

"(a) IN GENERAL.—

"(1) INDIVIDUALS.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with re-

spect to the income of every person other than a corporation, a tax, determined in accordance with the following tables, on the sum of the items of tax preference:

the fair market value of such property (at the time of contribution) exceeds the taxpayer's adjusted basis in such property."

On page 220, strike out lines 9, 10, and 11 and redesignate subsections (b) through (g) of section 58, as subsections (a) through (f), respectively.

On page 220, beginning with line 21 strike out all through line 6, page 221 and insert the following: "or trust the sum of the items of tax preference for any taxable year of the estate or trust shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each."

"(A) Taxpayers other than married individuals filing separate returns—

"If such sum is:
 Not over \$5,000.....
 Over \$5,000 but not over \$30,000.....
 Over \$30,000 but not over \$50,000.....
 Over \$50,000 but not over \$100,000.....
 Over \$100,000.....

The tax is:
 0
 2½ percent of such sum over \$5,000.
 \$625, plus 5 percent of such sum in excess of \$30,000.
 \$1,625, plus 10 percent of such sum in excess of \$50,000.
 \$6,625, plus 15 percent of such sum in excess of \$100,000.

"(B) Married individuals filing separate returns—

"If such sum is:
 Not over \$2,500.....
 Over \$2,500 but not over \$15,000.....
 Over \$15,000, but not over \$25,000.....
 Over \$25,000, but not over \$50,000.....
 Over \$50,000.....

The tax is:
 0
 2½ percent of such sum in excess of \$2,500.
 \$312.50, plus 5 percent of such sum in excess of \$15,000.
 \$1,812.50, plus 10 percent of such sum in excess of \$25,000.
 \$3,312.50, plus 15 percent of such sum in excess of \$50,000.

"(2) CORPORATIONS.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year with respect to the income of every corporation, a tax equal to 5 percent of the amount by which the sum of the items of tax preference exceeds \$30,000."

On page 213, line 2, strike out "person" and insert "corporation".

On page 214, after line 2, insert the following:

"(4) Taxpayers other than corporations.—In the case of a taxpayer other than a cor-

poration, rules similar to the rules provided by paragraphs (1), (2), and (3) shall be applied under regulations prescribed by the Secretary or his delegate."

On page 217, after line 21, insert the following:

"(10) Appreciation in value of charitable contributions.—So much of the amount of the deduction allowable for the taxable year under section 170 or 642(c) which is attributable to contributions of property (other than contributions to which section 170(e) applies) as is equal to the amount by which

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. KENNEDY. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9:30 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 19 minutes p.m.) the Senate adjourned until tomorrow, Thursday, December 4, 1969, at 9:30 a.m.

NOMINATIONS

MESSAGE RECEIVED

Executive nominations received by the Senate December 3, 1969:

ASSISTANT DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY

Donald S. Lowitz, of Illinois, to be an Assistant Director of the Office of Economic Opportunity, vice James D. Templeton resigned.

HOUSE OF REPRESENTATIVES—Wednesday, December 3, 1969

The House met at 12 o'clock noon.

The Reverend James P. F. Stevenson, D.D., pastor, Central Presbyterian Church, Bristol, Va., offered the following prayer:

Our help is in the name of the Lord, who made heaven and earth.—Psalm 124: 8.

O magnify the Lord with me and let us exalt His name together.—Psalm 34: 3.

Let us search and try our ways, and turn again to the Lord.—Lamentations 3: 40.

We are humbled and delighted, O Lord, to represent You here today before this august body. There is hope for each Member when his trust is in Thee.

We thank Thee for the faith of our fathers by which we claim kinship with the past and gain strength for the present.

In Thee and in Thee alone, there is strength to do and patience to endure.

We commend the Speaker and Representatives to Thy grace, through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amend-

ments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10105. An act to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations for fiscal years 1970, 1971, and 1972, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2185. An act to authorize a Federal contribution for the effectuation of a transit development program for the National Capital region, and to further the objectives of the National Capital Transportation Act of 1965 (79 Stat. 663) and Public Law 89-744 (80 Stat. 1324).

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON DEPARTMENT OF DEFENSE APPROPRIATIONS, 1970

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight, December 3, to file a privileged report on the Department of Defense appropriations bill for fiscal year 1970.

Mr. MINSHALL reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF THE ECONOMIC OPPORTUNITIES ACT WILL NOT BE CALLED UP THIS WEEK

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, I wish to announce to the House that I do not intend to call up the extension of the Economic Opportunities Act this week. There are several reasons for this. I regret any delay but believe it is essential in offering the best possible legislation.

First, in the meeting this morning with the Democrat members of the committee who support the committee bill, all were very much against calling up the measure until they had seen a copy of the substitute that the gentleman from Ohio (Mr. AYRES), the gentleman from Minnesota (Mr. QUIE), and the gentleman from Oregon (Mrs. GREEN) say they will offer to the committee bill. In fact, the members at the meeting considered it a discourteous act that they have never been afforded an opportunity to even look at a copy of the substitute. They feel that they should have a few days to study it, when and if they can get a copy of the proposal.

Second, there is the matter of attendance. I personally have called on the whip's office, at the direction of the Speaker, to make a check of the members who will be present through Thursday and Friday.

Many Members will be away tomorrow and Friday.

So, in justice to everybody concerned, I think that we should be able to agree on a day certain within the next few days, which will be a problem of the leadership, of course, so that we can make certain that all the Members will be present on both sides of the aisle. I do not want the House to consider such drastic changes as are being proposed in the so-called substitute, unless we can be sure of full attendance and careful study of the proposal.

Then, finally, there is the matter of the public interest. Members of the committee were greatly concerned that locally elected officials, and citizens generally in local cities and communities who would be most affected should have time to study the substitute. A copy has just been handed me which I wish placed in the RECORD at this point:

SUBSTITUTE BILL

A bill to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to provide an effective mechanism for the affirmative participation of State and local government in such programs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Opportunity Act Amendments of 1969".

TITLE I—EXTENSION OF AUTHORIZATION

Sec. 101. For the purpose of carrying out programs under the Economic Opportunity Act of 1964, there is hereby authorized to be appropriated \$2,048,000,000 for each of the fiscal years ending June 30, 1970, and June 30, 1971.

Sec. 102. Sections 161, 245, 321, 408, 615, and 835 of the Economic Opportunity Act of 1964 are each amended by striking out "1967" and by inserting in lieu thereof "1969". Section 523 of such Act is amended by striking out "June 30, 1968, and the two succeeding fiscal years" and by inserting in lieu thereof "June 30, 1969, and the three succeeding fiscal years".

TITLE II—STATE PARTICIPATION IN ANTI-POVERTY PROGRAMS

Sec. 201. Title II of the Economic Opportunity Act of 1964 is amended by striking out section 231 (relating to "State Agency Assistance") and by inserting at the end of the title a new part, as follows:

"PART E—PARTICIPATION OF STATES "STATEMENT OF PURPOSE

"Sec. 250. It is the purpose of this part to provide an effective mechanism for the positive involvement of State officers, agencies, and administrative resources in the development, carrying out, and coordination of anti-poverty programs within each State, but only if and to the extent a State exercises the options set forth in this part. Accordingly, no State shall be required to establish a State Economic Opportunity Office described in section 251, or to take the further actions outlined in this part, as a condition for the support of programs under this Act in the State. In the event a State shall not choose to participate in the manner provided in this part, or is unable to satisfy the requirements for such participation set forth in this part, the Director shall continue to support eligible programs and projects in such State. However, the Director shall take every appropriate action to encourage effective State participation under this part in accordance with the finding of the Congress that such participation will strengthen the programs authorized by this Act.

"STATE AGENCY ASSISTANCE

"Sec. 251(a). The Director shall provide financial assistance to the State Economic Opportunity Office (hereinafter referred to as the 'State Office') designated in accordance with State law, to enable such agency—

"(1) to advise the Governor of the State with respect to the policies and programs of the Office of Economic Opportunity and other resources available to combat poverty within the State, and at the request of the Governor to advise and assist him in carrying out his responsibilities under this Act;

"(2) to assist in coordinating State activities related to this title and to title VIII.

"(3) to provide technical assistance to communities and local agencies in developing and carrying out programs under this title and under title VIII;

"(4) to evaluate programs assisted under this title and under title VIII with a view to improving the capacity of their sponsors to fulfill the purposes of this Act and to utilize with maximum efficiency the financial assistance provided;

"(5) to evaluate State poverty-related programs and State administrative procedures and to develop mechanisms for making them more responsive to the needs of the poor;

"(6) to conduct financial audits of programs within the State supported under this title or under title VIII, at such times and in such a manner as to promote responsible financial management of such programs;

"(7) to mobilize and develop available resources at the State level needed to assist anti-poverty measures within the State;

"(8) to encourage the development of career opportunities for the poor within agencies of State government;

"(9) to advise and assist the Director in developing procedures and programs to promote the participation of States and State agencies under this Act; and

"(10) to advise and assist the Director, the Economic Opportunity Council established by section 631 of this Act, and the heads of other Federal agencies, in identifying problems posed by Federal statutory or administrative requirements that operate to impede effective State involvement in or coordination of programs related to this title, and in developing methods or recommendations for overcoming those problems.

"(b) The Director shall take steps as will assure that—

"(1) all applications for assistance under this title and under title VIII within a State are submitted through the State Office, and that the Office is afforded a reasonable opportunity to review such applications before transmitting them to the Director (or to his delegate) with such comments and recommendations as the State may deem appropriate;

"(2) each State Office receives advance notice of the proposed approval of any application for assistance or of the proposed funding in the State of any program, project, or other activity under any other title in this Act, and is afforded a reasonable opportunity to comment upon such proposed approval or funding; and

"(3) Each State Office receives such other information and technical assistance, and is afforded such other opportunities to play an affirmative role in the programs financed under this Act, as may be required to carry out effectively the functions specified in subsection (a).

"(c) (1) Whenever a State Office shall recommend against the approval of an application submitted under subsection (b) (1), such application shall not be approved (or shall not be approved without changes suggested by the State Office) for funding under this title unless the Director shall have made a finding that disapproval of such application would seriously weaken the overall program plan of a community action agency.

"(2) The Director shall not delegate the responsibility for making the finding re-

quired in paragraph (1), and he shall not make such finding without having first afforded the State Office notice and opportunity for a hearing.

"(d) In any grants to or contracts with State agencies, the Director shall give preference to programs or activities which are administered or coordinated by the State Offices established under subsection (a), or which have been developed by and will be carried on with the assistance of those Offices.

"(e) In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this Act.

"STATE ECONOMIC OPPORTUNITY COUNCIL

"Sec. 252(a). Any State which desires to participate in the development and carrying out of a State developmental and coordinating program for rural and urban community action, as provided by section 253, shall establish a State Economic Opportunity Council (hereinafter referred to as the 'State Council'), appointed by the governor, which shall be broadly representative of the economic, educational, health, religious, and social services resources of the State and of the public, including persons representative of—

"(1) urban areas;

"(2) rural areas;

"(3) the poor (including representatives both of the urban and rural poor and of racial and ethnic groups in the State which experience a high incidence of poverty);

"(4) business, industry, and labor;

"(5) elected municipal officials;

"(6) elected county officials;

"(7) Federally-assisted programs, such as Model Cities and manpower training, related to the problems of the poor; and

"(8) fields of professional competence (including both public and private education) in dealing with the problems of poverty.

"(b) The State Council shall advise the State Office on the development of and policy matters arising in the administration of the State developmental and coordinating programs submitted pursuant to section 253, and shall evaluate the programs, services, and activities assisted under this title and make a public report (at least annually) of the results of such evaluations.

"(c) The State Council shall identify the fundamental causes of poverty and dependence in the State and prepare a long-range program plan (or, as may be appropriate from time to time, revisions of or supplements to such plan) for the elimination of such causes, which plan (1) is prepared in consultation with the State Office, (2) extends over a period of not less than five years, (3) describes present and projected needs of impoverished people in the State in terms of available resources to meet those needs (whether or not assisted under this Act), and (4) sets forth a program of action which, in the judgment of the Council, would assure substantial progress toward achievement of the objectives of the plan.

"(d) From the sums appropriated under the authority of this Act for any fiscal year the Director shall (in accordance with regulations) pay to each State Council an amount equal to the reasonable amounts expended by it in carrying out its functions under this part in such fiscal year, except that the amount available for such purpose shall not exceed \$150,000 and shall not be less than \$50,000.

"STATE DEVELOPMENTAL AND COORDINATION PROGRAMS

"Sec. 253(a). Any State desiring to carry out a developmental and coordination pro-

gram for urban and rural community action shall submit to the Director (at such time and in such detail as he may specify and containing such information as he may deem necessary) an outline for such a program which—

"(1) has been prepared by the State Office in consultation with the State Council of that State and has been approved by the State Council;

"(2) designates the State Office as the sole agency for administration of the State program, or for supervision of the administration thereof by local community action agencies;

"(3) sets forth in detail the policies and procedures to be followed by the State in the distribution of funds to local community action agencies in the State and for the uses of such funds for the various programs and program components specified in sections 221 and 222, which policies and procedures assure that—

"(A) due consideration will be given to the relative needs of urban and rural areas within the State, and to the needs of various categories of persons living in poverty, in accordance with criteria supplied by the Director; and

"(B) due consideration will be given to periodic evaluations of programs, services, and activities assisted under this title;

"(4) describes how the activities and projects to be carried out under the program are related to the long-range program plan developed by the State Council pursuant to section 251(c) (except that such requirement may be waived during the first year the program is in operation);

"(5) sets forth policies and procedures satisfactory to the Director for approval of applications for assistance under this title and under title VIII submitted by local community action agencies and other qualified applicants, and for the evaluation, review, and monitoring of the program conducted by such applicants (including procedures to assure that such programs conform to the requirements of this Act);

"(6) sets forth procedures designed to improve the coordination of State-administered programs affecting the poor and to achieve at the local level a more effective coordination and concentration of public and private services for disadvantaged individuals and families (including services provided under this Act and under other Federally-assisted programs such as Model Cities, manpower training and development, services for migrant agricultural workers, welfare services, educational assistance for disadvantaged children or adults, health and medical services and benefits, economic development in depressed areas, and agricultural extension services;

"(7) provides that any community action agency, or other public or private agency which is a qualified applicant for program assistance under this title, dissatisfied with a final action with respect to any application for funds under this title shall be given reasonable notice and opportunity for a hearing by the State Office;

"(8) provides assurances that Federal funds made available under this part will be so used as to supplement, and to the extent possible increase the amount of State, local, and private funds that would in the absence of Federal funds be made available for programs supported under this part, and in no case supplant such State, local, and private funds;

"(9) provides assurances satisfactory to the Director that all relevant requirements of this Act shall be complied with, and provides for making such reports in such form and containing such information and affording such access thereto as the Director may reasonably require to carry out his functions under this Act; and

"(10) sets forth such fiscal control and fund accounting procedures as may be neces-

sary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to qualified applicants) under this title.

"(b) (1) The Director shall approve a State developmental and coordination program submitted pursuant to subsection (a) when he finds that it complies with the requirements of this part and when he is satisfied that adequate procedures are set forth to insure that the assurances and provisions of such programs will be carried out, and the Director shall not finally disapprove any program submitted under subsection (a), or any modification thereof, without first affording the State Office reasonable notice and opportunity for a hearing.

"(2) The Director shall take such steps as he deems necessary to assure that in the formulation and carrying out of State programs there is close liaison between the State Offices and the Office of Economic Opportunity.

"(3) The Director shall take final action to approve or disapprove a State developmental and coordination program submitted under subsection (a) within ninety days after the date of its submission (or resubmission in the event it should have been withdrawn by the State), and he may not delegate the authority to approve or disapprove such programs to any other person.

"(c) (1) For any fiscal year in which any State has in operation a State developmental and coordination program approved in accordance with this part the Director shall make available to such State for carrying out the approved program the sums allotted to such State for such year under section 225(a) and (b); *Provided, however*, That in the first year of operation of an approved State program the Director may reserve not more than one-fourth such amount, to assist (in accordance with the provisions of this title) activities and projects in such State which are not funded under the State program, but only if the Director has determined that the failure to support such activities and projects during the period in which he may reserve funds would result in a substantial disruption of efforts directed toward the elimination of poverty in such State.

"(2) The Director shall pay, from the amount available to the State for assistance under this part, to each State the amount required to pay the Federal share of carrying out activities and projects under the approved State program, and for administration of the State program (except that sums paid for State administration shall not exceed five per centum of the amount available to the State for assistance under this title in any fiscal year), and such payments may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"(3) The term 'State administration' in paragraph (2) means those costs attributable to the supervision, auditing, coordination, and servicing of activities carried out under this part or to the provision of technical services (including the training of personnel needed to provide such services), and similar costs related to carrying out an approved State program, but shall not include the costs of State operation of a substantive program authorized by this Act.

"(d) (1) Whenever the Director, after reasonable notice and opportunity for hearing to the State Office administering a State program approved under subsection (a), finds that—

"(A) the State program has been so changed that it no longer complies with the provisions of subsection (a), or

"(B) in the administration of the program there is a failure to comply substantially with any such provision,

the Director shall notify such State Office that no further payments will be made to

the State under this title (or, in his discretion, further payments to the State will be limited to activities under or portions of the State program not affected by such failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Director shall make no further payments to such State under this title (or shall limit payments to activities under or portions of the State program not affected by such failure).

"(2) A State Office which is dissatisfied with a final action of the Director under this subsection or subsection (b) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Director may modify or set aside his action. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

TITLE III—TECHNICAL AND PERFECTING AMENDMENTS

PART A—AMENDMENTS TO TITLE II ("COMMUNITY ACTION")

COMPOSITION OF COMMUNITY ACTION AGENCIES

SEC. 301. Section 211 of the Economic Opportunity Act of 1964 is amended as follows:

(1) Clause (3) of subsection (b) is amended to read—

"(3) the remainder of the members (which shall consist of not less than one-quarter of the total membership of such board) are appointed by the elected public officials who serve on or have representatives serving on the board, and are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community;" and

(2) the first sentence of subsection (c) is amended to read—

"Where a community action agency places responsibility for major policy determinations with respect to the character, funding, extent, and administration of and budgeting for programs to be carried on in a particular geographic area within the community in a subsidiary board, council, or similar agency, such board, council, or agency shall be broadly representative of such area, and it shall be so constituted as to assure that at least one-third of the members are public officials, appointed by the elected public officials who serve (or appoint representatives to serve) on the board of the community action agency, unless the number of such officials reasonably available or willing to serve is less than one-third of the membership of the subsidiary board."

COSTS OF DEFENDING LAWSUITS

SEC. 302. Section 222(a) of such Act is amended by adding to paragraph (3) (relating to "Legal Services") the following:

"Whenever a lawsuit or other legal action is initiated by a plaintiff or plaintiffs with assistance under this program, and such action results in a verdict or other outcome favorable to the defendant in such lawsuit or other legal action, the court or other board or agency which has jurisdiction of the matter may allow the defendant the costs of the proceedings, including a reasonable attorney's fee, and the United States shall be liable for such costs (to be paid out of funds made available for the Legal Services program) the same as a private person."

AUTHORIZATION OF ALCOHOLIC RECOVERY PROGRAM

SEC. 303. Section 222(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(8) An 'Alcoholic Recovery' program designed to discover and bring about treatment for the disease of alcoholism. Such a program shall be community based, serve the objective of maintaining the family structure as well as recovery of the individual alcoholic, encourage the use of neighborhood facilities and the services of recovered alcoholics as program workers and emphasize the reentry of alcoholics into society rather than the institutionalization of alcoholics. Such a program shall also emphasize the coordination and full utilization of existing appropriate community services which pertain to the treatment of alcoholism and/or related disorders."

SPECIAL ASSISTANCE TO FAMILIES OF MEMBERS OF ARMED FORCES IN HARDSHIP CASES; PILOT PROJECTS OF ASSISTANCE FOR THE ELDERLY POOR

SEC. 304. Section 232 of such Act is amended by adding at the end thereof the following new subsections:

"(g) The Director shall conduct projects, either directly or through grants or other arrangements, under which funds available under this section will be used to raise the income levels of families of members of the Armed Forces, when such families reside in the United States and through exceptional circumstances have an income level below the poverty level (as determined by the Director), and preference shall be given to cases of greatest hardship. Projects under this subsection shall be developed jointly by the Director and the Secretary of Defense.

