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OVERSIGHT ON ISSUES AFFECTING HISPANICS AND MIGRANT AND SEASONAL FARMWORKERS

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HEARING

BEFORE THE

COMMITTEE ON EMPLOYMENT, POVERTY,
AND MIGRATORY LABOR

OF THE

COMMITTEE ON
LABOR AND HUMAN RESOURCES
UNITED STATES SENATE

NINETY-SIXTH CONGRESS

SECOND SESSION

ON

EXAMINATION ON WHETHER AND TO WHAT EXTENT EXISTING
FEDERAL PROGRAMS AFFECTIVELY AND EFFICIENTLY
MEET THE NEEDS OF HISPANICS AND MIGRANT AND SEASONAL
FARMWORKERS

MILWAUKEE, WIS.

SEPTEMBER 6, 1980



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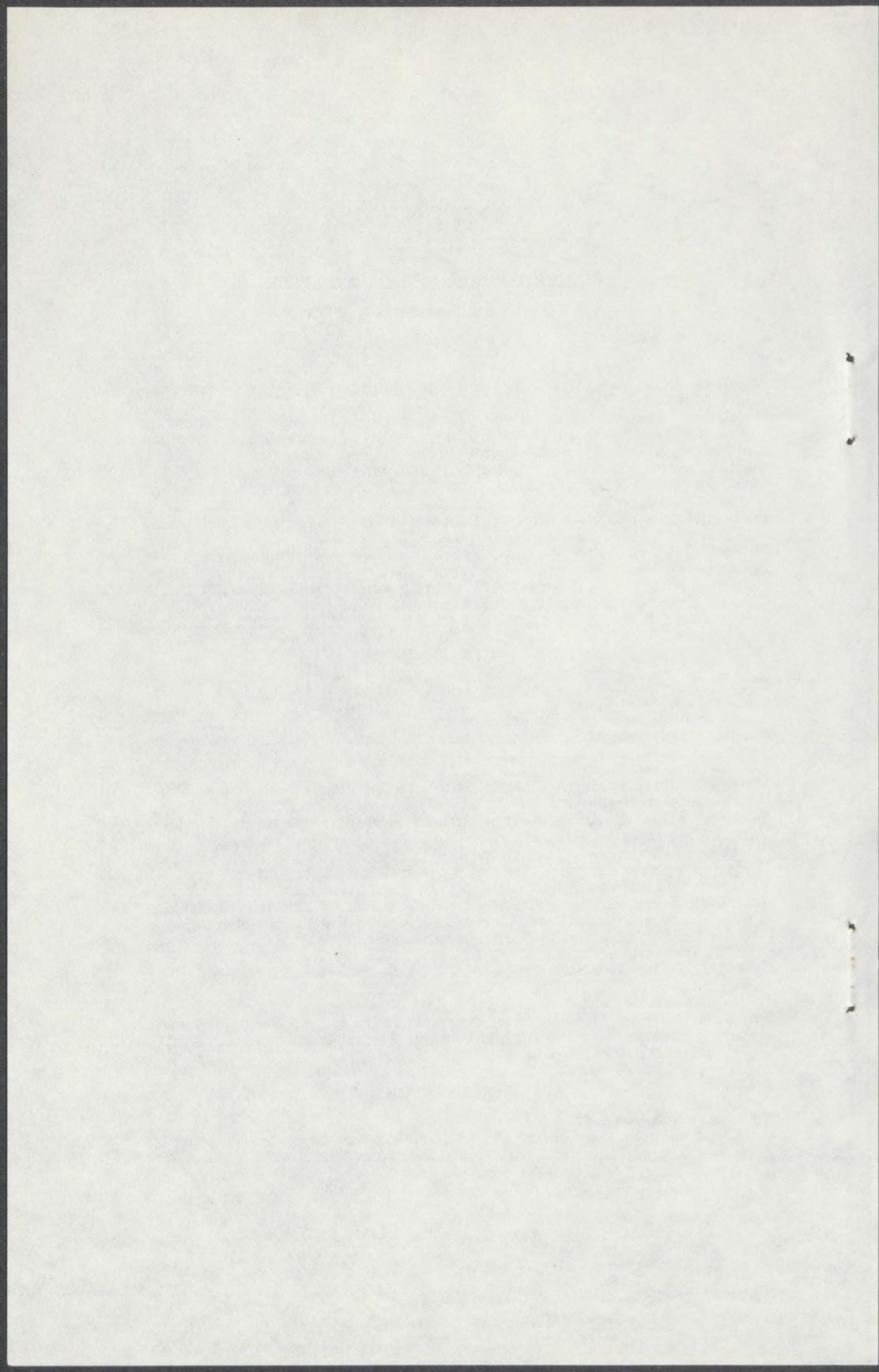
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OVERSIGHT HEARINGS ON ISSUES AFFECTING HISPANICS AND MIGRANT AND SEASONAL FARMWORKERS

SATURDAY, SEPTEMBER 6, 1980

U.S. SENATE, SUBCOMMITTEE ON EMPLOYMENT, POVERTY,
AND MIGRATORY LABOR OF THE COMMITTEE ON LABOR
AND HUMAN RESOURCES,

Milwaukee, Wis.

The subcommittee met, pursuant to notice, at 10 a.m., in the Spanish Center, 614 West National Avenue, Milwaukee, Wis., Senator Gaylord Nelson, (chairman of the subcommittee) presiding.

Present: Senator Nelson.

Staff present: Robert Knight, professional staff member.

OPENING STATEMENT OF SENATOR NELSON

Senator NELSON. The subcommittee will please come to order.

The Senate Subcommittee on Employment, Poverty, and Migratory Labor today will conduct oversight hearings to examine issues affecting Hispanics and migrant and seasonal farmworkers.

The subcommittee is pleased to have several representatives of Hispanic serving community-based organizations in Wisconsin as witnesses at this hearing. The organizations providing testimony today are broadly representative of the many agencies that provide important services to Spanish-speaking residents and new arrivals in Wisconsin, as well as the migrant workers and their families who are so important to Wisconsin's agricultural economy.

Because of the time constraints to which all hearings are subject, it was impossible to schedule testimony from all interested agencies in the State. Nonetheless, the subcommittee recognizes that the organizations not represented today also have provided much needed services in their communities and could provide the subcommittee with valuable insights and recommendations as it addresses future legislation. For this reason, the hearing record will remain open for statements from any other groups which might wish to comment on the issues before us. All such statements will be included in the permanent hearing record.

During my 11 years as chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, the subcommittee has conducted an ongoing review of the problems of low-income families and of the effects of poverty in both rural and urban areas. The subcommittee has responded to the needs of the poor and unemployed through the development and refinement of several major legislative initiatives, among them the Economic Opportunity Act, the Comprehensive Employment and Training Act, the

Youth Employment and Demonstration Projects Act, the Legal Services Corporation Act, and the Humphrey-Hawkins Act.

These bills authorize a variety of programs which are designed to improve the economic and social conditions of millions of Americans who have not shared in the full benefits of our Nation. The programs authorized by the subcommittee include services to individuals and families living on fixed or otherwise inadequate incomes, such as energy and weatherization programs and community food and nutrition programs; services to the structurally unemployed through the employment and training programs of CETA; services to improve the quality of life in low-income communities, such as the community action and economic development programs established under the Economic Opportunity Act; services to children and young people to help them break the vicious cycle of poverty, such as Headstart and youth employment programs; and services to increase the access of low-income persons to the legal system through the legal services programs.

In 1973, the subcommittee also assumed the responsibilities of the Subcommittee on Migratory Labor. Under that reorganization, the former Employment, Manpower, and Poverty Subcommittee became the authorizing subcommittee for the Farm Labor Contractor Registration Act (FLCRA), which establishes basic protective standards to be adhered to by those who recruit and utilize migrant and seasonal farmworkers.

It should also be noted that the various programs for which the subcommittee has oversight responsibility, include provisions for special services to meet the unique needs of migrant and seasonal farmworkers. For example, section 303 of CETA was authorized by the subcommittee to insure that low-income migrant and seasonal farmworkers would have the basic employment and training services of CETA available to them.

Today's hearings before this subcommittee will focus on three different but somewhat overlapping groups: migrant and seasonal farmworkers, migrant farmworkers who have determined to "settle out" of the migrant stream, and Hispanics. The subcommittee would like to focus on whether and to what extent the programs under its authorizing jurisdiction effectively and efficiently meet the differing needs of these populations.

The subcommittee is particularly interested in the views of the witnesses as to whether perceived problems are the result of administrative or legislative shortcomings. And the Subcommittee is equally interested in programs that you deem especially effective, programs that Congress and the Federal agencies might consider expanding or encouraging in the future.

Since this is an oversight hearing, the subcommittee desires to review what is working for your clients and your communities and why; just as it needs to know what is not working and how improvements could be accomplished.

As you know, the subcommittee is currently reviewing proposals to improve the youth employment programs originally authorized in 1977. During the next 2 years, the subcommittee will reauthorize the nonyouth CETA programs and the Economic Opportunity Act.

In my judgment, the public and the Congress will continue to support programs that lead to economic independence for the unemployed and disadvantaged. But the public wants some assurances that these programs are administered in an efficient manner and that they have a lasting impact on participants and, therefore, on the economy.

The subcommittee's initiatives mandate significant involvement of community-based organizations in the development and delivery of programs in their communities. The Congress must continue to strengthen community-based agencies if we are to reach those who need the programs which have been authorized. Your testimony today can help the subcommittee to develop programs that reach those in need and provide them with the skills necessary to build a better life. There can be no more important goal than to bring all our citizens into economic self-sufficiency; it is a goal that I share with you.

We need to complete these hearings in just about 2 hours, so there will be a limit of 10 minutes per presentation. If you can avoid repetition of the same statistics or issues, it would be appreciated. Your full statement will be printed in the record in any event.

Our first witness will be Mr. Lupe Martinez, executive director, United Migrant Opportunity Services, Inc., Milwaukee, Wis.

**STATEMENT OF LUPE MARTINEZ, EXECUTIVE DIRECTOR,
UNITED MIGRANT OPPORTUNITY SERVICES, INC., MILWAU-
KEE, WIS.**

Mr. MARTINEZ. Thank you. Good morning.

Mr. Chairman, members of the Subcommittee on Employment, Poverty, and Migratory Labor, respected audience, my name is Lupe Martinez. I am the executive director of United Migrant Opportunity Services. We are the DOL designated farm worker program for the State of Wisconsin.

On behalf of our organization, I wish to thank this subcommittee for inviting me to give testimony at today's hearing. Keeping in mind what the Senator has just said, I will attempt to keep my testimony as brief as possible.

Prior to the enactment of CETA in 1973, OEO provided direct national funding to the network of nonprofit farmworker organizations back in the 1960's to provide services to migrants and seasonal farmworkers throughout the United States.

Programs enjoyed and farmworkers received direct service benefits from the flexible service oriented programs, and I emphasize the word flexible. With the change in 1973, when CETA came into being, the programs were then transferred from OEO to the Department of Labor, and are now presently being funded specifically out of title III, section 303 of the act. They provided for a flexible comprehensive program design, as well as flexible eligibility criteria which allowed for broad based participation of migrant and seasonal workers.

With an extremely low educational level, coupled with limited or nonexistent English-speaking ability of many farmworkers, the task of equipping people with skills needed to enter other than agricultural labor markets is difficult at best.

However, with the flexibility again of earlier regulations, it was a feasible task. With the restrictions, however, imposed in the April 3, 1979, Department of Labor regulations, specifically precise time limitations on enrollment in the program and specific activities, that was no longer the case.

Flexibility went out the window. We are talking about such things as 78-week limitations on public service employment within a 5-year period beginning October 1, 1978; 30-month CETA enrollment limitation within 5-years, effective October 1, 1978; 1,000 hours during any 1-year period, and 2,000 hours during the 5-year period for adult work experience, effective October 1, 1978; and 104 weeks classroom training allowances in a 5-year period.

I must mention that the 104-week limitation had been in the regulations previously. While the regulations emphasized the provision of services to limited English speaking, the time limitations make this objective somewhat unrealistic, and I am directing myself to migrant and seasonal farmworkers.

It takes literally years in many instances for non-English-speaking persons to acquire the necessary language and occupational skills in order for him or her to compete in the increasingly sophisticated labor market of today.

With the limitations of 30 months of participation, long-range plans such as these are no longer feasible. Unless a farmworker enters a program with a good educational background, or is very close to having completed high school, postsecondary education may no longer be realistic. Yet it is clearly known that today's changing labor market requires more and more education.

For those thousands of people in this Nation, it would appear that CETA can now at best only begin to scratch the surface and complexity of the problem by offering farmworkers limited training, retraining, and education.

CETA program operators dealing with these intense problems cannot hope, in thousands of cases, to prepare clients for other than entry level employment in semiskilled jobs in a labor market which no longer demands people with these skills.

I must also state that in speaking to employers throughout the country, I find that the entry level and semiskilled type of individuals are no longer in demand. They are looking for skilled individuals.

Facing the projections that the need for agricultural workers will diminish 34 percent by 1985, this is according to the 1978 study of employment opportunities for Hispanic farmworkers, it is extremely necessary for the Department, the administration and Congress to deal with the issues now and provide increased funding for programs which will meet the needs of growing numbers of farmworkers displaced from agriculture in this decade.

Senator NELSON. Are you including all agricultural workers, or just migratory?

Mr. MARTINEZ. Migratory agricultural workers, as well as those farmworkers that are eligible under either CSA or 303, and other federally funded programs.

Senator NELSON. You are talking about a figure of 1,700,000?

Mr. MARTINEZ. Yes.

According to the National Association of Farmworker Organizations, there are approximately 5 million farmworkers in the country. Ask anyone around the country, and you will probably get differing figures.

If 34 percent are to be displaced by 1985, as you have put it, we are talking about 1,700,000 who will be out of work and seeking alternative employment, which will require extensive education and retraining.

It would seem appropriate to me, given the magnitude and scope of the problem, and the intensive education and retraining that must occur, that something must be done now. CETA funding for programs for migrant and seasonal farmworkers should be increasing in all States. This is not to say that the CETA allocation for seasonal migrant workers is decreasing. There has been a slight increase over the years.

However, I must explain that the amount of funds the State is allocated changes when the data base is changed, for migrant and seasonal farmworkers are using the data base of the social security at this present time. There have been other data bases that have been used in the past. When this happens, funds may be shifted from one State or another. The State will continue to receive a 10 percent cut here in Wisconsin, for example, from year to year until the allocation reaches the level that it should based on the formula allocation process and the data base that is used at the present time.

The result is that programing is not consistent from year to year. There is no allowance for inflation, and the funding level dictates the program plan and design, rather than the needs of the target population dictating what the program and the design of the program should be.

So literally thousands of farmworkers do not qualify for CETA under the 303 eligibility criteria. The eligibility criteria, and I will go over this briefly, when we are talking about the CETA Act, there is a two or three paragraph section in there that speaks about migrant and seasonal farmworkers, and that services will be provided to them, and that they are a national concern.

However, when it gets down to the hands of the officials who are going to be operating these programs, or I should say shelling out the money, the Department of Labor, for instance, regulations have been prepared.

What comes out of the CETA Act in terms of the concern for migrant and seasonal farmworkers, the need to address migrant and seasonal farmworkers then becomes something that is defined in the regulations. I will go through that very briefly.

In order to qualify for a 303 funded program, such as the one that we are operating, a person must have a minimum of 25 days worked in agriculture, or earned \$400 from farmwork. The person must have worked on a seasonal basis. The person must fall under either the OMB, Office of Management and Budget poverty guidelines, or 70 percent lower living standard income levels.

We are also talking about Metro, non-Metro. What area do they fall under? They must have earned at least 50 percent of the total income or worked at least 50 percent of the total time in farmwork,

as defined by the Standard Industrial Code, which by the way, excludes food processing, which is very high in Wisconsin.

The cause for ineligibility is generally not due to excessive income over the poverty guidelines, but rather ineligibility in many instances is due to the fact that the family has not earned 50 percent of income, or worked 50 percent of the time in farmwork, as defined by the SIC.

For the many migrants that migrate to Wisconsin, for example, each year to work in food processing, many are found ineligible due to food processing income. This figure amounts to approximately 19 percent of the migrant population in this State. We have derived this percentage from the figures that we have in our files, the contact that we had made from UMOS over the life of the program, which has been since 1965.

The problem is compounded by the fact that they are not eligible for title II-B program services, either due to the fact that States like Wisconsin are not the residence or principal dwelling or home of migrant farmworkers as defined by the general CETA regulations of May 20, 1980.

If CETA cannot, because of exclusionary eligibility criteria, provide services to the individuals, and title II-B will not, because of regulations, whether they be within the Federal regulations or State regulations, I would like to know who is going to address the employment and training and supportive services of the needs of people who migrate most of the year, and work in food processing, and for all migrant farmworkers who come into the State of Wisconsin, whose principal residence is not the State of Wisconsin.

What is the principal dwelling place of people who migrate 8 or 10 months out of the year? I do not know. Is it the intent of CETA title II-B to exclude or include migrant seasonal workers?

Again, it was clearly understood from the inception of CETA that title III, section 303, was intended to supplement not supplant title II-B, but in fact section 303 is the only course in most cases for migrant workers, and the restrictive eligibility criteria are prohibitive to a large segment of the migrant population.

Another section that disturbs me within the regulations is the entire verification system required by the April 3, 1979 regulations.

Senator NELSON. Is that by regulation or statute?

Mr. MARTINEZ. Regulations. But there is some language, I believe, in the Act that speaks about making sure that services are provided to those people who are eligible.

It is clearly evident that a verification system is required. However, the verification system that exists now in the regulations is not really one that is adaptable to a farmworker population that we are working with.

While 303 programs are required to implement this system, it does not begin to take into consideration the special characteristics of the migrant and seasonal farmworker population, such as out-of-State employment, and the difficulty in verifying that and similar information—calling Mexico, sending letters, calling or sending letters to Puerto Rico, attempting to verify employment histories, or other information on the intake on individuals who are from Cuba.

Programs encounter many problems, keeping the variety of definitions of migrants or seasonal farmworkers straight. To my

knowledge, there are at least five different definitions currently being utilized, and the variances cause confusion and frustration for the population involved.

To tell a migrant worker that he or she qualifies for CSA but not for CETA section 303, and maybe for services under migrant health clinics, but definitely for services under title I migrant education, is exasperating and confusing. Can a migrant be a migrant worker and then not a migrant worker? How can food processing be agriculture by one definition and not by another?

Why is food processing acceptable for CSA but not for CETA? Why is a relocated migrant a migrant for 1 year and then again for 5 years?

The inconsistencies are exhaustive, difficult to understand, and incomprehensible to a farmworker who does not know Federal bureaucracies, but knows that he or she has worked as a migrant for 25 years, and lived on less than poverty wages, and only completed 4 years of high school, and that he or she has just been told that he or she is not eligible for program services for some technicality.

There is no plausible explanation that can be given for the differences in definitions. The situation is disturbing, bewildering and only serves as impetus to further continued frustration.

The unfortunate result of this is that programs may be designed to impact strongly on certain problems farmworkers face, but the reality of the situation is that no one program has the effect that it should because farmworkers have multiple needs which are not and probably will never be adequately addressed by one source of funds.

Operators of farmworker programs spend endless hours trying to interlock Federal contracts to provide a comprehensive service program. It is common to find program operators with funds from CETA, CSA, HHS, and other Federal, State, and local funding sources, but this does little good when criteria differ immensely, or contracts are late and there is a gap in services.

To give you an example, the energy crisis assistance program. Everybody knows about this, all over the country. It provides all kinds of good services, outstanding fuel bills, establishment of a line of credit with utility or fuel vendors, clothing, blankets, replacement of broken windows, et cetera. This is very good. It is a very good program.

The unfortunate problem with this program was that funds were made available in March of this year, while the program was intended to begin in October of last year. What is gained from a program which is intended for winter months, and does not become operative until March, and expires in June of the same year?

CSA has made some very commendable efforts to provide services like those under the energy crisis assistance program, but fuel bills are not paid with promises, and it is of no comfort to a family to say that funds will be available soon. These types of programs should continue. Eligibility criteria under these programs are very flexible, and I think that we need these kinds of programs.

Very briefly, and I know my time is up, there is much that remains to be said about other federally funded migrant programs, and I wish I could cover them all. The written testimony which

was submitted last week covers much of the areas that I am interested in, in much more detail, with attachments.

Title I migrant education programs, very briefly, are very visible in many States. Programs are geared toward providing migrant youth affected by early departure from school and late return in the fall with necessary classes in the summertime in order to prevent students from getting behind. Education is a priceless necessity. We all know this. Yet title I migrant educational programs often have difficulty obtaining school sites to operate the program every single year.

It would be appropriate for regulations to address the need for school districts to cooperate with the State educational agency which operates title I migrant educational programs.

Child care funds. We need that. We look at assessments from several years ago. We can use those same needs assessments now. We need more money for child care. The same situation applies to health funds.

Senator NELSON. I am going to have to ask you to submit the balance of your testimony for the record.

Mr. MARTINEZ. Yes.

[The following was received for the record:]

FEDERAL PROGRAMS FOR MIGRANTS AND SEASONAL FARMWORKERS

Prior to the enactment of the Comprehensive Employment and Training Act of 1973, the Office of Economic Opportunity provided direct national funding to the network of non-profit organizations which were organized in the 1960s to serve migrant and seasonal farmworker populations throughout the United States. Programs enjoyed and farmworkers received direct benefit from the flexible service oriented programs. Programs such as day care services for migrant children so they would not be left unattended while their parents and older family members worked the fields were of primary concern as were Adult Education and training and nutrition. With the change in 1973 when CETA came into being, the programs were transferred to the Department of Labor funded out of Title III, section 303 of the Act.

From their inception Title III, section 303 funds were earmarked for services to migrant and seasonal farmworkers as a national program. The purpose of the Title and section were clearly stipulated:

"It is the purpose of Title III, section 303 of the Act to provide manpower and other services for those individuals who suffer chronic seasonal unemployment and underemployment in the agricultural industry . . . These individuals constitute a substantial portion of the nation's rural manpower problem and substantially affect the entire economy."

With this purpose in mind, early regulations stipulated that "programs will be flexible in design" and have two primary objectives:

1) Alternatives to Agricultural Labor - The objective called for the provision of services to migrants and other seasonal farmworkers who wished to seek alternative job opportunities to seasonal farmwork. These services were to equip participants to compete in other labor markets and to secure stable year round employment providing an income above the poverty level, and

2) Improved Agricultural Lifestyle - This objective called for services needed to improve the well being of migrant and seasonal farmworkers and their families who remained in agriculture (supportive services) and/or for services which would upgrade their skills to enable them to take advantage of jobs created through changing agricultural technology.

The early regulations provided for a flexible, comprehensive program design with eligibility criteria which allowed for broad base participation of migrants and other seasonal farmworkers. The criteria extended eligibility time frames to 18 months prior to date of application for services and provided for coverage of workers in the food processing industry with the stipulation that workers had spent a minimum of 25 days in actual farmwork as defined by the Standard Industrialization Code (SIC).

In many ways these early regulations provided much of the same flexibility that programs had experienced under OEO funding, and the design of services and activities allowed for flexibility and individualized programming for participants. While certain limitations existed, i.e., 104 weeks of subsidized classroom training, programs could design service delivery systems which met individual family needs because there were no maximum guidelines for total length of participation in CETA.

This flexibility proved to be vital:

THE TARGET GROUP AS A WHOLE IS CHARACTERIZED BY LOW FORMAL EDUCATIONAL ACHIEVEMENT.

A 1978 study of migrant workers in Wisconsin conducted by the University of Wisconsin shows that 29% of all migrant workers had completed less than five years of school.

The study further pointed out that over 70% of both men and women had completed eight or fewer years of school, while 1970 census data shows that 30% of non-migrant farmworkers in Wisconsin had completed eight or fewer years of school.

With an extremely low educational level coupled with the limited or non-existent English speaking ability of many farmworkers, the task of equipping people with skills needed to enter other than agricultural labor markets is difficult at best, however with the flexibility of earlier regulations it was a feasible task. Through April of 1979, programs found that regulations basically recognized the severity of the problem and provided for adequate programming, given funding constraints so that program operators could address those most in need and provide a full range and in some cases a lengthy development plan for participants.

