsible.

CSA's rural housing effort has not, however, been limited to the \$3.0 million specifically appropriated for the Perkins amendment. For instance, the Rural Housing Improvement in the western part of Massachusetts receives \$78,000 annually from local initiative funds.

Senator KENNEDY. Also, the weatherization with CSA in the past has been excellent. It would be interesting to know what they will do this winter, particularly as we have got other efforts being made in the Congress, in the Senate, in terms of weatherization.

We know that the administration has a \$15 million weatherization program that has passed.

We have a responsive major conservation program in terms of front-end funding for energy conservation and paybacks over a long period of time, which actually passed the Senate and is in conference. It is on the FEA extension, and we have had, you know, rather nice statements, both from Mr. Zarb and others, and the EPA and others about the importance of conservation and the rest. But we have difficulty in hard support.

I understand we have to work on that particular problem, and independent of what I am asking here, but the weatherization program is terribly important for our part of the country—80-percent petroleum dependent in terms of heating our homes. And it could make a significant difference, both from the national energy issue and also for needy people.

I am sure you have looked at some of those maps and charts of overlays where it shows in a given area—in a community where there is the greatest waste in terms of energy and uniformly it is in the poor areas. And so they are paying doubly high for heating and have the greatest waste.

This weatherization program is one which, I think, if it is successful, and like so many other things that have been done in the OEO program, it can really be the pilot program for major kinds of national initiatives, and that is why again we want to see it successful.

But, particularly, I would like to know about the progress of the program, particularly as it applies to my own State, and New England generally, for this oncoming winter.

I do not suspect you would have an answer on that at this time, but if you would want to make some comments—

Mr. CHASE. I share your sense of the priority importance of the program, and I think we have done some initial work, but I will provide for the record the sort of information that you are looking for.

[The information referred to follows:]

#### FUNDS ALLOCATED FOR MASSACHUSETTS

The Boston Regional Office has received their winterization allocation from the National Office in the amount of \$1,900,000 for 1975 and \$1,985,226. in 1976. Out of this \$3,885,226., Massachusetts has received \$389,200. in 1975 and \$891,493. in 1976.

In Massachusetts these funds have been allocated to three major priorities: (1) the winterization of owner and rental units; (2) direct assistance and fuel loans or utility shut off; and (3) studies of and activities related to the advocacy of utility rate reduction for the poor.

Although the winterization of rental units have just gotten underway in Massachusetts, the winterization of owner units in 1976 numbered over 1,400. About 1,300 Massachusetts families received direct assistance and/or fuel loans. And CSA has developed a program called Lifeline which gets the utility companies to sell their services to low-income people at a lower rate.

Also, the Boston Regional Office is working with the New England Regional Commission (NERCOM) in developing a plan to implement a \$2,000,000., 2 year energy/economic development program. Although CSA funds only winterization materials for the program, we are currently developing a work program for NERCOM to integrate its funds with CSA's to help solve New England's unemployment problem as well as problems of inefficient and expensive heat utilization practices of the poor. Some of NERCOM's funds come from CETA which are used to provide the labor force necessary to do the work.

Senator KENNEDY. I do not think we will go into the past history of the efforts that have been made by the Administration before you.

And I think you have made—I was just looking briefly at your statement—an important comment that you know it is a problem that poor people have not really been given the kind of front burner attention now which they were receiving some time before. I think that is a useful reminder for all of us, and I do think it is obviously a reflection of the administration's recent attitude by their willingness to appoint someone like yourself who has shown, by his record of public service and capacity in this area, that they are prepared to put someone in the responsible position who is committed to this kind of effort.

And I think it is very real, and, for that, I look forward to supporting you and working with you in this program, and want to give you the reassurance that I am one strongly committed to it, want to work with you in seeing the achievement of the kind of objectives that many of us have supported in the earlier days through these programs, and feel that it can help hundreds of thousands of people in America.

Mr. CHASE. Thank you. Thank you very much, Senator.

The CHAIRMAN. Have you and Dr. Martinez talked in terms of your role and relationship?

Mr. CHASE. That is my particular role within the new system?

The CHAIRMAN. Yes, the relationship to the Director.

Mr. CHASE. In the most general terms, Mr. Chairman. That is, I think there is a conventional role, if you will, that is as an alter-ego

in his absence, but also I would anticipate more particularly the sort of classic division of roles as Mr. Inside and Mr. Outside.