"(h) The Director shall also conduct, either directly or through grants or other arrangements, pilot projects under which funds available under this section will be used to raise the income levels of persons over 65 years of age above the poverty level (as determined by the Director), with preference given to cases of exceptional hardship, in order to examine and evaluate systems of income maintenance for the elderly poor as an alternative to welfare assistance."

AUTHORIZATION OF STATE AUDIT

SEC. 305. Section 243 of such Act is amended by adding a new subsection as follows:

"(e) The Director shall take such steps as may be necessary to insure that programs assisted under this title shall be subject to financial audit by appropriate State officials and agencies at the request of such officials and agencies, and he shall direct the governing board of each community action agency to cooperate in carrying out such audits."

PART B—AMENDMENTS TO TITLE VI (ADMINISTRATION)

PROHIBITION OF POLITICAL ACTIVITY STRENGTHENED

SEC. 321. Section 603(a) of the Economic Opportunity Act is amended by striking out "and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency

receiving assistance under this Act (other than part C of title I) shall be deemed to be a State or local agency.", and insert in lieu thereof:

"And for purposes of clauses (1), (2), and (3) of section 1502(a) of such title a full-time volunteer under title VIII of this Act or any person who, directly or indirectly, receives from funds appropriated under the authority of this Act an amount which exceeds one-quarter of the total amount such person regularly receives in salary payments (or in consultant fees) shall be deemed to be a State or local officer or employee."

ANTIRIOT PROVISION STRENGTHENED

SEC. 322. Section 613 of such Act is amended to read as follows:

"SEC. 613. No individual employed or assigned by any community action agency or any other agency assisted under this Act shall (whether or not pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this Act) plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance, and the Director shall take such steps as may be necessary to assure that any individual who violates this provision is removed from his employment or assignment in programs conducted or assisted under this Act."

PROHIBITIONS ON UPWARD BOUND PROGRAMS

SEC. 323. Section 621 of such Act is amended by inserting "(a)" after "Sec. 621." and by adding at the end thereof the following new subsection:

"(b) The Director shall give full effect to the intent of Congress that 'Upward Bound' programs, however described, shall be administered by the Commissioner of Education, and the Director shall not carry out or fund any program described in section 222 (a) (5) (as in effect on June 30, 1969), or any comparable program, whether under the authority of that section or any other section of this Act, and whether or not carried on by or in a school, institution of higher education, penal or correctional institution, or any other agency or institution."

SEC. 324. Title VI of such Act is further amended by adding at the end of Part A the following new subsections:

"EVALUATION OF PROGRAMS OF THE OFFICE OF ECONOMIC OPPORTUNITY

"SEC. 622. (a) The Director shall consult with the Comptroller General before entering into any contract or arrangement with nongovernmental organizations or individuals for the evaluation of programs or projects administered by him under this Act. Where, in the opinion of the Director, evaluation of such programs by persons who are not officers or employees of the Office of Economic Opportunity is desirable, he shall first obtain the recommendations of the Comptroller General with respect to such matters as the scope and methodology of the evaluation and individuals or organizations competent to conduct the evaluation.

"(b) The Comptroller General shall establish and maintain within the General Accounting Office a separate division whose functions shall be to conduct evaluations of programs carried out under this Act. Upon request by the Director, by a committee of the Congress, or to the extent personnel are available, by Members of Congress, the Comptroller General shall (1) conduct studies of existing statutes and regulations governing programs carried on under this Act, (2) review the policies and practices of Federal agencies administering such programs, (3) review the evaluation procedures adopted by such agencies carrying out such programs, (4) initiate evaluation projects of particular programs, and (5) compile data necessary to carry out the preceding functions.

"(c) In carrying out the studies and eval-

uations herein authorized, the Comptroller General shall give particular attention to the practice of the Office of Economic Opportunity of contracting with private firms and organizations for the provision of a wide range of studies and services (such as personnel recruitment and training, program evaluation, and program administration), and shall report to the Director and to the Congress his findings with respect to the necessity for such contracts and their effectiveness in achieving the objectives of this Act.

"(d) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"PREVENTION OF CONFLICTS OF INTEREST

"SEC. 623. The Director shall issue regulations and take such other steps as may be necessary to assure that the Office of Economic Opportunity (or any other agency utilizing funds appropriated under the authority of this Act) shall not contract with, make a grant to, or enter into any other type of financial arrangement with, any individual who has been an officer or employee of the Office of Economic Opportunity or any other agency of the executive branch of the United States Government which administers funds appropriated under the authority of this Act (or with a partner of such individual, or with a firm or business organization in which such individual holds a substantial financial interest or in which he serves as an officer), within one year after such employment, for any service or activity (other than reemployment as an officer or employee of a department or agency of the United States Government) in which such person participated personally and substantially as an officer or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise.

"PAYMENT OF DUES PROHIBITED

"SEC. 624. No funds appropriated under the authority of this Act shall be used for or on behalf of any person, organization, or agency to make any payment in the nature of dues or membership fees in any public or private organization or association.

"NEPOTISM PROHIBITED

"SEC. 625. No person shall be employed (or continue in employment) with funds appropriated under the authority of this Act in a position (1) over which a member of his immediate family exercises supervisory authority, or (2) while he or a member of his immediate family serves on a board or committee which has authority to order personnel actions affecting such position, or (3) while he or a member of his immediate family serves on a board or committee which either by rule or practice, regularly nominates, recommends, or screens candidates for the agency or program in which such position is located. For the purposes of this section, a member of an immediate family shall include any of the following persons: husband, wife, father, mother, brother, sister, son, daughter, uncle, aunt, niece, nephew, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law."

PART C—AMENDMENTS TO TITLE VIII ("VISTA")

RESTRUCTURING ADMINISTRATION OF PROGRAM

SEC. 331. Section 810(a) of the Economic Opportunity Act of 1964 is amended by striking out that part of the first sentence which precedes the numbered paragraphs and by inserting in lieu thereof the following:

"The Director is authorized to make grants to State and local public agencies to recruit, select, train and assign persons to serve in full-time volunteer programs.

Such programs shall be those established by the grantee agency or (upon satisfactory assurance that the work of such volunteers will be supervised by competent individuals) by other public agencies or private nonprofit organizations, which involve the assignment of volunteers to work—"

ASSISTANCE IN LEGAL SERVICES PROGRAMS

SEC. 332. Section 834 of such Act is amended by inserting at the end thereof a new subsection, as follows:

"(f) Persons serving as volunteers under this title shall provide legal services or legal counsel only as a part of a legal services program (and at the request and under the supervision of the directors of such program) supported under sec. 222(a)3 of this Act, and shall have been admitted to practice before the courts of the State in which such services are to be performed."

The SPEAKER. The time of the gentleman has expired.

POSTPONING THE OEO BILL

(Mr. PUCINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PUCINSKI. Mr. Speaker, I want to congratulate the chairman, the gentleman from Kentucky, for taking the action he did this morning. He restores responsibility to this House.

Our committee had labored very hard for a long time in very extensive hearings on the extension of the poverty bill. I know of no one in this country who has been denied an opportunity to testify and put forth any suggestions he might have.

The distinguished chairman of this committee encouraged amendments and the widest form of debate and discussion on the poverty bill. No amendments were offered. Many of us had amendments but the President had asked us for a straight 2-year continuation so that the President would have an opportunity to come up with his own program after due time and after careful consideration. And only this morning we learned in the morning press that a press conference was held yesterday, and a new coalition has been formed to replace the old Barton-Kerns coalition, a new coalition, the Ayres-Green coalition, which offers a major substitute for this bill.

Here it is, 10 after 12, and as a member of the Committee on Education and Labor I have not yet seen a copy of the substitute bill, nor has anyone else—and they are making changes even at this late moment.

I might want to support the substitute, but certainly we cannot make the judgment when we have not even seen it.

I think the gentleman in taking the action he has taken today deserves the highest commendation of this whole House because in so doing we will all have a chance to look at the substitute, the country will have a chance to look at it, the parties affected will have a chance to look at it, and then when it comes up in due time we will be able to intelligently judge its effect and decide whether or not we want to accept it or not.

There is no question in my mind that the antipoverty program needs major revision. I have said this repeatedly and

I have supported all amendments to close the tragic loopholes for mismanagement now in this bill. But let me make this clear, President Nixon has asked our committee to give his OEO Administrator, Don Rumsfeld, an opportunity to clean up administration of this bill. I am willing to give the President the opportunity and this is why I supported his request for a 2-year extension. It is entirely possible I may support the substitute, but surely it is not asking too much when we seek an opportunity to study the substitute before we cast our final vote.

So I congratulate the gentleman in taking the action he did today, it makes for more responsible conduct by this House.

POSTPONING OEO BILL

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, I want to comment on one statement the gentleman from Kentucky made about a substitute. I do not know anything about the substitute and I do not know whether it takes away from the local officials any authority because it would be very difficult indeed to take away from local officials something they do not have now.

In my State—in my district—the local officials do not have any more to do with the poverty program than Neil Armstrong did when he was on the moon. If they try to correct something, then Chicago steps in—the bureaucracy—and says, "We will make an in-house investigation." You can bet an in-house investigation always finds things to be as pure as the driven snow.

So if you are going to write a bill to give the local officials some authority, I would say—write it—because presently they do not have it and you know it and I know it.

POSTPONING OEO BILL

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I am utterly shocked by the decision of the gentleman from Kentucky, the chairman of the Committee on Education and Labor. By refusing to call up the bill, he has refused the House as a whole the opportunity to work its will on this legislation.

I just do not understand such a decision. The House of Representatives—those on your side and those on our side have for nearly 180 years been able to work the legislative will in reference to a bill reported out by a committee. I do not understand what is so sacred about all of the details of a bill coming out of the Committee on Education and Labor. The House has a right and a responsibility to work its will on this legislation as we have in the past.

I would hope the gentleman from Kentucky would reconsider his arbitrary action and would bring the bill up so that 435 Members of this body can work their will on that legislation. If we have

to work Friday and Saturday, I think we should stay here and do it.

Mr. PERKINS. If the gentleman will make the commitment that he will carry out the President's wishes and Mr. Rumsfeld's wishes, I will get up there and immediately reconsider.

Mr. GERALD R. FORD. May I make this observation and comment.

The President wants the present Economic Opportunity Act extended without crippling amendments and the Quie-Green-Giaino-Ayres substitute is not a crippling proposal.

Let me just add this. The House of Representatives can take that proposal, which is not a crippling substitute to the existing act and can work its will—and I will abide by a final decision of the majority. But you do not solve the problem by ducking and running, as apparently the chairman today wants to do at the present time.

POSTPONING OEO BILL

(Mr. GIAIMO asked and was given permission to address the House for 1 minute.)

Mr. GIAIMO. Mr. Speaker, I rise to disagree with the statements made by the gentleman from Kentucky and the gentleman from Illinois. The fact of the matter is, in my opinion, that the Committee on Education and Labor, in charge of this legislation dealing with the Office of Economic Opportunity, has not been interested in any substitute; it has not been interested in any amendments of any kind—but in a continuation of the OEO legislation in its present form. A vote of confidence, if you please for this agency, which by its ineffectiveness, hardly merits a vote of confidence.

I would like to ask the gentlemen of the committee why they have waited until December 3, well after the end of the fiscal year, which ended on June 30, 1969, in order to report out a bill extending the life of the OEO.

Instead, the committee clearly preferred to continue to operate under a continuing resolution these past many months. By so doing the committee deprived this Chamber of its right to work its will on the authorization of this legislation.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. GIAIMO. I will when I am through. We are responsible to ourselves and not answerable to the President or anyone else. We have the right and the obligation to work our will on this legislation. We owe this obligation to the people whom we represent.

Mr. PERKINS. On numerous occasions, I have advised my colleagues of my repeated efforts to secure passage of this legislation at the earliest possible date. We have tried time and time again to negotiate with the minority, and they simply would not negotiate.

The SPEAKER. The time of the gentleman from Connecticut has expired.

THE OEO PROGRAM

(Mr. O'HARA asked and was given permission to address the House for 1 minute.)

Mr. O'HARA. Mr. Speaker, it has been suggested that the gentleman from Kentucky, the chairman of the committee, has acted irresponsibly because he has tried to stop a hidden ball play. Nothing could be further from the truth. Of course this bill has been delayed. It has been delayed because we wanted the minority members of the committee to present any proposals they had for change. We wanted to see what these proposals contained. We thought that the House deserved something better than a pig in a poke, something better than a lot of rhetoric. We wanted to learn just what the minority wanted to do. We thought the House was entitled to that opportunity and that the country was entitled to the same opportunity.

To this very minute, Mr. Speaker, we have not yet seen the proposals that the sponsors yesterday told the press would completely change the focus and operation of the poverty program. The gentleman from Kentucky has acted responsibly, and I thoroughly concur with his decision to postpone consideration of this bill until we are permitted to see, examine, and analyze this substitute that is supposed to change the direction of the entire program.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Would not the gentleman agree that one reason why we have these outcries is that we have finally decided to put a stop to the manner in which legislation has been brought to the floor? I refer particularly to the action of the gentleman from Ohio several years ago when he brought to the House the Kitchen-Ayres substitute bill on minimum wage the night before we came to consider that bill. You will recall we inadvertently took 14 million Americans who had been previously covered under minimum wage out from coverage because we did not have time to adequately study amendments offered to that bill. We also had a substitute bill in the form of the Landrum-Griffin bill which was presented to the Congress in the same method; that is the morning that we began debate on the labor bill of 1959. Every time we use such hit-and-run tactics we discover that we have legislated badly. All we say today is that we want more time to study this legislation. No one intends to deny anyone the right to vote on this legislation, many of us may even be supporting it but I believe we are on sound ground in demanding more time to study the substitute before calling it up.

THE OEO PROGRAM

(Mr. THOMPSON of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of New Jersey. Mr. Speaker, if I am fortunate enough to obtain, through the courtesy of one of the sponsors of the substitute, which as a member of the committee I have yet to see, I intend to put that in the RECORD

for the benefit of the Members of the House. In the alternative, the chairman of the committee, the gentleman from Kentucky (Mr. PERKINS), will do so.

I really cannot understand the shock of my distinguished friend, the gentleman from Michigan (Mr. GERALD R. FORD), the minority leader, because I am one of the sponsors of the President's and the Rumsfeld bill which would extend the program for 2 years without any crippling amendments and without any substitutes. I was delighted in the spirit of bipartisanship to be a cosponsor of that bill and was honored to see the name of the minority leader on it. I cannot say that I am shocked, but I am at least moderately surprised by the fact of his abandoning the original proposal, because I know how thoughtful he is, and that he must certainly have studied the Nixon-Rumsfeld bill carefully before putting his name on it.

A delay of a matter of days in order to give the Members of the House an opportunity to consider this matter will indeed enhance the ability of each and every one of us to do the right thing, and the House to work its will.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend.

Mr. GERALD R. FORD. Did I just hear the gentleman from New Jersey say we are having a 1-day delay and that the bill will be called up tomorrow?

Mr. THOMPSON of New Jersey. Oh, no.

Mr. GERALD R. FORD. That was the impression I got.

Mr. THOMPSON of New Jersey. No.

Mr. GERALD R. FORD. Otherwise the House of Representatives is not going to do a thing Wednesday, Thursday, and Friday. I believe we ought to stay here and work on it.

Mr. THOMPSON of New Jersey. I believe we should. I did not say anything about 1 day. Perhaps if my friend would listen, I said a matter of a few days for the Members to have an opportunity to study the substitute would enable us better to work our will.

Obviously I do not schedule legislation for the House. That is exclusively a leadership responsibility.

SUPPORT FOR THE PRESIDENT ON THE OEO

(Mr. WILLIAM D. FORD asked and was given permission to address the House for 1 minute.)

Mr. WILLIAM D. FORD. Mr. Speaker, I share the concern expressed by the other gentleman from Michigan (Mr. GERALD R. FORD). I want to assure him that one of the points of great concern to me is that for one of the first times since I have served in this House with him, although we are on opposite sides of the aisle, he and I are cosponsors of the legislation I am prepared to come to the floor and support and I am prepared to come to the floor and fight for.

The President of the United States, his President, elected on the Republican ticket, is the one who asked me and every other Member of Congress to pass

the legislation the committee is bringing to the floor.

We have just heard the gentleman from Michigan, the distinguished minority leader, refuse the request from the chairman of our committee to commit himself to support his own President's bill.

Lest there be any mistake that only we Democrats are sensitive to the sandbagging tactics being used here, I should like to quote from this morning's Washington Post, the statement of our former colleague Don Rumsfeld, who is now the Director of OEO:

OEO Director Don Rumsfeld said he was strongly opposed to the substitute and to the procedure that kept most House Members in the dark until the last minute. He called it "very disturbing" that something so complicated was not offered in the committee for Members to discuss and decide the wisdom of it.

This does not come from one of our Democratic colleagues. This comes from one of your former colleagues on the Republican side of the aisle, who is asking you to join us in supporting this very important program, important to so many millions of Americans, in a responsible way.

The sandbagging tactics that have been tried here are unworthy of the worst we have ever read of happening in some of the worst years of our State legislatures.

I want to say to my colleague from Michigan whom I consider to be one of the finest friends I have here, and who knows I hold him in the very highest esteem, that he knows very well that if, in our State of Michigan, a State legislator tried to pull this kind of stunt the people of our State would rise up in indignation. I suspect when they read of what has happened here today, and what the conservative coalition was trying to do, the people of his State and mine will indeed rise up in indignation.

THE QUALITY OF JUSTICE IS A COMPLICATED AFFAIR

(Mr. BOLLING asked and was given permission to address the House for 1 minute.)

Mr. BOLLING. Mr. Speaker, I rather hesitate to do this, because I am going to talk on a different subject. What I say may be controversial, but in a different area.

The quality of justice is a complicated affair. It is composed of many elements—equity, protections for the community, and individual citizens alike, and appeals procedure. But all these are insufficient if the administrators of the American legal system are intemperate, rigid, and narrow in vision. The New Yorker magazine recently published in its issues of November 8, 15, and 22 a three-part series about the Justice Department during the transition from Attorney General Ramsey Clark to the Attorney General-Designate John Mitchell. This series by Richard Harris is a superb one. It contrasts the firm, sensible policies of Ramsey Clark with the blinkered vision of the law as viewed by Mr. Mitchell. The life of the law is not logic but ex-

perience, a famed Associate Justice of the Supreme Court, Oliver Wendell Holmes, Jr., once said. If this be so, and I believe it is, then we may well shudder at the consequences of the present stewardship of the Justice Department of the U.S. Government under this Nation's chief law enforcement officer, John Mitchell.

I commend this series of articles to my colleagues.

I hope my comments will not effect a similar controversy to the one we have just experienced.

PROPOSAL TO REGULATE THE USE OF GIVEAWAYS AND SOLICITING DEPOSITS

(Mr. ASHLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ASHLEY. Mr. Speaker, today I have introduced a bill to close a minor but potentially troublesome gap in the rate control law. At present, Federal banking agencies regulate the interest paid to savings depositors in thrift institutions and banks. However, the agencies lack clear authority to regulate the use of premiums on give-aways and gift merchandise as inducements to savers for opening or adding to deposits. My bill would provide specific, identical authority to the Federal Deposit Insurance Corporation, the Federal Reserve Board and the Federal Home Loan Bank Board to promulgate regulations in this area. For some time, a few financial institutions have been offering valuable gifts to attract savers and it is reported that this form of promotion may sharply increase in the near future. Obviously the use of merchandise with a value of \$10 or more in connection with relatively small deposits can make a major change in the effective true rate and thus completely circumvent regulations stipulating a maximum interest payment.

It should be noted that this proposal does not prohibit "give-aways" nor does it direct the Federal agencies to set any specific rule. It simply gives the agencies clearcut authority to set limits and standards in connection with the soliciting of deposits. It is expected that the agencies would coordinate their policies so as to equally generalize the rules in various institutions. The agencies might well decide that premiums of nominal value, such as \$2 or \$3, are an acceptable form of advertising and promotion but it seems clear that some upper limits must be set so that merchandise will not be distributed which could make a mockery of Government controls on interest rates.