With the restrictions imposed in the April 3, 1979 regulations, i.e., precise limitations on enrollment in the program and in specific activities this was no longer the case. Limitations set by Volume 44, No. 65, April 3, 1979, Section 676.30 page 20019 were as follows:

1. 78 week limitation on public service employment within a five year period beginning 10/1/78.
2. 30 month CETA enrollment limitation within five years effective 10/1/78.
3. 1000 hours during any one year period and 2000 hours during a five year period for adult work experience effective 10/1/78.
4. 104 weeks classroom training allowances in a five year period (the 104 weeks limitation had been in effect previously).

With the restrictions imposed in the April 3, 1979 general regulations, i.e., precise limitations on enrollment in the program and in specific activities this was no longer the case. While the regulations emphasized the provision of services to limited English speaking, the time limitations made this objective somewhat unrealistic. It takes literally years in many instances for a non-English speaking person to acquire necessary language and occupational skills in order for him/her to compete in the increasingly sophisticated labor market of today. The President's January 1980 document on youth programs for the 1980s specifically iterates that one of our every four jobs is now white collar and that the labor market will continue to see an increase in service occupations rather than industry through the 1980s with fewer and fewer jobs in the industrial labor sector.

CETA youth program participants are in a unique situation: time spent in youth programs is not counted against CETA participation limitations which are applied to adult participants. It is commendable that the regulations recognize to that extent that youth may require more training and services from CETA beyond their pre adult years. It is unfortunate, however that the same theory is not applied to farmworkers who never made it to highschool, who do not speak English, who have minimum English usage capabilities, who have worked in agriculture all or most of their younger and adult lives, and who have, in many instances, few identifiable marketable skills for other labor markets. Prior to the implementation of the April 3, 1979 regulations, an employability development plan for a limited English speaking farmworker could have incorporated Adult Basic Education

aimed at bringing the educational achievement and English competency to a level where the individual could enter occupational training or continue educational programming through GED preparation courses, and work experience as well.

In some cases 104 weeks of classroom training (defined as occupational/skill training or other, i.e., ABE/ESL, GED preparation) were completed by continuation into post-secondary, college level course work subsidized by 303 for up to two years.

However, with the limitations of 30 months of participation, long range plans such as these are no longer feasible. Unless a farmworker enters the program with a good educational background or very close to have completed high school, post secondary education may no longer be realistic, yet it is clearly known that today's changing labor market requires more and more education. For those thousands of people in this nation it would appear that CETA can now at best only begin to scratch the surface and complexity of the problem by offering farmworkers limited training, re-training, and education. CETA program operators dealing with these intense problems cannot hope in thousands of cases to prepare clients for other than entry level employment and semi-skilled jobs in a labor market which no longer demands people with these skills.

Facing the projections that the need for agricultural workers will diminish 34% by 1985 according to the 1978 Study of Employment Opportunities for Hispanic Farmworkers, it is extremely necessary for the Department, the Administration, and Congress to deal with the issues now and provide increased funds for programs which will meet the needs of growing numbers of farmworkers displaced from agriculture in this decade.

According to the National Association of Farmworker Organizations, there are five million farmworkers in this country. If 34% are to be displaced by 1985 that will mean 1,700,000 who will be out of work and seeking alternative employment which will require extensive education and retraining. It would seem appropriate, given the magnitude and scope of the problem and the intensive education and retraining that must occur that something be done now. CETA funding for programs for migrants and seasonal farmworkers should be increasing in all states, not decreasing as many states, Wisconsin among them, is experiencing. The overall CETA section 303 allocation has not decreased, however the funds allocated to each state is based on a formula utilizing a data base of farmworker population. The amount of funds a state is allocated changes when the data base is changed. When this happens, funds may be shifted from one state to another. The state which receives less funds is called "hold harmless." The hold harmless clause (Federal Register, Volume 44, No. 103, May 29, 1979, section 689.104, page 30597) stipulates that no state may receive less than 90% of the states planning estimate for the previous year. The state will continue to receive a 10% cut from year to year until the allocation reaches the level that it should based on the formula allocation process.

The result is that programming is not consistent from year to year; there is no allowance made for inflation and the funding level dictates the program plan rather than the needs of the target population.

Should the data base change again, more shifting will occur and states which receive higher allocations now could receive less and vice versa. Further more, we should not let ourselves be fooled into thinking that CETA, in particular section 303, in and of itself can resolve the problem.

1) The emphasis of CETA is employment and training but the CETA migrant and seasonal farmworkers appropriation is severely less than what it needs to be. Rather than shifting funds from one state to another, the allocation of funds needs to be increased substantially so that program operators can continue to maintain present levels of service and expand upon them.

2) Migrants and seasonal farmworkers have many additional needs which programs cannot adequately address because while regulations provide for a wide range of supportive services, programs oftentimes experience difficulty in adequately budgeting their funds to meet all of the needs. This is again particularly evident when funding is not increased and inflationary factors are taken into account.

For example, as minimum wages increase, classroom allowances increase accordingly and programs adjust the amounts allowable based on family size for such services as nutritional assistance and relocation assistance, recognizing the effects of inflation. Unfortunately the increased costs for these services must be obtained from one or more other program accounts. The effect is negative. Programs can serve fewer people with fewer services when more people are requesting services. Agencies such as CSA should reestablish sizeable budgets for a Migrant Division so that program operators can supplement their CETA and more reasonably address the supportive service needs.

3) Literally thousands of farmworkers do not qualify for CETA under the 303 eligibility criteria. The eligibility criteria as stipulated in the May 25, 1979 regulations for Migrant and Other Seasonally Employed Farmworkers, Volume 44, No. 103 are:

- a. A minimum of 25 days worked or \$400 earned from farmwork

- b. Worked on a seasonal basis - that is without constant year round employment.
- c. Fall under either OMB Poverty Guidelines or 70% Lower Living Standard Income Levels (LLSIL).
- d. Earned at least 50% of total income or worked at least 50% of the total time employed in farmwork as defined by the SIC.

The cause for ineligibility is generally not due to excessive income over the poverty guidelines. Ineligibility in many instances is due to the fact that the family has not earned 50% of income or worked 50% of the time in farmwork as defined by the SIC. Hundreds of people migrate to Wisconsin for example, each year to work in food processing. Many are found ineligible due to food processing income. This figure amounts to 19% of the migrant population in the state contacted by UMOS in 1979. The problem is compounded by the fact that they are not eligible for Title IIB program services either due to the fact that states like Wisconsin are not their residence (principal dwelling place or home) of migrant farmworker as defined by the General CETA regulations (May 20, 1980). If CETA 303 cannot, because of exclusion eligibility criteria, and CETA Title IIB will not, due to definitions, address the employment and training and supportive service needs of people who migrate most of the year and work in food processing, who will? What is the principal dwelling place of people who migrate eight or ten months out of the year? Is the intent of CETA Title IIB to include or exclude migrant workers? It was clearly understood from the inception of CETA that Title III, section 303 was intended to supplement not supplant Title IIB, but in fact section 303 is the only course in most cases for migrant workers and the restrictive eligibility criteria are prohibitive to a large segment of the migrant population.

Intake and Verification

It is clear from the CETA regulations that eligibility criteria are to be strictly adhered to and the intake process is very detailed; too detailed. Currently it takes anywhere from 45 minutes to 1 1/2 hours to complete a CETA 303 application for services. Some CETA applications are up to five pages in length and every year since its inception, the Department has added new items which must be included in the application form. The relevance of many of these items must be questioned.

If all 303 participants must fall under OMB poverty guidelines or 70% Lower Living Standard Income Levels in order to qualify, why must staff compute the income to determine if the individual's annual income based on the past six months is at 85% or 100% of the LLSIL as directed by the Forms Preparation Handbook, page VI-14-VI-17. 303 eligibility determination is based on income for 12 consecutive out of 24 months, but if that 12 months does not include the past six months prior to the date of application, another six months employment history must be added. What was intended to be flexibility for 303 eligibility purposes has turned out to be cumbersome and time consuming with no visible benefit because of the additional requirement. Other CETA titles require employment histories of 26 weeks while CETA 303 must be 12 months in order to determine eligibility based on criteria cited above.

The CETA applicant record must contain information relating to whether the applicant is institutionalized (hospital, prison, etc.) or is a foster child. Yet the Department does not require that this information be reported.

(Page VI-12 of the Forms Preparation Handbook).

Is it at all meaningful to ask a migrant worker or seasonal farmworker who follows the crops and whose length of employment depends totally on the growing season whether or not they were layed off or why they left their job? (Forms Preparation Handbook pages VI-14 and 17-18).

Items such as these only serve to make the intake process longer. The more time spent on intake, the less time there is spent on providing services. Without question, a detailed application process is necessary, but only to the extent that the information is useful and relevant, and unfortunately the examples provided above are not, in my opinion relevant to the determination of eligibility for migrant and seasonal farmworkers.

The entire verification system required by the April 3, 1979 regulations is yet another concern. It is clearly evident by even a cursory review of the system that it was designed for use on a permanent resident population. And, while 303 program operators are required to implement this system, it does not begin to take into consideration the special characteristics of the migrant and seasonal farmworker population. The system is included in its entirety following the testimony.

It requires that employment must be verified. Employment histories for migrant and seasonal farmworkers will list multiple employers (5, 6, 7 + per year) all over the mainland United States, Puerto Rico, South America, and Cuba. It is most difficult, if not impossible for farmworkers to recall exact addresses and employer names (as many know only their crew leader) for that many employers. Furthermore, I am quite certain that any attempts made to verify employment of refugees while they lived in Cuba will be futile.

For a mobile population the verification system becomes extremely expensive with constant mailings and follow-up mailings and phone calls out of state.

Verification of citizenship for a mobile population born out of state is another time consuming and costly procedure. United States citizens may carry their birth certificate with them when travelling abroad, and of course if you were born in the state in which you currently reside, the birth certificate is easily obtainable, but to try to verify citizenship for people born in Texas, or Puerto Rico or other states is a task of magnitude. Many have suggested that migrants be advised to carry their birth certificates with them. I cannot find any reason why they should since most U.S. citizens do not while they are travelling within the U.S. Furthermore, the Solicitor's office at DOL has stated that eventhough the verification system requires verification of citizenship, it is not enforceable, as no one can be required to present their birth certificate or other citizenship papers in order to continue to receive services. What is the point of requiring something that the Department admits is not enforceable? (Communication from DOL attached).

The list is endless and program operators are finding that in most cases information is only partially verifiable. I am sure that even general CETA program operators find the verification system time consuming and in need of improvements, but for purposes of section 303, the system is entirely inadequate. That is not to say that the system is not implementable. It, in fact is, but the results and the information obtained, at least for 303 program operators will be incomplete and we must question whether or not the cost of implementation is justifiable. UMOS' first quarter report on the verification conducted for the quarter beginning 10/1/79 - 12/31/79 is enclosed as an illustration of the results.

Definition of Migrant and Seasonal Farmworkers

Programs encounter many problems keeping the variety of definitions of migrants and/or seasonal farmworkers straight. To my knowledge there are at least five different definitions currently being utilized and the variances cause confusion and frustration for the population involved. To tell a migrant worker that s/he qualifies for CSA but not for CETA section 303, and maybe for services under migrant health clinics, but definitely for services under Title I Migrant Education is exasperating. How can a migrant worker be a migrant worker and then not be a migrant worker? How can food processing be agriculture by one definition and not by another? Why is food processing acceptable for CSA but not for CETA? Why is a relocated migrant a migrant for one year and then again for five years? The inconsistencies are exhaustive, difficult to understand and incomprehensible to a farmworker who does not know federal bureaucracies but knows that s/he has worked as a migrant for 25 years and lived on less than poverty wages and only completed four years of school and that s/he has just been told s/he is not eligible for program services for some technicality. There is no plausible explanation that can be given for the differences in definitions. The situation is disturbing, bewildering and only serves as impetus to further continued frustration.

The unfortunate result of this is that programs may be designed to impact strongly on certain problems farmworkers face but the reality of the situation is that no one program has the effect that it should because farmworkers have multiple needs which are not and probably will never be adequately addressed by one source of funds. Operating farmworker programs spend endless hours trying to interlock federal contracts to provide a comprehensive service program.

It is common to find program operators with funds from CETA, CSA, HHS and other federal, state and local sources. But, this does little good when criteria differ immensely or contracts are late and there is a gap in services. Take the Energy Crisis Assistance Program (ECAP) for example. Specifically the program allocated funds (up to \$400 per family) for payment of outstanding fuel bills over \$200 or when the total cost of heating the household was to exceed \$200.

Services included:

- establishment of a line of credit with the utility or other fuel vendor
- provision of short-term assistance in the form of emergency fuel supply, warm clothing, blankets, replacement of broken windows, firewood, fuel oil delivery, temporary shelter, nutrition, health and emergency repairs to housing when the family faced an energy related crisis caused by the high cost of energy or severe winter weather conditions, and
- direct cash assistance to migrants arriving in a state of up to \$50 to help offset the costs of household energy costs.

It was clearly stated in the program's guidelines that assistance was directly related to an energy crisis or hardship caused by such a crisis.

The direct cash assistance for migrants was clearly related to the transportation costs of travelling from home base to user states. With the rising cost of energy for home consumption as well as for automobiles it was clear that CSA was again acting in response to the concern that farmworkers could not afford the costs of travel north to work. The \$50 assistance did not, obviously cover the entire cost nor did it address the return home, but it certainly helped relieve a crisis situation which no one else seemed to be responding to adequately.

Despite the apparent flexibility, very strict documentation of need was required and coordination with other ECAP programs within the state was closely monitored to avoid duplication of services.

The unfortunate problem with the program was that funds were not made available until March while the program was intended to begin in October. What is gained if a program which is intended for winter months does not become operative until March and expires in June? CSA has made some very commendable efforts to provide services like those under ECAP, but fuel bills are not paid with promises and it is of no comfort to a family to say that funds should be available soon. Programs like ECAP must continue. Eligibility guidelines are flexible and services, as they relate to energy were crisis oriented, but the funds must be made available during the time of year for which their use was intended.

CFNP (Community Food and Nutrition Program) also funded by CSA has also provided a needed services and the flexibility to implement many self-help projects such as gardens, and buying clubs, aside from the ever needed direct purchase program. But the program funding level is not increasing for farmworkers and the number of families served will continue to shrink if allocations do not increase.

Recognizing that the youth of farmworker families due to economic status do not often have the opportunity to attend and/or participate in recreational activities and field trips which the majority of this nations' youth are accustomed to, CSA has provided funds for Summer Youth Recreational programs. The program provided some very unique opportunities for farmworker youth: field trips to museums, zoos, sporting events, and amusement parks as well as supervised group recreational activities. Since the programs did not allow for staff costs, program operators im-

plemented these activities for youth without additional staffing. It is unfortunate that the programs is not scheduled for refunding in 1981. The program provided perhaps the only source of recreation for farmworker youth ages 8-13 who would otherwise remain in the camps which did not provide for playground areas most youth have access to. Because of the location of camps in relation to the nearest town/city where playgrounds are available, most farmworker children do not benefit from these community resources. Rather than defunding this program, funds should be increased so that more farmworker youth can participate in a greater variety of activities during the summer months.

It is these types of programs which CSA administers that need to be expanded upon. The reason is simple; eligibility guidelines are more flexible and more disadvantaged migrants and/or seasonal farmworkers are eligible for services. CSA could do much to improve the service network by adding more supportive service funding to its budgets with specific migrant and seasonal farmworker set asides. This is particularly necessary with funding cuts and the dollar stretching that occurs within 303. Consideration should be given to the health needs of farmworkers to supplement existing health service programs and transportation problems that farmworkers face. Migrants coming to Wisconsin, for example, not only pay dearly for the price of gas, but the average hourly wage in Wisconsin is .61/hour less than the national average (U.S.D.A. Agricultural Reporting Service in Wisconsin) \$3.32 nationally compared to \$2.71 for Wisconsin in July 1979. This is a severe difference wne when coupled with the price of gasoline and inflation, the effect is devastating.

There is much that remains to be said about other federally funded migrant and seasonal farmworker programs.

Title I Migrant Education programs are visible in many states. Programs are geared toward providing migrant youth affected by early departure from school and late return in the fall with necessary classes in the summer time in order to prevent students from getting behind. Education is a priceless necessity, yet Title I Migrant Educational programs often have difficulty obtaining school sites to operate the program. It would appear that even the "educated educators" of many rural areas which employ migrant farmworkers do not feel their schools should be available to the children of migrant workers. Is it possible that people consider education is not needed by the children of migrant workers? It is no wonder why the educational level of migrants continues to be the lowest in the nation with 4.5 years of education.

It would be appropriate for regulations to address the need for school districts to cooperate with the State Educational Agency which operates Title I migrant education programs.

In addition, migrant education programs are funded on a per pupil basis. With this formula, programs can meet the needs of the students they serve, however, if this mechanism is changed and a ceiling imposed as is proposed this will adversely affect the program's ability to adequately serve students since a ceiling will not take into account inflationary factors.

Child care funds only begin to meet the need. Needs statements which were written ten and fifteen years ago regarding the problems of minor children in

need of adult supervision and care due to working adults and older youth of farmworker families can still be used today to state the need for child care services.

The problem has not changed. More dollars are needed to provide adequate care for children of farmworker families. Yet, the amount of funds available does not increase and programs attempt to provide adequate services with inadequate funds. The obvious result is that not all children are cared for.

The same situation applies to health funds available for services to farmworkers. Health care is extremely expensive and costs are often prohibitive to farmworkers. Health care is obtained in many cases only on an emergency basis and preventive screening is only provided by health clinics. The study conducted by the University of Wisconsin in 1978 indicated that 29.6% of the migrant population had never received a general physical examination compared to .3% of the Wisconsin resident population over 15 years of age. 45.5% of the migrants surveyed had not obtained any health services at all during the past year. Similarly, 24.6 of the migrants surveyed had never been to the dentist compared to .9% of the resident population 15 years or older and only 24.3% had been to the dentist within the preceding year compared to 57.8% of the resident population. These statistics are not surprising considering that the annual income of migrant farmworkers in Wisconsin was \$1,194 per capita, compared to \$6,441 average per capita in the U.S. in 1976 according to the University study. This amount does not begin to cover basic needs of food, clothing and shelter and obviously will not stretch to cover regular care.

Farmworkers must rely on alternative sources of health care in order to meet their needs. Not only do farmworkers not have the resources with which to purchase health care, they are characterized by some very startling well publicized statistics.

--The average life expectancy is 49 years compared to 73 years for the U.S. population at large.

--The infant mortality rate is 25% times the national rate.

--44.5% of farmworker households have one or more disabled members compared to 10.6% of the population as a whole.

--The rate of influenza, pneumonia, other infectious diseases and parasitic infestation is 20% higher than that other Americans while the rate of death due to TB is 25 times greater than that of other Americans.

It is not enough to say that migrants and seasonal farmworkers need better health care. That has been proven time and time again. It is also proven that farmworker wages are severely below that of the general population and they cannot afford health care services. They do not have insurance and many states, even in 1980, do not require workmens compensation coverage for farmworkers. It is discouraging to note that even medical assistance benefits are being denied because of residency to some Wisconsin migrants. When you exhaust the potential list of resources (cash, insurance, medical assistance), the obvious result will be that people will go without health care unless free services are available.

As these services are limited due to financial constraints of health clinics what alternatives remain? If we wish to see improvement in the health statistics presented above, it is imperative that free services, preventive services are maintained and expanded upon.

* * * * *

Were it not for legal services programs, particularly, migrant legal services components, this population would be left without any source of recourse. It is inconceivable to think that this may happen. For those who say that adequate laws exist to protect farmworker and legal services are not needed, it is precisely because those laws are broken that legal services are needed. In Wisconsin there are for example, workers earning less than \$2.00/hour. Legal services assistance is their only hope. If the laws are not to be respected and obeyed, then legal services must be afforded to the victims of those crimes.

It is precisely because legal services programs have been effective in serving migrants and seasonal farmworkers that some legislators want the migrant appropriation deleted from the legal services appropriation. It is easy to see why. If legal services programs are effective, it means that people who have exploited farmworkers have been made to correct their negative actions and respect the law. Obviously, the attitude which extends from these situations is one of adversity toward legal services programs and consequently the employer will want to be rid of the situation and advocate to his/her congressional representatives that the appropriation for such programs be deleted.

But the bottom line of the matter again is that if employers or others did not break the law, farmworkers would not need legal services protection. Since this is not the case and farmworkers continue to be abused and the victims the appropriation for farmworker legal services needs to be increased, not deleted.

The legal protection of farmworkers is of national domain. Obviously the exploitation and victimization is less in some areas and greater in others. There is no question that many employers treat their employees in the correct fashion and adhere to the laws which exist, but we cannot ignore the fact that many others do not and it is precisely for this reason that legal services must be provided in the same fashion that we insure legal assistance to other economically disadvantaged segments of the population.

Occupational Safety and Health Hazards Encountered by Farmworkers

Farmworkers are unique in American society in their categorical exclusion from Federal and State statutes which guarantee the ability to earn decent wages, work under tolerable conditions and bargain for employee rights and benefits. It is then consistent with this exclusion that farmworkers are not afforded the same protection as other industrial workers in their occupational setting, due to limited coverage by the Occupational Safety and Health Act of 1970¹. As a result of this exclusion, agriculture continues to be the third most dangerous workplace, with a fatality rate approximately four times higher than the average fatality rate for all industries. The National Safety Council reports that although farmworkers make up only 4.4% of the national workforce, they suffered 16% of the occupational fatalities and 9% of the disabling injuries.

A superficial review of the conditions faced by migrant and seasonal farmworkers reveals a highly unsatisfactory set of circumstances. Health and safety hazards encountered by the agricultural workers are identical to those found in other types of industries: toxic substances (pesticides and fertilizers), nuisance dusts, heat stress, noise from mechanical harvesters and other farm machinery, etc. However, unlike other industrial workers, the agricultural worker is continuously exposed to his work environment as he often lives in the vicinity of the fields and consumes the product of his work. Thus, this greater than "general public" exposure to toxins takes a great toll on the quality and quantity of health of the farmworker and his entire family. Continuous exposure to these chemicals can cause disease by producing damage to a particular organ system, causing alterations in physiological function or inducing changes that aggravate pre-existing conditions.

As a result, a disease may occur at an earlier stage in the life cycle or may cause shortening of the life cycle itself. This is best illustrated by the facts: 2,3

migrant workers life expectancy is 49 years compared to the national average of 73.

birth injuries result in many cerebral palsy and mental retardation

migrant death rate from influenza and pneumonia is 20% higher than the national average

death from tuberculosis and other communicable diseases are 25 times higher than the national average.

PESTICIDE EXPOSURE AND TOXICITY

The subject of pesticides and agricultural worker safety is a complex one involving many issues. It is inextricably tied to diet, housing and sanitation as food laden with pesticides, labor camps indiscriminantly sprayed by dusters and lack of adequate facilities to wash in the fields, are all part of the farmworker occupational experience.

California is the leading state in the nation in agricultural production and agriculture is its major industry. A cooperative study by the California Department of Health and the California Department of Food and Agriculture on illnesses due to exposure to pesticides or their residues revealed that 1518 cases among workers of all types in California were reported by physicians in 1977⁴.

It is felt that the preponderance of known pesticide residue poisonings in California is due to the climatological factors which enhance the toxicity of the organophosphate pesticides.⁵ The fact that fewer cases of acute poisonings are reported in other states may be partially due to the fact that California is the only state which has a mandatory reporting system. For example, southern Texas, Arizona, and many areas of Florida have crops, climate and agricultural practices very similar to that of California. Yet, their incidence of pesticide poisoning data is incomplete and tells little of the occupational hazards of pesticides in their respective states. According to Dr. Ephraim Kahn, M.D., Chief, Epidemiological Studies Laboratory, California State Department of Health, the California data is also incomplete "we think that the number of officially reported cases of residue related illness may possibly be no more than 1% of the actual number."⁶ This underreporting is largely due to misdiagnosing pesticide related conditions, as the common symptoms of mild poisoning are similar to those of influenza.

Acute pesticide poisonings are likely to occur in applicators, mixer-loaders, scouts, and pickers. Migrant and seasonal farmworkers are likely to perform all of these tasks. Applicator poisonings occur in persons who work with pesticide concentrate. Illness as a result of this type of exposure is usually more severe and protracted, and the fatality rate is high.⁷

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* * *The best means to prevent occupational dermatoses is to prevent contact with causative factors. Properly chosen, worn and maintained personal protective equipment (goggles, masks, coveralls, rubber boots, gloves, etc.) should be available to farmworkers. The availability to the worker of showers at the end of the day and the opportunity to change clothes are crucial in preventing the spread of pesticide residues and other toxic agents. Illustrative of farmworker exclusion from protective standards promulgated by OSHA is the Arsenic Standard, issued May 5, 1978. Under its provisions for hygiene facilities and practices, it states that when employees are subject to the possibility of skin or eye irritation, the employer must provide change rooms and showers. Farmworkers are exposed to arsenic in their workplace, i.e., arsenic is used as a defoliant on cotton just prior to harvest, yet farmworkers continue to remain unprotected against this highly toxic agent.