There is a lot to be done within the Community Services Administration, reorganizing and rebuilding morale and rebuilding administrative and managerial systems that have fallen by the wayside. And this has been within the last 2 years. And that is the classic deputy's role, and one I feel comfortable with. And it may very well be the pattern that the two of us evolve into.

The CHAIRMAN. Did you know him prior to this?

Mr. CHASE. Yes, I did, Mr. Chairman.

As you may remember, he was regional director for the Department of Labor in Denver.

The CHAIRMAN. Are you familiar with the GAO's letter to the Director on July 20th, which points out the problems in the procedures for evaluation of the Community Action Agency?

Mr. CHASE. I am not, no.

The CHAIRMAN. It would be well, I think, if you reviewed it.

Mr. CHASE. This is an area of particular interest.

As a matter of fact, it is an area that we have not done enough in and intend to do more, so I will read that with great interest.

The CHAIRMAN. This, I would think, would be well—this letter just arrived, did it not?

Mr. CHASE. Yes.

The CHAIRMAN. Last night, and it has not yet been brought to your attention.

There is a recommendation that CSA hire and train personnel to assist local recipients in self-evaluation.

We know about the letter, and obviously we will be following it up to get the administration's comments on this.

This suggestion to you might be worthwhile in familiarizing yourself with this. This is another item of concern we have for the administration of this program.

Thank you very much, Mr. Chase, for your appearing here, and we wish you well and hope that we can expedite this through the committee, this nomination, as well as the prior nomination that came to us this morning.

Mr. CHASE. I greatly appreciate that. Thank you.

[The prepared statement of Mr. Chase and additional material supplied for the record follow:]

STATEMENT OF  
ROBERT C. CHASE  
NOMINEE FOR THE POSITION OF DEPUTY DIRECTOR OF  
THE COMMUNITY SERVICES ADMINISTRATION

Mr. Chairman, Gentlemen, it is a privilege to appear before the Members of this Committee in conjunction with my nomination for the position of Deputy Director of the Community Services Administration. I am well aware of the significant role that this group, both individually and collectively, has played in constructively dealing with the problems of the past.

I believe you have all received my resume which you can use to judge my background and qualifications for this position. Moreover, I have had occasion to meet with several of you in the weeks since the President sent forward my nomination. With your permission I would like to make several brief comments before responding to any questions.

As I have considered this assignment over the past months, I have been struck by how little one hears these days, at least compared to only a few years ago, about the problems of the poor. Yet we know the dimensions of the problem are still significant. In 1975 more than 24 million Americans were in poverty. Notwithstanding this fact, public interest in erasing the disgrace of rampant poverty in a land of plenty often appears to have waned, the notion of "eradicating poverty" is as likely to elicit sneers as it is to earn support. While many will suggest that this apparent flagging in attention is an outgrowth of

oversight or even callous neglect, I would suggest that it is attributable to more fundamental phenomena in our recent economic and social life.

Perhaps most significantly, the economic conditions of the past years have adversely affected a broad spectrum of economic groups, and have thus eclipsed our sensitivity to the special needs of the very poor. Secondly, many Americans are still reacting to the excesses, real and imagined, of earlier efforts to assist the poor. For example, there is the fear of once again understating the problem of eliminating poverty and by overpromising, raising expectations that cannot be met and may thereby give rise to outbreaks of violence. Finally, there is a sense, greatly exaggerated in my view, that the traditional programs of service delivery to the poor have been mismanaged, that the programs of income transfer have been subject to abuse by the beneficiaries, and generally, that the highly vaunted War on Poverty bore little fruit in terms of reducing income disparities.

On balance, however, I believe the commitment on the part of the American people to relieve the causes and symptoms of poverty, while changed in tone and form, to be otherwise largely intact. On the process of current public policy formulation, I think we can discern a tendency to deal with the problems of the poor - often now, together with the problems of the near-poor and lower and middle income groups - in terms of three broad national initiatives:

- 3 -

- to provide meaningful jobs, hopefully through the natural process of economic growth, but by intervention if necessary.
- to fundamentally reform our various income transfer and maintenance programs; and
- to consolidate funds that are used to provide social and economic services to the poor, streamline the means and institutions for their delivery, and insure participation of the target beneficiaries.