A TIMETABLE FOR VIETNAM

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I take this opportunity to commend the CBS television network for their 1 hour special last night entitled "A Timetable for Vietnam" as reported by Charles Collingwood. I felt the program pre-

sented the American people the hard facts on Vietnam in an objective and straightforward manner, without injecting the personal views of any reporter or news commentator. It is my understanding that CBS spent well over a month for filming, and editing to come up with the finished product of 1 hour in length.

In my opinion, the action of the House yesterday in passing House Resolution 613 was greatly strengthened by this very factual and objective CBS News Special on the Vietnam situation.

Because of stiff competition from other networks at that time period last night, I am afraid many Americans did not see this special. I would hope CBS will reschedule "A Timetable for Vietnam" in the very near future and publicize the fact it is to be shown once more.

SCHOOL CONSTRUCTION IN THE UNITED STATES

(Mr. HANNA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANNA. Mr. Speaker, I was unable to be in the House during the time at which the Vietnam situation was discussed. Had I been here, I would have voted for the resolution, but I would have done so on the basis of the remarks that I inserted in the RECORD during the debate on that subject. By dint of our having made arrangements 6 weeks ago to have a hearing in Los Angeles, I was required to serve on a subcommittee hearing along with Chairman PATMAN, of Texas, and Mr. GETTYS, of South Carolina. We heard 108 witnesses in 2 days of hearings in Los Angeles on the high interest rate.

Mr. Speaker, one of the most significant things we heard is that the high interest rates that exist now in the United States are a serious—I repeat, gentlemen—a very serious threat to the school systems of the United States. We have in my own district 9,000 junior high school students who will be coming along in 1972 and not a single classroom in which we can place these students. I suggest that you gentlemen check back into your own districts and find if there is not a great crisis in this country right now. Unless we can do something to make money available to build the schools in the various districts, then our great public education system that has made this country so great will be in jeopardy.

A CHANGE IN THE WIND

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, I yield to the distinguished gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, I appreciate the gentleman yielding to me.

I just want to make an observation that the winds have changed since yesterday because the very gentlemen, or some of them, at least, who were giving all sorts of reasons why they could not support the President in his negotiations for

peace are now saying on the poverty program that you ought to go down the line with the President. The wind has changed a complete 180°.

Mr. ANNUNZIO. Mr. Speaker, I yield back the balance of my time.

PERSONAL EXPLANATION

Mr. BEVILL. Mr. Speaker, on rollcall No. 215, on the passage of H.R. 7737, to amend the Communications Act of 1934, I was on my way to the District on official business and missed the vote. Had I been present I would have voted for the passage of this bill.

Also, Mr. Speaker, on rollcall 214, on the motion to recommit the bill to amend the Communications Act of 1934 to the Committee on Interstate and Foreign Commerce, I would have voted "nay" had I been present.

PERMISSION FOR SUBCOMMITTEE ON GOVERNMENT PROCUREMENT, SELECT COMMITTEE ON SMALL BUSINESS, TO SIT DURING GENERAL DEBATE TODAY

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the Subcommittee on Government Procurement of the Select Committee on Small Business may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

POSTPONING THE OEO BILL

(Mrs. GREEN of Oregon asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. GREEN of Oregon. Mr. Speaker, I am greatly intrigued by the new order of today. I do not know how many Members of this House changed their plans to meet the scheduling that was announced by the Democrat leadership that the war on poverty legislation would be up for debate beginning today.

About 15 minutes ago I was notified that the schedule had been changed. On inquiry I find that there was a meeting of the Democratic caucus of the House Committee on Education and Labor this morning. I did not receive an invitation to that Democratic caucus. I just asked the chairman about this, and he said since I did not agree with the other Democrats, I was not invited. I do not understand how a Democratic caucus attended by part of the Members can take an official action to countermand the vote and direction of the full committee to bring the bill to the floor as expeditiously as possible.

Mr. PERKINS. Mr. Speaker, will the gentlewoman yield to me?

Mrs. GREEN of Oregon. I will not yield at this time.

Mr. PERKINS. Mr. Speaker, may I say to the gentlewoman from Oregon—

Mrs. GREEN of Oregon. Mr. Speaker, I decline to yield to the gentleman from Kentucky.

The SPEAKER. The gentlewoman declines to yield.

Mr. PERKINS. Mr. Speaker, I am sorry that the—

Mrs. GREEN of Oregon, Mr. Speaker, I decline to yield to the gentleman.

The SPEAKER. The gentlewoman declines to yield to the gentleman from Kentucky.

Mrs. GREEN of Oregon. Mr. Speaker, I was advised by the chairman a few minutes ago that I was not invited because I did not agree with the other Democrats on the committee. I think this is a dramatic indication of the respect maintained by certain liberals for the right to disagree.

Voltaire once said:

I disapprove of what you say, but I will defend to the death your right to say it.

Apparently this has been abandoned on my side of the aisle today by Democrats on our committee.

And then after the other Democrats on the committee voted they did not want it brought up, then we find that the leadership canceled consideration of the war on poverty bill today.

I do not criticize the leadership, but I do criticize this method of procedure.

Mr. Speaker, I imagine my 1 minute is about to expire, but before that time—

The SPEAKER. The gentlewoman has 10 seconds remaining.

Mrs. GREEN of Oregon. During those 10 seconds, Mr. Speaker, I would ask unanimous consent that at the close of business today I be granted a special order of 2 hours.

The SPEAKER. The Chair will state to the gentlewoman that she will have to limit that request to 1 hour.

Mrs. GREEN of Oregon. Mr. Speaker, I am always cooperative with the Speaker of the House. I therefore ask unanimous consent that I be permitted to address leadership cancelled consideration of war on poverty bill today.

Mr. PUCINSKI. Mr. Speaker, reserving the right to object—

The SPEAKER. The Chair will state that it will not recognize anyone else at this moment. Either the gentlewoman receives permission, or she does not.

Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

ONE-SIDED PUBLICITY GIVEN TO MASSACRES IN VIETNAM

(Mr. ICHORD asked and was given permission to address the House for 1 minute.)

Mr. ICHORD. Mr. Speaker, serious questions are being raised as to whether the widespread publicity given the alleged Songmy massacre threatens the constitutional rights of accused persons. Whatever may be the answer to those questions, there can be no question but that such publicity is giving the people of the world a distorted, one-sided picture regarding the relative value placed on human life by opposing forces in Vietnam.

It is regrettable, to say the least, that the world media, including that of the United States, has not given Communist atrocities in Vietnam the same intense degree of news coverage now being given

the events that transpired at Songmy last May.

The Communist massacre at Hue in early 1968 is a case in point. There, some 3,000 persons, men, women, and children, were slaughtered by Vietcong Communist forces. One might have hoped that the world and U.S. media would give this massacre, which was deliberately conducted as a matter of Vietcong overall tactical policy, the same attention and coverage now being given Songmy.

For this reason I called upon the DOD to give me a public screening of all of the atrocities at Hue, and I have notified all of the Members of Congress and all of the members of the news media to attend that screening of those atrocities.

My purpose in calling upon the DOD to do this is not to absolve or to pre-judge whatever occurred at Songmy. Rather, it is to place in proper perspective the fact that it is the Vietcong Communists, and not American forces, who resort to mass slaughter of innocent civilians as an operational procedure in the conduct of war.

If the matter is worked out, I will notify the Members and members of the news media of the time and place of the screening.

POSTPONING OEO BILL

(Mr. HAWKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAWKINS. Mr. Speaker, I had not intended to say anything, but I believe the integrity of the chairman of our committee has been referred to and I rise to say I believe there is no man in this House who has conducted a committee in a manner above and beyond reproach any better than the chairman of our committee.

Mr. Speaker, this matter that is being debated is something which has not yet even been presented to this body. How can any Member of this body support something that is so ill-conceived and cleverly concealed that nobody knows what he is talking about because it has not yet been publicly released?

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. HAWKINS. I yield to the distinguished chairman of the Committee on Education and Labor.

Mr. PERKINS. Mr. Speaker, let me say to the distinguished gentleman from California, I called a caucus on Monday of this week and all Democratic members of the committee were invited. The gentlewoman from Oregon (Mrs. GREEN) attended that caucus.

Yesterday, a press conference was held in which the gentlelady announced her sponsorship of a substitute for the committee bill. This morning a strategy meeting was conducted by Democratic members of the committee who are defending the committee bill.

Naturally I did not expect that the gentlelady would wish to attend such a meeting and thus she was not invited.

Those who support the committee bill will continue to conduct strategy meetings. If the gentlewoman wants to come

and sit in on our strategy meetings, even though she is against us, I extend an invitation to her now.

POSTPONING OEO BILL

(Mr. HATHAWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HATHAWAY. Mr. Speaker, I am in wholehearted agreement with the gentleman from California (Mr. HAWKINS).

The chairman's action in postponing this bill is fully justified. I have not as yet seen a copy of the substitute which will be offered by the gentlewoman from Oregon, which is a substitute for the entire poverty bill. I believe the poverty legislation is extremely important and any substitute for it should be carefully examined by all of the Members of the House, and particularly the members of the Committee on Education and Labor.

The chairman's request to postpone action on this bill is fully justified.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman.

Mr. PUCINSKI. Mr. Speaker, as a member of the committee, will the gentleman agree with me that the remarks of the gentlewoman from Oregon regarding the conduct of the chairman are really unfounded and ill-conceived? I do not know of any member of our committee who has received more consideration and more cooperation, even to the chagrin of the rest of the committee, than the gentlewoman from Oregon. The gentlewoman knows I have supported her time and time again in trying to make this poverty program more effective. I was the one who stood right next to her and worked with her on the Green amendments last year because I had originally suggested the amendment, and yet on this substitute the gentlewoman did not say a word to any member of our committee; she did not tell anyone that she was offering a substitute bill until I read about it this morning in the Post; is that correct?

Mr. HATHAWAY. That is correct.

The SPEAKER. The time of the gentleman has expired.

THE OEO PROGRAM

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute.)

Mr. ASHBROOK. Mr. Speaker, I would merely like to point out that, in my opinion, as a member of this committee, we are only extending to the floor of the House the same type of actions that have been experienced through the past year in the committee relating to the poverty program. Months, months, and months have gone by in trying to get a bill out, in trying to reach some agreement. Now we are extending to the floor the exact same type of tactics we had before that committee.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Oregon.

Mrs. GREEN of Oregon. Let me comment on two matters at this juncture. I have heard the statement that I was invited to the Democratic caucus. I was invited to the caucus that was held 2 days ago, but not to the caucus that was held this morning.

Second, I hear a great deal of talk about our having a substitute bill that we have not made available to every Member of the House. I would merely remind the Members of the House that during the debate on ESEA this year, only 2 or 3 months ago, the distinguished chairman of the House Education and Labor Committee offered a complete substitute bill on the floor of the House that not even the Democratic members of the committee had seen. No one in the House had seen it.

Today, however, when such a bill is offered, when such a bill is proposed by others, this is somehow terrible, almost obscene. It is strange how one's views change in so short a period of time.

I suggest that the delay stems from weakness. Those individuals seeking to delay consideration are leading from weakness and not from strength. Everyone in the House knows there are things wrong with the poverty bill.

The chairman introduced a bill which provides for a 2-year extension, without a single change. I do not know how many Members of the House on the Democratic side have come to me and complained about the VISTA workers in Texas, VISTA activities in West Virginia and Kentucky. They have complained about the thousands of dollars that have been embezzled. They have not been spent for the poor. They have complained about the legal aid services and what they have done in those areas. They have complained about one thing after another.

I am a Democrat and I am proud to be one. I wear the Democratic badge proudly. However, I do not have to agree with every other Democrat, for there has always been room for disagreement in my party. But as a Democratic member of that committee I believe that changes ought to be made in the bill. With all the controversy, with all the criticism that has been made, with all the funds that are authorized to be spent for those in poverty being diverted to others instead of the poor, I think it was incumbent upon us to bring some changes about in this bill and to allow the House to work its will. I am proud to be associated in this effort by really great Democrats of my party. And I am also proud to be associated with Mr. AYRES, Mr. QUIE, Mr. GIAMMO in this bipartisan effort.

UNLAWFUL USE OF THE NAME OF ANY CERTAIN DECEASED SERVICEMAN

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITEHURST. Mr. Speaker, I have received support from the Second District of Virginia for H.R. 15000, the bill that would make unlawful use of the

name of any certain deceased serviceman unless consent to use the name is given by the next of kin of the serviceman.

Among that support was a call I received during the Vietnam moratorium from an anxious father who had lost his son in the Vietnam conflict, wanting to know what could be done to prevent the use of his son's name by the antiwar protesters. He said he supports the right of the demonstrators to protest, but resented the use of his son's name by those that advocate throwing away the freedom that America is trying to preserve in Southeast Asia.

This man is joined in his distress, I am sure, by many others who feel as he does. It is highly offensive to see the name of a loved one who has given his life for his country used in a propaganda effort that gives aid and comfort to the enemy.

We know the North Vietnamese are using our own news media coverage to demoralize our men held captive in Communist prisoner-of-war camps. In my recent conversation with Army Maj. Nick Rowe he detailed how the Vietcong clip news articles favorable to their point of view and use quotes from Members of Congress criticizing our Vietnam efforts. Major Rowe said the time he thought hardest about his country during his 5-year-long capture was under this barrage of one-sided news. It is obvious the Communists will not distribute the balanced news coverage we are able to get in this country, and the effect of one-sided news on our imprisoned men is tremendous.

Therefore, Mr. Speaker, I heartily endorse H.R. 15000 and urge its quick consideration by the Committee on the Judiciary.

THE OEO PROGRAM

(Mr. QUIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUIE. Mr. Speaker, as the gentleman from Ohio (Mr. ASHBROOK) has said, we have just had a repeat on the floor of the House of what we have had in the committee.

We completed hearings on June 7, and it has taken this long to get the bill before the House. Now it is not even going to be before the House today.

When we began on the markup, the first motion was by the gentleman from Wisconsin (Mr. STEIGER) that we report the bill for a 2-year extension, and you should have seen the hubbub that went on on the majority side. They were waiting for the Quie amendment and it never came. I had not gotten around to writing it yet. What was the use? The way the committee is stacked on that side, there was no use offering it. It would get voted down anyway. I felt that I might as well take the time to draft a good amendment when the bill came up on the floor of the House rather than offer my amendments there.

Some of us are trying to work out some agreement on the kind of amendments we want in order to expedite the matter before the House, because we felt that with a substitute bill, it would go faster than if we had a series of individual amendments, consideration of

which would run us into Friday. Under a substitute we could have finished our work tomorrow on the Economic Opportunity Act.

If anyone believes that this program does not need change, he has not been listening to his constituents and he has not been reading the newspapers. He does not know what is happening. There has to be a change. There definitely must be. The Director would like to make some substantial changes. I think the House should assume some responsibility by amendments to institute legislative change, because it was the House, together with our colleagues over in the other body, that wrote the monstrosity which is the present act.

It just does not function properly. There is not a Member who does not realize it here, if he will be honest about it.

I say to my colleagues, let us get into the general debate. Let us talk about the need for changes. Members will have amendments. I do not know why they have to submit them in writing before the bill can be called up. We ought to make the kind of judgment we were elected for. We can look at amendments, debate them, and after we have made up our minds let the majority rule.

THE WILL OF THE HOUSE ON LABOR AND EDUCATION LEGISLATION

(Mr. AYRES asked and was given permission to address the House for 1 minute.)

Mr. AYRES. Mr. Speaker, I presume that many of us realize how serious this is, even though there has been a lot of levity.

I could not help but think, as I looked over at our colleague from Georgia (Mr. LANDRUM), having heard our colleague from Illinois (Mr. PUCINSKI) say that the Landrum-Griffin bill was a sneak operation we brought in at the last moment, that the House could not have worked its will in the Labor Committee at that time. We had a substitute Landrum-Griffin bill which is now the law of the land. The House worked its will.

Then the gentleman referred to the Kitchen-Ayres bill, which he said was another sneaky operation. The House worked its will, and that passed the House.

I presume that the only person who is really laughing at the operation today is in a hospital up in New York, our former chairman, ADAM CLAYTON POWELL.

OEO LEGISLATION

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute.)

Mr. DERWINSKI. Mr. Speaker, I believe it is obvious that we have had a very educational afternoon, and I believe it demonstrates to us the real enlightenment and progress that will be displayed on the floor of this House when and if the Committee on Education and Labor ever comes to the floor with its OEO bill.

Because of the references that have been made to a lack of leadership on the Democrat side, excluding certain Members from caucuses, and inferences as to

that lack of free speech and fairplay on that side of the aisle, and since my dear colleague from Illinois has been referred to on and off in this furor, I will be pleased to yield to the gentleman from Illinois (Mr. PUCINSKI) if he wishes to get in an additional word of wisdom at this point.

Mr. PUCINSKI. Obviously we have seen here today a rather notable demonstration of a lack of confidence in the President from members of his own party.

Let the record be straight. Many of us had all sorts of amendments to offer to this bill. I had some. The chairman had a heck of a time restraining and constraining the Democratic majority on our committee from writing many substantive amendments to the bill, because it was the President of the United States, Mr. Nixon, who came before our committee, through his OEO Director, Mr. Rumsfeld, and said, "We want this bill extended the way it is for 2 years, so we can then come in with our own program."

The best proof of what I am saying is that the gentleman from Wisconsin (Mr. STEIGER), offered the motion to report the bill out unchanged.

Mr. DERWINSKI. May I advise the House I am not a rubberstamp for the President. It has been my opinion that the President made one mistake; he did not appoint the gentleman from Illinois (Mr. PUCINSKI) to head the OEO.

THE SENIORITY RULE

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, all comments to the contrary notwithstanding, what we have seen here today is the bold operation of that wonderful, questionable and debatable system known as seniority and the raw power of a committee chairman. The House has been denied by one man the right to act on authorizing legislation for the poverty program.

How does the chairman know what will happen on this bill if it were brought before the House today; and how, for that matter, does the minority leader know? The Democratic side of the House has the majority and thereby the Democrats hold the chairmanship of the committee. So they should be able to work their will on the legislation if they have the votes on their side all lined up. But I would guess they are not lined up. And I even doubt they are lined up on the Republican side of the aisle. So there will be no vote.

If the poverty program is not reauthorized, then the whole program could die for lack of a continuing appropriation next week. If there is a continuing appropriation for it, the poverty program can only continue as is, thanks to the action by the chairman this morning. Now, that is a lot of power in one man's hands.

If there should be a change in the House rules that would require a substi-

tute or an amendment proposed in the Committee of the Whole to be printed and lie on the table for 2 or 3 days prior to its introduction, let us also consider changing the rules to modify this inordinate power in the hands of a committee chairman. The House and the Nation has seen a sad example of why the House needs reform.

RESCHEDULING THE OEO BILL DOES A DISSERVICE

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, without in any way being disrespectful, I think we have listened to quite a bit of claptrap this morning. Putting it another way, we have gone around this track 1,000 times since I have been a Member of Congress, and we are back at it again today. I say facetiously to the chairman of the committee I do not know whether you have any stock in Western Union or the telephone companies, but you are doing them a big favor today, for now the mail, the telephone calls, and the telegrams will begin to come. You have the opportunity to get it going real good and you probably will.

Another thing that I feel might be said is that the office of the Speaker and the leadership on either side of the aisle is often tough and hard. This is one of the few times that I have ever seen a small handful of individuals on your side of the aisle place their leaders in the position that you have just now placed them. Eventually you are going to come back to your own leaders and say to them, "Schedule this bill, will you, please." I do not know what the answer will be, but I feel you have reached a point far out of position today in taking the approach you have. I say that to all of you Members respectfully, you have done a disservice to the leadership on your own side of the aisle in the actions you have just taken. You should reconsider your action.

RESCHEDULING OF OEO BILL

(Mr. HUNT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNT. Mr. Speaker, I yield to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, I am very grateful that the gentleman from New Jersey has yielded to me.