The long-term effects of low dose repeated pesticide exposure are less well understood than the acute effects but many of these chemicals are on both OSHA's and EPA's suspected carcinogen list.^{12,13} Data on the cancer incidence due to one specific chemical is minimal in the farmworker community as workers are exposed to a multitude of pesticides and epidemiological studies are impossible to control for all the confounding variables. However, in the industrial setting these chemicals have been implicated in cancer causing. Exposure to arsenical pesticides has been associated with increased risks of developing skin cancer, leukemia and lung cancer among pesticide workers.¹⁴

Numerous other chemicals, such as hexavalent chromium, benzene, creosote which have been used in pesticides as the active ingredient or as a vehicle for application, have been implicated in human cancer causing.¹⁵ In the past vinyl chloride, a well known cancer causing chemical was sometimes used as a propellant. Talc, soapstone, and pyrophyllite were often used as pesticide carriers; these substances were occasionally mixed or contaminated with asbestos.¹⁶

Some pesticides affect the reproductive system. The term reproductive effects refers to the inhibition of reproduction and is thereby distinct from teratogenesis which generally refers to malformation of the fetus. Reproductive effects are believed to occur through some hormonal action of the pesticide or some effect on the endocrine system. A teratogenic agent is a chemical which causes fetal malformation by affecting the fetus during formation, without necessarily exerting any effects on the parent. Some compounds, such as kepone and benomyl, may exhibit both reproductive and teratogenic effects.

There is a substantial amount of animal data on the teratogenic effects these chemicals possess, yet the Environmental Protection Agency hesitates to suspend and cancel these chemicals.

Captan, folpet, and captafol are pesticides chemically related to thalidomide (Thalidomide was the drug administered to mothers which resulted in children born with obvious malformations such as missing extremities). The offspring of hamsters exposed to these chemicals manifested teratogenic effects which included head abnormalities and

exceptionally short or curved tails, fused ribs and limb anomalies and vertebral defects.¹⁷ This data has been available since 1970. The EPA has just recently triggered (August 1980) its review procedure to look at the adverse health effects of captan.

Numerous other chemicals which have been and continue to be used as pesticides, such as arsenic, mercury and warfarin have been linked to human birth defects.^{18,19}

Some epidemiological efforts have been made to assess the possible reproductive damage in women who are exposed to pesticides occupationally. Association has been made between high blood levels of organochlorine pesticides and reported menstrual dysfunction in Colorado migrant farmworkers.²⁰ The National Institute of Neurological and Communicative Disorders undertook a study of the causation of cerebral palsy in 1959 which was to follow through the women and their offspring for 15 years. The result of this study indicated first and second trimester uterine bleeding among those women exposed to pesticides. These women were tobacco and cotton farmworkers. Additionally there were more cases of polyhydramnios (excess amniotic fluid) more premature deliveries and more low birthweights. For the children there were more suspected or definite neurological abnormalities at one year. There were 31 fetal deaths in the pregnancies under study when only 21 were expected. Retrospective medical histories of these mothers reported significant excess of prior stillbirths, fetal deaths and premature deliveries.²¹

These reproductive problems are still present according to personal communications with investigators from the University of Wisconsin, Department of Rural Sociology. A survey of migrant workers in this state showed that of the 145 women interviewed, 15% had experienced one or more children dying after birth. They also found that 26% of the women experienced a pregnancy that did not result in a live birth, where a national survey showed that 13% of the women experienced a fetal death.²² The rate of miscarriage among migrants is two times the national rate.

Another recent study conducted by Dr. Paul Tocci, M.D. of Jackson Memorial Hospital, Miami, suggested pesticides as the chief suspect in excess birth defects in Dade County, Florida.²³

Reproductive organs dysfunction is not limited to women. Impotence and sterility has been documented among men working with pesticides.
24,25,26

Recently the pesticide benomyl, has been found to suppress sperm count in animals. It also causes birth defects in laboratory animals. As a result of these findings, the Environmental Protection Agency has instituted label warnings to indicate potential reproductive effects.²⁷

EPA's regulatory action to change the labels to warn female workers about possible birth defects is insufficient to protect the health of male, and female workers and their children. In fact, a warning to female workers through the label may serve only to promote discrimination by industry. Industry may be held liable if an offspring is deformed--and, one industry solution already in practice is to simply exclude women from the workplace, insuring no exposure and sub-

sequently no liability.

Farmworking women, a population highly at risk through the use of these chemicals in the fields, never see a pesticide label. This type of warning serves only to protect industry from liability as well as the regulatory agency from responsibility.

Because of the lack of medical facilities, the absence of unions, low income, and social and cultural barriers, farmworkers who suffer early symptoms of residue poisoning are far less likely to seek and receive medical attention than other industrial workers. When they do consult a doctor, they are far less likely to be treated and reported as a case of occupational illness. Thus, there is no way to determine the number of pesticide-injured workers who do not seek medical attention.

Organic Dusts

Organic dusts may contain plant fibers or fungi, bacteria, and their products. The diseases they cause are frequently the result of an allergic reaction to the inhaled dust. Farmers lung is caused by dust from moldy hay and other vegetable products. Bagassosis is caused by the fibers of sugar cane after the juice has been extracted. Both are acute illnesses like pneumonia. Recovery usually follows a first episode, but repeated episodes may lead to lung scarring and a decreased capacity in the volume of air the lungs can hold.²⁸ Many other natural substances cause similar reactions. Mushroom workers are faced with particularly hazardous conditions. The cold and damp of the mushroom house is ideal for the growth of fungi. The air is laden with mushroom spores and strong chemicals. Health officials

have noted a high incidence of respiratory disease (TB, pneumonia, emphysema, bronchitis, asthma, and "mushroom lung") and skin infections among mushroom workers, and have concluded that there is medical evidence linking these conditions to their work environment. These illnesses are believed to result from allergic reaction either to chemicals or mold spores in the growing medium. It has been recommended by the Delaware and Pennsylvania Advisory Committees to the U.S. Commission on Civil Rights that respirators should be provided by growers and worn by all workers in mushroom houses; they further recommend that OSHA study these conditions and develop strict regulations to protect mushroom workers. Testing also revealed that workers in (mushroom) canneries, even wearing gloves everyday, have gotten fungi under their nails, raising the nails and eventually destroying them. ²⁹

Stress and Fatigue

The high temperatures under which migrants work frequently cause severe environmental heat stress. The temperature is usually well above 90 degrees. In other occupational settings, extreme heat has been associated with hypertension. This is consistent with the farmworker experience. Where one of the most frequent chronic condition is hypertension. ³⁰ The rate of repetitive tasks can also be a source of stress. A fast work rate can cause strain, feelings of fear, anxiety, fatigue, depression, isolation, loneliness and a loss of identity or individuality. Aside from these emotional

stresses, fast repetitive motions may also cause inflammation of the joints and tendons of the hands. Fatigue is closely related to stress. General fatigue is caused by the accumulation of all the various stresses that a person experiences; monotony, long hours of work, environmental conditions, climate, light and noise, disease, pain and nutritional deficiency, mental and physical exertion at work and mental causes such as responsibilities, worries and conflict. Studies show that workers experiencing stress and fatigue have a higher rate of accidents than other workers. A 1976 University of Wisconsin study of Wisconsin farm accidents also revealed that human factors such as fatigue, haste and attitude are involved as causes of accidents. This study noted that fatigue from long hours worked tends to make workers accident prone and recommended correction for fatigue and other human factors through better pacing of work. Chronic fatigue also lowers resistance to disease.

Falls

Ladders are one of the greatest sources of farm injuries. Fruit pickers must work from atop ladders while the increasing weight of their sacks makes it difficult for them to maintain their balance.

Unsafe ladders are also a primary safety hazard to mushroom workers. Mushroom beds are piled 10-12 feet higher, workers are required to stand on catwalks to reach the upper 5-6 feet of the beds. The catwalks are approximately two feet away from the mushroom beds on each side.

Since there is no guard rail alongside the planks, it is possible for a worker to slip on them when they are muddy and fall between them and the beds. The mushrooms are grown in total darkness and the workers wear helmets with a light that only allows them to see directly in front of them. There is the constant danger of the ladder rungs and catwalks becoming slippery from the cold and damp of the mushroom house. Unless ladders and catwalks are made safe for secure footing, twists, sprains, and falls are prevalent. Agriculture is exempt from protection under the OSHA general industry standards, thus farmworkers are not protected by standards for ladders or walking and working surfaces.

Trauma and Back Strain

Strains and sprains to employees of field crops and vegetable farms can be attributed to exertion in lifting containers or to stooping for long periods of time. Related to the position of pickers while working are chronic orthopedic conditions such as scoliosis and laceration of the vertebrae column and chronic aching backs and shoulders. A Wisconsin Health Survey indicated that diseases of the circulatory system are frequently reported by farmworkers in Wisconsin.³¹

Circulating insufficiencies in the lower extremities are related to the long hours of standing while working. NAFO's phone survey of migrant health clinics revealed widespread complaints by farmworkers about backaches and low back pain.

Field Sanitation

While sanitation standards have been required by OSHA of all permanent workplaces and construction sites since 1971, there is no such standard required for the health of agricultural workers in the field.

Since agriculture is exempt from the general industry standards under OSHA, the protections available to other industrial workers (drinking water, toilets and washing facilities) are denied to farmworkers.

The lack of field sanitation is a threat to farmworker health. Field toilets, where they exist, are too few and/or too distant to accommodate the workers. They cannot afford to lose the wages that could be earned during a long walk to other toilet facilities and crew leaders and farmers resent their leaving the field. Consequently, they urinate and defecate in the field, and continue to work with unwashed hands, contaminating the food supply of the nation and promoting the transmission of fecal-borne bacterial and viral diseases and other parasitic infections.³²

Electrocutions

The upward trend in fatalities related to electricity in regions where agriculture dominates points to yet an additional need for greater electrical safety efforts. The largest number of electrocutions were caused by contact of irrigation pipes and metal picking poles with overhead high voltage lines. The substitution of fiberglass picking poles has been suggested as a means of preventing this type of accident.

Transportation

The isolated nature of migrant camps makes transportation a key need. It is an ever present hazard for migrants. Always on the move to new camps or fields, they are often transported standing on truck beds completely unprotected and in serious danger in the event of any accident. When other vehicles are used, they are frequently worn out city of school buses already once discarded as unsafe. Migrants who travel in their own cars are scarcely better protected. There is little money for proper car maintenance, cars are often over-loaded and drivers are fatigued.

Poor Housing

According to the National Bureau of Standards (1973) and Centaur (1976), there are over 20,000 labor camps in the country. Historically, labor camps have been labeled as substandard to despicable. A recent phone survey (NAFO, December 1978) to migrant health clinics across the nation brought forth comments that could be summarized by characterizing the range of migrant housing available as adequate to deplorable. It should also be noted that while some farmworkers are sometimes able to occupy privately owned rental housing, many others must often resort to living out of their cars or remain otherwise unsheltered.

Interamerica Research Associates (IRA) undertook a study of the quality and condition of temporary farm labor housing available to migrant workers and the consequences of those housing conditions on the health of those workers. It should be noted that the findings of the in depth housing assessment are based on licensed farm labor camps which

may be labeled as the better housing available to farmworkers. The IRA study revealed that "In general, . . . housing was of substandard quality and in violation of public health regulations, public health principles and practices.

An in depth analysis (IRA) of health data was done comprising six disease categories which are environmentally related (Accidents, Dermatologic Disorders, Childhood Diseases, Infections and Parasitic Intestinal Disorders, Pulmonary Disorders, and Ear, Nose and Throat Infections). The results revealed that migrants recorded a higher percentage of morbid conditions in all of the above named categories than did nonmigrants. "Overall, the distribution of morbid conditions . . . reflected a significant difference in the distribution of conditions between the migrant and nonmigrant population. The NAFO survey of health clinics across the country reflected similar high incidences of the above environmentally related conditions.

The IRA study found in relating health to housing conditions that "...as the frequency of a particular housing condition increased, particular morbid conditions were noted to occur at an increased rate. The associations were statistically demonstrated to be inversely related to the following specific housing and health conditions:

- *A poor interior environment that is cold and damp is associated with an increased incidence of otitis and lower respiratory infections.
- *The presence of a toilet in a sleeping area is associated with an increased incidence of gastrointestinal distress, anorexia and gastroenteritis.
- *Substandard and unheated rooms are associated with an increased incidence of upper respiratory infections and measles.

*Single bed usage by families is associated with an increased incidence of impetigo and emotional distress.

*Multi-use sleeping rooms are associated with an increased incidence of bronchiectasis disseminated tuberculosis, influenza and tonsillitis.

*Single bed occupancy by adults in a setting which allows for space and privacy is negatively associated with an increased incidence of lower respiratory infection and pneumonia.

Conversely, as housing conditions improved, the incidence of illness decreased:

*A sound interior with dry walls is related to a decreased incidence of upper respiratory infections such as sinusitis.

*Rooms with bunk beds which meet OSHA standards are associated with a decreased incidence of sinusitis and chicken pox.

*Clean and convenient quarters are associated with a decreased incidence of alcohol and drug abuse.

*Adequate bathing facilities are associated with a decreased incidence of emotional distress.

The IRA study cited the lack of central laundries as a critical factor requiring policy attention. Working with chemicals and pesticides poses hazards which make facilities for washing work clothes separately essential. Accordingly, if clothes cannot be readily or adequately cleaned, personal health is placed in jeopardy. Where laundry facilities are not accessible, kitchen sinks and bath tubs become obvious substitutes. Chemical residues can result and pose a direct threat to health by contaminating food or affecting the body when the tub is used for bathing (emphasis added).

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Senator NELSON. When we have completed our oversight hearings here and in Washington, the issues raised in the record on conflicting rules, regulations, and various problems in the administration of programs, will be submitted to the Labor Department. They will be asked to come in and testify and comment on the problems that have been raised by people like yourselves, who work with the low-income and unemployed individuals who are to be served by these programs. Out of that interchange we hope that a reconciliation of the problems, and elimination of some of the conflicts that make it difficult to administer programs will occur.

There is not any question but what somebody without an education, without being able to speak the English language, requires a whole series of training programs and a multiplicity of supportive services. We are aware of that in the subcommittee, so that is one reason for the hearings.

Your statement will be printed in full in the record, Mr. Martinez, and we appreciate your taking the time to come this morning.

Mr. MARTINEZ. OK, thank you very much.

Senator NELSON. Our next witness will be Mr. Rodriguez, executive director, La Raza Unida de Jefferson, Jefferson, Wis., accompanied by Mr. Ricardo Enriquez, executive director, Spanish Centers of Racine, Kenosha, and Walworth Counties, Racine, Wis.

Would you identify yourself for the reporter, so that your remarks are accurately attributed?

STATEMENTS OF PEDRO RODRIGUEZ, EXECUTIVE DIRECTOR, LA RAZA UNIDA DE JEFFERSON, JEFFERSON, WIS., ACCOMPANIED BY RICARDO ENRIQUEZ, EXECUTIVE DIRECTOR, SPANISH CENTERS OF RACINE, KENOSHA AND WALWORTH COUNTIES, RACINE, WIS.

Mr. RODRIGUEZ. My name is Pedro Rodriguez, executive director of La Raza Unida de Jefferson, Dodge County, and Mr. Enriquez and myself will be presenting joint testimony on several topic areas.

I want to thank you for providing us with the opportunity to present our concerns in the following topic areas: economic development, rural housing, community development block grants, and weatherization.

Raza, and I include all Hispanic origin people when I say Raza, have lived in Wisconsin for well over 80 years. In the early 1900's most were migrant farmworkers traveling from the Southwest to the harvest the crops in the Midwest. A very small percentage of the total State population at the time were permanent residents. World tragedies, World War I and World War II, created shortages of labor in the highly industrialized areas of the State.

As a result of the labor shortage, migrants were recruited to work in tanneries, foundries, steel mills, and other related industries. Over a period of time, relatives and friends of those that stayed, started to migrate to Wisconsin, not to work in the fields, but to work in the industry in southeastern Wisconsin.

Today we compose approximately 8 percent of the total State population, with the largest pockets of Raza being in cities like Milwaukee, Sheboygan, Racine, Kenosha, and Waukesha. In rural

Wisconsin we have small pockets of populations composed of resettled migrant farm laborers, those cities being Jefferson, Whitewater, Delevan, Beaver Dam, Watertown, Columbus, and East Troy. These are considered small cities. There are townships and villages which have two or three Raza families there. In essence, what I want to emphasize is that Raza is all over the State.

Yet when we look at that Raza, and the development of that Raza in terms of people development, and we look at how that Raza fits into the total community, we find that we are a good 50 years behind other ethnic groups that have migrated to Wisconsin, with the exception of the blacks. We are approximately 10 years behind blacks, and they are a good 40 years behind the rest.

What you will hear today from us are the problems with the programs which are designed to expedite human development of Raza and the poor in general.

Economic development for Raza is a relatively new term, and as of now has not entrenched itself in the minds of planners with Raza CBO's. Raza Unida has worked at trying to develop this concept as a viable vehicle which can be used to expedite the economic self-sufficiency.

After 3 years of work and research, we have found that there are approximately 150 Raza owned and operated businesses in Wisconsin. Ninety-five percent of these businesses have gross sales of less than \$200,000 per year. Ninety-five percent are ma and pa groceries, restaurants, bars, and barber shops. All are service oriented. Not one business was an industrialized production oriented business.

Senator NELSON. How many people do they employ?

Mr. RODRIGUEZ. I could not say at this point. I could gather that information for you, but I really do not know.

Ninety-five percent are ma and pa grocery stores, restaurants, bars, and barber shops, all service oriented. Not one business was an industrialized production oriented business. This is not to say that there have not been attempts at the development of those types of businesses. Raza Unida became involved in trying to assist two such businesses. With both businesses, the major problem was venture capital.

When we attempted to utilize State and Federal agencies for technical assistance on how to capitalize a business, we were met with closed doors and in all cases the technical assistance provided was superficial.

The first agency we went to was SBA. We were told that they had no money and could only assist in the development of loan packages. We were not made aware of any other Federal loan or grant programs. We then went to OMB. We were told the same there. After running around with OMB and SBA, we got mad, and even took one of the people to file a complaint with your office here in Milwaukee. Eventually both persons got tired of running around and not getting anywhere and gave up.

We have found nationally that most of the money from EDA, SBA, CSA, FmHA for economic development has been channeled to the Southwest. We have found multimillion dollar CDC's in San Antonio, Dallas, Albuquerque, Denver, Phoenix, Los Angeles and Oakland, Calif. We also found one in the Bronx, N.Y. All of these

CDC's are Raza CDC's which are doing good things for the Raza community. Yet when we look at the Midwest, we find most CDC's are white or black controlled. At the present time there is not a single CDC in the midwest that is Raza owned and operated.

We went to the Economic Development Administration, searching for a program which would facilitate a planning process, as well as provide some venture capital. We were informed that there is no more planning money, and they do not anticipate any being available.

We went to CSA, and we were told the same thing. As a last resort we went to FmHA. They have never had a program for planning and development purposes. What we found was that the Federal agencies that were specifically designed to facilitate economic development could not help us.

We then turned to the Governor's Employment and Training Office. We were fortunate that we could obtain a small planning grant from them. But after our planning, we were at the road's end again, with no money to capitalize our proposed ventures. We then found a partner who was willing to work with us and put up front capital to capitalize our ventures.

The concept under which we propose economic development comes from the data we collected over 3 years. We initially found that most Federal programs are not designed to facilitate self-sufficiency. This conclusion was reached from our experience in working with Federal programs for the last 6 years in Jefferson, as well as the experience of other Raza organizations throughout the State. We also looked at our socioeconomic status at the present time and we concluded that we had little or no input to the planning process. In some cases we are asked to be part of the planning process, but are not provided the financial resource to in essence participate.

We found that we provide the training and provide the private sector with the incentive to hire our participants. But the private sector is using the program and complies with the bare minimum guidelines. After what is legally considered as a successful placement, the participant will be released from his or her job within a matter of weeks.

Based upon this, we concluded that we must control a part of the private sector which hires our trainees and will provide the appropriate vehicles for long-term economic self-sufficiency. That means that CBO's must get into business development, couple that with social welfare, and that would equal community development. But this will not happen for Raza in Wisconsin unless the appropriate Federal programs and dollars are made available to us.

I therefore recommend the following:

One. That dollars be made available to CBO's for research and planning for at least a 3-year period.

Two. Venture capital must be made available. This can come in the form of low interest loans, less than the present EDA 8 percent loan program, and less than the FmHA and SBA guaranteed loan programs, or grants for business development purposes.

Three. Lastly, the regional office out of Chicago within EDA, CSA and FmHA at the State level, must hire Raza. The purpose behind this is to facilitate access to the different Federal agencies.

In the area of rural housing we have found similar situations to economic development. We have found that in Jefferson County, out of an estimated 60,000 population, approximately 4 percent are low income, and qualify for housing criteria. In Dodge County, out of a population of 67,000, 3 percent qualify. Yet when we look at the available housing stock in Dodge and Jefferson for these people, it is not there, and this does not take into consideration the influx of the migrant population into these two counties. This is not unique to these two counties. As we look at the picture on a statewide basis, it worsens. We have found that the State must double its rural housing stock of low-income housing.

We once again, after our research, went to the State and Federal sources to develop our housing programs. We found that FmHA has no money for planning purposes up front for the development of housing programs. We went to DLAD, and we were given a small \$15,000 grant to do our research, the following year with Rural America, and this year with the Department of Labor.

In all cases we ran into problems. Farmers Home would not front the development of a project, and when we went to our other sources, they were considered not allowable costs. The costs that I refer to are architectural fees for drawings, plot planning, soil testing, surveying and other related predevelopmental activities. In most cases we were left at the mercy of the private sector, especially the land speculators.

When I say that, I look at the triangle between Milwaukee, Madison, and Chicago. That triangle of land is extremely expensive, and most Farmers Home regulations would not permit us to buy within a community.

As I indicated, the State has to double the housing stock in rural Wisconsin, and in terms of the developmental process of building that rural housing or building up that housing stock that is needed in rural Wisconsin, basically there is a tremendous lack of resources in the developmental process.

The majority of the stock that exists at present is put up by private developers and it is considered low and moderate income housing, and being that it is put together by private developers, private developers will have a tendency to serve those who have the best capacity to make that rent payment. So, as a result, poor people in rural Wisconsin are going to be eliminated from utilizing that rural housing, so the result is the alternative is once again going to slum housing and at a cheaper rent.

This leads us to conclude that if we do not create an impact on housing for low income people, we will never resolve the housing problem or never achieve the dream of every family owning a home here in the United States. To achieve that, the best vehicle is community based organizations.

Community based organizations must control their corner of the housing market to serve their clientele. At the present time, we have approximately 10 housing development corporations in the State, none of which are Raza oriented. We have several CBO's that have involved themselves with housing development, but few treat housing as a major component of their overall program.

Funding is one of the major problems. Another problem in rural Wisconsin is the controversy between HUD and FmHA. Who has

the authority and in what area? The only criteria to differentiate which program we use is the population of a given city. Sometimes that population statistic becomes a controversial issue. There is little coordination between the two agencies in rural Wisconsin.

There is also very little money available for housing development corporations to front the development of any given project in the areas, and the programs that are available through Farmers Home Administration are all loan programs with the exception of the 515 program, which provides up to about 80 percent of the grant.

The 516 portion of that program, which is again farm labor housing, is the loan portion of the program and provides 1 percent interest on the amount loaned, but Farmers Home has a flexibility to go from 50-50 or 80-20 based on the size of the project.

In terms of the rent subsidies, presently we find that Farmers Home formula for rent subsidy is based upon 25 percent of the person's annual income. In today's economy, with wages being held to \$3.10 to \$4 per hour, 25 percent of annual income would keep a poor person poor rather than help him obtain economic self-sufficiency. For a family of four making an annual income of \$6,400 per year, this means \$1,600 of their annual income must go toward their rent. This leaves the family with \$4,800 per year to meet the cost of other necessities. The formula is also being applied to the farm labor housing program.