I happen to share the belief that these are the appropriate thrusts of a national strategy to deal with poverty. Moreover, I believe there is a key role for the Community Services Administration in these activities. CSA at the national level was intended to be the spokesman for the poor within the councils of the Executive Branch; to undertake the policy research that must underlie the design of a national blue-print for dealing with poverty; to assist in the development of new and innovative approaches; to rally support and resources; and to monitor the activities of Federal agencies and to evaluate the effectiveness of their programs in meeting the needs of the poor.

With respect to the actual delivery of services at the local level where it counts, the national network of community based agencies which CSA supports is in a unique position to meet the fundamental principles of structure and operations now called for; namely, local decision-making, absence of red tape, and better coordination of programs. The better than

- 4 -

900 State and local community action agencies and community development corporations which serve more than 75% of the nation's poor have demonstrated over the past decade that these characteristics are their very hallmark.

The days of bitter and often fruitless confrontation between the CAP world and the "Establishment" are now largely behind us; local and State leaders are now among the most fervent of CAA supporters. In large part, this turnabout in attitude is because the CAA's have demonstrated their timeliness, flexibility, and creativity in meeting local needs as in the energy crises of late and in times of natural disaster. They have, moreover, proven to be effective in mobilizing other Federal, State, local, and private resources in order to mount a concerted attack on local problems. For every CSA dollar that sustains the basic CAA delivery system, approximately \$2.50 of other funds has been channeled through that system.

Other features of this system are too little appreciated; it is an effective and efficient means of job creation. The average salary of the over 100,000 CAA employees is less than that for public employees funded under CETA legislation and the CAA employee is more likely to have been in serious income need. And because of the low average salary of the CAA employee, it tends to be a more economical deliverer of services than conventional public agencies. All of these factors, of course, have contributed to the current climate of support.

The capacity for future service by CSA is there, but as this committee well knows, CSA has just come through some troublesome years. The recent confirmation and appointment of Mr. Sam Martinez, and the concurrent indication from President Ford that he was prepared to retain CSA as an

- 5 -

independent agency, both have signalled a rebirth for this agency. There is much work to be done internally in rebuilding administrative and managerial systems, discipline, pride, and a spirit of innovation. Positive change in these areas is already being felt. The conditions are being developed so that CSA can again provide Federal leadership in meeting the unmet agenda to relieve the problems of poverty in our nation. I will be grateful if I may have the opportunity to devote my energies to those objectives.

## APPENDIX

## Community Services Administration

WASHINGTON, D.C. 20506

JUN 22 1976

Honorable Harrison A. Williams, Jr.  
Chairman  
Labor and Public Welfare Committee  
United States Senate  
Washington, D. C. 20510

Dear Mr. Chairman:

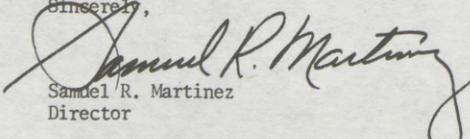
President Ford has nominated Robert Chase to be confirmed for the position of Deputy Director of the Community Services Administration. I am taking the liberty of enclosing a copy of Mr. Chase's resume for your information.

Mr. Chase has asked me to express his willingness to meet with you in your office at your convenience.

As you know the circumstances at CSA dictate the need to capitalize on Mr. Chase's services as quickly as possible. I urge your immediate attention to this matter in the hope of an expeditious confirmation.

Either Leighton Sattler, Associate Director, for Congressional Affairs, or Mr. Chase will be in contact with your office to arrange for meetings if you desire and at your convenience.

Sincerely,

  
Samuel R. Martinez  
Director

Enclosure

[Editor's note: The resume referred to may be found at the beginning of the printed hearing.]

SENATOR  
WILLIAMS, N.J.  
1976 JUN 23 AM 10:37

COMMITTEE ON  
LABOR AND PUBLIC WELFARE  
1976 JUN 23 PM 4:34

*The White House,*

*June 21, 1976*

*To the*

*Senate of the United States.*

*I nominate* Robert C. Chase, of Virginia, to be

Deputy Director of the Community Services Administration.

(New Position)

*Ronald R. Ford*

The CHAIRMAN. The meeting is adjourned.  
[Whereupon, at 11:34 a.m., the committee adjourned.]

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