I am rather amused at the solicitude on the part of the gentleman from Illinois (Mr. PUCINSKI), for the OEO program as recommended by the President. I assume he was among those who added \$295 million over and above what the President asked for for this program. I wish he would be a little consistent in his support for the President's OEO proposals. He either ought to be for him or against him. He certainly was inconsistent by adding \$295 million to the overall program as recommended by the President.

Let me make one further observation: 435 Members of this body in the regular and the accustomed way made plans and commitments for the remainder of this week on the announcement last week that the House was to consider and act upon this legislation this week. The Speaker and the Democratic majority leader, with our full approval, announced that this legislation would come to the floor of the House and that we would work our will on it during this week. Now a small handful have arbitrarily decided that the will of the majority, including the leadership on both sides, would be thwarted. I do not think in the long run that this is going to be helpful to the OEO program.

May I make one other observation. We have nothing else programed or scheduled for the remainder of this week except conference reports. I have been told by several Members on our side—and I think very properly so—that no other legislation, if they can prevent it, will be considered this week. I think that is a very proper attitude on the part of Members of the House of Representatives, which brings up one final point. Here we have Wednesday, Thursday, Friday and, potentially, Saturday to work our will on this legislation. That is thrown out the window by the action of the chairman of the Committee on Education and Labor and his handful of cohorts. It is going to be a long, hard Christmas season for a good many people to be here as the result of the arbitrary action of the gentleman from Kentucky.

PETITION FOR PEACE

(Mr. MORSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MORSE. Mr. Speaker, as my colleagues, I have been receiving petitions from numerous citizens in my district to express their sincere concern with the Vietnam war, and their urgent desire for peace. As Americans who adhere to the principles of freedom, who seek peace in the world, who seek an end to the conflict and the return of American boys, and who, as compassionate human beings, cherish human life and seek to prevent further loss of both American and Vietnamese lives, their voices should be heard and heeded.

They, as all Americans, seek peace. It is the common goal. By the reasoned counsel, the creative intellect and the constructive and conscientious advice of every citizen, we will be able to find those steps by which the common objective may be earliest achieved.

I am including here the body of the petition to the President and the Congress, signed by some 21,000 residents of Massachusetts and presented to me last month:

VIETNAM: PETITION TO PRESIDENT RICHARD MILHOUS NIXON AND TO THE MEMBERS OF THE CONGRESS OF THE UNITED STATES

Whereas, American Armed Forces have been engaged for four years in vast and deadly combat in Vietnam and have dis-

tinguished themselves for their valor despite widespread uncertainty about national purpose and objectives in that engagement; and

Whereas, Combat deaths for American forces alone now exceed 44,000 and total combat deaths for all sides are now estimated to exceed 685,000; and

Whereas, The Citizens of this Nation are spending \$100,000,000 per day to make possible the indefinite continuation of what has come to be known as "the Hopeless War;" and

Whereas, There is throughout the Nation a rising and increasingly furious insistence upon a cessation of the hostilities in Vietnam; and

Whereas, Hope for an end to the war in Vietnam seems futile without clear and explicit commitments to drastic changes in our Nation's policies and our Nation's priorities,

Now therefore, We, the undersigned residents of the Town of Lexington, do hereby petition you, Mr. President, and you, the members of the Congress of the United States immediately to direct a major and orderly withdrawal of our Nation's forces from Vietnam, and that all powers, executive, legislative and budgetary, be implemented to expedite the intent of this petition.

CONSIDERATION SHOULD BE GIVEN TO THE APPOINTMENT OF REPRESENTATIVE REID OF ILLINOIS AND REPRESENTATIVE POFF OF VIRGINIA IN FILLING THE VACANCY ON THE U.S. SUPREME COURT

(Mr. FULTON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FULTON of Pennsylvania. Mr. Speaker, might I say that I have presented to the Republican caucus today a resolution, as follows:

The House Republican caucus strongly endorses Republican Congresswoman Charlotte Reid of Illinois and Congressman Richard Poff of Virginia for consideration by the President to fill the vacancy on the United States Supreme Court.

Mr. Speaker, CHARLOTTE REID has served well and faithfully in the House of Representatives, as has Representative RICHARD POFF. Each of these Members is well qualified by experience in government, and ability to serve competently and with humanity, all the American people.

I believe, since the bar association here in Washington has endorsed our good friend and distinguished colleague MARTHA GRIFFITHS from Michigan, we should likewise on the Republican side recommend CHARLOTTE REID for consideration for this U.S. Supreme Court vacancy, as well as our colleague, the Honorable RICHARD POFF, who is certainly one of our best constitutional lawyers in the U.S. Congress.

Mr. Speaker, I would also say that I know that CHARLOTTE REID is not a lawyer, but a member of the U.S. Supreme Court does not have to be a lawyer. CHARLOTTE REID's knowledge of the processes of the law, her wide experience in government and public affairs, qualify her as well or better than any technical minded legalist. I believe CHARLOTTE REID's human qualities will be a great asset to the U.S. Supreme Court.

AN ADDITIONAL INTERNATIONAL BRIDGE BETWEEN THE UNITED STATES AND CANADA IS NEEDED

(Mr. McEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McEWEN. Mr. Speaker, today I am introducing a bill to authorize the construction, maintenance, and operation of an additional international bridge between the United States and Canada.

This legislation would permit the Thousand Islands Bridge Authority, Collins Landing, N.Y., to build an additional toll bridge at or near Cape Vincent, N.Y., across the St. Lawrence River to a point at or near Kingston, Ontario, Canada. The bridge would be in two spans, with a connecting link on Wolfe Island, Ontario.

This legislation is introduced at the request at the bridge authority. Preliminary plans and a feasibility study have already been made in New York and Ontario. The rate of increase in traffic makes this bridge necessary. Estimated cost of the bridge is \$35 to \$40 million. Construction would be financed from the sale of the authority's revenue bonds. No Federal, State, or local tax moneys would be involved.

CREDIBILITY OF THE COMMITTEE ON EDUCATION AND LABOR IS ONCE MORE QUESTIONED

(Mr. ESCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ESCH. Mr. Speaker, I regret most sincerely the decision of the chairman of the Education and Labor Committee to withhold the OEO bill. I believe it is vital that we extend immediately the authorization for the Office of Economic Opportunity without either any crippling amendments or further delay.

I also believe that this House would have worked responsibly on this measure in order to assure that the program would have been continued substantially intact. I know we had the votes on our side of the aisle and the vast majority of our Members wish to dispose of this legislation without further delay.

It is more important for us, however, to examine two fundamental factors that have occurred during the previous hour's discussion. Once again the credibility of the Education and Labor Committee as an effective legislative force in this Congress has been placed in jeopardy. Historically, in recent years, the Education and Labor Committee has failed to reflect the views of the majority of the Members of this House and of the country. Thus, time and again, legislation has had to be hammered out here on the floor through the amendment process rather than through the more orderly committee process.

I believe it behooves all of us on the Education and Labor Committee as well as the total House membership to attempt in the coming years to reestablish

the credibility of the Education and Labor Committee.

But an even more important factor: The action of the preceding hour has reemphasized the need for this representative body to put its own house in order; to enact meaningful congressional reform so that the will of the majority of the Members of the House and, indeed, the needs of the country cannot be thwarted by a capricious act of a relative few.

We need to extend the OEO programs without crippling amendments. We need to do it now. We have the votes on our side of the aisle. The responsibility for the delay and the resultant disruption on the poverty program and the possible unrest among those affected by the programs must rest with the chairman of the committee.

POSTPONING THE OEO BILL

(Mr. LANDRUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANDRUM. Mr. Speaker, I have been greatly disappointed to learn that my warm friend, the able and effective and distinguished chairman of the Committee on Education and Labor, has decided against bringing on for debate under the resolution granted the so-called poverty bill.

I believe if any Member of this House is entitled to speak out on legislation affecting this issue dealing with economic opportunity, that perhaps I may be allowed to say that my record as an active supporter in the past entitles me to express an opinion.

Mr. Speaker, we have confronting us a tremendously serious problem. It is a problem which the Congress, and by a very large majority of the Congress, thought could be solved by a bill we passed in 1965. We fought hard for it. But we have seen many, many errors in the administration of the law. We have seen some flaws disclosed in the legislation that was enacted. But as late as 1967, when we tried to correct outstanding examples of shortcomings in the legislation, when we tried to tighten it up so that the administration of the bill would be in accord with the wishes of the Congress, we find that the administration—and I am talking about the administration of the Economic Opportunity Act—has become more contemptuous of the Congress.

Mr. Speaker, I am sure if my friend, in his genuinely conscientious attitude toward his responsibility as chairman, and as a Member of this House, would reassess his position he would recognize that this Nation today wants something done about this economic opportunity legislation, and whether it is done by the bill reported by the committee, or whether it is done by amendments on the floor, or whether it is done by a substitute offered by the combined efforts of small or large groups of Members does not matter.

The scandalous operations in some in-

stances of these community action programs throughout this Nation have made Members such as myself, who sacrificed to try to develop some program for this area, suffer in the eyes of his friends and his supporters. I do not mind continuing to suffer in order to keep a program going to rid this Nation of the evils that confront us because of poverty. But, we ought not to expect to debate such a controversial and important bill without having all the mistakes of the past exposed and discussed. If such debate brings on a substitute bill then that will be good.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman has expired.

POSTPONING THE OEO BILL

(Mr. MIKVA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MIKVA. Mr. Speaker, in the interest of our colleague from Ohio learning how to pronounce our other colleague's name, I yield to my good friend, the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I know the distinguished minority leader knows full well my record of support for the President. The gentleman knows that I have been standing behind and supporting this President on key issues—because he is my President, too—and all I am doing today is to carry out again the wishes of the President. It is the President who has asked that the present act be continued without change.

I agree with the gentleman from Georgia, the very highly distinguished Member of this House, who is right when he says that no one is better qualified to discuss this bill than he, because he took the brave step years ago and sponsored this legislation.

So I agree with him, and I share with him his statement.

Mr. LANDRUM. Mr. Speaker, will the gentleman from Illinois yield for a correction?

Mr. MIKVA. I yield to the gentleman from Georgia.

Mr. LANDRUM. The gentleman from Georgia did not say that he was better qualified. Please—I did not say that.

Mr. PUCINSKI. I said you are qualified.

The fact of the matter is I share with the gentleman his disappointment in the administration of this bill. I have been among the most vocal critics of this bill and that is when in 1967 I strongly supported a series of amendments to close the free wheeling tactics of OEO. Let the record be clear, I have made numerous contributions toward cleaning up this act because I have repeatedly stated it needs revision. I believe we did a big job in 1967 to improve this act and President Nixon and Don Rumsfeld have both asked for a chance to make the improvements we voted in 1967 operative under their administration. I believe we ought to give them this chance.

Last year I supported the Green amendment to try to bring order out of chaos in this program. I think this program does need strong revision, and I shall continue to support changes that will strengthen the program.

I would like to remind the House—what is the issue here today? Are we saying you will not have a chance to vote for the substitute? Of course, not.

Are we saying you should not? Of course, we do not even know what is in it.

What we are saying here is that on such a major issue, we ought to be given some kind of look at the substitute, and then in an orderly manner debate and discuss it on the floor of the House. That is all we are saying here. I may even support the substitute. But it occurs to me that all this noise here today is that those who thought they could ram this substitute through the House today suddenly realize this irresponsible method of legislating has been blocked. I hope our action here today will put an end once and for all to this "hit and run" method of legislating.

POSTPONING OEO BILL

(Mr. HOWARD asked and was given permission to address the House for 1 minute.)

Mr. HOWARD. Mr. Speaker, it is very confusing today on the floor of the House, without a scorecard.

It seems on one side we have many Members—the Democratic Party, the President of the United States, Donald Rumsfeld from the OEO, and Mr. PERKINS—all on one side concerning this issue. On the other hand trying to sabotage the President and his OEO program we have the minority leader, many Republicans and a few Democrats.

Perhaps it might be in order for the House of Representatives to pass a resolution stating that all of us support the President of the United States in his efforts to negotiate a just peace with the education and labor committee.

RESOLUTION ON VIETNAM

(Mr. KLEPPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLEPPE. Mr. Speaker, the 333-to-55 vote by which the House of Representatives yesterday adopted House Resolution 613 should help to make it clear to our friends around the world, and perhaps even to some of our enemies, that there is overwhelming support in this body, as there is among the American people, for President Nixon's dedicated and continuing efforts to bring about a peaceful solution in Vietnam.

As one of the early sponsors of this resolution, I remain convinced that the House action will strengthen the President's hand in seeking a negotiated settlement and will help to pave the way toward free, internationally supervised elections in South Vietnam, once an agreement is reached.

The amendment to the original resolution, calling upon the President "to continue to press the Government of North

Vietnam to abide by the Geneva Convention of 1949 in the treatment of prisoners of war," focuses attention again upon the refusal of Hanoi to make known the names of all prisoners of war, the refusal to allow them to write to and receive mail from their families, and the refusal to permit inspection of prisoner of war camps by the International Red Cross.

Mr. Speaker, the House action may not budge Hanoi from its seemingly inflexible position but it emphasizes again, for all of the world to see, that it is not the United States, but the Government of North Vietnam, which is the roadblock to peace.

POSTPONING OEO BILL

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I have asked for this time for the purpose of asking the gentleman from Kentucky a question which I think is a very relevant one.

We have heard the pros and cons about whether this bill should have been called off and whether a substitute should have been submitted to the gentleman from Kentucky for his perusal first. I am not going to get into this. It has all been covered. However, the fact remains that there is a substitute and there is a necessity for action on this legislation. This is the third day of December and it is past time that this House adjourned. It should have adjourned many weeks ago.

The question to the gentleman from Kentucky is—how long, sir, are you going to take to bring this bill up and consider it, including the substitute—and amendments, and let the House work its will? Are you going to do it tomorrow or the next day?

The SPEAKER. Let the Chair state that that is a problem of the leadership—and it is a problem.

Mr. RHODES. With all due respect, Mr. Speaker, I would like to direct the question to any Member of the House, or the Speaker, who can answer the question. I think the membership is entitled to know the answer to this question.

The SPEAKER. If the Chair were in a position to advise the gentleman, the Chair would gladly advise him and the Members of the House. But at the present time, the Chair is groping.

Mr. RHODES. Of course, Mr. Speaker, if I may make one further point, as I understand it, the authorization for the OEO program has expired and if the House should adjourn sine die without having acted upon an extension of the OEO program, then perforce the funds for it would stop unless there was some sort of continuing resolution which would be adopted to extend beyond the sine die adjournment—a procedure which so far as I know has never been done. There is an urgency about this, and I hope the gentleman from Kentucky will not dally too long on such an important matter. We should not let this agency die because of our refusal to act.

THE OFFICE OF ECONOMIC OPPORTUNITY

(Mr. WATSON asked and was given permission to address the House for 1 minute.)

Mr. WATSON. Mr. Speaker, I certainly do not want to prolong this discussion, but I think the gentleman from Arizona (Mr. RHODES) has asked a very reasonable question. While I appreciate the Speaker's position, that he is in a quandary and that this was thrust upon him and he does not know the answer to the question propounded by the gentleman from Ohio, I wonder, Mr. Speaker, if I might at this time yield to the gentleman from Kentucky, the chairman of the committee, who precipitated this whole discussion, the agonizing experience here, with the cancellation of plans, and so forth, in order that perhaps he might indicate to the House when he will decide to call up this bill.

Mr. PERKINS. Mr. Speaker, let me say to my distinguished colleague from South Carolina that I received an official copy of the substitute at 12:15 p.m. today, after I had made the 1-minute speech. I think the members of the committee and the membership in the House who want to become acquainted with the contents of the substitute will have ample time during the remainder of this week. I am hopeful that if it fits in with the leadership schedule the bill will be brought to the floor next week, and if not next week, the week after, by all means.

So far as I am concerned, I would hope that the bill can be brought to the floor next Monday.

The SPEAKER. Just a minute. The leadership has problems. The Chair has advised the gentleman from Kentucky that we have scheduled an appropriation bill for Monday and another appropriation bill following that. The Chair would like to get a voting rights bill before the House. We want to have the record clear. Do not put the leadership in the position where there might be any misunderstanding. The leadership will cooperate, but the leadership has other problems.

Mr. ANDREWS of Alabama. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Alabama will state his parliamentary inquiry.

Mr. ANDREWS of Alabama. Would it be in order to bring a resolution before the House denying the poverty program to operate under the resolution continuing appropriations that passed the House last Monday?

The SPEAKER. Will the gentleman restate his parliamentary inquiry?

Mr. ANDREWS of Alabama. I would like to know if it would be in order today to offer a resolution in the House to disassociate the poverty program from the continuing appropriation resolution, which was passed on Monday of this week.

The SPEAKER. The Chair does not feel that that is a parliamentary inquiry.

Mr. ANDREWS of Alabama. I think we will have a resolution within the next few hours denying the poverty program

from operating under the continuing resolution, and I think that is the best way to bring this thing to a head.

Mr. YATES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Has the gentleman from Alabama concluded his parliamentary inquiry?

Mr. ANDREWS of Alabama. At this time.

The SPEAKER. The gentleman from Illinois will state his parliamentary inquiry.

Mr. YATES. If a resolution of the type described by my good friend from Alabama were to be filed today and sought to be brought up on the floor today, would it not need unanimous consent?

The SPEAKER. Unanimous consent would be required. The Chair does not like to give declaratory opinions before a matter is actually presented.

THE OEO PROGRAM

(Mr. THOMPSON of Georgia asked and was given permission to address the House for 1 minute.)

Mr. THOMPSON of Georgia. Mr. Speaker, I take this time to ask the chairman of the committee a question. As I understand, the action the chairman has taken was because he has reason to believe that some Member is going to offer a substitute to the proposal that the committee voted out, and for that reason, the gentleman from Kentucky wants a delay so that he may look at the substitute and examine it. Does that mean that if, when the bill is next scheduled, someone else has a substitute and plans to offer such a substitute, the gentleman will ask for another delay?

Mr. PERKINS. I am sure the gentleman in the well knows that there will never be but one request of this type made.

Mr. THOMPSON of Georgia. I thank the gentleman.

PRESSURE FOR OEO AUTHORIZATION

(Mr. WAGGONNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WAGGONNER. Mr. Speaker, it seems perfectly clear now that we are not going to consider the OEO authorization this week. It should be perfectly clear to you as Members why.

I want to forewarn the Members that between now and next week or whenever we do consider this legislation they can expect a flood of telephone calls, telegrams, and communications through the mail, and contacts by every other means, from the advocates of the program, because when we leave here today we can be sure that the advocates of continuing without change the present program for 2 years are going to contact every sympathetic person they can back in the districts to try to get them to influence us. We must hold fast and stand our ground.

The only other thing I want to say is that as they from Washington make

their contacts I would be perfectly happy if they spend all the money they have left in sending out telegrams and making telephone calls, to leave nothing else to continue such a boondoggle program. It must be changed and now is the time.

CONFERENCE REPORT ON H.R. 14159, PUBLIC WORKS APPROPRIATIONS, 1970

Mr. EVINS of Tennessee. Mr. Speaker, I call up the noncontroversial conference report on the bill (H.R. 14159) making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Pollution Control Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill. The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection. The Clerk read the statement. (For conference report and statement, see proceedings of the House of December 2, 1969.)

Mr. EVINS of Tennessee (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers on the part of the House be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection. The SPEAKER. The gentleman from Tennessee is recognized for 1 hour.

Mr. EVINS of Tennessee. Mr. Speaker, we bring you the conference report on the Public Works and Atomic Energy Commission appropriations bill for 1970. The original House bill provided \$4,505,446,500.

The Senate bill provided \$4,993,428,500—an increase of \$487,982,000 over the House bill.

We are recommending today an appropriation of \$4,756,007,500 agreed to by the conferees.

The bill total is \$552,029,500 over the budget, including the increase of \$586 million for the pollution control grants.

The final figure is \$250,561,000 over the House bill, including the \$200 million added for pollution control grants.

The final figure is \$237,421,000 under the Senate bill.

Excluding the increase for pollution control grants, the final bill figure is \$33,970,500 under the budget estimate.

As you know, all legislation is a compromise and this bill reflects the compromises and agreements reached in conference.