Recognizing that, we make the following recommendations:

One. That Farmers Home make dollars available to (a) cover the cost of the research for planning; (b) cover the cost of the predevelopment cost of housing projects.

Two. The rent subsidies formula must be reduced to adequately reflect today's economy.

Three. That a special stimulus program be initiated which will allow the development and expansion of Housing Development Corporations for Raza.

The last portion of my program deals with weatherization. Weatherization programs in Wisconsin have not achieved their objectives to date. The State of Wisconsin is still behind pretty close to 40 percent in their objectives in terms of what they stated they were going to meet.

Senator NELSON. You say the State of Wisconsin?

Mr. RODRIGUEZ. The State of Wisconsin. All weatherization programs. The weatherization programs are channeled through DLAD—from DOE to DLAD.

Senator NELSON. Oh, I see. I thought you were talking about a State weatherization program. I was not familiar with that. OK.

Mr. RODRIGUEZ. La Raza Unida has operated a weatherization program for the past 2 years and as of yet has not received a clear direction in terms of the legislation itself or the regulations.

Senator NELSON. Let me ask you a question.

The weatherization program is created by legislation that I introduced in 1974.

Mr. RODRIGUEZ. Correct.

Senator NELSON. And then, as you know, the administration of it was transferred, I think unfortunately, from the CSA to DOE and on the theory that it is an energy program. So you have the

current situation. I objected to the transfer, and I am trying to get it back to CSA.

Mr. RODRIGUEZ. We would support you.

Senator NELSON. You have a situation in which the sponsoring agency at the local level are the community action agencies, I think in almost all the places, yet the money is coming over to DOE and then back down to community action agencies at the local level who have no relationship to the DOE in any way.

Has the program changed to become less effective since that transfer?

Mr. RODRIGUEZ. Well, the instability of the Department of Energy has created astronomical problems at the local level in terms of interpretation, clear direction by the Department of Energy. As a result of confusion at the State level, that confusion is transferred to the local program operators and we, as of yet, have not received any clearcut direction in terms of weatherization programs.

There is a lot of gaps in the programs that leave room for a lot of inefficiencies to take place. We have yet to receive a clearcut list of acceptable materials from the Department of Energy in terms of insulation, windows or anything. We have yet to get any clearcut guidelines in terms of our factors for specific homes and specific areas, et cetera, et cetera.

A lot of these rules and regulations are being assumed by the State of Wisconsin through the department of local affairs and development, which has been recently transferred to health and social services. They are applying in some cases State guidelines and, in some cases, they are not applying State guidelines. So there is a lot of confusion and sometimes we wind up changing on a day-to-day basis formats, procedures, policies, et cetera, et cetera.

Senator NELSON. Well, how big a weatherization program do you have over in Jefferson?

Mr. RODRIGUEZ. We operate a \$95,000 program, and we are supposed to weatherize.

Senator NELSON. Annually?

Mr. RODRIGUEZ. Annually.

Senator NELSON. How many people are involved in the weatherization program?

Mr. RODRIGUEZ. At the present time we have four, three-man crews, one energy auditor, one field supervisor, and a program coordinator involved in the project.

Senator NELSON. And how many homes did you weatherize in the past 12 months or so?

Mr. RODRIGUEZ. In the past 12 months we weatherized 80 homes.

Senator NELSON. Eighty?

Mr. RODRIGUEZ. Yes. But that is about 20 percent under what we said we were going to do.

Senator NELSON. So you are weatherizing homes at a cost of a little more than a thousand dollars a home?

Mr. RODRIGUEZ. That includes the labor cost and everything else. Material cost is kept down to around—well, that is something that is constantly changing as well.

Senator NELSON. Of course, then this must involve such things as windows, it must involve such things occasionally, I assume—

Mr. RODRIGUEZ. Predominantly air infiltration and heat loss by insulating attics.

Senator NELSON. What are your cost limits for example, supposing you need a new roof?

Mr. RODRIGUEZ. We cannot do that. We have dollar limits in terms of what we can expend on a house, and again we have experienced in some cases here in the State of Wisconsin where that changes almost on a daily basis.

We started out with \$250 maximum per house a year ago. Today we are about at \$400 per house and I do not know if that is going to change tomorrow or the day after that.

Senator NELSON. When you say maximum, what do you mean?

Mr. RODRIGUEZ. Maximum material cost that we can—

Senator NELSON. Oh, material cost.

Mr. RODRIGUEZ. Correct.

Senator NELSON. That was another problem created when DOE got it, the arbitrary division of how much could be material and how much labor, correct?

Mr. RODRIGUEZ. Right. We have a maximum of \$1,000 per house, which includes material and labor.

Senator NELSON. What do you do when you run into that situation where the house needs to be insulated but it also has to have roof repair and it is in excess of a thousand? What is the answer?

Mr. RODRIGUEZ. We cannot handle it through our project. We would have to refer the participant to a private contractor or request special permission from the Department to expend that money on that house, and as of yet we have not been allowed to do so.

Senator NELSON. For any house?

Mr. RODRIGUEZ. For any house. They would consider that rehabilitation. Weatherization and rehabilitation are two separate and distinct issues which the program operators at the State level will not deal with at this point, but those are some of the problems that we are facing in terms of changes, constant changes that are taking place, no clearcut direction as far as we are concerned.

The other problem we are seeing is that there is no clearcut guidelines in terms of allowable cost, particularly in the area of administration. We are allowed to expend 6 percent of our total grant for administration, and when you look at a program—

Senator NELSON. Six percent?

Mr. RODRIGUEZ. Six percent.

Senator NELSON. Well, now, administration—what is defined as administration?

Mr. RODRIGUEZ. That would cover the cost of office rent, accounting, administrative staff that provides the overall supervision of the staff, staff travel, et cetera, items that are necessary.

Senator NELSON. Well, that is only in your budget, less than \$6,000. You cannot do that.

Mr. RODRIGUEZ. That is \$5,700. It becomes an impossible task. I have to wind up playing games with the overall budget and split my administrator's time 75 percent services, 25 percent administration. Presently the lack of direction and the lack of clearcut guidelines in terms of allowable cost and the real low administrative percentage that is allowed has forced local program operators to

seek local funding for other supplementary funds to support weatherization activities in the State. Presently the State puts up some DPR money which we get \$38,000, but even at \$38,000 we can only expend 15 percent of that for administration.

Senator NELSON. Is there any other weatherization program being run? Are you covering all of Jefferson County?

Mr. RODRIGUEZ. We cover all of Jefferson County itself.

Senator NELSON. You are the only weatherization program?

Mr. RODRIGUEZ. Yes.

Senator NELSON. Have you had a survey to find out how many eligible homes—

Mr. RODRIGUEZ. We have a waiting list right now of 250 people.

Senator NELSON. Is that 250 homes?

Mr. RODRIGUEZ. 250 homes.

Senator NELSON. How many homes are there that need weatherization in Jefferson which are occupied by eligible grantees?

Mr. RODRIGUEZ. Based on last year's statistics and the allocation formulas that were used by the Department, there were 1,400 homes that were eligible in Jefferson County itself.

Senator NELSON. When you say that, you mean they are occupied by somebody who would be eligible for that assistance?

Mr. RODRIGUEZ. Eligible for the program.

Senator NELSON. Fourteen hundred?

Mr. RODRIGUEZ. Fourteen hundred.

Senator NELSON. At the rate you are going, it would take almost 18 years to complete the currently eligible homes.

Mr. RODRIGUEZ. Exactly.

Senator NELSON. At 80 a year, that is just too slow a program.

Mr. RODRIGUEZ. Well, we cannot at the present time—that is what we are programmed to do. We cannot operate a program without clearcut guidelines and without the appropriate resources to deal with it.

The other thing is that for us to expand means that we also have to seek additional local resources beyond what DOE provides, beyond what the State provides, and DPR funds to support an expanded weatherization program.

Senator NELSON. Now, there is going to be a—Mr. Knight reminded me, I had forgotten that—there is going to be a national demonstration program in two States, Wisconsin and Washington. Wisconsin was selected because we have got the oldest program and has been the best one. Are you participating in that?

Mr. RODRIGUEZ. This is the first I have heard of it.

Senator NELSON. When does that start?

Mr. KNIGHT. It was supposed to have started in August.

Mr. RODRIGUEZ. Oh, you are talking about the Wisconsin—

Senator NELSON. Dr. Sava, are you involved in that program?

Dr. SAVA. Yes, we are.

Senator NELSON. Is it underway now?

Dr. SAVA. It will be starting October 1.

Senator NELSON. I want to ask you a question about that when we are finished with Mr. Rodriguez.

Mr. RODRIGUEZ. You are referring to the Wisconsin energy conservation, that stimulus program?

Yes, I serve on the board of the corporation that allocates those funds. I was not aware that they were both the same program. But even that, in terms of the distribution of funds, they only allocated pretty close to 20 percent of their funds toward weatherization activities themselves. There was the bulk of the money was for rehabilitation of homes and experimentation in terms of alternative energy sources. But, basically, that is where we stand. We do not have the supplementary dollars to finance the program administratively.

The Governor is proposing a 4.4 percent cut. That is going to cut down the amount of dollars we would receive at the local level through GPR. One of the major problems in the past, which is now being corrected, has been the utilization of PSE, CETA PSE, title 4 and title 6 for weatherization crews. We have no problem with the intent of what DOE wanted to do. Unfortunately, what wound up happening, in most cases there was not the up front dollars to provide the training for that PSE personnel to really perform well or to provide a quality service.

So, based on the cutback that has been made in public service employment, the department is now turning around and providing some dollars so that we can hire trained staff to provide that service, and we are within our own program seeing a better quality service being provided.

We are increasing for the first time in the history of our program, we are finding that our monthly goal this past month, but we had 75 percent of the personnel within the program itself was not PSE staff. So that production is obvious.

If PSE is going to remain, then we would suggest that the department provide the appropriate training dollars for the up front training. We cannot afford the luxury of putting people into a training program and being solely—operate a program solely on public service employment, and at the time that they are in the program expect them to be trained.

So, therefore, I make the following recommendations:

The Department of Energy has got to clarify through its regulations and be specific in terms of the State. They must also look at their cost allocation in terms of material, service, staff and administration, and do it and design it in such a way so that weatherization activities become more effective and that community based organizations are provided with the appropriate resources to administer this program efficiently and effectively.

So these, Senator, are what we see are the problems in weatherization and we hope that you will take this back with you and we will be willing to work with you in the development of the appropriate data to help us out at the local level. Thank you.

Senator NELSON. Thank you very much.

Dr. Walter Sava is scheduled to present testimony later in this hearing. However, it would be useful if you could step forward at this point to comment on the structure of the weatherization demonstration program.

Dr. SAVA. We are still in the negotiating stages in order to implement the program. We have been funded at about \$137,000, I believe.

This problem is in materials for providing the kind of services we would like to do. The funds for that are not available so there are funds for personnel but there are no funds for material.

The one possible solution we are working out with the city of Wuakesha, that is using the Community Development Black Grant Funds, so within the next week we will know if the city will set aside—they have about \$100,000 for home remodeling, home rehabilitation.

Senator NELSON. What is the nature of this demonstration project that they are going to do in these two States?

Dr. SAVA. It is to do precisely what you were leading to, in those cases as we do now, we do weatherization and we can find roofs as you were inquiring—we cannot repair those. This would be a perfect program to couple along with the weatherization project that we handled through the State.

Senator NELSON. Well, are these demonstration projects involving only \$100,000?

Dr. SAVA. No. I think it is about \$3 million.

Senator NELSON. Three million?

Dr. SAVA. Yes.

Senator NELSON. You are talking about your aspect of the program?

Dr. SAVA. Yes, our agency has received \$137,000.

Senator NELSON. I understand.

What are they going to demonstrate in this program?

Dr. SAVA. The ineffectiveness of the weatherization program as it is now and how it could be improved by supplementing with a program such as the one proposed.

Senator NELSON. In other words, they are bringing together everything that they believe is necessary to have an efficient, effective weatherization program, and they are going to put on a demonstration in a number of places around the State to see how efficiently and effectively it can be done.

Dr. SAVA. That is the theory.

Senator NELSON. I see.

Well, I am sure your part of it will go very well. We will consider your prepared testimony a little later this morning. Thank you.

Mr. Enriquez, do you have a comment?

Mr. ENRIQUEZ. I was going to present the segment on the community development block grants program in the area that I am working, Kenosha, Racine, and Walworth Counties.

Senator NELSON. If you would summarize your major points for us, we would appreciate it.

Mr. ENRIQUEZ. OK.

Basically then I will just go into the recommendations that we had and the other material, and the background.

The recommendations that we had were that the community development block grant must be redesigned to allow input in the planning process from the Hispanic community. At the present time, such input is very limited. It is only in the last 2 years that any input has been allowed.

It must be targeted toward the communities that need the money, must be distributed so that Raza gets its fair share. CBO's

must be allowed direct access to the program rather than going through the local communities.

The rationale behind this is to help CBO's meet community problems in areas where cities and villages wish to do nothing.

Senator NELSON. You mean to go direct rather than through the community sponsoring agency? Is that what you are saying?

Mr. ENRIQUEZ. Through the locality.

And, third, that rural Wisconsin must be given their fair share of the program.

[The prepared statement of Mr. Rodriguez follows:]

PRESENTATION TO SENATOR NELSON'S SUB-COMMITTEE

SEPTEMBER 6, 1980

MILWAUKEE SPANISH CENTER, MILWAUKEE, WISCONSIN

Senator Nelson, Sub-Committee Staff and Members:

I want to thank you for providing us with the opportunity to present our concerns in the following topic areas: (a) Economic Development, (2) Rural Housing, Community Development Block Grants and Weatherization.

Raza, and I include all Hispanic origin people when I say Raza, have lived in Wisconsin for well over 80 years. In the early 1900's most were Migrant farm workers traveling from the southwest to harvest the crops in the midwest. A very small percentage of the total state population at the time were permanent residences. World tragedies (World War I and World War II) created shortages of labor in the highly industrialized areas of the state. As a result of the labor shortage, Migrants were recruited to work in tanneries, foundries, steel mills and other related industries. Over a period of time, relatives and friends of those that stayed, started to migrate to Wisconsin. Not to work in the fields but to work in the industry in southeastern Wisconsin.

Today we compose approximately 8% of the total state population with the largest pockets of Raza being in cities like Milwaukee, Sheboygan, Racine, Kenosha and Waukesha. In rural Wisconsin we have small pockets of population composed of resettled Migrant farm laborers. Those cities being Jefferson, Whitewater, Delevan, Beaver Dam, Watertown, Columbus and East Troy. These are considered small cities. There are townships and villages which have two or three Raza families there. In essence what I want to emphasize is that Raza is all over the state.

Yet when we look at that Raza, and the development of that Raza in terms of people development, and we look at how that Raza fits into the total community, we find that we are a good 50 years behind other Ethnic groups that have migrated to Wisconsin with the exception of the Blacks. We are approximately 10 years behind Blacks and they are a good 40 years behind the rest.

What you will hear today from us, are the problems with the programs which are designed to expedite human development of Raza and the poor in general.

Economic development for Raza is a relatively new term and as of yet has not entrenched itself in the minds of planners with Raza CBO's. Raza Unida has worked at trying to develop this concept as a viable vehicle which can be used to expedite the economic self-sufficiency. After three years of work and research, we have found that there are approximately 150 Raza owned and operated businesses in Wisconsin. 95% of these businesses have gross sales of less than \$200,000 per year. 95% are "Ma and Pa" groceries, restaurants, bars and barber shops. All service oriented. Not one business was an industrialized, production oriented business. This is not to say that there have not been attempts at the development of those types of businesses. Raza Unida became involved in trying to assist two such businesses. With both businesses, the major problem was venture capital. When we attempted to utilize State and Federal agencies for technical assistance on how to capitalize a business, we were met with closed doors and in all cases the T. A. provided was superficial. The first agency we went to was S.B.A. We were told that they had no money and could only assist in the development to loan packages. We were not made aware of any other Federal loan or grant programs. We then went to O.M.B. We were told the same there. After the run-around with O.M.B. and S.B.A. we got mad and even took one of the people to file a complaint with your office. Eventually both persons got tired of running around and not getting anywhere and gave up.

We have found nationally, that most of the money from E.D.A., S.B.A., C.S.A., FM/HA for economic development has been channeled to the southwest. We have found multi-million dollar C.B.O.'s in San Antonio, Dallas, Albuquerque, Denver, Phoenix, Los Angeles and Oakland, California. We also found one in the Bronx, New York. All of these C.D.C.'s are Raza C.D.C.'s which are doing good things for the Raza Community. Yet when we look at the mid-west, we find most C.D.C.'s are white or black controlled. At the present time there is not a single C.D.C. in the midwest that is Raza owned and operated.

We went to the Economic Development Administration, searching for a program which would facilitate a planning process, as well as provide some venture capital. We were informed that there is no more planning money and they do not anticipate any being available.

We went to C.S.A. -- we were told the same thing. As a last resort we went to FM/HA. They have never had a program for planning and development purposes.

What we found was that the Federal agencies that were specifically designed to facilitate economic development could help us.

We then turned to the Governor's Employment and Training Office. We were fortunate that we could obtain a small planning grant from them. But after our planning, we were at the road's end again. No money to capitalize our proposed ventures. We then found a partner who was willing to work with us and put up front capital to capitalize our ventures.

The concept under which we propose economic development comes from the data we collected over three years. We initially found that most Federal programs are not designed to facilitate self-sufficiency. This conclusion was reached from our experience in working with Federal programs for the last six years in Jefferson as well as the experience of other Raza organizations throughout the State. We also looked at our socio-economic status at the present time and we concluded that we had little or no input to the planning process. In some cases we are asked to be part of the planning process but are not provided the financial resource to in essence do so.

We also found that we provide the training and provide the private sector with the incentive to hire our participants. But the private sector is using the program and complies with the bare minimum guidelines. After what is legally considered as a successful placement, the participant will be released from his/her job within a matter of weeks.

Based upon this, we concluded that we must control a part of the private sector which hires our trainees and will provide the appropriate vehicles for long term economic self-sufficiency. That means economic development by C.B.O.'s in business development + social welfare = community development.

But this will not happen for Raza in Wisconsin unless the appropriate Federal programs and dollars are made available to us.

I therefore recommend that a special stimulus program be put together out of E.D.A. which will:

1. Make dollars available to C.B.O.'s for research and planning for at least 3 years.
2. Venture capital must be made available. This can come in the form of low interest loans (less than the present E.D.A. 8% loan program and less than the FM/HA and S.B.A. guaranteed loan program) or grants for business development purposes.
3. Lastly, the regional office out of Chicago must hire Raza within E.D.A., C.S.A. and FM/HA on the state level. The purpose behind this is to facilitate access to the different Federal agencies.

In the area of Rural Housing we have found similar situations to Economic Development. We have found that in Jefferson County out of an estimated population of 60,000 people, approximately 4% qualify under low income criteria for housing. In Dodge County out of a population of 67,000, 3% qualify.

Yet when we look at the available housing stock in Jefferson and Dodge County for these people it is not there. This does not take into consideration the Migrant population of these two counties. This is not unique to these two counties. As we look at the picture on a state wide basis it worsens. We found that the state must double its rural housing stock of low income housing. We once again went to the state and federal sources to develop our housing program.

We found that FM/HA had no planning dollars to front a housing program. We went to DLAD--they gave us a small \$15,000 grant to do our research. The following year with Rural America and this year with D.O.L. In all cases we ran into problems. Farmers Home would not front the development of a project and when we went to our other sources, these were not allowable cost. The cost that I refer to are architect fees for drawings, plot planning, soil testing, surveying, and other related developmental activities. In most cases we are left at the mercy of the private sector--especially the land speculators.

We also found that the majority of the new construction of low income housing in rural areas is done by the private sector. They have the up front resources to do so. Yet when we look at the utilization, it becomes evident to us that very few low income people are capable of renting low income housing. Most private developers do not deal with the poor. Most units are of low and moderate income housing. So those with the most demonstrated ability to pay are the ones who get the units. Even with rent subsidy being made available, the poor are then left to the mercy of the slum landlord who if nothing else provides a low rental price.

This leads us to conclude that if we are to create an impact on housing for low income people, C.B.O.'s must once again control their corner of the housing market. We have approximately 10 housing development corporations in the state. None of which are Raza oriented. We have several C.B.O.'s that have involved themselves with housing development but few treat housing as a major component of their overall programming.

Funding is one of the major problems. Another problem is rural Wisconsin in the controversy between HUD and FM/HA. Who has authority in what areas. The only criteria to differentiate which program we use is based upon population and sometimes this is questioned. And there is very little coordination between either agency.

Most FM/HA housing programs are loan programs. The loans start at 1% and go all the way to the prevailing home mortgage interest rate. The only program which provides a grant subsidy is the 514 program. The program provides up to 80% grant for farm

labor housing. The 516 program provides low interest loans for the same type of housing. The 515 program provides loans on the prevailing mortgage interest rate.

In terms of the rent subsidy. Presently FM/HA's formula for rent subsidy is based upon 25% of the person's annual income. In today's economy with wages being held to \$3.10 to \$4.00 per hour, 25% of annual income would keep a poor person poor rather than help obtain economic self-sufficiency. For a family of four making an annual income of \$6,400 per year this means \$1,600 of their annual income must go towards their rent. This leaves the family with \$4,800 per year to meet the cost of bare necessities. This same formula is also applied to Farm Labor Housing.

Recognizing all these problems, we recommend the following:

1. That Farmers Home make dollars available to:
 - a. Cover the cost of the research or planning
 - b. Cover the cost of the pre-development cost of housing projects
2. The rent subsidy must be reduced to adequately reflect today's economy.
3. That a special stimulus program be initiated which will allow the development and expansion of Housing Development Corporation for Raza.

The following area was developed in conjunction with the Executive Director of the Racine Spanish Center's Mr. Ricardo Enriquez. This relates to the Community Development Block grant program.

C.D.B.G. has been around for a little over five years; and only in the last two years has Raza communities received any benefits. The benefits they have received have been by channeling money for the building or the renovation of community centers. Out of all the millions pumped through the program, Raza has received approximately \$14 million for community centers. The centers that have received the money are all in urban areas--Milwaukee, Waukesha and Racine. At the present time there is no other allowable activity taking place in Raza communities throughout the state.

The problem behind this has been the exclusion of Raza in the planning process. In Milwaukee we see Mayor Meyer shuffling the responsibility of the poor to the Federal government while he spends local tax dollars in the elite communities of the city. Yet they exclude Raza from the planning process of Federal programs. We see the same thing happening in Sheboygan, Racine and Waukesha.

The other problem with C.D.B.G. is that presently three major cities receive automatic allocations. Milwaukee, Madison and Green Bay. This leaves the rest of the state to compete with each other for the balance of the money. In southeastern Wisconsin the major cities such as Waukesha, Racine, Brookfield have been the ones who year after year put together successful applications. This leaves out your smaller communities who could use the money for their development.

In the cities that have competed successfully, there is also a tremendous imbalance in terms of the distribution of funds. In Milwaukee and Racine most of the project money is going to Blacks. In both cases Raza has received very little of the money.

Based upon this we recommend the following:

1. C.D.B.G. must be redesigned to:
 - a. Allow input at the planning process.
 - b. Must be targeted toward those communities that need the money.
 - c. Must be distributed so that Raza gets its fair share.
2. C.B.O.'s must be allowed direct access to the program rather than going through local communities.

The rationale behind this is to help C.B.O.'s meet community problems in areas where cities and villages wish to do nothing.

3. Rural Wisconsin must be given their fair share of the program.

The last program we wish to speak about is the D.O.E. Weatherization Program.

La Raza Unida, Inc. has operated a weatherization program for the past two years and as of yet has not received a clear direction in terms of the Act or the regulations. We have program operators who are thoroughly confused in terms of allowable activities, costs, and procedures. We have experienced changes in the program on a day-to-day basis. As a result of this massive confusion and the inconsistency of D.O.E. we have yet to meet our goals in the state. Some of these problems can be placed on the state for not taking action or placing their own criteria on top of D.O.E. criteria and their non-responsiveness in terms of local programs.