This is a good conference report—a sound judgment of the Nation's urgent needs in public works and adequate funding of the Atomic Energy Com-

mission, Federal Water Pollution Control Administration, Bureau of Reclamation, the Tennessee Valley Authority, and other public works agencies.

We believe that the agreement reached is in the public interest and the national interest.

ATOMIC ENERGY COMMISSION

The largest item in the bill is the Atomic Energy Commission appropriation.

The Johnson budget recommended \$2,438,135,000 for the vital programs of the AEC—a cut and reduction of \$132,739,000 from 1969 appropriations.

The Nixon budget further reduced the appropriation for AEC by another \$78,550,000 to \$2,359,585,000.

The Senate made further cuts and reductions totaling \$44 million.

The conference restored \$22 million of the \$44 million cut made by the Senate—leaving the AEC appropriation recommended in this bill at a level of \$2,217,769,000.

PUBLIC WORKS

Basically the House approved a 50-percent restoration of the reduction and cutback made in the revised Nixon budget on public works projects.

In instances where the Senate made increases in public works projects, the conferees limited the increase to a level not to exceed 50 percent of the increase required to provide the U.S. Corps of Engineers full capability.

This bill provides for 52 new studies and investigations by the U.S. Corps of Engineers.

The bill also provides for 33 new construction starts—a minimal number.

These are all small projects—there are no large new starts. Small flood control projects urgently needed.

The new starts recommended are primarily for small flood control projects of urgency—projects which cost less than \$20 million.

I might add that new reservoir projects added by the Senate were limited,

where agreed to, to advance land acquisition only.

WASTE TREATMENT PLANTS

The House approved \$600 million for waste treatment plant grants.

The Senate bill increased this to \$1 billion.

The conferees agreed to \$800 million. Secretary Hickel has said that \$600 million is all that he can use this fiscal year.

The conferees believes that the \$800 million will provide adequate funding for this program for next year.

CONCLUSION

Mr. Speaker, this is a good conference report—a product of compromise.

This report reflects the best judgment of the Conferees, and I urge the adoption of this report.

Mr. Speaker, I will insert a table showing the amounts provided in the bill in comparison with the budget and House and Senate amounts:

PUBLIC WORKS APPROPRIATIONS FOR FISCAL YEAR 1970—SUMMARY TABLE

Agency and item	Conference action compared with—									
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—ATOMIC ENERGY COMMISSION										
Operating expenses.....	\$2,109,300,000	\$1,963,800,000	\$1,884,269,000	\$1,840,269,000	\$1,862,269,000	-\$247,031,000	-\$101,531,000	-\$22,000,000	+\$22,000,000	
Plant and capital equipment.....	1,506,574,000	395,785,000	343,500,000	377,525,000	355,500,000	-151,074,000	-40,285,000	+12,000,000	-22,025,000	
Total, title I, new budget (obligational) authority, Atomic Energy Commission	2,615,874,000	2,359,585,000	2,227,769,000	2,217,794,000	2,217,769,000	-398,105,000	-141,816,000	-10,000,000	-25,000,000	
TITLE II—DEPARTMENT OF DEFENSE—CIVIL										
DEPARTMENT OF THE ARMY										
Corps of Engineers—Civil										
General investigations.....	30,015,000	40,900,000	40,600,000	41,760,000	41,191,000	+11,176,000	+291,000	+591,000	-569,000	
Construction, general.....	862,713,500	627,055,000	671,982,000	740,469,000	711,992,000	-150,721,500	+84,937,000	+40,010,000	-28,477,000	
Flood control, Mississippi River and tributaries.....	69,600,000	74,600,000	74,600,000	87,040,000	80,820,000	+11,220,000	+6,220,000	+6,220,000	-6,220,000	
Operation and maintenance, general.....	227,300,000	245,700,000	245,700,000	253,000,000	253,000,000	+25,700,000	+7,300,000	+7,300,000		
Flood control and coastal emergencies.....	430,000,000	32,000,000	32,000,000	32,000,000	32,000,000	+2,000,000				
General expenses.....	21,875,000	22,980,000	22,600,000	22,980,000	22,680,000	+805,000	-300,000	+80,000	-300,000	
Total, Corps of Engineers—Civil	1,241,503,500	1,043,235,000	1,087,482,000	1,177,249,000	1,141,683,000	-99,820,500	+98,448,000	+54,201,000	-35,566,000	
Cemeterial Expenses										
Salaries and expenses.....	15,000,000	16,196,000	15,125,000	15,125,000	15,125,000	+125,000	-1,071,000			
THE PANAMA CANAL										
Canal Zone Government:										
Operating expenses.....	38,569,500	41,070,000	40,700,000	40,700,000	40,700,000	+2,130,500	-370,000			
Capital outlay.....	200,000	2,373,000	2,000,000	2,000,000	2,000,000	+1,800,000	-373,000			
Panama Canal Company: Limitation on general and administrative expenses	11 (13,730,000)	(14,700,000)	(14,700,000)	(14,700,000)	(14,700,000)	(+970,000)				
Total, the Panama Canal	38,769,500	43,443,000	42,700,000	42,700,000	42,700,000	+3,930,500	-743,000			
Total, title II, new budget (obligational) authority, Department of Defense—Civil	1,295,273,000	1,102,874,000	1,145,307,000	1,235,074,000	1,199,508,000	-95,765,000	+96,634,000	+54,201,000	-35,566,000	
TITLE III—DEPARTMENT OF THE INTERIOR										
FEDERAL WATER POLLUTION CONTROL ADMINISTRATION										
Pollution Control operations and research.....	86,789,000	91,972,000	85,382,000	86,482,000	86,382,000	-407,000	-5,590,000	+1,000,000	-100,000	
Construction grants for waste treatment works.....	214,000,000	214,000,000	600,000,000	1,000,000,000	800,000,000	+586,000,000	+586,000,000	+200,000,000	-200,000,000	
Total, Federal Water Pollution Control Administration	300,789,000	305,972,000	685,382,000	1,086,482,000	886,382,000	+585,593,000	+580,410,000	+201,000,000	-200,100,000	

Footnotes at end of table.

PUBLIC WORKS APPROPRIATIONS FOR FISCAL YEAR 1970—SUMMARY TABLE—Continued

Agency and item	New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (as amended)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended in conference	Conference action compared with—				
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
TITLE III—DEPARTMENT OF THE INTERIOR—Continued										
BUREAU OF RECLAMATION										
General investigations.....	13 16,319,500	16,400,000	16,000,000	16,060,000	16,030,000	-289,500	-370,000	+30,000	-30,000	
Construction and rehabilitation.....	166,915,000	129,900,000	146,381,500	149,381,500	149,381,500	-17,533,500	+19,481,500	+3,000,000	-----	
Upper Colorado River storage project.....	27,873,000	26,000,000	26,110,000	30,240,000	28,240,000	+1,367,000	+2,240,000	+2,130,000	-2,000,000	
Colorado River Basin project.....	-----	1,000,000	1,000,000	1,200,000	1,200,000	+1,200,000	+200,000	+200,000	-----	
Operation and maintenance.....	14 50,530,000	54,030,000	53,500,000	53,500,000	53,500,000	+2,970,000	-530,000	-----	-----	
Loan program.....	2,965,000	4,850,000	5,650,000	5,650,000	5,650,000	+2,685,000	+800,000	-----	-----	
Emergency fund.....	-----	1,000,000	1,000,000	1,000,000	1,000,000	+1,000,000	-----	-----	-----	
General administrative expenses.....	15 12,400,000	12,700,000	12,700,000	12,700,000	12,700,000	+300,000	-----	-----	-----	
Total, Bureau of Reclamation.....	277,002,500	245,880,000	262,341,500	269,731,500	267,701,500	-9,301,000	+21,821,500	+5,360,000	-2,030,000	
ALASKA POWER ADMINISTRATION										
General investigations.....	600,000	670,000	600,000	600,000	600,000	-----	-70,000	-----	-----	
Operation and maintenance.....	402,000	400,000	400,000	400,000	400,000	-2,000	-----	-----	-----	
Total, Alaska Power Administration.....	1,002,000	1,070,000	1,000,000	1,000,000	1,000,000	-2,000	-70,000	-----	-----	
BONNEVILLE POWER ADMINISTRATION										
Construction.....	\$104,000,000	\$102,400,000	\$96,500,000	\$96,500,000	\$96,500,000	-\$7,500,000	-\$5,900,000	-----	-----	
Operation and maintenance.....	19,500,000	21,500,000	21,500,000	21,500,000	21,500,000	+2,000,000	-----	-----	-----	
Total, Bonneville Power Administration.....	123,500,000	123,900,000	118,000,000	118,000,000	118,000,000	-5,500,000	-5,900,000	-----	-----	
SOUTHEASTERN POWER ADMINISTRATION										
Operation and maintenance.....	850,000	700,000	700,000	700,000	700,000	-150,000	-----	-----	-----	
Construction.....	4,020,000	3,100,000	3,100,000	3,100,000	3,100,000	-920,000	-----	-----	-----	
Operation and maintenance.....	16 2,346,000	2,350,000	2,350,000	2,350,000	2,350,000	+4,000	-----	-----	-----	
Continuing fund (definite appropriation of receipts).....	3,200,000	2,800,000	2,800,000	2,800,000	2,800,000	-400,000	-----	-----	-----	
Total, Southwestern Power Administration.....	9,566,000	8,250,000	8,250,000	8,250,000	8,250,000	-1,316,000	-----	-----	-----	
Total, title III, new budget (obligational) authority, Department of the Interior.....	712,709,500	685,772,000	1,075,673,500	1,484,163,500	1,282,033,500	+569,324,000	+596,261,500	+\$206,360,000	-\$202,130,000	
TITLE IV—INDEPENDENT OFFICES (EXCLUDING AEC)										
Atlantic-Pacific Interoceanic Canal Study Commission: Salaries and expenses.....	4,900,000	917,000	917,000	917,000	917,000	-3,983,000	-----	-----	-----	
Delaware River Basin Commission: Salaries and expenses.....	47,000	47,000	47,000	47,000	47,000	-----	-----	-----	-----	
Contribution to the Delaware River Basin Commission.....	154,000	153,000	153,000	153,000	153,000	-1,000	-----	-----	-----	
Total, Delaware River Basin Commission.....	201,000	200,000	200,000	200,000	200,000	-1,000	-----	-----	-----	
Interstate Commission on the Potomac River Basin: Contribution to Interstate Commission on the Potomac River Basin.....	5,000	5,000	5,000	5,000	5,000	-----	-----	-----	-----	
National Water Commission: Salaries and expenses.....	17 150,000	1,100,000	1,050,000	1,050,000	1,050,000	+900,000	-50,000	-----	-----	
Tennessee Valley Authority: Payment to Tennessee Valley Authority fund.....	50,250,000	49,750,000	50,600,000	50,300,000	50,600,000	+350,000	+850,000	-----	+300,000	
Water Resources Council: Water resources planning.....	3,662,500	3,775,000	3,925,000	3,925,000	3,925,000	+302,500	+150,000	-----	-----	
Total, title IV, new budget (obligational) authority, independent offices (excluding AEC).....	59,128,500	55,747,000	56,697,000	56,397,000	56,697,000	-2,431,500	+950,000	-----	+300,000	
Total, new budget (obligational) authority, titles II, III, and IV (excluding AEC).....	2,067,111,000	1,844,393,000	2,277,677,500	2,775,634,500	2,538,238,500	+471,127,500	+693,845,500	+260,561,000	-237,396,000	
Grand total, new budget (obligational) authority, titles I, II, III, and IV.....	4,682,985,000	4,203,978,000	4,505,446,500	4,993,428,500	4,756,007,500	+73,022,500	+552,029,500	+250,561,000	-237,421,000	

1 Includes \$45,000,000 appropriated in Second Supplemental Act, 1969.
 2 Reflects transfer in Second Supplemental Appropriation Act, 1969, of \$2,969,000 to "Operation and maintenance" and "General expenses," Corps of Engineers.
 3 Reflects transfer of \$1,869,000 from "Construction, general," Corps of Engineers, and \$1,731,000 appropriated in Second Supplemental Appropriation Act, 1969.
 4 Includes \$25,000,000 appropriated in Second Supplemental Appropriation Act, 1969.
 5 Includes increase of \$27,000,000 contained in H. Doc. 91-155.
 6 Reflects transfer in Second Supplemental Appropriation Act, 1969, of \$1,100,000 from "Construction, general," Corps of Engineers.
 7 Reflects increase of \$258,000 contained in H. Doc. 91-117.
 8 In addition, \$991,000 available by transfer from funds appropriated in Public Works and AEC Appropriation Act, 1968.

9 Includes \$1,085,000 appropriated in Second Supplemental Appropriation Act, 1969.
 10 Reflects decrease of \$227,000 contained in H. Doc. 91-85.
 11 Includes increase of \$130,000 provided in Second Supplemental Appropriation Act, 1969.
 12 Reflects transfer in Second Supplemental Appropriation Act, 1969 of \$246,000 to Bureau of Indian Affairs and \$1,803,000 to the Bureau of Land Management.
 13 Includes \$371,000 appropriated in Second Supplemental Appropriation Act, 1969.
 14 Includes \$630,000 appropriated in Second Supplemental Appropriation Act, 1969.
 15 Includes \$450,000 appropriated in Second Supplemental Appropriation Act, 1969.
 16 Reflects transfer in Second Supplemental Appropriation Act, 1969, of \$4,000 to Bureau of Sport Fisheries and Wildlife (General Administrative Expenses).
 17 Appropriated in Supplemental Appropriation Act, 1969.

Mr. Speaker, I now yield to my colleague, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Tennessee has given the full story on the conference report. The Members of the House are familiar with the bill. We passed it not too many weeks ago. I support the conference report, though I regret exceedingly that it is over the budget. It is the best the House conferees can do.

In my mind I have a reservation about one item which will be brought up in disagreement. This concerns a very urgent flood control project in the great State of North Dakota. We are bringing this item back in disagreement, and there will be a motion to recede and concur with the Senate amendment. This is an unauthorized project. The only reason why it is being brought back for a vote by the House is because the need is great. There were disastrous floods in the area during the last year, which would have been mitigated had this project been built.

I would like to serve notice on our colleagues in the other body that this is not to become a precedent; all projects must be authorized in the regular manner. I, for one, do not intend ever to bring back another bill or another project which has not been authorized even for a vote in disagreement. It is not a proper procedure or one which should be followed. It was done at this time only because of a really dire emergency.

Mr. EVINS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman.

Mr. EVINS of Tennessee. I agree that it is a most unusual situation of an emergency nature. The gentleman will recall that the floods in North Dakota flooded some 3,000 homes and that 11,800 people had to be evacuated. This is only for planning in an emergency situation. The language does not authorize the project for construction.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman.

Mr. ANDREWS of North Dakota. I would like to call to the gentleman's attention the fact that we did indeed appear before the subcommittee in the House regarding this item, recognizing the fact that it was not authorized but with the hope that it might be put in along the way and wanting to give the House committee the full benefit of the views of the local people involved. Human needs should take precedence over parliamentary procedure. This is a time for Government to react with compassion and speed to meet the critical emergency needs of its people rather than to deny this aid because of a technicality.

I do appreciate the committee's making this exception because of the great need which exists in North Dakota for this project. We can assure you that we hope it does not have to happen again.

Mr. RHODES. I might say to my good friend, the distinguished gentleman from North Dakota, that he has made a good

point. He and the gentleman from North Dakota (Mr. KLEPPE) have appeared before our subcommittee and have indicated the urgency of this situation. Each of these gentlemen has been most zealous in their attempts to push this project.

Further than that, since the committee took its action in the markup of its original bill, I am told that favorable reports have been made by the Corps of Engineers and are pending submission to Congress for authorization by the Committee on Public Works. However, that committee has not had an opportunity to make its will known.

Mr. KLEPPE. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from North Dakota.

Mr. KLEPPE. Mr. Speaker, I appreciate the comments of the gentleman from Arizona on this conference report. The amendment in the conference report pertaining to the preconstruction planning funds for the flood control project in Minot, N. Dak., is included in this report. I understand and appreciate the policy of the House conferees regarding this project since authorizing legislation had not passed.

I worked on this project for several months in an attempt to get the legislation authorized, but due to delay in reports from the departments involved it was not possible. I conferred with our leaders on this problem, since Senator Young got this project included in the other body. The total amount in this conference report is small, but it will move this vital project ahead by 1 year, and I would hope the conference report will be approved including the funds for the Minot flood project.

Mr. MINSHALL. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Ohio.

Mr. MINSHALL. Mr. Speaker, I would like to commend the conferees for doing a very outstanding job on a very difficult bill. I am only sorry to see that they did not get the entire \$1 billion that the House defeated by just two scant votes. Nevertheless, I realize that all legislation is a result of compromise. I am glad to see that they brought the figure up to \$800 million.

Mr. Speaker, if the gentleman will yield further, with the addition of the additional funds, how much money will this actually make available?

Mr. RHODES. My recollection is that the total program could be in the magnitude of \$865 million this next year. However, as the gentleman knows, this cannot possibly all be spent because of the formula under which the funds will be divided among the States. There will be some States that will not receive anywhere near the amount that they could spend, and the gentleman's State is one of those States. However, there are other States which will be allocated funds which cannot possibly be spent. So, I would estimate that the carryover at the end of fiscal year 1970 would be somewhere in the neighborhood of \$300 million.

Mr. MINSHALL. Mr. Speaker, if the

gentleman will yield further with reference to my own State, the State of Ohio will receive an additional \$11.2 million which it would not have received under the House version. The Minshall amendment—and the Senate appropriation—of \$1 billion would have given Ohio \$52.6 million, which would just have about fulfilled its requirements for eligible sewage treatment facilities. Under the compromise Ohio will receive \$41.2 million, slightly under its need as of August. I would suggest that in view of the commitment we made in 1966 when the Congress unanimously approved the Clean Water Restorations Act that very careful review be made of the individual needs of the 50 States. Ohio remains underfunded, while the gentleman advises me that other States would be unable to utilize the full amount allocated to them. We desperately need funds in Ohio and I hope and trust that the Congress will draft a formula whereby the money will go where the need exists hereafter.

Mr. RHODES. Mr. Speaker, while we are on the subject of water pollution, let me make my position abundantly clear. It is true that the subcommittee successfully resisted amendments on the floor of the House to raise this sum up to \$1 billion. We did it because we felt, first, that the sum of \$600 million was ample under the provisions of the present distribution formula. Personally, I would be perfectly willing and happy to appropriate that much money, or even more, for the purpose of water pollution control, if it could be distributed into those areas where need has been established and where the ability to spend the money on worthwhile projects has been established. This is not true, however.

I sincerely hope and, in fact, I invite my colleagues on the Public Works Committees of the House and of the other body to reexamine this entire matter with the objective of drafting a formula which is both fair and which will allow the Committee on Appropriations to appropriate on the basis of need for this money rather than on the basis of a formula which has not worked.

Mr. MACGREGOR. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Minnesota.

Mr. MACGREGOR. I thank the gentleman from Arizona for yielding.

Mr. Speaker, I rise in support of this conference report.

Mr. Speaker, on October 2 of this year the House Appropriations Committee voted to increase from \$214 million to \$600 million the proposed spending on construction grants for waste treatment works during the current fiscal year. The appropriation of \$600 million, together with a carryover in unspent funds of \$64.9 million from the year which ended June 30, 1969, envisioned a total grant program of \$665 million in water pollution control funds.

On October 8, the House of Representatives passed H.R. 14159. This bill contained the appropriation for the clean water program as approved by the House Appropriations Committee. I was pleased to vote "yes." Prior to final passage I

voted against an effort to restrict debate and deny roll call votes on certain amendments. I favored the consideration and passage of an amendment to increase the clean water funding to \$750 million—CONGRESSIONAL RECORD, October 8, 1969, pages 29219 and 29220. This increase would have permitted all but three States to fully fund their pending grant applications. In order to fully fund the applications in process in those remaining three States, an additional \$1.6 billion would have to be appropriated.

On November 12, the Senate passed H.R. 14159, and increased the clean water appropriation to \$1 billion. The Senate requested a conference to adjust this difference and others. On December 1 the House agreed to the conference.

On December 2, the Senate conferees and the House managers agreed on a compromise figure of \$800 million to fund construction grants for waste treatment works. I will be pleased to say "yes" to the \$800 million compromise and to vote in favor of the committee report today so that we can sharply accelerate our attack nationwide on water pollution.

I am advised that Minnesota municipalities, as of October 31, 1969, had pending 58 applications totaling some \$14,413,000. Minnesota's share of our \$800 million appropriation to be approved today is \$14,924,800. Thus, the money voted today more than fully funds Minnesota's water pollution control effort as reflected in pending grants for aid in constructing waste treatment works.

Of the 58 pending applications, 16 have progressed to the regional office level and 42 have been cleared at the State agency. The 16 applications total some \$5,494,000, and the remaining 42 total some \$8,919,000. In addition to fully funding these applications, the \$800 million appropriation together with the \$65 million carryover will finance still more Minnesota projects to be finalized in the period November 1, 1969, to June 30, 1970.

Environmental quality control is one of the most critical domestic issues facing all Americans today, and water pollution is a particularly vital aspect of Minnesota's environmental problems. I am most pleased to see the Congress today put its final stamp of approval on an appropriation which will truly enable our municipalities to make a major contribution to the quest for clear and pure water.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the gentleman from North Carolina.

Mr. JONAS. Mr. Speaker, I am a realist. I know that many Members of this body have projects contained in this bill. So I am not going to make any effort to defeat the conference report, because it would be a futile act, but I cannot approve it.

I do, however, wish to call the attention of the Members to the fact that this bill is a half a billion dollars above the budget. The bill enacted in the other body was even higher than that above the budget.

So I think the House conferees should be commended for getting some con-

cessions from the Senate bill in conference; but I repeat that the bill before us today is still a half-billion dollars above the budget.

I recall that one of the first actions taken in this body this session was the imposition on the executive branch of the Government of a limitation on spending. The other body enacted a different limitation, and we went to conference. The conferees from the other body were trying to impose an even lower ceiling on spending than the ceiling adopted by the House.

In a time of fiscal stringency and when inflation is running rampant, and when efforts are being made by the executive branch of the Government to control inflation and get our economy back on a stable basis, I think it is unwise for Congress to load up these appropriation bills with so many unbudgeted items and the fact of the matter is that this bill as it comes from conference contains 74 unbudgeted items and the total appropriated is \$552 million above the budget.

Mr. Speaker, I make this statement in order to make my own position clear. I recognize that the House is going to adopt the conference report, but I wanted the record to show that I am not going to vote for any bill or any conference report that exceeds the budget by a half a billion dollars, under the circumstances existing today.

Mr. EVINS of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. HATHAWAY).

Mr. HATHAWAY. Mr. Speaker, I thank the gentleman from Tennessee for yielding to me. I want to commend the gentleman on the job he has done with respect to this conference report, and I appreciate particularly the language on page 14 of the report with respect to the Dickey-Lincoln School project in Maine.

I know the people of Maine would rather have the money than the language, but I realize the situation that prevails in the House at this time. I just want to assure the membership that those who are in favor of this project will continue to work for it.

The history of many of the 175 federally financed public power projects throughout the United States has been similar to that of the Dickey-Lincoln School project. In regard to the Tennessee Valley project, for example, the Members of the House from Tennessee were initially opposed to that project, but later saw the light and eventually that was funded.

I am sure that is going to be the experience with respect to this project. I want to assure the Members that I will continue to press for it.

The SPEAKER pro tempore (Mr. PRICE of Illinois). The time of the gentleman has expired.

Mr. EVINS of Tennessee. Mr. Speaker, I yield 2 additional minutes to the gentleman from Maine (Mr. HATHAWAY).

Mr. HATHAWAY. Mr. Speaker, I thank the gentleman for the additional time.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, I want to

commend the gentleman from Maine for the great effort he has made with respect to the Dickey-Lincoln project, not only during this session of the Congress, but in the past few years. The gentleman from Maine has put in an awful lot of time and effort and labor on this project. It is a project, of course, that has been highly controversial up in the Northeast section of the United States. Because of this controversy the difficulty that the gentleman from Maine has experienced in getting it approved has been great.

The problems, of course, in this body are a lot greater than they are in the other body, where it is much easier to command a majority of 100 Members than it is to command a majority of the 435 Members in this body.

But the people of the State of Maine and the people of the congressional district of the gentleman from Maine ought to know of the efforts that he has expended in their behalf for a project that in his judgment and in my judgment, and in the judgment of a lot of experts, offers lower cost power, and an opportunity to keep the electric power rates down. The electric power rates now in the State of Maine are the highest in the Nation, as they are in many other areas of New England.

The people ought to know precisely what he has done.

I want to congratulate and commend the gentleman for all the effort that he has put into this project. As he has indicated, the language on page 14 of the conference report clearly indicates that the majority of the Members of the House conferees support this project, and all of the Members of the Senate conferees support the project.

But recognizing that there has been some controversy here, which of course makes the task of the gentleman from Maine much more difficult, the conferees did not approve funds to resume planning in this year's bill. I do want the gentleman to know that those of us who have supported this project will continue to give him the support that he needs and will have in the future if this project is going to be realized.

Mr. HATHAWAY. I thank the gentleman for his kind remarks. I want to commend him for his outstanding effort in the committee and on the floor and in the conference on behalf of this project.

I know the people of Maine and all of New England are thankful for his support.

The reasons for constructing Dickey are clearly defined and supportable. It is a project of proven merit. There is a demonstrated need for such a project in the Northeast; the public interest would be served by its construction; it has a benefit-to-cost ratio of 2 to 1, a ratio far superior to most of the projects in the public works bill before us.

New England power rates are the highest in the Nation. The Northeast is the only major geographic area in the United States which has not yet realized the benefits of public power. Despite the gross inequity of this situation, the Congressional representatives of the Northeast have not given unified support to

the Dickey project which would provide needed public power to their area. Some of my New England colleagues have chosen to ignore the fact that the vast majority of New England residents, businesses and industries favor the project's construction. This lack of unified support has contributed toward the demise of the project. But Dickey is not dead. We shall try again. The conferees recommend that we try again. In the meantime, I urge my colleagues from the Northeast to consider these facts:

The Dickey project will spur New England's economic development. It will help bolster the social and cultural institutions of the region: It will provide new and better jobs. It will help improve municipal, health, and educational facilities and services, and help expand recreational opportunities.

New England's private utilities, along with powerful allies, have waged a fierce and unrelenting battle to defeat the Dickey project. Public power and the public interest have lost this skirmish, but I am confident that they will be the ultimate victors, and that work on the Dickey project will be continued.

Mr. EVINS of Tennessee. Mr. Speaker, I yield to the gentleman from Massachusetts (Mr. BOLAND), a valuable member of the committee.

Mr. BOLAND. Mr. Speaker, as this conference report has indicated there is \$800 million in here for construction grants for water pollution control. I think this is agreeable to practically everybody in the House. Of course, it was agreed to by all of the conferees.

As has been indicated by the gentleman from North Carolina and the gentleman from New York (Mr. ROBISON), and the chairman of this committee, this has been a very difficult problem. This problem has got to be resolved, but it will not be just by the expenditure of more money.

I think we are facing up to it in the wrong direction. We certainly are going to have to spend billions of dollars in this area. We have spent over \$30 billion on the Interstate Highway System to date and I am sure we are going to spend that much and probably more with respect to this problem. But we are never going to get anywhere with solving the pollution problem unless we change the formula for allocating the grant funds to the States and unless there is a new concept in developing control programs. This was pointed out in the recent General Accounting Office report which was critical of the present program. You cannot expect to solve this problem "using a shotgun approach" as GAO has described the present grant program. The present approach is just not effective. The situation is just going to get worse unless changes are made. This is the feeling of the committee and also the feeling of many who serve on the legislative authorization committees which have promised to look into it.

Mr. ROBISON. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New York, who has been one of the most knowledgeable persons in the House with regard to this matter.

Mr. ROBISON. Mr. Speaker, I appreciate

the gentleman yielding to me. I take this time to associate myself as strongly as possible with what the distinguished gentleman from Massachusetts has said about the urgent need, the truly urgent need, for a review of this program by the appropriate legislative committees of this body and the other body. As the gentleman from Massachusetts (Mr. BOLAND) has just said to us, we in this subcommittee are well aware that the inefficiency and the workings of the program and the factors that have been brought to light by the General Accounting Office report indicate we are not pursuing a policy of true cost effectiveness insofar as the operation of the program is concerned.

So, Mr. Speaker, I would join in urging, as the gentleman from Massachusetts has, the early consideration and review of this entire matter by the appropriate legislative committees.

Mr. EVINS of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, it is a pleasure to serve on this subcommittee, a truly bipartisan committee.

It means a whole lot to have the opportunity to listen to your colleagues from all over the United States and to realize that we are joined at least in our efforts to see that we not only protect our land today but for the future.

Mr. Speaker, I discussed this bill somewhat in detail when it was before the House on October 8—pages 29161 and 29162.

At that time I pointed out that our committee, in the House report, had provided \$450,000 for beginning work on the Yellow Creek Port on the Mississippi side of the Tennessee River, a sum which represented the Tennessee Valley Authority's capability for this fiscal year. I appreciate the Senate and the conferees going along with our action.

Other works provided for included the beginning of the upper auxiliary channel, the Ascalmore-Tippo and Opossum Bayou projects among a number of others.

Mr. Speaker, we have added language in the conference report so as to remove any question about the corps being expected to proceed with this work. The language is as follows:

It is the view of the Conferees that the Corps of Engineers shall adhere to the Provisions of Public Law 678, 74th Congress, concerning the local cooperation requirements for bridge maintenance in connection with the upper Auxiliary Channel of the Yazoo Basin Headwaters Project.

I am glad to note we have provided for additional levee maintenance on the lower Mississippi and \$80.8 million total for the lower Mississippi and tributaries. We long since learned that if you do not take care of the Mississippi as you go long it will cost you lots more in the long run.

Mr. EVINS of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. EDMONDSON).

Mr. EDMONDSON. Mr. Speaker, I support the conference report and commend the House conferees on the outstanding report they have brought to the House.

I particularly appreciate the continued support implicit in the measure for one of the Nation's greatest water resource development programs—the Arkansas River multipurpose development project.

The figure reported and recommended by the committee will keep this great project on schedule for navigation benefits to Oklahoma in 1970—and also assure tremendous additional benefits in flood control, water supply, power, and public recreation.

Appreciation is also due the conferees for the recommendation of \$600,000 to initiate Copan Reservoir construction. I hope and trust the House will accept this recommendation and the administration will begin land acquisition for this very fine project without delay. It is a good project in all respects and should be completed as quickly as possible.

Mr. SCOTT. Mr. Speaker, my remarks relate particularly to amendment No. 5 in the conference report concerning the Salem Church Dam and Reservoir on the Rappahannock River.

I certainly hope that the House will agree with the recommendation of the conferees that preconstruction planning can be conducted simultaneously with a restudy to determine the extent to which the plan can be modified to minimize any adverse effect on natural values in the area. The \$150,000 specified in the conference report is the amount recommended by the Nixon administration and is \$50,000 less than the Corps of Engineers indicated it could spend this fiscal year for preconstruction planning.

Since the House previously acted upon this measure, I have consulted with the White House, the Departments of the Army and Interior, and the Bureau of the Budget, requesting their assistance in having these funds restored and I do want to thank the conferees for agreeing to the \$150,000 figure.

The Army Corps of Engineers says it will use 1970 funds, as available, to:

First. Obtain aerial photography and topographic mapping of the reservoirs.

Second. Install gages and record the salinity of the Rappahannock River estuary with the Chesapeake Bay to correlate with fresh water stream flows.

Third. Initiate foundation investigations, hydrologic project formulation, and relocation studies.

These, it is hoped, will be the initial steps leading to the eventual construction of this multipurpose dam authorized by the Congress in 1968. It will provide recreation, a water supply, hydroelectric power, flood and salinity control in the Rappahannock Basin, and should be of major benefit to the people in the urban corridor of Virginia between Washington and Richmond.

Mr. FEIGHAN. Mr. Speaker, the provision for an appropriation of \$800 million in this conference report for water pollution is a source of much gratification to me and other Members who initiated a campaign to increase to \$1 billion the \$214 million for water pollution abatement requested by the administration. The utilization of these funds will be an important step toward providing clean water and eliminating the hazards of improper sewage disposal.

Mr. ALBERT. Mr. Speaker, the House

of Representatives, in giving final approval to H.R. 14159, the Public Works Appropriation Act for fiscal year 1970, has once again demonstrated the concern of the 91st Congress with respect to national problems of high priority. As has been the case in so many vital domestic areas, the administration failed the American people in the field of water pollution by requesting inadequate funding for waste treatment plants. In asking for only a \$214 million appropriation, it abdicated the leadership which the American people were looking for and entitled to from their Government in the all-important war against water pollution.

Confronted with overwhelming evidence that this Nation's water pollution problem had reached a crisis stage brooking no further delay, and that the American people wanted immediate action to rectify the situation, the 91st Congress has moved decisively to fill the void created by the executive branch's failure to act responsibly in this area.

We have increased the executive branch's proposed \$214 million appropriation to \$800 million. This near four-fold rise is unprecedented. In so doing, the Congress has spoken and spoken loud and clear. It will tolerate no further delay in ending water pollution. The American people have served notice that they want effective water pollution control at once and their elected representatives in the Congress are in complete accord with these views.

Mr. LANDGREBE. Mr. Speaker, I rise in opposition to the adoption of the conference report on 1970 public works appropriations, especially as it pertains to the acquisition of land for construction of the Lafayette Reservoir.

I have been studying the proposal for this reservoir on Wildcat Creek, which is located within my district, ever since I took office last January. As yet, I have not taken a stand for or against this project; I do not believe sufficient evidence has been gathered to warrant a decision.

At this time, the case against this reservoir appears to be as strong as the case for it. For this reason, I oppose the appropriation of nearly one-half million dollars for the purpose of land acquisition prior to the completion of a comprehensive study to determine the feasibility and the economic impact on our community.

Furthermore, although this appropriation, confined to land acquisition only and not construction, does not violate the letter of President Nixon's urgent call for a cutback in public construction to combat inflation, it does violate the spirit of his call.

At a time when inflation robs the pockets and purses of all Americans, especially those who can least afford it, the appropriation of funds for a project of such doubtful merit can be deemed little short of irresponsible, particularly in light of President Nixon's determination to take positive steps to curb inflation, including the prohibition of new conservation projects.

True, there are benefits to be derived

from a recreational and conservation area, but there are many drawbacks, as well.

As our U.S. Government acquires this proposed 23,000-acre site, how much of its original beauty will be lost? How many cemeteries must be moved? How many homes will be destroyed?

The 23,000 acres to be encompassed by this project embrace some of the most fertile and productive farm acreage to be found in the United States. How many thousands of dollars worth of annual farm products will be lost for all time to come? And, last but not least, how many thousands of dollars in tax base will be lost, with that burden shifted to the already heavily taxed property owners that remain in the community?

There are scientific factors to be considered, as well. First, agronomists argue that, given the silty nature of Indiana soil, a small reservoir in a large watershed, which the Lafayette Reservoir would be, could be nothing but a large mud flat in 50 years' time. Soil erosion followed by sedimentation in the reservoir would produce this effect.

These agronomists recommend that all such projects be put off for now, to allow soil engineers to develop a technology to combat erosion.

Second, even the Corps of Engineers, whose enthusiasm for reservoir construction is exceeded by no one, has admitted that the flood control value of the Lafayette Reservoir would be, at best, questionable.

Until these very strong objections to this project are resolved, I must question the wisdom of appropriating precious tax dollars for it, and will urge the administration to delay the expenditure of these funds pending the easing of inflation and the final determination of the wisdom and feasibility of the overall project.

GENERAL LEAVE TO EXTEND

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report.

The SPEAKER pro tempore (Mr. PRICE of Illinois). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS of Tennessee. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 6, line 13, insert: ", of which \$75,000 shall be available for the preparation of preconstruction planning for the flood control project at Minot, North Dakota, and such preconstruction planning is hereby authorized."

MOTION OFFERED BY MR. EVINS OF TENNESSEE

Mr. EVINS of Tennessee. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. EVINS of Tennessee moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein.

Mr. EVINS of Tennessee. Mr. Speaker, I yield to the gentleman from Wisconsin, a member of the committee.

Mr. DAVIS of Wisconsin. Mr. Speaker, to hear the amendment read, and only the figure of \$75,000 mentioned, is indeed misleading. My objection to receding and concurring in the amendment is not based on the \$75,000. It is not based on the \$4 million, which this project is estimated to cost. Involved here, as I see it, is the question of the integrity of the practices and procedures of this House, the integrity of the committee procedure, and the protection of individual House Members who have diligently pursued the matter within the framework of our committee procedure, and within the rules of this House.

It is bad enough, from year to year, that Members of the other body, usually upon the mere request of one Member of that body, have included a number of authorized projects, projects not in the budget, and frequently in fact and in practice at the sacrifice of other projects. In fact, Mr. Speaker, the addition of these projects in this manner has worked to the disadvantage of other projects which are just as urgent in many other communities throughout the country.

I do not question the propriety or the urgency of this particular project, but I do object to this method of bypassing the legislative committees and of embarrassing the Members of this body. The Members of this body are consistently told, when they appear before our subcommittee, that we cannot consider unauthorized projects, projects which have not been reported by the Corps of Engineers to the committees, have not been reviewed by the Public Works Committee, have not been authorized by the Congress. And here we have a project that has not been reported by the Corps of Engineers to the Public Works Committee. It has been approved by the Rivers and Harbors Board, but it has not cleared the Office of the Chief of the Corps of Engineers and been reported. It has not been considered in any fashion by the Public Works Committee of either House and, of course, has not been authorized.

The language, both funding and authorizing, was inserted by the other body by a senior member of the Appropriations Committee.

We can talk all we want about this not being a precedent, but the fact is that it is a precedent, and if it is permitted to happen this time, no Member of this House can hope to be protected by his conferees in matters of these kinds. How can you, how can my colleagues explain to their constituents the lack of funding, not merely of authorized projects, but unauthorized projects, if we permit this to be done in the conference report on an appropriation bill?

As the subcommittee of this House charged not only with developing our natural resources but also with protecting our colleagues in such matters, must

we examine not only the projects which are in the budget, the projects which have been authorized, but also every potential project throughout this country even though it has not been reported by the Corps of Engineers to the legislative committees for their consideration?

It seems to me, Mr. Speaker, when we examine carefully those projects which are in the budget, and we hear from people from all over the country who come before our subcommittee to discuss with us the projects in which they are interested, which are not in the budget but have been authorized, we have fulfilled our function both to this Congress and to the people of this country.

It is simply not fair to the Members of the House, Mr. Speaker, it is an affront to our legislative process, to concur in this amendment.

So I oppose the motion to recede and concur. I hope it will be defeated, and that our acting chairman, the gentleman from Tennessee, will then offer a motion to insist upon our disagreement.

Unless we do this, how can we protect the Public Works Committee of this House? How can we protect the Appropriations Committee of this House? How can we protect every individual Member of this House who has an unauthorized project within his district?

This will not necessarily cause appreciable or unreasonable delay. Obviously, if the report is ready—and we have been told it is ready to be submitted to the Public Works Committee—the committee can hold hearings. The project can be authorized. Our subcommittee can then handle this minor amount of funding through a reprogramming action without the necessity for handling either in the full committee or in a separate appropriation bill by this House.

Out of respect for each of my colleagues in this House and my desire to protect them from unreasonable claims that will be made upon them if this kind of precedent is to be set, I hope that the motion to recede and concur will be defeated.

Mr. KLEPPE. Mr. Speaker, it is not difficult to conclude that the position of the gentleman from Wisconsin is correct. He has made his points and he has made them well. I am pleased that his objection is directed toward the procedure rather than the project itself. I would hope, however, that an exception would be made here so that this important project could get an early start.

In the event the position of the gentleman from Wisconsin prevails, I would hope that we can successfully move this project through the authorizing committee and Appropriations Committee early next year.