Our major problem has been the lack of allowable costs. We are presently allowed 6% of our total grant for administration. This forces local program operators to look for local sources of funds to supplement the program. This strategy was also used when D.O.E. was mandated the use of P.S.E. as the labor. Its a good idea. But without the proper upfront training program, you handicap the primary activity which is weatherization. I can understand the intent of the strategy but it doesn't work. We need some flexibility in terms of administration and staffing of the project. We cannot run a good weatherization program with untrained and unexperienced staff. D.O.E. has to allow us to hire people with the appropriate experience. You cannot also administer a program on 6% administration with the type of budget that we are working with. We have a \$95,000 weatherization program of which we can spend \$5,700 for administration. This is supplemented by \$38,000 of G.P.R. money of which we can spend 15% for administration (\$5,700). This gives me a total of \$11,400 to administer a \$133,000. This includes bookkeeping, office rent, postage, accounting and administrative staff and staff travel.

We don't have the supplementary dollars; the governor is proposing a 4.4% cut across the board. We don't have the flexibility to hire trained staff and its difficult to administer with the dollars available, and with confusing regulations. The program has to be cleaned up at the state and federal level before we can operate effectively and efficiently. I therefore recommend the following:

1. The percentage breakdown between materials, services, staff and administration must be redone to allow local program operations. More money to hire staff, and to administer the program effectively.
2. The D.O.E. regulations have to be cleaned up to eliminate the confusion and to provide the state with better direction.

These, Senator, are the problems as we see and feel them at the community level. These problems affect our community and squelch their desire to become economically self-sufficient and productive human beings.

I don't want to leave you with the feeling that nothing has worked nor that there is no progress in our community. Your work in the First CETA Act and the work your sub-committee has been extremely beneficial to our community. The design of CETA should be used as an example and a model of what other programs and agencies should be doing. I must admit that we are involved in the planning processes in CETA. Maybe not as much as we would like to, but we are involved.

I hope that what I have presented to you today can be useful to you as you involve yourself in the creation of legislation. We have given much and have received very little. We have suffered for this country and we are suffering because of it. We have endured and we survive and we are growing. And in the near future we will be a population that will have to be recognized and we will be recognized because we are here.

Thank you.

Senator NELSON. Thank you very much.

Our next witness will speak to the question of youth employment, Jimmy Martinez, executive director, SER/Jobs for Progress, Milwaukee, Wis.

You are addressing the question of the administration's youth bill that is before my subcommittee?

**STATEMENT OF JIMMY MARTINEZ, EXECUTIVE DIRECTOR,
SER/JOBS FOR PROGRESS, MILWAUKEE, WIS.**

Mr. MARTINEZ. Right.

Senator NELSON. We plan to be acting on the youth legislation in the next month. Is that what you are directing your comments to?

Mr. MARTINEZ. Correct.

Senator NELSON. Go ahead.

Mr. MARTINEZ. My name is Jimmy Martinez. I am executive director, SER/Jobs for Progress, Milwaukee.

Good morning, Senator Nelson. On behalf of Milwaukee SER/Jobs for Progress, I would like to welcome you and your staff to our community. I am grateful for this opportunity to speak to you. I hope the remarks and suggestions we have prepared will be of some assistance to you as you make decisions affecting our organizations and the people we serve—the Hispanics of Wisconsin.

Senator NELSON. Now, are you addressing the bill in its current draft before my subcommittee?

Mr. MARTINEZ. Yes.

Senator NELSON. Or the bill that has passed the House?

Mr. MARTINEZ. No, sir. It will be your bill.

Senator NELSON. All right.

Mr. MARTINEZ. My topic this morning is youth employment, training and education programs and our recommendations for what we would like to see in the Youth Act about to be considered by the Senate. Naturally, my perspective will be that of a Hispanic community based organization.

I would like to begin by making a few points about the experience of CBO's under the present CETA Act. These points will provide a context for the recommendations that follow them.

CETA programs in the seventies have been based on two concepts that have tended to subvert the purpose of the CETA Act namely, increased local government control over programs and decreased Federal oversight of these programs.

The theory behind these two concepts is that local officials are in a better position than Federal officials to determine local needs and to design programs addressing those needs.

Senator NELSON. Do you disagree with that?

Mr. MARTINEZ. It could be, yes, sir.

Unfortunately, local officials have historically been negligent addressing the needs of Hispanics. They have addressed those needs only at the urging of Federal officials.

In addition, Department of Labor oversight has been spread out over 10 regional offices which, because of proximity to the prime sponsors they oversee, theoretically makes monitoring more effective. In practice, however, this proximity has encouraged cordial relations between the regional offices and the prime sponsors, and has reduced critical judgment.

In summary, by attempting to make the funding process appear reasonable, CETA in the seventies has eliminated direct DOL funding of CBO's; compromised CBO autonomy in relation to local government; transferred needs assessment and program development away from CBO's to prime sponsors; and transferred to prime sponsors the power of the purse over CBO's.

Keeping the foregoing in mind, I would like to begin our recommendations on what Milwaukee SER would like to see in any youth bill passed this year. As Milwaukee's largest Hispanic manpower program with over 8 years' experience in the field, SER believes that the following elements are necessary to any policy that seeks to address and develop effective Hispanic youth programs.

First, inasmuch as the purpose of the Alternate Youth Act passed in the House and about to be considered in the Senate are to provide programs to increase the employability of the needy—and we are talking about specifically Hispanic youth—we feel that the allocations section of the bill should include a categorical subsection making funds available for youth training and employment programs for Hispanics. Wherever necessary, the language of the act should be changed to be consistent with this ideal.

Second, in descriptions of prime sponsor basic programs, Hispanic CBO's should be named among providers of remedial education and training opportunities, including literacy and bilingual training.

Finally, under the conditions set forth for prime sponsor youth plans, provision should be included for the participation of Hispanics from CBO's, the private sector, and the educational community in the prime sponsor's needs assessment and planning process. To ensure this, we recommend that the establishment of Hispanic opportunities councils within prime sponsor planning bodies be mandated to direct planning and the development of programs for Hispanics.

Senator NELSON. You are talking about within the prime sponsor organization itself?

Mr. MARTINEZ. Right.

Senator NELSON. As an advisory group?

Mr. MARTINEZ. I think they should have more than an advisory role. A lot of the planning has to be done within the Hispanic organizations. I think that they have to have more effectiveness in dealing with the planning process.

Senator NELSON. Now, the prime sponsor here—does it not have Hispanic representation?

Mr. MARTINEZ. It has its own planning council. It does include Hispanics in the council itself. We do not have a Hispanic Council specifically of minorities, specifically, to recommend to that council.

Senator NELSON. And you would recommend a special advisory group. How would you structure that group?

Mr. MARTINEZ. It would have to be composed of the organizations that deal with minorities in the prime sponsor area, rather than other individuals or interests.

Senator NELSON. OK.

Mr. MARTINEZ. Now, I would like to shift into some comments on the employment and educational problems of Hispanic youth.

According to the July 1980 employment and earnings report—

Senator NELSON. Is this on the youth bill now?

Mr. MARTINEZ. Well, this is relevant to what we just talked about because we feel that this is the backup for it.

Senator NELSON. All right.

Mr. MARTINEZ. The second quarter national unemployment rate for Hispanic youth in the 16-17 age group was 26 percent.

Senator NELSON. Are these 16- and 17-year-olds?

Mr. MARTINEZ. Yes, sir.

Senator NELSON. Are these out of school youth?

Mr. MARTINEZ. This includes all youth, sir, that are in the report. I do not believe it excludes them at this point. I believe it is in school and out of school.

Senator NELSON. And you count anybody who is seeking a job?

Mr. MARTINEZ. Well, in certain States, the age limit is 16, so they may be out looking for employment.

Senator NELSON. OK.

Mr. MARTINEZ. The 16 to 17 age group was 26 percent. In the 18 to 19 year age group, the rate was 19.5 percent, and overall among Hispanic 16 to 19 year olds, the rate was 22.3 percent, or more than one in five without jobs. In all youth groups the unemployment rates for Hispanics were significantly higher than those for whites.

These statistics, alarming in themselves, are magnified in the light of certain Hispanic population characteristics. Briefly, in 1978, the U.S. census estimated the Hispanic population to be 12 million persons. Of this number, 42 percent were under the age of 18, giving Hispanics by far the lowest median age of any group in the United States—22.1 years of age. This means that a high percentage of Hispanic unemployment is concentrated in our youth. Youth between the ages of 16 and 24 years of age make up only 26 percent of the total Hispanic labor force but represent 45 percent of all unemployed Hispanics.

As the figures show, Hispanic youth are experiencing severe problems in the labor market. National employment policy in the eighties must reflect the needs of these youth. Milwaukee SER believes that the following are necessary to any policy that seeks to reduce Hispanic youth unemployment;

One, programs with multiple approaches which take into account Hispanic differences must be developed.

Two, multi-year funding mechanisms must be developed to give stability and continuity to worthwhile projects.

Three, community based organizations and other organizations must be included in the planning and implementation of programs.

Four, strong linkages must be established between the education community, employment and training agencies, and the private sector.

Clearly many Hispanic youth are not receiving the work experience that would allow them to properly enter and succeed in the labor force, but work experience is only one-half of the formula leading to a good job. The other half is educational attainment. Here, statistics indicate that Hispanic youth are not being served by existing educational programs.

For example, at the national level more than one of three Hispanics between the ages of 16 and 24 is a high school dropout. The median years of school completed for Hispanics is 10.4.

In Wisconsin a recent study by the University of Wisconsin's Vocational Studies Center showed a high school dropout rate of almost 35 percent for Milwaukee public schools and found that communities with larger numbers of minorities experience even higher dropout rates than communities with small minority population. Low educational attainment exacerbates the labor market problems of Hispanics as poor preparation leads to unemployment.

There is an overwhelming need to address Hispanic youth's educational needs. The youth bill to be considered by the Senate may prove to be one answer to that need. Although the outcome of the Senate bill is not yet known, there seems to be a strong sentiment for keeping the emphasis on the public schools as the service deliverers.

From our perspective, this is a mistake because it is the public school system that has discriminated against Hispanics and other minorities and has allowed them to be left behind.

SER urges Senator Nelson to support the including of community based organizations in the delivery of educational services under the youth bill. And specifically it would be highly desirable for the final bill to target educational programs at persons of limited English proficiency and provide bilingual training for these persons.

The rest of this is data on Hispanics.

Senator NELSON. All right. Thank you very much. I appreciate your comments.

The educational section of the youth bill is in the jurisdiction of the subcommittee on Education. The rest of the bill is within the jurisdiction of my Subcommittee on Employment. The Education Subcommittee will meet to mark up the education section on that bill on the 9th and 12th of September. If they complete that portion, which is an integral part of this bill, then my subcommittee will meet on the 16th to mark up the youth bill. Now, given the legislative jam, there is, I suppose, some question whether we can get it all completed before the Senate recesses, but that is the current status.

Mr. MARTINEZ. It has been hard to comment directly on the entire bill since we do not know what is going to happen in the Senate.

Senator NELSON. Well, we appreciate having your testimony. Thank you very much.

Mr. MARTINEZ. Thank you.

[The prepared statement of Mr. Martinez follows:]

TESTIMONY OF SER-JOBS FOR PROGRESS ON
HISPANIC YOUTH - EMPLOYMENT & EDUCATION
SEPT. 6, 1980

GOOD MORNING, SENATOR NELSON. ON BEHALF OF MILWAUKEE SER-JOBS FOR PROGRESS I'D LIKE TO WELCOME YOU AND YOUR STAFF TO OUR COMMUNITY. I AM GRATEFUL FOR THIS OPPORTUNITY TO SPEAK TO YOU. I HOPE THAT REMARKS AND SUGGESTIONS WE'VE PREPARED WILL BE OF SOME ASSISTANCE TO YOU AS YOU MAKE DECISION AFFECTING OUR ORGANIZATIONS AND THE PEOPLE WE SERVE-THE HISPANICS OF WISCONSIN.

MY TOPIC THIS MORNING IS YOUTH EMPLOYMENT, TRAINING AND EDUCATION PROGRAMS AND OUR RECOMMENDATIONS FOR WHAT WE'D LIKE TO SEE IN THE YOUTH ACT ABOUT TO BE CONSIDERED BY THE SENATE. NATURALLY, MY PERSPECTIVE WILL BE THAT OF A HISPANIC COMMUNITY BASED ORGANIZATION.

I'D LIKE TO BEGIN BY MAKING A FEW POINTS ABOUT THE EXPERIENCE OF CBO'S UNDER THE PRESENT CETA ACT. THESE POINTS WILL PROVIDE A CONTEXT FOR THE RECOMMENDATIONS THAT FOLLOW THEM.

CETA PROGRAMS IN THE 70'S HAVE BEEN BASED ON TWO CONCEPTS THAT HAVE TENDED TO SUBVERT THE PURPOSE OF THE CETA ACT. NAMELY INCREASED LOCAL GOVERNMENT CONTROL OVER PROGRAMS AND, DECREASED FEDERAL OVER-SIGHT OF THESE PROGRAMS.

THE THEORY BEHIND THESE TWO CONCEPTS IS THAT LOCAL OFFICIALS ARE IN A BETTER POSITION THAN FEDERAL OFFICIALS TO DETERMINE LOCAL NEEDS AND TO DESIGN PROGRAMS ADDRESSING THE NEEDS. UNFORTUNATELY, LOCAL OFFICIALS HAVE HISTORICALLY BEEN NEGLIGENT IN ADDRESSING THE NEEDS OF HISPANICS. THEY HAVE ADDRESSED THOSE NEEDS ONLY AT THE URGING OF FEDERAL OFFICIALS.

IN ADDITION, DEPARTMENT OF LABOR OVERSIGHT HAS BEEN SPREAD OUT OVER TEN REGIONAL OFFICES, WHICH BECAUSE OF PROXIMITY TO THE PRIME SPONSORS THEY OVERSEE, THEORETICALLY MAKES MONITORING MORE EFFECTIVE. IN PRACTICE, HOWEVER, THIS PROXIMITY HAS ENCOURAGED CORDIAL RELATIONS BETWEEN THE REGIONAL OFFICES AND THE PRIME SPONSORS AND HAS REDUCED CRITICAL JUDGEMENT.

IN SUMMARY, BY ATTEMPTING TO MAKE THE FUNDING PROCESS APPEAR REASONABLE, CETA IN THE 70'S HAS 1) ELIMINATED DIRECT DOL FUNDING OF CBO'S 2) COMPROMISED CBO AUTONOMY IN RELATION TO LOCAL GOVERNMENT 3) TRANSFERRED NEEDS ASSESSMENT AND PROGRAM DEVELOPMENT AWAY FROM CBO'S TO PRIME SPONSORS, AND 4) TRANSFERRED TO PRIME SPONSORS THE POWER OF THE PURSE OVER CBO'S.

KEEPING THE FOREGOING IN MIND, I'D LIKE TO BEGIN OUR RECOMMENDATIONS ON WHAT MILWAUKEE SER WOULD LIKE TO SEE IN ANY YOUTH BILL PASSED THIS YEAR. AS MILWAUKEE'S

LARGEST HISPANIC MANPOWER PROGRAM WITH OVER EIGHT YEARS EXPERIENCE IN THE FIELD, SER BELIEVES THAT THE FOLLOWING ELEMENTS ARE NECESSARY TO ANY POLICY THAT SEEKS TO ADDRESS AND DEVELOPE EFFECTIVE HISPANIC YOUTH PROGRAMS.

FIRST, INASMUCH AS THE PURPOSE OF THE ALTERNATE YOUTH ACT PASSED IN THE HOUSE AND ABOUT TO BE CONSIDERED IN THE SENATE IS TO PROVIDE PROGRAMS TO INCREASE THE EMPLOYABILITY OF THE NEEDY-AND WHO ARE MORE NEED THAN HISPANIC YOUTH? - WE FEEL THAT THE ALLOCATIONS SECTION OF THE BILL SHOULD INCLUDE A CATEGORICAL SUB-SECTION MAKING FUNDS AVAILABLE FOR YOUTH TRAINING AND EMPLOYMENT PROGRAMS FOR HISPANICS. WHEREVER NECESSARY THE LANGUAGE OF THE ACT SHOULD BE CHANGED TO BE CONSISTENT WITH THIS IDEAL.

SECOND, IN DESCRIPTIONS OF PRIME SPONSOR BASIC PROGRAMS, HISPANIC CBO'S SHOULD BE NAMED AMONG PROVIDERS OF REMEDIAL EDUCATION AND TRAINING OPPORTUNITIES, INCLUDING LITERACY AND BILINGUAL TRAINING.

FINALLY, UNDER THE CONDITIONS SET FORTH FOR PRIME SPONSOR YOUTH PLANS, PROVISIONS SHOULD BE INCLUDED FOR THE PARTICIPATION OF HISPANICS FROM CBO'S, THE PRIVATE SECTOR, AND THE EDUCATIONAL COMMUNITY IN THE PRIME SPONSOR'S NEEDS ASSESSMENT AND PLANNING PROCESS. TO INSURE THIS WE RECOMEND THAT THE ESTABLISHMENT OF HISPANIC OPPORTUNITIES COUNCILS

WITHIN PRIME SPONSOR PLANNING BODIES BE MANDATED TO DIRECT PLANNING AND THE DEVELOPMENT OF PROGRAMS FOR HISPANICS.

EMPLOYMENT

NOW, I'D LIKE TO SHIFT INTO SOME COMMENTS ON THE EMPLOYMENT AND EDUCATIONAL PROBLEMS OF HISPANIC YOUTH.

ACCORDING TO THE JULY 1980 EMPLOYMENT AND EARNINGS, THE SECOND QUARTER NATIONAL UNEMPLOYMENT RATE FOR HISPANIC YOUTH IN THE 16-17 AGE GROUP WAS 26%. IN THE 18-19 YEAR GROUP THE RATE WAS 19.5% AND OVERALL, AMONG HISPANIC 16-19 YEAR-OLDS THE RATE WAS 22.3% OR MORE THAN ONE IN FIVE WITHOUT JOBS. IN ALL YOUTH GROUPS THE UNEMPLOYMENT RATES FOR HISPANICS ARE SIGNIFICANTLY HIGHER THAN THOSE FOR WHITES.

THESE STATISTICS, ALARMING IN THEMSELVES, ARE MAGNIFIED IN THE LIGHT OF CERTAIN HISPANIC POPULATION CHARACTERISTICS. BRIEFLY, IN 1978 THE U.S. CENSUS ESTIMATED THE HISPANIC POPULATION TO BE 12 MILLION PERSONS. OF THIS NUMBER 42% WERE UNDER THE AGE OF 18, GIVING HISPANICS BY FAR THE LOWEST MEDIAN AGE OF ANY GROUP IN THE U.S. - 22.1 YEARS. THIS MEANS THAT A HIGH PERCENTAGE OF HISPANIC UNEMPLOYMENT IS CONCENTRATED IN OUR YOUTH. YOUTH BETWEEN THE AGES OF 16 AND 24 YEARS MAKE UP ONLY 26% OF THE TOTAL HISPANIC LABOR FORCE BUT REPRESENT 45% OF ALL UNEMPLOYED HISPANICS.

AS THE FIGURES SHOW, HISPANIC YOUTH ARE EXPERIENCING SEVERE

PROBLEMS IN THE LABOR MARKET. NATIONAL EMPLOYMENT POLICY IN THE 80'S MUST REFLECT THE NEEDS OF THESE YOUTH. MILWAUKEE SER BELIEVES THAT THE FOLLOWING ARE NECESSARY TO ANY POLICY THAT SEEKS TO REDUCE HISPANIC YOUTH EMPLOYMENT:

1. PROGRAMS WITH MULTIPLE APPROACHES WHICH TAKE INTO ACCOUNT HISPANIC DIFFERENCES MUST BE DEVELOPED.
2. MULTI-YEAR FUNDING MECHANISMS MUST BE DEVELOPED TO GIVE STABILITY AND CONTINUITY TO WORTHWHILE PROJECTS.
3. COMMUNITY BASED ORGANIZATIONS AND OTHER ORGANIZATIONS MUST BE INCLUDED IN THE PLANNING AND IMPLEMENTATION OF PROGRAMS.
4. STRONG LINGAGES MUST BE ESTABLISHED BETWEEN THE EDUCATION COMMUNITY, EMPLOYMENT AND TRAINING AGENCIES, AND THE PRIVATE SECTOR.

EDUCATION

CLEARLY, MANY HISPANIC YOUTH ARE NOT RECEIVING THE WORK EXPERIENCE THAT WOULD ALLOW THEM TO PROPERLY ENTER AND SUCCEED IN IT. BUT WORK EXPERIENCE IS ONLY ONE HALF OF THE FORMULA LEADING TO A GOOD JOB. THE OTHER HALF IS EDUCATIONAL ATTAINMENT. HERE, STATISTICS INDICATE THAT HISPANIC YOUTH ARE NOT BEING SERVED BY EXISTING EDUCATIONAL PROGRAMS. FOR EXAMPLE, AT THE NATIONAL LEVEL MORE THAN ONE OF THREE HISPANICS BETWEEN THE AGES OF 16 AND 24 IS A HIGH SCHOOL DROP-OUT. THE MEDIAN YEARS OF SCHOOL COMPLETED FOR HISPANICS IS 10.4. IN WISCONSIN A RECENT STUDY

BY THE UNIVERSITY OF WISCONSIN'S VOCATIONAL STUDIES CENTER SHOWED A HIGH SCHOOL DROP-OUT RATE OF ALMOST 35% FOR MILWAUKEE PUBLIC SCHOOLS AND FOUND THAT COMMUNITIES WITH LARGER NUMBERS OF MINORITIES EXPERIENCE EVEN HIGHER DROP-OUT RATES THAN COMMUNITIES WITH SMALLER MINORITY POPULATIONS. LOW EDUCATIONAL ATTAINMENT EXACERBATES THE LABOR MARKET PROBLEMS OF HISPANICS AS POOR PREPARATION LEADS TO UNEMPLOYMENT.

THERE IS AN OVERWHELMING NEED TO ADDRESS HISPANIC YOUTH'S EDUCATIONAL NEEDS. THE YOUTH BILL TO BE CONSIDERED BY THE SENATE MAY PROVE TO BE ONE ANSWER TO THAT NEED. ALTHOUGH THE OUT-COME OF THE SENATE BILL IS NOT YET KNOWN, THERE SEEM TO BE A STRONG SENTIMENT FOR KEEPING THE EMPHASIS ON THE PUBLIC SCHOOLS AS THE SERVICE DELIVERERS. FROM OUR PERSPECTIVE THIS IS A MISTAKE BECAUSE IT IS THE PUBLIC SCHOOL SYSTEM THAT HAS DISCRIMINATED AGAINST HISPANIC (AND OTHER MINORITIES) AND HAS ALLOWED THEM TO BE LEFT BEHIND. SER URGES SENATOR NELSON TO SUPPORT THE INCLUSION OF COMMUNITY BASED ORGANIZATIONS IN THE DELIVERY OF EDUCATIONAL SERVICES UNDER THE YOUTH BILL. SPECIFICALLY IT WOULD BE HIGHLY DESIRABLE FOR THE FINAL BILL TO TARGET EDUCATIONAL PROGRAMS AT PERSONS OF LIMITED ENGLISH PROFICIENCY AND PROVIDE BILINGUAL TRAINING FOR THESE PERSONS.

FINALLY, A WORD ABOUT HISPANIC DATA NEEDS. ANY DISCUSSION OF HISPANIC YOUTH EMPLOYMENT MUST END BY DECRYING THE LACK OF DATA AVAILABLE ON THE SUBJECT. CURRENT BUREAU OF LABOR STATISTICS DATA FOR HISPANIC YOUTH ARE BASED ON QUARTERLY

AVERAGES, NOT SEASONALLY ADJUSTED, AND ARE NOT BROKEN DOWN FOR HISPANIC SUB-GROUPS-CHICANO, PUERTO RICAN, AND SO FORTH-EVEN THOUGH THERE ARE IMPORTANT DIFFERENCES IN THE EMPLOYMENT PROBLEMS OF THESE SUB-GROUPS, CENSUS UNDER-COUNTS OF HISPANICS AND SAMPLING ERRORS ASSOCIATED WITH SMALL SAMPLE SIZE ARE TWO OTHER MAJOR FACTORS LIMITING THE RELIABILITY AND USEFULNESS OF HISPANIC LABOR FORCE DATA. STATE EMPLOYMENT SERVICE DATA ON YOUTH AND HISPANIC YOUTH EMPLOYMENT, AT LEAST IN WISCONSIN, IS NON-EXISTENT. THIS LACK OF LABOR FORCE DATA ON HISPANIC YOUTH IS IN CONTRAST OF THE MORE FREQUENT AND COMPREHENSIVE DATA TAKEN FOR WHITE AND BLACK YOUTH.