Mr. EVINS of Tennessee. Mr. Speaker, this is an unusual situation, but we do not consider it a precedent because of the emergency nature, as I said before. In the very serious and damaging flood at Minot, N. Dak., last spring there were 3,000 homes flooded. Some 11,800 people had to be evacuated. Damages totaled about \$11 million.

The total project cost is only \$3,920,000, involving channel enlargement and the benefit-to-cost ratio is 8.7 to 1.

The project has been recommended by the Board of Rivers and Harbors and the favorable report is pending submission to Congress.

The proposed bill language would only authorize planning not construction.

The project cannot be constructed until it is approved by the Public Works Committee and authorized by Congress.

This action should not be considered in any way as a precedent—but only as an emergency measure because of the urgent flood situation at Minot.

Mr. DAVIS of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to my friend from Wisconsin.

Mr. DAVIS of Wisconsin. I recognize that statements have been made that this is not to be considered as a precedent. The fact is it is a precedent. If we let it happen here we cannot protect ourselves from the unreasonable claims that will be made upon us so as to fund the planning for projects which have never been authorized by this Congress.

I believe it would be a precedent we would rue during the entire time of our service in this body.

Mr. EVINS of Tennessee. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered. The SPEAKER pro tempore (Mr. PRICE of Illinois). The question is on the motion offered by the gentleman from Tennessee (Mr. EVINS).

The motion was rejected.

MOTION OFFERED BY MR. DAVIS OF WISCONSIN
Mr. DAVIS of Wisconsin. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DAVIS of Wisconsin moves that the House insist upon its disagreement to Senate amendment numbered 5.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 25, line 7, insert: "Provided, That not more than \$100,000 of the funds appropriated herein shall be available for preliminary engineering required by the Bonneville Power Administration in connection with the proposed agreements with the Portland General Electric Company and the Eugene Water and Electric Board to acquire from preference customers and pay by net billing for generating capability from non-federally financed thermal generating plants in the manner described in the committee report."

MOTION OFFERED BY MR. EVINS OF TENNESSEE
Mr. EVINS of Tennessee. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. EVINS of Tennessee moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their re-

marks on this conference report and that we may include a table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CALL OF THE HOUSE

Mr. GUBSER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. PUCINSKI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 301]

Abernethy	Fascell	O'Neal, Ga.
Albert	Foley	Ottinger
Alexander	Frelinghuysen	Patman
Anderson, Ill.	Fulton, Tenn.	Pepper
Barrett	Gallagher	Philbin
Blaggi	Gilbert	Pollock
Bow	Green, Pa.	Powell
Brown, Calif.	Hansen, Idaho	Rallsback
Cabell	Hébert	Relfel
Carey	Hollifield	Rivers
Celler	Hosmer	Sandman
Clark	Johnson, Pa.	Scheuer
Clay	Kirwan	Staggers
Collins	Lipscomb	Steiger, Ariz.
Crane	Lloyd	Symington
Cunningham	Lowenstein	Taft
Dent	Madden	Utt
Edwards, Calif.	Meskill	Whalley
Edwards, La.	Mollohan	Wilson,
Ellberg	Morse	Charles H.
Fallon	Nix	Wyder

The SPEAKER pro tempore (Mr. PRICE of Illinois). On this rollcall 371 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ROGERS' CONCERN OVER AIR DEFENSE CONFIRMED BY AIR FORCE

(Mr. ROGERS of Florida asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. ROGERS of Florida. Mr. Speaker, in October, when a Cuban Mig-17 flew through American airspace and landed unidentified at an Air Force base, I expressed concern over the obvious lack of defensive preparedness in south Florida and indeed the southeastern part of the United States.

At the same time I said that I felt that if this situation were true in Florida, it may well be true for all our continental defenses.

Yesterday, Mr. Speaker, my concern was confirmed. A report released from the House Appropriations Subcommittee on Military Construction, chaired by our colleague, Congressman ROBERT L. F. SIKES, related just what I had feared. To quote the cogent question which Representative SIKES asked Gen. John D. Ryan, Air Force Chief of Staff:

We know that aircraft can fly under radar, but are we this weak or derelict as the case may be that this could happen anywhere in the United States?

And General Ryan's response was: "Yes, sir."

In addition, General Ryan told the committee that an enemy plane did not have to fly 30 or 40 feet off the deck to escape detection of our radar. A plane flying at 400 to 500 feet could fly under our radar.

The answer to the problem of an adequate defense, the committee was told, is an airborne warning and control system—AWAC—a system which is still on the drawing boards.

Well, I think there is an alternative for south Florida which the Air Force has not mentioned, but which may do the job. And that is a radar system much more sophisticated than we now have. One which can pick up a plane or missile when it takes off from Havana.

I have been told that this system would cost about \$3 to \$4 million to install and could be ready within a year. There is no telling when an AWAC system could be realized. And I think that we need something for the defense of south Florida as quickly as possible.

This entire incident illustrates that despite the billions of dollars we have spent for the defense of this Nation, we still do not have an adequate warning system.

There have been great debates about missiles, suborbital and others, yet we have admission now from the Defense Department that an ancient Mig-17 can penetrate our present defense system.

I hope that the Special Subcommittee on Air Defense under the chairmanship of the gentleman from Florida, Representative CHARLES BENNETT, now considering this problem will come up with recommendations which can be implemented in the very near future. And I think that one of the most important considerations is the time element.

Surface radar, if it is proven to be what we are told it is, could give Florida the protection which is needed.

In conclusion, I would like to submit for the RECORD a column by Paul Scott which points to recent Cuban-Russian activity in arms buildup in Cuba. This emphasizes the need for immediate attention to the potential dangers of hostile powers just off the Florida coast.

The column follows:

SOVIETS PLAN BUILDUP FOR OFFENSES IN CUBA

(By Paul Scott)

WASHINGTON.—Soviet Defense Minister Andrei A. Grechko used his "seven days" visit to Cuba to set the stage for a large new Soviet military arms buildup there.

This is the preliminary assessment reached by American intelligence authorities from information gathered on Grechko's activities while in Cuba and the make-up of the high-level delegation that accompanied him.

Included in the Grechko military delegation were a number of top Russian logistical officers.

This elite group consisted of several of the transportation experts known to have been involved in the shipment of offensive weapons to Cuba in 1962.

In touring Cuban military installations, the Grechko military mission spent considerable time inspecting the island's main ports where Soviet weapons have been photographed entering Cuba in the past.

Significantly, nearly half of the Grechko delegation has stayed on in Cuba for additional conferences with Cuban Defense Minister Raul Castro, their official host, following the Soviet defense minister's departure.

A joint communique issued by the two Communist defense ministers during Grechko's visit also points to new Soviet military moves in Cuba.

The official statement, which attracted little public attention in the U.S., pledged efforts to strengthen communications of the armed forces of the two countries.

While American intelligence experts are split on exactly what this means, one group believes it signals the "Sovietization" of the Cuban military forces.

This theory is supported by information from several highly placed Cuban military and intelligence officers who defected to the U.S. in recent months.

At least four of the defectors have warned that Soviet control of Cuba, including the military, has increased to such a degree during the past year that the country has in effect become a Russian satellite.

BUILDING SOVIET BASE

One of the Cuban defectors, trained in Russia as a surface-to-air missile commander, has furnished evidence that the Soviets are planning to station a number of jet bombers in Cuba as they have done in Egypt.

In his debriefing, he has revealed that Soviet-made SAM missiles have been rearranged around two Cuban airfields to provide pinpoint protection for the bombers when they arrive.

The shipments of the bombers are expected to reach Cuba in early 1970.

Eduardo Guerra Jimenez, a Cuban Air Force lieutenant who piloted a MIG-17 from the island to Homestead Air Force base south of Miami in October, confirmed the report that two bases were being readied for Soviet aircraft.

For several months, he reported, the Russians have been sending small groups of air force officers to Cuba to prepare the bases.

His estimate is that there are over 10,000 Russian military technicians now in Cuba.

Orlando Castro Hidalgo, a high-ranking Cuban intelligence official who defected from his post in the Cuban Embassy in Paris, tells the same story of increased Soviet activity.

Along with another Cuban defector, Agustin Sanchez Gonzales, a diplomat, Castro Hidalgo has furnished the first details of a secret Soviet-Cuban accord that permits the Russians to set up both air and naval bases in Cuba.

TESTING NIXON

According to the defectors, President Nixon's statement of "no more Vietnams" and his decision to unilaterally withdraw American forces from South Vietnam has encouraged the Russians to adopt a bolder policy in Cuba.

The recent Joint Soviet-Cuban naval maneuvers in the Caribbean and the visit of Grechko, the highest-ranking Kremlin military man to call on the island's Communist regime are symbols of the new Soviet policy, they report.

It is the belief of the defectors that unless President Nixon promptly warns Russia that the U.S. will not tolerate Soviet military bases in Cuba that the Kremlin will proceed with its plans to build them.

Once Soviet naval and air bases are in operation in Cuba, they contend, the Russians will then try again to introduce strategic missiles as they attempted in 1962.

The big question now is whether these warnings will get serious consideration at the White House level.

Although circulated among policy-makers at a lower level of government, there has been no sign from the White House that these views of Grechko's visit have been called to the President's attention.

INSIDE CUBA

Carlos Rafael Rodriguez, a long time Communist, is assuming an increasingly important role in the Cuban government. In the absence of ailing Foreign Minister Raul Roa, Rodriguez has been speaking extensively on foreign affairs. Rodriguez is the one Cuban Communist party member now in the government who was a Communist before Dr. Castro came to power. . . . A Cuban delegation headed by Deputy Minister of Foreign Trade German Amado Blanco is in Moscow, negotiating a new 1970-71 sugar agreement. Cuba expects to produce a record 10-million-ton sugar harvest next year and the Russians have agreed to purchase at least half of it.

TRIBUTE TO LEWIS J. VAUGHAN

(Mr. WHITE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITE. Mr. Speaker, as elected representatives of the people, we strive, with varied measures of success, to be worthy of the trust and confidence of the good people who elected us. The loss of a constituent who has proved himself a good citizen, a good husband, and father, an active supporter of those causes that make for the common good, leaves that elected representative poorer—diminished by the absence of a great and a good citizen.

Such a man was my cherished friend, Lewis J. Vaughan, of El Paso, who lost his life in a railway crossing accident in El Paso on November 11. Mr. Vaughan was but 46 years old, my own age, and the years of service he might yet have given his fellow men is unmeasured. His death came on Veterans' Day. He was among the veterans his community and Nation honored. He served as a combat engineer in Europe in World War II.

Like many another veteran, he chose to return to college after the war, and had a brilliant record. He graduated in 1948 from the Texas College of Mines, now the University of Texas at El Paso. On the campus he was president of the Charter Chapter of SAE, the fraternity in which I also hold membership. He was also president of the interfraternity council, and was elected to Men of Mines—a society composed of the outstanding students on the campus. He took his graduate degree from the University of Texas at Austin in 1949.

As a citizen of El Paso, he has earned the respect of his fellow men in his daily business and social contacts. He has served as a worker in numerous civic causes, without regard to personal glory or personal credit. He has been a voting citizen, giving his support and his help to candidates he believed to be serving the public interest. It was my great privilege to be numbered among them, and to claim him as my friend.

To demonstrate the confidence I had in his judgment and in his ability to bring together people of varying opinions and minds, I asked him to serve as chairman of my congressional liaison committee in El Paso County, which he did so ably. He was dedicated to good government, to America, to our fundamental principles that have made our country strong and free. He will be

missed. His passing is a loss to the total body America, but his memory and good deeds are now part of its tradition.

I know the Members of this body who see greatness among the people of their constituency, greatness not reflected in high public office, but in the day by day tasks of citizenship, will understand my desire to place upon the record of this House my highest respects to the memory of Lewis J. Vaughan, and my sincere sympathy to his widow, Helen—better known as Sammie—and his daughter, Mary Helen.

IS THIS COMMITTEE NECESSARY?

(Mr. DEVINE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DEVINE. Mr. Speaker, often we go through unnecessary exercises because "that is the way it has always been done."

Our respected colleague, the Honorable JERRY L. PETTIS, of California, some months ago became concerned, as a member of the Joint Committee on Disposition of Executive Papers, when he started asking questions, and no satisfactory answers were forthcoming.

As we all know, Mr. Speaker, Congressman PETTIS is a man of great dedication, vast business experience, of the highest integrity, and he is certainly entitled to make inquiries and to receive satisfactory answers.

I am inserting in the RECORD a newspaper account in the October 13, 1969, Los Angeles Times with a Washington Associated Press lead which is self-explanatory:

[From the Los Angeles Times, Oct. 13, 1969]
CRISIS FOR CONGRESS: TWO WANT TO ABOLISH THEIR HOUSE PANEL

WASHINGTON.—In a move that could shake the foundations of Congress, two members of a special committee have asked that the committee be abolished because it does not have anything to do.

The unprecedented proposal flies in the face of tradition, practice and the unwritten law that once established, a committee goes on forever. Still, the amazing step has been taken by Reps. Lucien N. Nedzi (D-Mich.) and Jerry L. Pettis (R-Calif.).

They are the House members of the Joint Committee on Disposition of Executive Papers, which was formed in 1944 for reasons no one on Capitol Hill can now recall.

LONG LISTS

The sole duty of the members, Nedzi says, is to sign their names to long lists of numbers that appear periodically from the executive branch.

Neither Nedzi nor Pettis has any idea what the numbers refer to. When they tried to find out, all they were told was that this is the way it has always been done.

Although that is the answer to most questions about congressional procedures, Nedzi and Pettis decided it fell short of the explanation they desired and they introduced a bill last week to have the committee abolished.

"The history of Congress indicates a proliferation of committees, subcommittees and joint committees, a proliferation that is rarely checked," they said in disclosing their plan. "This is one small case where abolition of one small committee will be utterly painless."

The Senate members, Gale W. McGee (D-

Wyo.) and Hiram L. Fong (R-Hawaii) have yet to be heard from.

The proliferation of subcommittees has taken place largely since Congress decided in 1946 it had too many committees and cut them down.

Up until then, as the nation grew, new committees were added to deal with new problems. By 1946 there were 48 standing committees in the House and 33 in the Senate. A Reorganization Act was passed, cutting the totals to 19 in the House and 15 in the Senate.

But fewer committees meant fewer committee chairmen, which meant fewer rewards for climbing up the ladder of seniority. And so began the great subcommittee boom.

COMMITTEES DIVIDE

Like amoebas, the committees divided, created new life, divided again. Subcommittees divided. Today, although the number of standing committees is only a few more than it was after the 1946 act, there are 251 subcommittees where there had been hardly any before, 137 in the House and 114 in the Senate.

With only 100 members in the Senate, it is now theoretically possible for every senator to be a chairman, which seems to be the goal.

It does not quite work out that way since some senators have three or four. But it is pretty hard for a Democrat to avoid a chairmanship and a situation has been created where so many senators are presiding over their own subcommittees that nobody but the chairman shows up.

This is the institution that Nedzi and Pettis have challenged. Since it is an unprecedented problem for Congress to deal with, a new subcommittee probably will be established to consider their bill.

Why, Mr. Speaker, is it impossible to get some action?

THE ANNUAL BOXCAR SHORTAGE

(Mr. MELCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MELCHER. Late yesterday, Mr. Speaker, I wired the Interstate Commerce Commission a request that it issue an immediate exclusion order to get boxcars into Montana to ship wheat to our markets before it loses both quality and markets.

For a month now, my office has been calling the ICC regularly requesting their assistance to getting cars for elevators and other shippers. The Commission has tried to help get cars spotted, but it cannot be done if there are not enough cars. As a consequence of the shortage, elevators are "plugged," or full.

A shortage of cars on the Great Northern Railroad has mounted from 1,400 to more than 2,000 in about 4 weeks. Cars on line have declined from 89 percent of ownership to only 69 percent.

The Great Northern has built a considerable number of new cars in recent years which are in good shape. Other railroads keep them on their lines for an excessive period of time, instead of routing them back to the Great Northern to handle the annual wheat harvest, although every one knows that year after year the wheat harvest is coming and the cars will be needed.

An exclusion order would require other lines to return cars to the Northern Pacific promptly, or pay stiff penalties

for holding them. I am told it has worked in the past. I hope an order will be forthcoming promptly, not only for Montana's benefit, but for the benefit of growers in Kansas, Nebraska, the Dakotas, and other wheat States that are suffering from the boxcar shortage that occurs year after year.

UNITED MINE WORKERS ELECTION

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, for the past 2 days the House has spent considerable time discussing free and honest elections in South Vietnam. Now I hope we can devote some attention to free and honest elections here at home, and specifically next Tuesday's election for officers of the United Mine Workers of America. I have today sent the following telegram to Secretary of Labor George P. Shultz:

Widespread illegal practices relating to the December 9 election of officers of the United Mine Workers of America, as detailed in a 9-page letter from the attorney for Joseph A. Yablonski and H. Elmer Brown, Joseph L. Rauh, Jr., would appear to justify an investigation by the Department of Labor under section 601 of the Labor-Management Reporting and Disclosure Act. Section 601 authorizes such an investigation by the Secretary of Labor "when he believes it necessary in order to determine whether any person has violated or is about to violate any provision" of the act. It is clear from the record that these conditions exist with respect to the election provisions of title IV of the Labor-Management Reporting and Disclosure Act. I urge that you initiate such an investigation, and authorize the stationing of official U.S. Government representatives at polling places on December 9 in order to implement the investigation.

Mr. Speaker, the United Mine Workers officials by their own admission have printed more than 50,000 extra ballots, and there are less than 200,000 active and retired miners who are eligible to vote. These 50,000 extra ballots have been printed on the flimsy pretext that some of them may be lost in the mail. An editorial in the Washington Post this morning quite properly states:

The Department of Labor has a statutory duty to insure the integrity of union elections.

Without action by the Secretary of Labor under the law to insure the integrity of the election, there is great danger that the present leadership of the United Mine Workers of America will simply steal this election. Certainly, the past record and practices of the present officers of the UMWA would seem to indicate this, and I would hope that the Secretary of Labor takes the necessary action to protect free unionism. I specifically deny that I have ever predicted that Mr. Boyle would win this election. I have always stated that Mr. Yablonski has no more chance of winning than Harry Truman or the New York Mets. But unless the Secretary of Labor takes action, I am afraid that Mr. Boyle and his cohorts might steal this election. In any event, an investigation

and posting of observers cannot wait until after the election, or that would simply be locking the barn door after the horse is stolen.

Mr. Rauh's December 1, 1969 letter to Secretary Shultz, and the December 3 editorial from the Washington Post follow:

WASHINGTON, D.C.,
December 1, 1969.

HON. GEORGE P. SHULTZ,
Secretary of Labor,
Washington, D.C.

DEAR MR. SECRETARY: Joseph A. Yablonski, candidate for President of the United Mine Workers of America, and H. Elmer Brown, candidate for Vice President thereof, hereby request the Secretary of Labor, pursuant to authority granted in Section 601 of the Labor-Management Reporting and Disclosure Act of 1959, to make an investigation of the illegal activities of the incumbent officers of the UMWA in connection with the forthcoming December 9th election. Section 601 authorizes the Secretary in express terms to make such an investigation "when he believes it necessary in order to determine whether any person has violated or is about to violate any provision" of LMRDA. Only a blind man could fail to recognize, based on the record of these UMWA incumbent officers during the 1964 election and their actions in this election to date, that each of them "has violated" and "is about to violate" further the election provisions of Title IV of LMRDA.

This is probably the most important union election since LMRDA was passed a decade ago. There is considerable question in the minds of union members and the public whether LMRDA has any real meaning for union democracy and fair elections. If the incumbent UMWA officers are allowed to steal this election on December 9th with the Department of Labor standing idly by, then everyone will know that enforcement of this law is a joke. The remedy of a post-election lawsuit by the Secretary of Labor to set aside a fraudulent election and a reelection four years or so down the road, with the illegal incumbents in office for the whole intervening time, is a hollow pretense. You have the admitted power, on the basis of the present record, to initiate an investigation today and to implement that investigation with a Government agent at every UMWA polling place on December 9th. That action and that action alone can give the coal miners of the nation their first real and fair election in a half century.