ALTHOUGH A FEW POSITIVE CHANGES HAVE OCCURED RECENTLY IN THE COLLECTION AND ANALYSIS OF DATA ON HISPANICS, MUCH REMAINS TO BE ACCOMPLISHED. NOR IS IT LIKELY THAT THE SUPPOSEDLY IMPROVED PRACTICES OF THE CENSUS WILL MAKE A DIFFERENCE IN THE CURRENT SITUATION - AT LEAST, NOT QUICKLY. FOR EXAMPLE, ONE RECENT BLS PUBLICATION BENIGNLY REPORTS THAT IT WILL BE SEVERAL YEARS BEFORE SEASONAL DATA ON HISPANIC SUB-GROUPS IS AVAILABLE. YET, THIS IS THE TYPE OF INFORMATION THAT IS NEEDED RIGHT NOW TO PLAN AND DEVELOP VIABLE PROGRAMS FOR HISPANIC YOUTH, BOTH AT NATIONAL AND LOCAL LEVELS. THUS, THERE ARE INSTANCES OF CATCH-22 SITUATIONS ARISING WHERE LOCAL FUNDING SOURCES SOLICIT PROPOSALS FOR HISPANIC YOUTH PROGRAMS AND RECEIVING THEM, COME BACK WITH QUESTIONS ABOUT THE VALIDITY OF THE DATA REPRESENTED.

RECOMMENATIONS FOR DATA NEEDS OF HISPANICS

1. THE CURRENT POPULATION SURVEY SHOULD OVERSAMPLE HISPANICS TO IMPROVE THE RELIABILITY AND ESTIMATES OF THE HISPANIC YOUTH POPULATION. HISPANIC YOUTH ESTIMATES AND DATA ANALYSIS SHOULD BE PROVIDED BY BLS ON A MORE FREQUENT BASIS AS AVAILABLE FOR BLACK AND WHITE YOUTH.
2. ALL FEDERAL AGENCIES SHOULD INCLUDE HISPANICS AND HISPANIC YOUTH IN THEIR STATISTICAL REPORTING SYSTEMS.
3. A SPECIAL CENSUS ON HISPANIC AND HISPANIC YOUTH SHOULD BE CONDUCTED PERIODICALLY TO COLLECT SOME USEFUL INFORMATION ON THE LABOR FORCE CHARACTERISTICS OF PUERTO RICAN, MEXICAN-AMERICAN, CUBANS AND OTHER YOUTH OF SPANISH ORIGIN.
4. THE NATIONAL LONGITUDINAL SURVEY AND OTHER LONGITUDINAL SURVEY AND OTHER LONGITUDINAL SURVEYS SHOULD EXPAND THE SAMPLE SIZE TO INCLUDE A REPRESENTATIVE SAMPLE OF HISPANICS AND HISPANIC YOUTH.

Senator NELSON. Our next speaker is Dr. Walter Sava, executive director, La Casa de Esperanza, of Waukesha. He will address CETA public service employment.

STATEMENT OF DR. WALTER SAVA, EXECUTIVE DIRECTOR, LA CASA DE ESPERANZA, INC., WAUKESHA, WIS.

Dr. SAVA. Senator Nelson, members of the Senate Labor and Human Resources Subcommittee, ladies and gentlemen, I am the director of the La Casa de Esperanza of Waukesha, and I will limit my comments to CETA PSE.

Public service employment has served rather well Waukesha's Hispanic community. During the past 3 years, approximately 50 Latinos have been employed in PSE jobs through La Casa de Esperanza, and almost 70 percent of these individuals are now working in unsubsidized jobs.

We have provided valuable job training and experience at entry level positions to a segment of our population whose skills were not marketable at the time they were enrolled into CETA, but who now, because of CETA, are gainfully employed and economically self-sufficient.

To a large extent the success we have experienced is directly related to the well managed operation of the CETA WOW consortium. The efforts of the WOW consortium have resulted in intelligent planning, fair representation of Latino community based organizations on its councils and a genuine commitment to target significant segments of the population. Most importantly, they have so far avoided the pitfalls of centralized bureaucratic conglomerates.

Public service employment for both the structurally and cyclically unemployed has been a positive experience for many Hispanics in our community and it could become an excellent experience, provided some modifications, adjustments and changes were implemented, thereby correcting contradictions in the CETA law and removing barriers which limit the access of the Hispanic community to public service employment.

One of the main contradictions in the law is that while it emphasizes training and employment opportunities for the economically disadvantaged and the minorities, it relies on the unemployment statistics for the population at large to determine the degree of involvement and support of public service employment programs. It does not, unfortunately, take into consideration the unemployment statistics for minorities.

Consequently, Hispanics living in geographic areas where there is a low unemployment rate for the population at large, are restricted in their access to PSE jobs even when the rate of unemployment for minorities is double or triple to that of the rest of the population.

Therefore, if the intent of the act is to ensure that priority groups are, in fact, prioritized, more equitable means for establishing access to PSE by Hispanics must be implemented. We believe that the unemployment rate for minorities should be used to determine the level of financial support which PSE jobs in minority communities ought to receive.

Another barrier limiting accessibility to PSE by Hispanics is the determination of eligibility, more specifically the determination of

eligibility when transferring from one activity under the act into another activity. The special needs of limited English speaking individuals are severely restricted by current legislation which mandates that transfers can only be made if an individual met eligibility requirements at the time that he or she was originally determined eligible. As a result, participants eligible to receive English as a second language training, who subsequently require job experience through public service employment, are frequently denied access to this program.

For example, the person who arrives from Puerto Rico and after 1 week of unemployment is enrolled into our English class, is later unable to meet the eligibility requirements for public service employment. The rationale for the provision that we question is probably based on the assumption that an individual receiving training in welding should be ready to weld at the end of his or her training period and that an individual learning English should be able to "English" at the end of training.

This tragic logic unfortunately does not follow in the latter example. It is apparent that a general principle which may work well for the population at large overlooks the special needs of the Latino community. One possible solution would be to allow limited English speaking individuals to consider the number of weeks in CETA training programs as weeks unemployed.

Eligibility requirements is another area of considerable difficulty. Latinos who are ready to function in a bilingual environment but would not be hired in a monolingual setting are forced to wait 10 to 15 weeks until they become eligible, or as is frequently the case, compelled to accept menial jobs which, for the most part, exclude career mobility and training.

Eligibility requirements, we are fully aware, are designed for the purpose of serving those most in need of jobs and training, but when the guidelines end up excluding the neediest, targeting becomes a meaningless word. Lowering the number of weeks unemployed in the eligibility rules would not necessarily increase the number of CETA eligible individuals because there are additionally income guidelines to be met.

It would, however, increase the number of eligible Latinos whose income continues to trail far behind that of the rest of the population.

The low average wage rates for PSE positions is another item which continues to adversely affect the quality of PSE programs, incentives for those in the program, and of course, accessibility to the program. A family of four, for example, can barely survive on a \$3.75 hourly wage that we are currently able to pay out weatherization trainees. The low allowable hourly wage rates, far too often, serve as a failure factor, providing little motivation for performance and little if any rewards for superior accomplishments.

Senator NELSON. The average annual wage has to be now \$7,800, I think. How many people are involved in the weatherization program?

Dr. SAVA. We have 12.

Senator NELSON. Where at?

Dr. SAVA. In Waukesha.

Senator NELSON. The maximum there is \$3.75 per hour?

Dr. SAVA. The maximum is \$4.25. The average is \$3.83, I believe.

Other built in failure factors are the restrictions imposed by prime sponsors. One of the most crucial restrictions is the limitation on administrative expenditures. Latino community based organizations are restricted to the same administrative expenditure limitations as are units of government or large agencies and institutions who have substantial manpower resources in the areas of accounting, management and administration.

We are also required to maintain and provide the same accountability and bureaucratic formats required of the large institutions. The paperwork generated in the CETA administrative process probably serves to keep the paper business industry in business and the Xerox Corp. flourishing, but it also frequently proves to be the downfall of emerging Latino community based organizations who do not have the resources to manage a program with a 5 percent or less administrative cost limitation.

And finally, the distribution of PSE positions is of grave concern to those working in larger metropolitan areas. In those areas a growing centralized CETA system that is often politically controlled practically precludes the participation of Latino CBO's in a fair allocation of PSE positions. Immediate steps should be taken to prevent any further centralization of the CETA system at the local level to ensure the broadest possible benefit to Latino CBO's and the communities they seek to serve.

Public service employment has been of significant importance to Hispanic community agencies, allowing us to provide needed services to our community while at the same time offering training and jobs to Latinos. We therefore have a double interest in the success of public service employment programs, and can be relied upon to see to it that not only is there a public service provided, but that the individual providing it receives the necessary training, skills and support to become self-sufficient and economically independent.

We have pointed out several areas which we feel are inadequate and which require some type of change. None of the modifications we seek are drastic. The patient we have described suffers some maladies, but they can be corrected through minor surgery. More than anything, we have attempted to point out the special needs of the Latino community and the lack of recognition of these special needs inherent in the CETA legislation.

Public service employment has served our community rather well. The potential for doing so in a more equitable manner and with a higher degree of success is closely linked to some of the concerns and suggestions presented here today.

Thank you.

Senator NELSON. Thank you very much, Doctor Sava. We appreciate your coming today.

[The prepared statement of Dr. Sava follows:]

C.E.T.A.

PUBLIC SERVICE EMPLOYMENT

Senator Nelson, Members of the Senate Labor and Human Resources Subcommittee, ladies and gentlemen.

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can only be made if an individual met eligibility requirements at the time that he/she was originally determined eligible. As a result, participants eligible to receive English as a Second Language training, who subsequently require job experience through Public Service Employment, are frequently denied access to this program. For example, the person who arrives from Puerto Rico and after one week of unemployment is enrolled into our English Class is later unable to meet the eligibility requirements for Public Service Employment. The rationale for the provision that we question is probably based on the assumption that an individual receiving training in welding should be ready to weld, at the end of his/her training period and that an individual learning English should be able "to English" at the end of training. This tragic logic, unfortunately, does not follow in the latter example. It is apparent that a general principle which may work well for the population at large, overlooks the special needs of the Latino community. One possible solution would be to allow limited English speaking individuals to consider the number of weeks in CETA training programs as weeks unemployed.

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the same accountability and bureaucratic reporting formats required of the large institutions. The paperwork generated in the CETA administrative process probably serves to keep the paper industry in business and the Xerox Corporation flourishing, but it also frequently proves to be the downfall of emerging Latino Community Based Organizations who do not have the resources to manage a program with a 5% or less administrative cost limitation.

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We have pointed out several areas which we feel are inadequate and which require some type of change. None of the modifications we seek are drastic. The patient we have described suffers some maladies, but they can be corrected through minor surgery. More than anything, we have attempted to point out the special needs of the Latino Community and the lack of recognition of these special needs inherent in the CETA legislation.

Public Service Employment has served our community rather well. The potential for doing so in a more equitable manner and with a higher degree of success is closely linked to some of the concerns and suggestions presented here today. Thank you.

Dr. Walter Sava
Director
La Casa de Esperanza
410 Arcadian Avenue
Waukesha, WI 53186

Senator NELSON. Our next witness who will address the question of the effects of centralization of services on Hispanic community based organizations, is Lucio Fuentez, executive director, Comunidad de Amigos, Inc., Sheboygan.

**STATEMENT OF LUCIO FUENTEZ, EXECUTIVE DIRECTOR,
COMUNIDAD DE AMIGOS, INC., SHEBOYGAN, WIS.**

Mr. FUENTEZ. Senator Nelson, committee members, my name is Lucio Fuentez, executive director of Comunidad de Amigos, Inc. I am here to speak in regard to CETA prime sponsors and the effects that centralization of services have on CBO's and the Hispanic population.

Comunidad de Amigos has been contracted over the past 5 years by local CETA prime sponsors. It is in this capacity that we have assisted in implementing successful and effective educational, training and employment programs for the Hispanic and other minorities in our area.

The intent and purpose of our programs is to address employment barriers and reduce the unemployment rate among Hispanic youth and adults whose barriers to employment are unlimited. In periods of high unemployment minorities suffer the highest incidence of unemployment.

There is a saying that a recession is a period in which we tighten our belt. In a depression we have no belt to tighten—when you have no pants to hold up—it is a panic. That is where many of our people are today—in that panic. No jobs, no money, depressed and restless. How long can this go on? What can we do about it? We look to our leaders, our Government, and to Congress for legislative decisions to address this problem—to address the problem of unemployment in a fair and equitable manner.

In the past we have experienced and struggled to secure funding for programs addressing the needs of the Hispanics—we foresee even greater struggles in securing funds in the future. The prime sponsors and the private industry councils associated with them are already planning centralization of services.

If that should happen, they themselves would provide the services directly rather than subcontracting to community based organizations. The prime sponsors are developing statistical data to justify this development with the argument that by centralizing CETA they could serve a greater majority of the population with the limited funds available. I believe they could serve more Anglos.

These decisions which adversely affect all of us minorities are made by planning councils and policy boards composed of a great majority of white middle class males and a small representation of women and minorities. By their very structure the minority vote has little or no voice. These decisions are then sent to the Department of Labor as a recommendation from that local board.

The composition of these boards is not the real issue. The real issue to be addressed is that the unemployment rate among Hispanics is twice that of the white majority—and by allowing the prime sponsors to centralize services we are allowing the prime sponsors to continue serving the white population and widen the unemployment figures between white and Hispanic and other minorities.

We are not asking for the white man's jobs, we want our own, and we are asking the Federal Government to increase funding levels for Hispanics and other minorities so that we are allowed an opportunity to address the high unemployment rate of Hispanics and at least bring it in line with the unemployment level of the general population.

More than ever before this country needs CETA employment and training programs. More than ever before CETA needs to be decentralized. More than ever before Hispanics need your support and you need ours. It is now the time for the Hispanics to address Government and demand to be treated equally and honestly. It is now the time to address the problems of those most in need, and it is now the time to honestly and sincerely address the diverse needs of significant segments of our society.

It is now the time to lay our case before our Government demanding that the Department of Labor require funds set aside for community based organizations, for each program category in CETA including titles II, IV, VI and VII, to insure decentralization.

Presently the Comprehensive Employment and Training Act does not address the needs of the bilingual participants and other target groups based on their unemployment rate. There is a great inequity in the numerical processes of allocating funds to serve those in need.

For example, if the population in an area is 90 percent white and 10 percent minority, funding will be doled out in that manner, with 90 percent of the funds going to the white population and 10 percent of the funds going to the minority population. This may look fair on the surface, however, according to the U.S. Department of Labor, Bureau of Labor Statistics, the unemployment rates in May and June 1980 for minorities was 13.5 percent. The general unemployment rate was 7.8 percent, including minorities.

That changes the picture, does it not? If you allocate 90 percent of the funds to the Anglo population that has only 7 percent unemployment rate, and you allocate 10 percent of the funds to minorities that has 13.5 percent, you are never going to get those unemployment levels to any kind of equality.

Now is the time to demand that the Department of Labor revoke any Prime Sponsor's Comprehensive Employment and Training Act plan and terminate funding it when it is determined that the prime sponsor has failed to make the appropriate allocation available to significant segments of the unemployed population.

The problems and concerns of this paper primarily focus on local issues and local barriers we have to deal with in addressing the needs of the Hispanic population. In addressing these concerns we are also addressing the unified concerns throughout the Nation.

A national network of community-based organizations from towns and cities throughout our Nation met in Washington, D.C. on May 28, 1980, and formed a coalition to share and discuss the concerns of the poor and to demand an end to cuts in employment and training programs. During the national conference on CBO's and CETA, the problems and concerns that we have addressed here were brought to light. The Hispanic CBO representatives at this conference indicated that these were common national concerns,

and that strategies and efforts should be developed to make elected officials aware of these problems, and seek their support.

In summary, we must continue to fight against centralization of services. We must continue to fight for funding from local prime sponsors, private industry councils and other entities administering the Comprehensive Employment and Training Act. We must continue to see that they allocate funds based on levels of unemployment and not on percentage of population. We must get Congress to act fairly on these important issues.

The following are issues and recommendations prepared for your consideration:

One, local prime sponsors are becoming program operators and depriving community-based organizations of program opportunities, yet prime sponsors are unable to hire qualified staff to manage CETA programs. Specially where there exists a language barrier.

Community-based organizations should have full responsibility for serving CETA enrollees, including intake, orientation, training, services, and job placement. The Department of Labor should require setting aside funds for each program category in CETA titles II, IV, VI, and VII to insure decentralization.

Two, comprehensive Employment and Training Act allocations to prime sponsors are based on employment service data. Hispanic people do not generally use the employment service, although they do use community-based organizations, so the undercounting of unemployed Hispanic people deprives them of services and deprives community-based organizations of funding.

Community-based organizations' data on the number of Hispanic people they have served should be included in the development of unemployment data. Funding to Hispanic and other minorities community-based organizations must be based on levels of unemployment, not on percent of population.

Three, many local prime sponsors are contracting only with for profit manufacturing businesses under title VII, and excluding community-based organizations that are involved in community-oriented activities.

The Department of Labor should encourage or mandate community-based organizations' participation under title VII in order to provide ongoing employment services to CETA participants, as well as community services.

Four, some prime sponsors have a history of prematurely terminating contracts of those community-based organizations that "make trouble," even though those community-based organizations operate effective programs.

Primes should instruct community-based organizations on the use of the grievance procedure, and encourage community-based organizations' use of the grievance procedure. Department of Labor should review community-based organizations' complaints in a timely manner.

Senator, this concludes my presentation. I hope you take some of these considerations—some of these recommendations into consideration, and I thank you for your time.

Senator NELSON. Thank you very much, Mr. Fuentes, for your thoughtful suggestions. We appreciate your taking the time to come and testify today.

[The prepared statement of Mr. Fuentes follows:]

Senator Nelson, Committee members, my name is Lucio Fuentez, Executive Director of Comunidad De Amigos, Inc. I'm here to speak in regard to CETA Prime Sponsors and the effects that centralization of services have on CBO's and the Hispanic population.

Comunidad De Amigos has been contracted over the past five years by local CETA Prime Sponsors.

It is in this capacity that we have assisted implementing successful and effective educational, training and employment programs for the Hispanic and other minorities in our area.

The intent and purpose of our programs is to address employment barriers and reduce the unemployment rate among Hispanic Youth and Adults whose barriers to employment are unlimited.

In periods of high unemployment Minorities suffer the high incidence of unemployment.

There is a saying that a recession is a period in which we tighten our belt. In a depression we have no belt to tighten--when you have no pants to hold up--it's a panic.

That's where many of our people are today - in that panic. No jobs, no money, depressed and restless. How long can this go on?? What can we do about it?? We look to our leaders, our Government, and to Congress for legislative decisions to address this problem--to address the problem of unemployment in a fair and equitable manner.

In the past we have experienced and struggled to secure funding for programs addressing the needs of the Hispanic--we foresee even greater struggles in securing funds in the future.

The Prime Sponsors and the private industry councils associated with them are already planning centralization of services.

If that should happen they themselves would provide the services directly rather than sub-contracting to Community Based Organizations. The Prime Sponsors are developing statistical data to justify this development with the argument that by centralizing CETA they could serve a greater majority of the population with the limited funds available.

I believe they could serve more Anglos.

These decisions which adversely affect all of us minorities are made by Planning Councils and Policy Boards composed of a great majority of white middle class males and a small representation of women and minorities. By their very structure the minority vote has little or no voice.

These decisions are then sent to the Department of Labor as a recommendation from that local board.

The composition of these boards is not the real issue. The real issue to be addressed is that the unemployment rate among Hispanics is twice that of the white majority--and by allowing the Prime Sponsors to centralize services we are allowing the Prime Sponsors to continue serving the white population and widen the unemployment figures between white and Hispanic and other minorities.

We are not asking for the white man's jobs, we want our own and we are asking the Federal Government to increase funding levels for Hispanics and other minorities so that we are allowed an opportunity to address the high unemployment rate Hispanics have and at least bring it in line with the unemployment level of the general population. More than ever before this country needs CETA employment and training programs. More than ever before CETA needs to be decentralized. More than ever before Hispanics need your support and you need ours. It is now the time for the Hispanics to address Government and demand to be treated equally and honestly. It is now the time to address the problems of those most in need first and it is now the time to honestly and sincerely address the diverse needs of significant segments of our society.

It is now the time to lay our case before our Government demanding that the Department of Labor require funds set aside for Community Based Organizations, for each program category in CETA including Titles 2, 4, 6, and 7 to insure decentralization.

Presently the Comprehensive Employment and Training Act does not address the needs of Bilingual participants and other target groups based on their unemployment rate. There is a great inequity in the numerical processes of allocating funds to serve those in need.

For example, if the population in an area is 90 percent white and 10 percent minority, funding will be doled out in that manner with 90 percent of the funds going to the white population and 10 percent of the funds going to the minority population. This may look fair on the surface; however, according to the U.S. Department of Labor, Bureau of Labor Statistics, the unemployment rates in May and June, 1980 for minorities was 13.05 percent. The general unemployment rate was 7.8 percent, including minorities.

That changes the picture, doesn't it? If you allocate 90 percent of the funds to the Anglo population that has only 7% unemployment rate, and you allocate 10 percent of the funds to minorities that has 13.05 percent unemployment, you are never going to get those unemployment levels to any kind of equality.

Now is the time to demand that the Department of Labor revoke any Prime Sponsors Comprehensive Employment and Training Act plan and terminate funding when it is determined that the Prime Sponsor has failed to make the appropriate allocation available to significant segments of the unemployed population.

The problems and concerns of this paper primarily focus on local issues and local barriers we have to deal with in addressing the needs of the Hispanic population. In addressing these concerns we are also addressing the unified concerns throughout the nation.

A National network of Community Based Organizations from towns and cities throughout our nation met in Washington, D.C. on May 28, 1980, and formed a coalition to share and discuss the concerns of the poor and to demand an end to cuts in employment and training programs. During the National conference on CBO's and CETA, the problems and concerns that we have addressed here were brought to light. The Hispanic CBO representatives at this conference indicated that these were common National concerns and that strategies and efforts should be developed to make elected officials aware of these problems and seek their support.

In summary, we must continue to fight against centralization of services.

We must continue to fight for funding from local Prime Sponsors, private industry councils and other entities administering the Comprehensive Employment and Training Act. We must continue to see that they allocate funds based on levels of unemployment and not on percentage of population.

We must get Congress to act fairly on these important issues.

The following are Issues and Recommendations prepared for your consideration:

ISSUES AND RECOMMENDATIONS

1. Issue

Local Prime Sponsors are becoming program operators and depriving Community Based Organizations of program opportunities, yet Prime Sponsors are unable to hire qualified staff to manage CETA programs. Specially where there exists a language barrier.

Recommendation

Community Based Organizations should have full responsibility for serving CETA enrollees, including intake, orientation, training, services and job placement. The Department of Labor should require setting aside funds for each program category in CETA Titles II, IV, VI and VII to insure decentralization.

2. Issue

Comprehensive Employment and Training Act allocations to Prime Sponsors are based on Employment Service data. Hispanic people do not generally use the Employment Service, although they do use Community Based Organizations, so the undercounting of unemployed Hispanic people deprives them of services and deprives Community Based Organizations of funding.

Recommendation

Community Based Organizations' data on the number of Hispanic people they have served should be included in the development of unemployment data. Funding to Hispanic and other minorities Community Based Organizations must be based on levels of unemployment not on percent of population.

3. Issue

Many local Prime Sponsors are contracting only with for profit manufacturing businesses under Title VII and excluding Community Based Organizations that are involved in community-oriented activities.

Recommendation

The Department of Labor should encourage or mandate Community Based Organizations participation under Title VII in order to provide ongoing employment services to CETA participants, as well as community services.

4. Issue

Some Prime Sponsors have a history of prematurely terminating contracts of those Community Based Organizations that "make trouble", even though those Community Based Organizations operate effective programs.

Recommendation

Primes should instruct Community Based Organizations on the use of the grievance procedure and encourage Community Based Organizations use of the grievance procedure. Department of Labor should review Community Based Organizations complaints in a timely manner.

Senator NELSON. Our next witness will be Mr. Filiberto Murguía, executive director, Spanish Center, Milwaukee.

STATEMENT OF FILIBERTO MURGUÍA, EXECUTIVE DIRECTOR,
SPANISH CENTER, MILWAUKEE, WIS.

Mr. MURGUÍA. The Council of the Spanish Speaking is a multi-program nonprofit organization that serves the Hispanic community of Milwaukee. Our various components provide direct services to some 8,000 people per year. The great majority of these recipients are low-income families who live in target areas of the city which have been identified by all levels of government as high-risk or high-need areas.

Although we do not receive funds directly from the Community Services Administration, we facilitate the delivery of energy and weatherization programs to local residents by serving as an outstation where persons can apply for these benefits. This past winter we assisted about 100 families in receiving financial assistance for fuel through the energy program.

Our involvement in this effort, which was entirely voluntary, was significant for two reasons.

Senator NELSON. Well now, when you were referring to fuel assistance, were you talking about the Federal fuel assistance program?

Mr. MURGUÍA. Exactly. This was conducted through the Social Development Commission.

Senator NELSON. And what was your organization's role in the program?

Mr. MURGUÍA. Our participation was to take the intake and fill out the applications for the people so the people can get assistance.

Senator NELSON. So you were really identifying those who were eligible, so to speak?

Mr. MURGUÍA. Exactly. We were the ones that were doing the job.

Senator NELSON. And then you simply notified the Social Development Commission?

Mr. MURGUÍA. The Social Development Commission. The Social Development Commission in fact turned the assistance over to those people.

Senator NELSON. How well did that work?

Mr. MURGUÍA. That is what I am saying. Through our voluntary, 100 percent voluntary assistance, we did not receive any funds. We did this type of service for the people.

Senator NELSON. How much geographic area did your group cover?

Mr. MURGUÍA. Well, we covered the whole city of Milwaukee. It happens our center is on the South Side, but we have people coming from the East Side, from the West Side, North Side.

Senator NELSON. And your group did all of the identification and processing?

Mr. MURGUÍA. Most of the Spanish-speaking people that applied for that particular program come through our center.

Senator NELSON. I see. And so that in effect the Social Development Commission delegated this role to you or allowed you to take it, or requested you to do it?

Mr. MURGUÍA. That is right.

Senator NELSON. They did request you to do it?

Mr. MURGUÍA. Sure. My concern in this regard is the control of the program was done by the Social Development Commission, and part of the job was—for the majority of the job to serve the Spanish-speaking community was done by us.

Senator NELSON. Well, how would you advise changing that? There will be a program again this year on fuel assistance.

Mr. MURGUÍA. Again, I will stress the fact that some of the people already mentioned to you the centralization of programs like that, and I will go into that.

Senator NELSON. All right, go ahead.

Mr. MURGUÍA. First, Spanish-speaking residents were able to receive these benefits because the information and applications were readily available in a familiar setting.

Second, many English-speaking residents, particularly the elderly, found it more convenient and comfortable to apply at our offices. Many of the persons who sought this relief had fuel bills which had not been paid for 3 or 4 months. A call to the Social Development Commission energy program was usually sufficient to have their utilities reconnected.

We found the energy program successful. We believe the participation of small neighborhood centers, such as ours, is essential to deliver the service, but we wish to note that our participation was based solely on our goodwill and conscientious desire to bring needed services to area residents, that is, our organization received no funds for the administration and delivery of this program.

Our relationship with the Headstart program is long and honorable. Popularly known as the Guadalupe Center, our Headstart program was initiated in 1965. Many of the very first staff persons, recruited from the neighborhood, are still working at the center.

Senator NELSON. Many of the people who started there in 1965 are still there?

Mr. MURGUÍA. That is right. This has provided continuity and local participation which had been recognized nationally and internationally. The Guadalupe Center was one of two centers, invited after a nationwide search, to implement the high scope program.

In regard to the CETA programs, we have recently experienced great success with the YETP program. That is the youth employment training program. Several young people have received their GED in only 4 months. Our experience overall with the CETA program, however, has been frustrating.

A great deal of preparation and planning goes into the proposals which, if accepted, are funded for less than 1 year. The transitory nature of these programs is detrimental to the staff and the recipients. When compared to our adult basic education project, instituted in 1966, and our vocational counseling project, operating since 1971, CETA programs seem shortlived and unstable.

We cannot overemphasize the need for decentralization in the delivery of service to our clientele. In contrast, it is becoming more and more difficult for small neighborhood centers to compete for funding. There is a sharp dichotomy in the emphasis for innovative programs and the systematic refunding of traditional centralized institutions.

It has been our experience that Spanish-speaking people are not aware of most services offered by these institutions, are hesitant to seek these services, and encounter many linguistic, cultural and physical barriers to the acquisition of these services. Small neighborhood centers such as ours capitalize on word-of-mouth referrals, bilingual and bicultural staff, congenial atmosphere, a wide variety of services accessible in one location, and ongoing educational and public information efforts to attract local residents, and encourage them to take advantage of as many programs as they are qualified to use.

One of the problems that is difficult to deal with is the case of families who do not qualify for certain types of assistance because their income level is just above the poverty level. Many of our clients work in tanneries, foundries, and food and hotel service for very low wages. These are the people who are caught in the middle by rising costs and dead end jobs. There are not enough programs to address the needs of this special population. They do not qualify for migrant programs because they have not worked in the fields. In many cases they do not have the protection of unions. Many of them are worked hard, become injured, and are then tossed aside. Lack of education and opportunity for career upgrading makes them slaves to a particular standard of living.

Part and parcel of this cycle is the reliance for economic and cultural reasons on housing in this area of the city. The high rent and substandard housing with numerous code violations is scandalous.

The Spanish Center has recently acquired a 33 unit apartment through HUD, to be renovated for housing for the elderly and handicapped. Additionally, two pieces of land have been purchased for construction of family housing. Other efforts to construct and rehabilitate housing in this area have been very slow. Once again, it is difficult for a small center such as ours to compete for funds in the area of housing, and other different areas.

So our concern really is decentralization of services in all the areas. We do not really believe that all the money will go out to the Jewish Vocational Service in Milwaukee to serve the Spanish-speaking community, or to the Social Development Commission, or to any other big or conglomerate organization.

Senator NELSON. In your view prime sponsors are not equitably distributing the money according to unemployment rates?

Mr. MURGUÍA. That is right.

Senator NELSON. This problem is particularly severe in the Spanish-speaking community, where the unemployment rate is high in your judgment?

Mr. MURGUÍA. Yes, sir.

Senator NELSON. That the fair share is not going in to your community—

Mr. MURGUÍA. It is not going in the right direction.

Senator NELSON. Do you have any numbers in dollar figures that we could look at, or could they be gotten?

Mr. MURGUÍA. Not at the present time, but I am sure we could get it for you.

Senator NELSON. It would be helpful. I would like to take a look at that. I would like to take a look at the unemployment rate, the

number of unemployed, the amounts of money that has come into the community here, and try to get a better look at how that money is being distributed, because you raise a very important point.

Mr. MURGUÍA. And also I would like to say the fact that it is not only the unemployment services, in every area that the Government puts money for the people, that money has to be distributed equally to all the communities.

Senator NELSON. Now, you did mention the Headstart program, which also is in the Employment Subcommittee. Headstart is being run locally, and managed by people from your own community, is that correct?

Mr. MURGUÍA. No, sir.

Senator NELSON. It is not?

Mr. MURGUÍA. That money is administered by the Social Development Commission, and we are subgrantees of them.

Senator NELSON. But the money comes from the—

Mr. MURGUÍA. From the regional office, Chicago, through the Social Development Commission, and from the Social Development Commission to the different agencies that have these types of programs.

Senator NELSON. But then you are a grantee for the funds for the Headstart program?

Mr. MURGUÍA. Well, supposedly.

Senator NELSON. Pardon?

Mr. MURGUÍA. Supposedly we are a grantee.

Senator NELSON. Well, who—

Mr. MURGUÍA. We are delegate agencies. The grantee is the Social Development Commission.

Senator NELSON. Yes, I get you. But what organization directly operates the Headstart program in your community?

Mr. MURGUÍA. The way it is right now, the Social Development Commission receives all the moneys, and they in fact distribute those moneys to the delegate agencies, and we are one of them.

Senator NELSON. You are one of the delegate agencies?

Mr. MURGUÍA. Yes.

Senator NELSON. And does your organization operate a Headstart program?

Mr. MURGUÍA. Yes, we do. That is right.

Senator NELSON. And are you satisfied with the way the program operates?

Mr. MURGUÍA. We are very satisfied with the way the program operates. We are not satisfied with the way the program is administered.

Senator NELSON. What are the complaints? Is there a complaint as to the distribution of the amount of money?

Mr. MURGUÍA. The distribution of the amount of money which I had mentioned is not equal for all the organizations. So some type of system has to be used different than what they are using right now.

Senator NELSON. It is your view that the amount of money distributed for the Headstart program to your organization, as a delegate organization, is not equal to what it ought to be?

Mr. MURGUÍA. That is right.

Senator NELSON. It would be helpful if you could get together some figures for us.

Mr. MURGUÍA. I will be more than glad to.

Senator NELSON. I would like to take a look at that.

Mr. MURGUÍA. Thank you. And also, for your information, about 8 months ago we sent you a letter concerning that program, and we can follow up on it—on the letter that we sent to you about 8 months ago.

Senator NELSON. Did you mention the amount of money? Lori Hanson, who is not here, handled that matter.

Mr. MURGUÍA. OK.

Senator NELSON. I will ask Mr. Knight to check with her on that.

Mr. MURGUÍA. All right.

Senator NELSON. OK, thank you very much.

Mr. MURGUÍA. Thank you.

[The prepared statement of Mr. Murguía follows:]

TESTIMONY TO THE UNITED STATES SENATE SUBCOMMITTEE
ON EMPLOYMENT, POVERTY, AND MIGRATORY LABOR

SEPTEMBER 6, 1980

The Council for the Spanish Speaking, Inc. is a multi-program non-profit organization that serves the Hispanic community of Milwaukee. Our various components provide direct services to some 8,000 people per year. The great majority of these recipients are low-income families who live in target areas of the city which have been identified by all levels of government as high-risk or high-need areas.

Although we do not receive funds directly from Community Services Administration, we facilitate the delivery of energy and weatherization programs to local residents by serving as an out-station where persons can apply for these benefits. This past winter we assisted about 100 families in receiving financial assistance for fuel through the Energy Program. Our involvement in this effort, which was entirely voluntary, was significant for two reasons: first, Spanish-speaking residents were able to receive these benefits because the information and applications were readily available in a familiar setting; second, many English-speaking residents, particularly the elderly, found it more convenient and comfortable to apply at our offices. Many of the persons who sought this relief had fuel bills which had not been paid for three or four months. A call to the Social Development Commission Energy Program was usually sufficient to have their utilities reconnected. We found the Energy Program successful. We believe the participation of small neighborhood centers such as ours is essential to deliver the service, but we wish to note that our participation was based solely on our good will and conscientious desire to bring needed services to area residents, that is, our organization received no funds for the administration and delivery of this program.

Our relationship with the Head Start program is long and honorable. Popularly known as the Guadalupe Center, our Head Start program was initiated in 1965. Many of the very first staff persons, recruited from the neighborhood, are still working at the Center. This has provided continuity and local participation which had been recognized nationally and internationally. The Guadalupe Center was one of two centers invited after a nationwide search to implement the High Scope program.

In regard to the CETA programs, we have recently experienced great success with the YETP program. Several young people have received their GED in only four months. Our experience overall with the CETA program, however, has been frustrating. A great deal of preparation and planning goes into the proposals which, if accepted, are funded for less than one year. The transitory nature of these programs is detrimental to the staff and the recipients. When compared to our Adult Basic Education Project, instituted in 1966, and our Vocational Counseling Project, operating since 1971, CETA programs seem short-lived and unstable.

We cannot overemphasize the need for de-centralization in the delivery of service to our clientele. In contrast, it is becoming more and more difficult for small neighborhood centers to compete for funding. There is a sharp dichotomy in the emphasis for innovative programs and the systematic refunding of traditional centralized institutions. It has been our experience that Spanish-speaking people are not aware of most services offered by these institutions, are hesitant to seek these services, and encounter many linguistic, cultural and physical barriers to the acquisition of these services. Small neighborhood centers such as ours capitalize on word-of-mouth referrals, bilingual and bicultural staff, congenial atmosphere, a wide variety of services accessible in one location, and ongoing educational and public information

efforts to attract local residents and encourage them to take advantage of as many programs as they are qualified to use.

One of the problems that is difficult to deal with is the case of families who do not qualify for certain types of assistance because their income level is just above the poverty level. Many of our clients work in tanneries, foundries, and food and hotel service for very low wages. These are the people who are caught in the middle, by rising costs and dead-end jobs. There are not enough programs to address the needs of this special population. They do not qualify for migrant programs, because they have not worked in the fields. In many cases they do not have the protection of unions. Many of them are worked hard, become injured, and are then tossed aside. Lack of education and opportunity for career upgrading makes them slaves to a particular standard of living.

Part and parcel of this cycle is the reliance for economic and cultural reasons on housing in this area of the city. The high rent and substandard housing with numerous code violations is scandalous. The Spanish Center has recently acquired a 33 unit apartment building through HUD, to be renovated for housing for the elderly and handicapped. Additionally, two pieces of land have been purchased for construction of family housing. Other efforts to construct and rehabilitate housing in this area have been very slow. Once again, it is difficult for a small center such as ours to compete for funds in the area of housing.

Filiberto Murguía, Executive Director
Council for the Spanish Speaking, Inc.

Senator NELSON. Is Aurora Weir here, representing the Puerto Rican community needs?

Since she has not yet arrived, we will go to our next witness.

Next is the legislative policy recommendations, Federico Zaragoza, Madison, and Tano Resendez, Flint, Mich.

STATEMENT OF FEDERICO ZARAGOZA, MADISON, WIS., REPRESENTING REGION V, NATIONAL ASSOCIATION OF HISPANIC EMPLOYMENT AND TRAINING ADMINISTRATORS (NAHETA)

Mr. ZARAGOZA. Senator, for the record, Mr. Resendez was unable to be here today, although he had planned to be here, so I will cover full testimony on this agenda item.

Senator NELSON. All right. Thank you.

Mr. ZARAGOZA. Senator Nelson, the subcommittee staff and subcommittee guests, I would like to initially compliment the subcommittee for convening their forum for testimony in an appropriate community site. I think it is very refreshing to see the subcommittee go to the target areas and listen to the testimony from the people. So, initially, I would like to do that.

Second, I would refer you, Senator, instead of reading from text, refer you to page 2 and deal specifically with the recommendations, after very briefly indicating to you that I am here representing the National Association of Hispanic Employment and Training Administrators. My name is Federico Zaragoza, and I am employed as a deputy director for the Governor's Employment and Training Office.

Senator NELSON. Are you speaking—

Mr. ZARAGOZA. I am speaking as a representative of the National Association of Hispanic Employment and Training Administrators.

Senator NELSON. OK.

Mr. ZARAGOZA. Senator, if you refer to page 2 of my testimony, my written testimony, you will find recommendations outlined that were identified by approximately 250 attendees at a conference we held in February.

Senator NELSON. Where was that conference?

Mr. ZARAGOZA. Here in Milwaukee, Wis.

Senator NELSON. All right.

Mr. ZARAGOZA. Most of the testimony itself still applies in terms of things that you have heard today, and I think you have heard testimony that eloquently talks to each one of the issues, so I will simply reiterate these and give you some comments in the process.

You have heard today that many of the smaller community based organizations are concerned about the centralization of the employment and training system. I would like to suggest that the subcommittee, whenever possible, consider targeting resources, and when I use the word "targeting," I am talking about categorical funding via, if at all possible, the office of national programs. We feel that the system currently in place could very adequately serve to get resources to the communities without the middleman.

I think you have also heard the concern, especially in the testimony by the United Migrant Opportunity Services, over the whole thrust on accountability, and accountability in terms of two sectors, the public accountability and administrative accountability.

I think we all are concerned about accountability in terms of how it is being interpreted by the administration. It is very difficult for a community based organization to contend with a verification system, to contend with an MIS system unique to a local prime sponsor without the technical assistance required and the appropriate staffing required to be able to meet the various printed guidelines being imposed by the Department of Labor.

We would encourage you, therefor, not to shy away from accountability but, instead, to focus your reference as a subcommittee to insure that community based organizations have training resources.

Senator NELSON. How helpful is the Office of Management Assistance which was created by the CETA legislation in 1978?

Mr. ZARAGOZA. My first recommendation, sir, on page 2 talks about the Office of Management Assistance. The Office of Management Assistance has been put in place in Washington, D.C. via a national-regional structure to redirect training resources.

However, I am very concerned that as of this date, community-based organizations are not participating at either regional forums or in national forums. My specific recommendation is that the Office of Management Assistance, headed by Mr. Robert Jones, be instructed that community-based organizations be included in the Regional Advisory Committees as well as the Federal Steering Committees.

We think that is very important, and although I have mixed feelings working for a prime sponsor myself, I would much rather have direct community-based organization input than to assume that a decentralized system can speak for all the actors and all the people in a given jurisdiction, and that recommendation, as you can see, was topmost, No. 1 in terms of our conference.

Two, talking again in terms of technical assistance, there is a section in the law, as reauthorized in October of 1978, that reads that the Governor shall make available to prime sponsors, with or without reimbursement and upon request, appropriate information, technical assistance, and other activities to help them implement their programs.

My recommendation is that this be modified to read that prime sponsors and CETA funded community-based organizations be provided such services.

Senator, in the State of Wisconsin, I think we have a unique situation where the Governor's office, via community-based organizations, are providing technical assistance. I think the State of Wisconsin is unique in many ways in terms of being responsive to the needs of community-based organizations. That certainly is not true in the region and in the Nation, and this recommendation was one that people in other States feel very strongly about. Most of the training efforts are geared at prime sponsor staff, and to assume that it gets to the community-based organization is a faulty assumption.

Therefore, a subsequent recommendation is discussed. This recommendation is that currently the Department of Labor trains prime sponsor staff. However, community-based organizations in most cases are not allowed to participate in Department of Labor sponsored training, and I am talking about the regional office now.

Our suggestion here is that when appropriate, when things are not related to compliance and things that are specific to the prime sponsor, I am talking about the management type of assistance, when appropriate, that up to 20 percent of participation at these training sessions be community-based organizations, and by inference I am also saying that the Department of Labor should pick up the tab so that community-based organizations can attend these trainings.

Senator NELSON. Where are those training programs conducted now? Are they conducted by the regional office?

Mr. ZARAGOZA. Yes, sir. In most cases they would differ, depending on what the substance item is, but 70 percent of the training occurs in Chicago, 30 percent occurs in the States, and so obviously there is a possibility when appropriate for community-based organizations to participate.

You should also know, Senator, that when training sessions are held in Chicago, the Department does pick up hotel lodging for prime sponsors' staff and I am saying that the same courtesy should be afforded to community-based organizations.

I have already indicated the need for targeted resources. Senator, I cannot overemphasize the need to target. A decentralized system is a viable system, but we need to supplement that system in target areas.

Senator NELSON. Well, now, when you say targeted, what are you talking about? Do you mean targeted programmatically or targeted to a particular group? What do you mean, targeted?

Mr. ZARAGOZA. Senator, I do not wish to define for the committee. I am talking about a process and I will give you an example.

The farm worker stimulus program was a competitive program targeted to an area to stimulate the economy of the farm worker community. I think that that serves as a good parallel to follow whenever funds are to be targeted, and I am, I guess, talking about the funding mechanism, targeted for a specific activity, a specific outcome via a defined process.

Again I wish to go on record as supporting a clear and distinct rule for community-based organizations, especially on the educational side of the proposed youth initiative. Again the only information that we had available in October was the administration's version.

My understanding is now that the House version is more watered down in terms of community-based organization participation on the educational side of the projected youth initiative.

We would ask you, sir, that as you go into Senate deliberations, that special attention be given to the potential role of community-based organizations in forming a partnership with the local educational agencies.

We also want to go on record as supporting continued language that would encourage equal employment opportunity in any legislation that the subcommittee considers, and I think that the subcommittee should be concerned about the deplorable record in terms of Hispanic participation in the Federal Government, and I would hope that the efforts to change this continue.

Seven, Senator, I would encourage very strongly that the subcommittee link the community-based organizations' data base to

existing data systems. In most cases, traditional data sources do not include supplemental data that could be made available at the community-based organization level, and I think this is crucial in the kind of system that we have now.

I will defer from further recommendations. They are submitted, Senator, to you for your consideration, other than very quickly indicate that the most concerning part of working in the CETA system at this point is the interpretation of most in need by the Department of Labor, and its contradiction in terms of how prime sponsors are evaluated.

Prime sponsors are penalized for serving people that have the most needs, the reason being that the prime sponsor utilizes a single indicator system, cost per placement.

I would argue that if the intent of Congress in terms of serving those most in need is to be carried out, that there must be a two-track evaluation system, the second track not based on cost per placement but based on cost for serving individuals with extreme needs.

Senator, my recommendations are available for the record. I would hope to be in touch with the subcommittee on subsequent occasions.

I thank you for this opportunity to testify.

Senator NELSON. I thank you very much. We appreciate your taking the time to testify.

[The prepared statement of Mr. Zaragoza follows:]

PUBLIC TESTIMONY OF
FEDERICO ZARAGOZA
REGION V N.A.H.E.T.A.

HONORABLE SENATOR NELSON, SUB-COMMITTEE STAFF AND SUB-COMMITTEE GUESTS, I WOULD LIKE TO EXTEND MY MOST SINCERE APPRECIATION FOR THESE HEARINGS ON BEHALF OF THE REGION V NATIONAL ASSOCIATION OF HISPANIC EMPLOYMENT AND TRAINING ADMINISTRATORS (NAHETA). AS AN ORGANIZATION OF HISPANIC VOLUNTEERS OF COMMUNITY BASED ORGANIZATIONS AND HISPANIC PRIME SPONSOR STAFF WE HAVE ORGANIZED FOR THE SPECIFIC PURPOSE OF IDENTIFYING POLICY, PROGRAMMATIC AND LEGISLATIVE INITIATIVES TO IMPROVE THE EFFECTIVENESS OF THE OVERALL EMPLOYMENT AND TRAINING DELIVERY SYSTEM, AND MORE SPECIFICALLY TO INCREASE THE ABILITY OF THE CURRENT SYSTEMS TO RESPOND TO THE UNIQUE NEEDS OF HISPANICS IN THE STATE, REGION AND NATION.

IN FEBRUARY OF THIS YEAR NAHETA HELD ITS FIRST ANNUAL CONFERENCE IN MILWAUKEE, WISCONSIN. THE PURPOSE OF THE CONFERENCE WAS TO IDENTIFY REGION-WIDE NEEDS WHICH COULD BE ADDRESSED THROUGH LEGISLATIVE, POLICY AND/OR PROGRAMMATIC INITIATIVES. THE CONFERENCE WAS ATTENDED BY AN IDEAL MIX OF HIGHLY TECHNICAL HISPANIC STAFF PERSONS, BROADER BASED CBO'S STAFF, ACTUAL PARTICIPANTS, AND DIRECT SERVICE DELIVERY

PERSONNEL. IT WAS THIS TYPE OF REPRESENTATION FROM ALL SIX STATES IN THE REGION THAT FORMULATED A SERIES OF RECOMMENDATIONS THAT EMPHASIZE THE NEEDS OF HISPANICS IN THE REGIONS.

THE FOLLOWING ARE THOSE RECOMMENDATIONS WE CONSIDER TO BE OF MOST IMPORTANCE TO THE REGION V HISPANIC COMMUNITY.

- THAT THE NEWLY CREATED OFFICE OF MANAGEMENT ASSISTANCE, WHO IS RESPONSIBLE FOR ADMINISTERING THE NATIONAL TECHNICAL ASSISTANCE EFFORTS OF THE DEPARTMENT OF LABOR BE INSTRUCTED TO INCLUDE HISPANIC COMMUNITY-BASED ORGANIZATION REPRESENTATION ON ALL REGIONAL ADVISORY COMMITTEES AND ON NATIONAL STEERING COMMITTEES.
- THAT SECTION 105, PART 8 OF THE CETA ACT AS REAUTHORIZED IN OCTOBER OF 1978 BE MODIFIED TO READ:
"MAKING AVAILABLE TO PRIME SPONSORS AND CETA FUNDED COMMUNITY-BASED ORGANIZATIONS, WITH OR WITHOUT REIMBURSEMENT AND UPON REQUEST, APPROPRIATE INFORMATION AND TECHNICAL ASSISTANCE TO ASSIST THEM IN DEVELOPING AND IMPLEMENTING THEIR PROGRAMS."
- THAT THE DEPARTMENT OF LABOR BE INSTRUCTED TO ALLOW COMMUNITY-BASED ORGANIZATIONS TO PARTICIPATE IN APPROPRIATE DEPARTMENT TRAINING FUNCTIONS. THAT NO LESS THAN 20% OF PARTICIPANTS IN THESE TRAININGS BE REPRESENTATIVES OF COMMUNITY-BASED ORGANIZATIONS.

- THAT DIRECT AND TARGETED FUNDING VIA THE OFFICE OF NATIONAL PROGRAMS BE PROVIDED TO COMMUNITY-BASED ORGANIZATIONS FOR SUCH VITAL PROGRAMS AS ECONOMIC DEVELOPMENT, TECHNICAL ASSISTANCE, TRAINING AND RESEARCH.
- THAT PROVISIONS BE MADE FOR GREATER INVOLVEMENT BY COMMUNITY-BASED ORGANIZATIONS IN IMPLEMENTING THE "NEW YOUTH INITIATIVES PROGRAM", ESPECIALLY ON ACTIVITIES TARGETED TO THE EDUCATIONAL SYSTEM.
- THAT SUB-COMMITTEE LEGISLATION CLEARLY SUPPORTS AND REQUIRES THAT THE FEDERAL GOVERNMENT EMPLOY QUALIFIED HISPANICS IN ALL LEVELS OF GOVERNMENT INCLUDING POLICY-MAKING POSITIONS.
- THAT THE SUB-COMMITTEE THOROUGHLY REVIEW THE NEED TO LINK COMMUNITY-BASED ORGANIZATIONS DATA TO OTHER DATA SYSTEMS SUCH AS THE EMPLOYMENT SERVICES.
- THAT REGIONAL DATA BE GATHERED ON HISPANICS TO ASSIST THE FEDERAL GOVERNMENT IN PLANNING PROGRAMS FOR HISPANICS.
- THAT THE DEFINITIONS OF SEASONAL AND MIGRANT FARMWORKERS BE GENERATED FROM THE EXPERIENCE AND DATA SOURCE OF COMMUNITY-BASED ORGANIZATIONS SUCH AS THOSE FUNDED FROM SECTION 3.03 OF CETA.
- THAT THE SUB-COMMITTEE REVIEW THE NEED FOR ESTABLISHING A COMMUNICATION NETWORK AMONG COMMUNITY-BASED ORGANIZATIONS TO FACILITATE: 1) LEGISLATIVE INFORMATION AND PARTICIPATION; AND 2) THE PLANNING, OPERATIONAL, AND OTHER INFORMATION BETWEEN CBOs.

-- THAT WE SUPPORT LANGUAGE IN THE CETA LEGISLATION WHICH PRIORITIZES SERVICES TO "THOSE MOST IN NEED". THAT IN THIS SPIRIT, PRIME SPONSORS BE EVALUATED IN TWO TRACKS: 1) COST PER PLACEMENT; AND 2) COST FOR SERVING INDIVIDUALS WITH EXTREME NEEDS.

IN CLOSING, I WOULD LIKE TO RECOMMEND THAT THE SUB-COMMITTEE WORK CLOSELY WITH OUR ORGANIZATION IN THE FUTURE. NAHETA, WITH ITS BROAD REPRESENTATION, IS THE ONLY ORGANIZATION IN THE REGION AND PERHAPS IN THE NATION WHICH CAN DIRECTLY WORK WITH THE MULTIPLICITY OF ACTORS IN THE E&T AND HISPANIC COMMUNITY IN THE REGION. AGAIN, THANK YOU FOR ALLOWING ME TO ADDRESS THIS SUB-COMMITTEE.

A Concept Paper: Technical Assistance and Training to CBOsA CETA Dilemma

Proposed by the Region V
National Association of
Hispanic Employment and
Training Administrators
(NA-HETA)

ABSTRACT

The following paper was prepared by NA-HETA after the issue of technical assistance to Hispanic CBOs was identified as a major priority during the Region V Annual Conference of NA-HEATA held in Milwaukee, Wisconsin on February 6-8, 1980. After discussing this issue with training personnel from Region V, State and Prime Sponsors, it became evident that the issue of T.A.T. had to be expanded to deal with CBOs in general. However, it must be noted that the majority of CBOs are predominately minority oriented. Therefore, the following concept paper is intended to provide an analysis of the need for technical assistance and training required CBOs presently operating in the CETA system. In addition, recommendations on how this system can be made more effective in meeting the needs of community based organizations in the employment and training field are identified; as well as several initiatives, projects, and policy areas which the Department of Labor can address.

PROBLEM STATEMENT

Since the enactment of the CETA Act of 1973, community based organizations have flourished due to the decentralized nature of the Act. CBOs have emerged as a viable deliverer of service to certain segments of the population. The CBOs have been especially effective in outreaching and serving minority persons in conjunction with the traditional actors in the employment and training field. However, little attention has been given to this

epidemic growth of relatively new community based organizations which have emerged at the local level and which are receiving funding through a now decentralized system. The Department has responded to this dilemma by delegating the responsibility of T.A.T. to CBO's to the Prime Sponsor level. While Primes do regard this as their responsibility, they generally do not have the capability or funding to achieve this function. A barrier for the Prime Sponsor is the 20% administrative restriction placed on prime sponsors. This places the Prime Sponsor in a dilemma heightened by their acknowledgement regarding their inability to provide any substantive T.A.T. to CBO's at beyond Prime Sponsor requirement. On the other hand, the Department of Labor has acknowledged a continued responsibility for providing categorical funding in the area of T.A.T. to serve the affiliates of Farmworker Programs, SER, OIC, Urban League and the National Council of La Raza. However, no recognition and/or effort has been to the non-affiliate CETA funded CBO.

The Department must acknowledge that with the new thrust of public and administrative accountability which has characterized the CETA Act as reauthorized in 1978, CBO's are the most likely to be noted for non-compliance with audit, administrative, and program reviews. Unless these issues are immediately addressed by the appropriate parties, the Department and Prime Sponsors will be responding to allegations of the other, as well as the public, for disallowed costs these organizations incur during audit and/or review by the recently created Independent Monitoring Unit.

It is perhaps too early to anticipate whether these deficiencies will be interpreted as fraud, abuse, incompetence or neglect. However, in a time when the mood of the country is fiscally conservative one can anticipate mass negative media and a corresponding negative residual effect on the Department, CETA, and CBO's.

OVERVIEW OF THE ETA T.A.T. DELIVERY SYSTEM

The consensus of training personnel at all levels of ETA is that the Department and Regional offices, are not fulfilling their responsibilities for providing the quality or quantity of T.A.T. needed throughout the CETA system. The milieu of actors involved in this activity have resulted in significant gaps, lack of uniformity and lack of communication between regions, which leads to duplication and ineffectiveness. In addition, small CBO's are rejected in this effort, since the system is geared to prime sponsor staff. CBO's continue to be deprived of these much needed services. Furthermore, access to training activities (when available) is impossible since CBO's do not have the funds for travel to these functions.

A simplistic review of T.A.T. actors in the ETA system would show the absence of a uniform policy governing T.A.T. activities which result in a fragmented system with little form or direction. This system includes:

- National office components with responsibility for Titles II, VI and VII (Office of Community Employment Program) Titles IV and VIII (Office of Youth Programs) sections 302 and 303 (Office of National Programs).
- At the Regional level four major providers of T.A.T. services are quickly identifiable; the ever present Federal Representative, the Administration and Management Services with its RTI component and Office of Program Technical Support.
- Regional Institutional Manpower Grants - operated in each of the ten regions through contracts to a University. To date these institutions have had little impact on the T.A.T. system and tend to operate in a

vacuum with little effort to have region-wide impact. Furthermore, the MIGs are not recognized outside the host state in the most part, but have generated several T.A.T. packages, which if not duplicated can minimize delivery cost and the potential for an academic component in the T.A.T. system if defined and coordinated, can be very important to a T.A.T. system.

- In addition to this already diverse system - each Governor is mandated, through the Governor's Special Grant, a CETA allocation to provide T.A.T. to CETA Prime Sponsors. The responsiveness of Governors vary from state to state and often results in efforts which duplicate the regional offices. Again, the thrust of this mandate is focused on T.A.T. to Prime Sponsors and not service deliverers. However, many states have established model systems which are responsive and meet service deliverer needs, such as the systems in Illinois and Minnesota. Wisconsin is also establishing a service deliverer oriented T.A.T. system.

- National Grants to CBOs - The OIC, SER, National Council of La Raza, Farmworker (NAFO), and Center for Community Change all receive T.A.T. grants. This system is fragmented, in-house, limited to their affiliates and of no benefit to many locally funded CBOs. This is an area that the Department must scrutinize (not because the system is not accomplishing its objective) because it represents the best vehicle for meeting the needs of the CBOs. These projects have been extremely valuable, especially SER, OIC, and Urban Leagues, in providing T.A.T. to their affiliates. This must be taken advantage of and their role must be expanded to share this expertise with other comparable CBOs. For example, it is not uncommon

to find a CBO within walking distance of a nationally funded organization, since in most cases these organizations are situated in targeted neighborhoods. For example, SER in the hispanic community, OIC in the black community, are all integrated in their communities. Furthermore, another attractive aspect of this proposed arrangement is that the training personnel has had experience working with and communicating with minority staffs, which in most cases holds true in CBO personnel.

- Many Public Interest Groups ie. NACD, NGA, League of Cities etc. have national components that provide a constant flow of information to their affiliates. These reports include comprehensive updates of current events, legislative advocacy, and serve as liaison between affiliates, the Department, Congress and the Administration. In addition, these groups provide workshops and training to their affiliates at Regional and National conferences. These services have been viewed with high regard and have consistantly proven itself to be substantially more timely than that of the ETA system.
- The newly created Office of Management Assistance within DOL will attempt to define the roles of the various actors in the system. Their responsibility will be department-wide, nationwide and has a very real inherent value. However, the relationship between federal to region, state to prime, and prime to CBO is still unclear. Other questions include the amount of budget and capacity of OMA.
- Present activities orientated at T.A.T. have resulted in a schism of State, Regional and National efforts. The lack of a comprehensive system with which will respond to T.A.T. needs of CETA is particularly

critical at the sub-grantee, CBO level, "the backbone of the CETA system". For the most part these activities go unmanaged, unorganized (systemic) and uncoordinated.

CONCLUSION

The National Association of Hispanic Employment and Training Administration (NA-HETA) recognizes the complexities of the Employment and Training T.A.T. delivery system. However, the failure of the department to acknowledge the significant increases in their role in the new CETA delivery system raises the very real issue of whether CETA can survive current congressional, public and administrative scrutiny. The Department must understand the nature of its CETA system, and design a course of action consistent with the need of those who administer the programs. The sole focus on training prime sponsor staff is faulty. The training does not get down to the service delivery level, other than in areas of compliance. For example, primes will train CBO's on the requirements of their MIS and fiscal systems but do not have the capacity to actually help them design and/or refine what exists. These trainings are band aids which serve a very needed function but on a very limited basis. The biggest barrier to increasing prime effectiveness in this areas is that the 20% limitation on total administration costs is not sufficient for any more than what they are doing. In fact, given the amount of funds which they have for this activity primes should be commended for what little T.A.T. they have provided.

In conclusion, this paper suggests that the Department has to initiate immediate policy initiative to insure that CBO's are able to establish and maintain administrative systems to comply with the more rigorous requirements of the Act. It is hoped that the issues which this paper raise serve as a timely

warning that the CBO's are in need of T.A.T. NOW.

In an effort to respond to these needs it is recommended that a one or two region initiative to set up a demonstration coordinated and linked system incorporating the recommendations listed below.

RECOMMENDATIONS

In order to insure that CBO's receive the appropriate T.A.T. the following policy initiatives are recommended for immediate consideration.

- 1). Policy initiatives should be undertaken that permits CBO staff to participate in Mainstream DOL training activities.
- 2). Policy initiatives should be undertaken that would coordinate existing programs providing T.A.T. to significant segment CBO's.
- 3) Policy initiatives should be considered that would permit Primes to utilize non-administrative funds for training activities.
- 4). Policy initiatives should be considered that would insure the availability of funds for CBO's training activities.
- 5). Policy initiatives should be developed that would insure CBO input and membership on Regional T.A.T. committees, Governor's T.A.T. committees and increased National involvement by CBO's in their training activities.
- 6). Policy initiative should be developed that would provide and/or facilitate

legislative and current event information to non-affiliate CBO's.

- 7). Policy initiative should be developed that would permit travel funds to CBO's to attend relevant training functions.
- 8). OMA should define the functions of DOL, State and other training units within the context noted above.

PROJECTS

The following suggestions are offered as potential projects that may address the above policy initiatives.

- 1). A project which would attempt to coordinate between and amongst (link) CBO's at appropriate intervals of the delivery system. To work with and coordinate with state regional prime sponsors and university training people.
- 2). Project using available public information to provide legislative updates, and general information to non-affiliate CBO's to expand services to non-affiliate CBO's.
- 3). A coordinated effort with existing Federal T.A.T. deliverers to expand services to non-affiliate but compatible CBO's.
- 4). Project between national contractors to inventory what each has developed, and to disseminate to insure duplication and waste in this area is not occurring.

Senator NELSON. Our next witness is Mr. Ernesto Chacon, executive director, Latin American Union for Civil Rights.

STATEMENT OF ERNESTO CHACON, EXECUTIVE DIRECTOR,
LATIN AMERICAN UNION FOR CIVIL RIGHTS, MILWAUKEE,
WIS.

Mr. CHACON. Good morning. I do have a presentation here that I think that you have before you, although I am not going to read it, but I am just going to submit it as in terms of support for the statements that have been made here today.

Senator NELSON. All right. It will be printed in full in the record and you just speak, address the questions extemporaneously if you wish.

Mr. CHACON. Before that, Senator, I would like to also apologize to you for not attending the meeting we had in Waukesha concerning the FLCRA Act, the meeting that was held in Waukesha. I hope that you are still working on that. I want to apologize for not attending, but I hope that you are still working on that.

Senator NELSON. OK. We are on the same side on that.

Mr. CHACON. OK. Good.

I also have some concerns that I want to share with you although maybe your committee does not deal with those issues, but I would like to share them with you, about 5 minutes on that.

I am talking about the implications that farmworkers have in this country, not only in Wisconsin but across the country, also the issues that affects us, as well as the undocumented workers.

It has been said, Senator, that the undocumented workers in this country have been taking jobs away from the American people. In relation to that, I think that you, as a Senator, should begin to investigate who is taking jobs away from whom.

If we can begin to look at the unemployment rate that we have in this country and the auto industry that have been shut down because of imported cars coming from Japan, Germany, and France, those are the people that are really taking jobs away from the American people, not the undocumented worker, and we suffer from that, not only the undocumented worker, but us as Mexicans in this country. We have been blamed for everything, and I guess we are getting tired of that, but I hope you as a Senator can begin to look at that.

I think that the repression that we have in this country, that we are seeing today and we will see tomorrow and we saw 20 years ago, has not been eliminated. It is growing and growing, and I think that for that reason I want to just have you know that we are still working on this issue and hoping that you and your committee will begin to look upon us in Wisconsin, to begin to work not only with the issue of the undocumented worker and the farmworker, but continue to work for the population in general.

My presentation here today talks about that there has to be something beyond what we have here today. We support the testimony from all the CBO's here in the State, but I think it should not stop there. I think it should go beyond that.

We had this hearing 4 years ago, I believe, at the Federal Building, when we were talking about the farmworker, and after 4 years of that, we did not hear very much so we have learned from that

particular time that here again we are talking to you about our concerns because we have defined those problems already. We have defined the problems, we have defined almost a solution that we feel comfortable with working with you, but I think we should go beyond that.

I think that you as a Senator and your staff should begin to recognize a body from Wisconsin that can work directly with you or your staff to continue the work that has to be done.

We like for you to more or less recognize this committee, to continue to work with you and to develop a process of alternative solutions that we have here, that we feel comfortable with, but we need your support, support of Mr. Knight, to continue to work. And I think that it would be necessary for us, not to go home today and forget about the presentations today, but it is important for us to continue and I hope that maybe today here we can establish this commitment from your office, yourself, Senator, and us and our organizations, to continue to work. And I would like to discuss this with you if you do not mind.

Senator NELSON. Sure.

Mr. CHACON. Maybe later on or maybe now.

Senator NELSON. Yes, indeed. As I said earlier, when we opened the hearings, we will be holding hearings elsewhere in the country also, as well as in Washington. The objective is to get on the record the kind of testimony that we have had this morning about the programs, how they are working, the lack of participation that has been documented here by the local organizations, lack of consultation.

When we complete these hearings, we will have a well documented set of hearings which we will then require the appropriate agencies, Labor Department and others, to come in and testify in response to or to tell us what they are going to do about resolving these problems, and if there is necessary legislation to modify the programs, then that also would be appropriate.

So this hearing this morning is very valuable to those of us who have the responsibility of oversight on the administration of the programs and those of us who have the responsibility of drafting the legislation to make it more effective, to get the programs which I have supported closer to home and administered closer to the local scene where the affected people understand the problems best.

Mr. CHACON. Senator, we are concerned about national problems because, you know, the issues here today that affect us in Wisconsin are no longer local issues. They are national issues. We are concerned about that and we are concerned about the efforts that you are making to those hearings that you are trying to conduct across the country, but we are more concerned about the problem here at home, how your office and the organizations here in Wisconsin will address the issue here in the State. We are concerned about that more than the national issue right now.

We want to continue development of a process where we can work together and to implement the solutions that we might have here today.

Senator NELSON. Sure.

Mr. CHACON. But I hate to go home and not see you again for another 4 years.

Senator NELSON. We are in pretty regular contact, me or my staff, and I am sure that we can improve upon it. But any time you have got——

Mr. CHACON. We would like to improve it.

Senator NELSON. Well, we are happy to do that.

Mr. CHACON. Good. Do you have this presentation?

Senator NELSON. Yes, and it will be included in the record.

Mr. CHACON. I have a little thing you can maybe take along with you. It talks about the undocumented workers.

Senator NELSON. Yes.

Mr. CHACON. Thank you.

Senator NELSON. Do you want this printed in the record as part of your testimony?

Mr. CHACON. Yes, sir.

Senator NELSON. All right. It will be printed in the record. Thank you very much.

[The prepared statement of Mr. Chacon and information referred to follows:]

PUBLIC TESTIMONY OF
ERNESTO CHACON
LATIN AMERICAN UNION FOR CIVIL RIGHTS

HONORABLE SENATOR NELSON, SUB-COMMITTEE STAFF AND SUB-COMMITTEE GUESTS, I WOULD LIKE TO EXTEND MY MOST SINCERE APPRECIATION FOR THESE HEARINGS ON BEHALF OF THE HISPANIC COMMUNITY OF WISCONSIN. TODAY REPRESENTS THE FIRST TIME IN THE HISTORY OF THE SENATE SUBCOMMITTEE ON EMPLOYMENT, POVERTY AND MIGRATORY LABOR, WHEN TESTIMONY SPECIFIC TO HISPANICS AND FARMWORKERS ARE HELD AS AN OFFICIAL SUB-COMMITTEE BUSINESS ITEM. THEREFORE, AND IN THIS SPIRIT, THE LATIN AMERICAN UNION FOR CIVIL RIGHTS WISHES TO GO ON RECORD AS SUPPORTING THE TESTIMONY WHICH YOU HAVE HEARD TODAY. I WHOLEHEARTEDLY AGREE WITH THE ORGANIZATIONS WHO HAVE IDENTIFIED NOT ONLY PROBLEMS, BUT POTENTIAL SOLUTIONS TO PRIORITY NEEDS IN THE CHICANO, PUERTO RICAN, MEXICAN AMERICAN, AND FARMWORKER COMMUNITIES. I BELIEVE THAT THE SUB-COMMITTEE TAKES A WEALTH OF TESTIMONY, AND AN INSIGHT INTO THE UNIQUE NEEDS OF HISPANICS AND FARMWORKERS. AS SUCH, MY SOLE RECOMMENDATION TO YOU AND THE COMMITTEE IS THE ACKNOWLEDGMENT OF THE WISCONSIN NA-HETA ORGANIZATION AS THE SUB-COMMITTEES FORUM TO FOLLOW-UP ON THESE HEARINGS. I BELIEVE THAT A MECHANISM SUCH AS

NA-HETA PRESENTS THE SUB-COMMITTEE WITH A DIRECT LINK TO THE HISPANIC EMPLOYMENT AND TRAINING COMMUNITY IN THIS STATE AND THIS REGION.

IN CLOSING, I WOULD REITERATE THAT THE LATIN AMERICAN UNION FOR CIVIL RIGHTS ACKNOWLEDGES AND FULLY SUPPORTS THE TESTIMONY WHICH HAS BEEN PRESENTED TODAY. AGAIN, THANK YOU FOR ALLOWING ME TO ADDRESS THIS SUB-COMMITTEE.

ARGUMENTS AGAINST THE APPROPRIATIONS RIDER ON ILLEGAL ALIENS

1. To deny legal services to indigent aliens is the realistic equivalent of denying them access to our system of justice.
 - a. The equal protection and due process clauses of the U.S. Constitution were enacted for the protection of all "persons". There is a serious Constitutional deficiency in this rider because of its effect of denying illegal aliens their "day in court".
 - b. INS has recognized the need for aliens to have representation in deportation and exclusion hearings. INS regulations require that such aliens be advised of their right to counsel and the availability of free legal assistance. [44 Fed. Reg. 4651 (January 23, 1979).]
 - c. Immigration law is very complicated and many aliens are unaware of the relevant factors which may have a bearing on the legitimacy of their presence in this country. For example, an alien who has married a U.S. citizen or who has resided in this country for many years may be eligible for legal status. Denial of access to legal services is not simply the denial of a free federal benefit, but is realistically a denial of all the rights and benefits which accrue to a lawful U.S. resident.
 - d. There are few more serious deprivations of liberty than deportation where a person may be permanently separated from family, friends and home. The Constitutional protection of due process must, at a minimum, give aliens the right to present their claim with legal representation.

2. This rider has far-reaching implications for domestic and foreign policy and is thus beyond the scope of what is usually considered an appropriate issue to be included in an appropriations bill.
 - a. It could create innumerable procedural problems for legal services programs if an intake worker must attempt to determine the legality of an applicant's immigration status before providing any service. The Legal Services Corporation may open itself to claims of discrimination if it had to ask every person of Hispanic heritage for proof of legal status.
 - b. It also contravenes the very purpose for which the Legal Services Corporation was created. Congress found that there was a need to provide equal access to our system of justice for all those ~~who would~~ otherwise be unable to afford legal counsel. This rider constitutes a fundamental change in the role of legal services to the poor and should at least be deferred to the fall authorization process.
 - c. The new Select Commission on Immigration and Refugee Policy has been created to develop a coherent and integrated policy on alien issues. The regulation of aliens should not occur in this piecemeal fashion without full consideration of all the related issues.
 - d. There are foreign policy implications to this action as well. U.S. relations with Mexico are already strained at a time when alliances with oil-rich nations are crucial. This move to deny Mexican citizens among others the very basic constitutional right of access to our system of

justice is a violation of human rights which Mexico will not take lightly.

3. This rider encourages the exploitation of aliens.
 - a. It encourages the exploitation of alien workers by employers. There is a history of growers who use an undocumented labor force calling INS at the end of the growing season. When these farmworkers are deported because of their illegal status, they have no means of obtaining the back pay due to them by the growers unless they have access to legal representation.
 - b. It also encourages the exploitation of aliens by others such as merchants, providers of service, salespersons, etc. Without recourse to the protection of the law, aliens become easy prey for the unscrupulous.
4. Almost all aliens in the country work and earn wages. Thus they pay federal and state income tax, Social Security tax, unemployment compensation tax, etc. Yet they are legally prohibited from receiving many of the benefits these taxes support such as welfare, S.S.I. and Medicare. Yet, at the same time, they are realistically foreclosed from many other services by virtue of their fear of detection. At a minimum, shouldn't their tax dollars buy them the protection of the law?
5. If this rider is an attempt to allocate scarce resources, it should be recognized that the most appropriate place to make such decisions is in the local community. At the present time, each local legal services program must go through a priority-setting process whereby decisions are made as to which legal needs are a priority for receiving service based on the input of the particular community to be served.

Senator NELSON. Now, did Aurora Weir appear? Since she is not present, we have completed the scheduled list of witnesses.

Thank you all very much. I appreciate the chance to come here today and get the benefit of your testimony on these very important programs. We will have further hearings and continue to pursue this objective because we are concerned about making these programs effective.

That will conclude the hearing. Thank you.

[Whereupon, at 12:06 p.m., the subcommittee adjourned, subject to the call of the Chair.]

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