The record is a long one and we can only summarize it here. All of it is known to your Department.

In letters to you dated July 9, 1969, July 18, 1969, July 25, 1969, July 30, 1969, and August 13, 1969 (with Appendix), we outlined a hundred violations of LMRDA committed by the incumbent officers and those working with them. Copies were furnished to the incumbent officers of the UMWA in each instance. It is now 4½ months since the first of those letters and 3½ months since the last of those letters and yet not a single one of the hundred specific items has been directly denied or explained by the incumbent officers. Obviously their failure to answer these 100 violations of law is explained by the fact that they are afraid of a Government indictment under 18 U.S.C. 1001 which makes it a crime "in any manner within the jurisdiction of any department or agency of the United States" for any person to make "any false, fictitious or fraudulent statements or representations . . ." and puts a five-year penalty on such a misrepresentation to the Government. So we have, Mr. Secretary, a hundred violations of LMRDA with the violators conceding the violations by their craven silence. And think, Mr. Secretary, if we were able to detail

100 violations of LMRDA, how many more actually occurred; for what is below the surface of this despotic iceberg is far greater than the small part visible to us or known to anyone except the incumbent officers.

When your Department last summer realized the validity of our charges of widespread violations of LMRDA, you did take action. On August 5, 1969, in a telegram from Assistant Secretary Usery to UMWA President W. A. ("Tony") Boyle, you threatened an investigation prior to the election. You recognized your power to act prior to the election and that recognition forced Mr. Boyle to put Mr. Yablonski and Mr. Brown on the ballot. But it will have been a futile effort on your part to have forced the incumbent UMWA officers to put Mr. Yablonski and Mr. Brown on the ballot if you now permit them to continue their illegal conduct on election day, December 9th. To stand idly by now, will be tantamount to granting Tony Boyle a license to steal the election for himself and his team.

Last week the American Civil Liberties Union, after a thorough study of the situation and after giving the UMWA's incumbent officers a chance to state their side of the case (which, of course, they continued to refuse to do), concluded that "democratic rights have been violated, and that the threat of further violations hangs over the forthcoming election . . ." They based their conclusion, in part, upon the "series of court cases forced on the Yablonski group by actions of the UMWA leadership":

"Though the law clearly provides that an opposition has the right to circulate campaign materials to the membership, a court order was required to compel the UMWA to distribute Yablonski literature to union members.

"Though the law clearly provides that a union official may not be penalized for running for office against an administration slate, a court order was required to reinstate Yablonski in the UMWA job from which he was fired as soon as he announced his candidacy.

"Though the law clearly prohibits the expenditure of union funds to support the candidacy of any person running for union office, a court order was required to restrain the UMWA from "discrimination in the use of the membership lists" by continuing to use their official organ, the *UMWA Journal* . . . as a campaign instrument to promote defendant Boyle's candidacy." (*Yablonski v. United Mine Workers of America et al.*)

"Though the law clearly provides for minimum safeguards in a labor union election, such as the right to poll-watchers, the security of the ballot box—the UMWA leadership issued instructions to their locals to provide such elementary safeguards only after a court action had been instituted seeking to place the whole election under the impartial supervision of the American Arbitration Association."

The first two suits referred to by the ACLU were reported to the Department of Labor in our letters of July 9 and July 25. The last two were instituted thereafter. All four suits have a significant relevance to this appeal for an investigation.

The UMWA did not mail Yablonski campaign literature to all union members, in flagrant disregard of the injunction issued in the first case above. Instead, they limited the mailing to only about 160,000 of the 193,000 or so UMWA members they claim.

In the second or "reprisal" suit, in the course of the taking of Mr. Boyle's deposition on August 21, 1969, Boyle's conviction that he owns the UMWA and that an opposition candidacy is treasonous was abundantly demonstrated. He indicated, for example, that "Mr. Yablonski was on notice [that he was about to be fired from his union post], plenty of notice. He gave his own warning on May 29 [when he announced his candid-

acy for president]." Cong. Rec., November 25, 1969, H. 11394. Boyle continued that Yablonski "was in violation of the [UMWA] constitution" when he issued the press release announcing his candidacy (*id.*). He further explained that, by issuing the release announcing his candidacy, Yablonski "wasn't carrying out the policies of the international organization or its convention" and that the press statement "is in violation of the principles and policies enunciated by the organization down through the years since 1890" (*id.*). Boyle's dictatorial propensities and his refusal to brook any opposition reached its climax in his intemperate outburst toward a young legal interne (a Nader raider) who was present at the taking of the deposition: "And you can snicker all you want to, because I will yank you by the long hair if you fool around with me . . . You fool around with me, and I will grab him by the hair. Put that on the record." *Id.* at H. 11411. Boyle added, "He won't make too many more faces at me when you don't see him, I will say that" (*id.*).

The third suit, the one involving the *UMWA Journal*, was brought after our last letter to you. Two U.S. District Judges, Joseph Waddy and John Pratt, found that Mr. Boyle was using the *UMWA Journal* as a campaign instrument to promote his candidacy. And this finding has been upheld by the District of Columbia of Appeals for the District of Columbia. In a Memorandum Opinion, United States District Judge John Pratt pointed out that the post-election procedures provided in Section 402 of LMRDA are "cumbersome, doubtful and call for delay" and that they are "not an adequate remedy for the wrongs which plaintiff (Yablonski) is presently suffering". Only you, Mr. Secretary, by a current investigation can correct this situation.

The fourth suit, the so-called "election suit", is probably the most interesting to date. On October 2, 1969, in a letter to President Boyle and Secretary-Treasurer Owens, Mr. Yablonski repeated his earlier proposal "that the UMWA employ at its expense the Honest Ballot Association or the American Arbitration Association to run the election from start to finish—printing the ballots, distributing the ballots, checking the voters in at the polling places, counting the votes in the field and tabulating the totals in Washington." In addition to renewing this request, Mr. Yablonski asked for a meeting with Boyle and Owens to consider such matters as his right to inspect membership lists, have observers at the polls, challenge ballots, have a secret ballot election, have the ballots and other records preserved, have the printing and handling of ballots secured, have the tabulation fairly handled, bar illegal absentee votes, limit voting to members in good standing, etc. On October 8, 1969, incumbents Boyle and Owens, *sub silentio*, rejected the request for the Honest Ballot Association or the American Arbitration Association and even refused to meet to discuss the other points in Mr. Yablonski's letter of October 2. Once again Mr. Yablonski was forced to bring suit in federal district court here to vindicate his rights. Under the compulsion of that lawsuit, Mr. Owens finally agreed to send out a letter to local union officials concerning the matters referred to in Mr. Yablonski's letter of October 2 and to grant inspection of the membership lists.

A number of startling revelations appeared during the course of this litigation. The first occurred at the temporary restraining order stage of the action. In an attempt to defeat the jurisdiction of the Federal Court, Mr. Carey, the UMWA's General Counsel, who had been informed by us that we intended to go before Judge McGuire the next morning to request an order against the printing of the ballots, directed the union's printer to "get the job out as

quickly as possible" (C.A. 3061-69, Tr. pp. 12, 29-30). Then at the preliminary injunction stage, it was revealed that the Mine Workers have been violating Section 401(c) for a decade; until after this fourth lawsuit was instituted there was no list of members at the headquarters of the Mine Workers as required by Section 401(c). Possibly more revealing, UMWA doesn't know how many locals they have and they don't know what their membership is. Although there were 1469 local unions to which the Union, on Mr. Yablonski's behalf, made a mailing several months before the trial, Secretary-Treasurer Owens first testified that there were only 1338 locals (Tr. 83) and then testified that there were 1350 (Tr. 96, 159) after a call to his office. Then when it appeared in a subsequent mailing that there had been only 1297 letters sent to local unions, Mr. Owens changed his testimony again and conceded there were only 1297 (Tr. 159).

With respect to the membership, he was equally vague. His assistant had used the figure of approximately 225,000 (Tr. 86) and Mr. Owens wavered from that to 200,000 (Tr. 75) and, finally, after a further check with his office, said the average for the previous 13 months was 193,550 (Tr. 165). This figure brought on the most startling revelation of all, namely that UMWA had printed 275,000 ballots against the possible maximum voting of 193,550 (Tr. 16). Although Mr. Owens did not know how many locals there were, he said they had sent 10% over the regular amount to each local (Tr. 111). This too was incorrect. Ten percent above 193,550 would be 212,905; this sharply contrasts with Mr. Owens' testimony that they sent out 224,000 ballots to the local unions, leaving a stray and unaccountable 11,000. And the 51,000 additional ballots were carefully secreted in Mr. Owens' possession and are now apparently back at the printer's, subject to Mr. Owens' call. When asked why he had printed the extra 51,000, Mr. Owens said he needed them in case some ballots got lost in the mail, but when asked if any had been lost in 1964, he said he couldn't recall (Tr. 112).

Other evidence, equally revealing of the union's persistent illegal conduct and its disregard for honest elections was adduced at this hearing. Secretary-Treasurer Owens, for example, admitted that some 600 locals which do not contain the 10 working members required by the UMWA constitution have been permitted to remain in existence (Tr. 117). Most of these locals are subject to the dictatorial control of the incumbent International Officers and the failure to disband these locals has given these officers unlimited control not only of the operations of these locals but also over substantial sums of money which need not be—and, in fact, are not—reported under LMRDA. Mr. Owens also admitted that, in violation of the union constitution and Section 401(e) of LMRDA, the Union has not in past years tabulated and published election results on a local-by-local basis (*id.*, Tr. pp. 138-141).

Possibly the most objective statements about the operation of the UMWA were made by District Judge George Hart during the course of this fourth lawsuit. As to the ballots, Judge Hart commented: "Now admittedly, the ballots in these cases ought to be handled with a good bit more care than they are being handled; admittedly." He added "There seems to be a lot of things going on here and, particularly, the way these ballots are, apparently, handled, kind of willy-nilly" (Tr. p. 207). Among his other comments were that the officers of the UMWA "pay attention to the Constitution when they want to and when they don't they don't" (*id.*, Tr. pp. 136-137). Mr. Owens' inability to state how many local unions and members were in UMWA prompted these remarks by Judge Hart: "For a man with

21 years experience in his job the witness shows remarkable little knowledge of what goes on in the union" (Tr. p. 85) and "... that would be an awful way to run a railroad and not too good a way to run a union" (Tr. p. 86). But, Judge Hart felt he could do little to prevent the theft of the election. "The trouble is, as I see it," he said, "so far as this Court is concerned, when you start talking about a fair election you are not talking about anything much that I can do anything about" (Tr. p. 135). "The Secretary of Labor will attend to this election business ex post factor and . . . the Courts can't get involved therein. If you want to say that is a funny way to do things, I couldn't agree with you more" (Tr. p. 136).

At the trial of the election suit, Yablonski presented affidavits which showed that ballot stuffing is not a new UMWA practice. In 1964 the stuffing on behalf of Boyle was rampant. For example, Michael Encrapera and Jack Peters in a sworn affidavit submitted to the Court in connection with the fair election suit stated that in 1964 "We observed Robert Gordon, International Representative UMWA, placing a large number of ballots in the ballot box. When we asked what he was doing he stated that he was getting some votes for Tony Boyle." Absentee and proxy votes were counted without authorization. According to the sworn affidavit of Marion Pelligrini, there is a "policy exercised in past UMWA elections whereby local union officers are encouraged or directed to cast votes other than their own and to alter tally sheets on behalf of incumbent international officers." What happened during the nominating process was simply the continuation of what had happened at the previous election.

The incumbent officers have a vise-like grip on the election process. The Department certainly ought to know this better than anybody else for it has had a long-stalled suit against the Mine Workers to terminate the trusteeships in at least 17 out of 23 districts. In other words, the Mine Workers officials who direct the business in at least 17 of the 23 districts are appointed by Boyle, subject to Boyle's direction, and under Boyle's control. This is indeed a government of Boyle, for Boyle, by Boyle. He and his team run the locals from the districts and they will brook no nonsense about it.

The Department of Labor also ought to know better than anybody else the extent to which the incumbent officers of the UMWA use the union as their own personal vehicle and, more colloquially, as their own cash box. The audit released by the Department only three days ago is an abundant exposition of the illegal activities of the incumbent officers in the financial field. There is equal evidence, as we have shown in this letter, of their illegal activities in the election field.

Several very recent incidents provide added evidence of the Boyle team's intentions to have their people in the field wink at the instructions extracted from Mr. Owens by the election suit. The membership of Local Union 6843 at Vansant, Virginia, wanted to elect their own officers instead of having officers appointed by the district president, himself appointed by Boyle. District President Carson Hibbits attempted to prevent this election because control might be obtained, he implied, by "one of our arch enemies"—by which he euphemistically referred to someone who wasn't on the Boyle side in the election. Likewise, at a meeting of Local 1577 on October 20, 1969, one of Boyle's henchmen, Karlavage (see previous references in letters to you concerning illegal activities during the nominating process), prevented the election of tellers as authorized by the UMWA constitution because he

was afraid that they might not be on Boyle's side. The meeting was conducted by an unelected president with unelected secretaries under Karlavage's watchful eye and a challenge to the credentials of those officers was prevented by Karlavage.

But this is not all. Local Union 8982 in Concord, Alabama, had a regular meeting on November 15, 1969 at which time, in accord with the UMWA constitution, they set the place of the union election—the union hall. Local officers then contacted Boyle and at Boyle's apparent insistence called another meeting at which time they rammed through an amendment to the previously passed polling place motion. (Only 28 of the several hundred members of Local Union 8982 were present at this second, irregular meeting). According to the amendment, the election at this local will take place at two sites—the union hall and the bathhouse. This second meeting was held in violation of the UMWA constitution (Art. XI, Sec. 11), and its clear purpose was to facilitate the corruption of the election process.

And there is even more. Harassment tactics of violence have been used against Yablonski supporters. Thus, Mr. James Torma was threatened on November 17, 1969, by Joseph C. Morris of Carmichaels, Pennsylvania with loss of his job if he continued to support Yablonski. Morris also warned Torma that Boyle's group wasn't "through" with him yet and that on December 9 he (Torma) was to have many more "surprises" coming to [him] as a result of his support of Yablonski. Morris added that "they were far from done" with Torma, that he would personally see to it that Torma gets "what's coming to [him]". Earlier Mr. and Mrs. Torma received threatening and harassing phone calls between 1:30 a.m. and 4:30 a.m. Only through the deployment of field investigators can some protection be afforded the beleaguered miners.

This, Mr. Secretary, is the sorry record of illegal conduct of the incumbent officers of the UMWA. That they intend to steal the election a week from tomorrow has been shown over and over again in these pages. We ask you to start an investigation at once so that evidence of these illegal actions will be obtained before the trial is cold and so that those local officials of the UMWA who want to resist Boyle's orders and who want to comply with the law will be strengthened by the presence of the Department.

So, Mr. Secretary, these are your choices: You can allow the Boyle team to steal the election and start a long four-year process toward a new election with cold evidence which will cost the Government millions of dollars and the union its democracy for another four years; or, Mr. Secretary, you can stand up, investigate, have an agent at every poll and make the LMRDA a reality.

Before we close, we must make one additional point. The failure of the Department of Labor to take strong measures to insure a fair election may well bring in its train ugly violence in the mines. There is a deep hatred among the coal miners of the incumbent leadership of the UMWA. If that hatred is fanned by a belief that the election was stolen from the rightful winner by the incumbent leadership, the cost in violence, strikes, and slowdowns may be greater than you or anyone thinks.

The miners of America have had it. They have been driven beyond the normal tolerance of frustration. You and you alone have the power to insure a fair election. I express the hope of Messrs. Yablonski and Brown, to which I add my own, that you will act now and give the long-suffering miners their first fair election in 50 years.

Sincerely yours,
JOSEPH L. RAUH, JR.,
Attorney for Joseph A. Yablonski and
H. Elmer Brown.

[From the Washington Post, Dec. 3, 1969]

CONTROL OF THE MINE WORKERS

The Department of Labor has a statutory duty to ensure the integrity of union elections, a power it exercises by investigating complaints of irregularities and occasionally by setting elections aside and conducting new ones. But, as a policy matter, the government has avoided such intervention in advance of an election. However, it is being pressed to intervene on the United Mine Workers election set for Dec. 9. Given the charges of intimidation and fraud that have been made, given the allegation of challenger Joseph A. Yablonski that incumbent president W. A. (Tony) Boyle and his associates are using every resource available to them to continue in office and given the fact that a federal grand jury is investigating possible illegal use of UMW funds in Mr. Boyle's behalf, a strong governmental presence to guarantee an honest ballot would appear desirable.

Publication last weekend of a summary of a Labor Department inquiry into the financial affairs of the UMW under Mr. Boyle underscores the need to have the Labor Department devise ways to monitor this crucial union election. Mr. Boyle dismisses the audit as a "smear job," but the charges are serious and go to the heart of his opponent's allegations about the way the union's business is being conducted. The report suggests that salaries of officials are improperly fixed and raised, that expense accounts are padded, and that a \$1.5 million pension fund for union officials has not been "adequately disclosed" in reports required by law. High officials have sons, daughters and other relatives on the payroll. In answer, union officials suggest that some mistakes may have been made in the handling of expense accounts, but otherwise assert that the Labor Department has uncovered nothing that could not have been discovered by an inspection of the public record. Mr. Boyle was upset about the release of the report 11 days ahead of the election. Labor Department officials say they released it as soon as it was finished. To have done otherwise, would have been unconscionably to withhold information that the public, and particularly the mine workers, have a right to know. In fact, the entire report should be released to permit the details to be debated while the electoral campaign is going on.

Mr. Yablonski wants the government to watch the election to insure its honesty and to avoid the violence he fears might occur in the mines should the result be left in doubt with ultimate control of the union left to be fought out in the courts. Associates of Mr. Boyle argue, but not very persuasively, that there is no need for governmental inspection since the elections are handled by the union's nearly 1,300 locals in accordance with procedures set out by the union constitution. We sympathize with the Labor Department's desire to avoid intervention in the conduct of most union elections but feel that an exception is indicated in this case.

It would not be necessary to place a government official in every local. Experience with Justice Department efforts to enforce the Voting Rights Act suggest that much can be done with teams of strategically placed lawyers and marshals who can give particular attention to known trouble spots and be available to move quickly into other areas. Numerous alumni of these official efforts to guard the general ballot against racial discrimination and intimidation could be called upon for possible service in the mines on Dec. 9.

STATEMENT BY MRS. CHISHOLM

(Mr. BUSH asked and was given permission to address the House for 1 minute

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and to revise and extend his remarks and include extraneous matter.)

Mr. BUSH, Mr. Speaker, last week our distinguished colleague from New York, the Honorable SHIRLEY CHISHOLM, presented her views on abortion to the Republican Task Force on Earth Resources and Population of which I am chairman. Mrs. CHISHOLM made a bold and forthright presentation on a subject that most of us find very difficult to discuss because of the wide variety of personal and religious conviction involved and because of a general lack of knowledge of the subject. Her statement deserves widespread attention and I would like to have it placed in the CONGRESSIONAL RECORD:

Gentlemen, first I'd like to say that I have long been and still am an ardent advocate of family planning. It is obvious that when possible we should limit the number of births by the use of contraceptive devices. I am equally aware however, that for a number of reasons birth control is not enough. Contraceptive devices fail, women are raped, they forget to take a pill, they can't afford the most effective birth control devices or they are just not informed.

And I must say that part of the reason people have not been informed is that it has only been recently that we as legislators have supported birth control. Even now there are problems. For example even though approximately four percent of the mothers of the 245,000 babies born illegitimately in the United States every year are women 19 years old or younger; we still are not making information on birth control available to these young girls.

It wasn't until 1965 that New York changed its welfare rulings and made birth control information available to young women who were heads of households and they still won't give the information to any girl under 18.

Although many young people seem to be very sophisticated about sex, they in fact are frequently lacking in knowledge about the facts of life.

There are many persons who either for religious or personal convictions believe that abortion is wrong because you are killing a child, others believe that human life does not start until some time after conception or at birth. I believe that this is a personal matter which should not be decided by the state.

Certainly, no one should ever be forced to have an abortion. The decision to have a child should be a personal private decision. Unfortunately as the law stands now there is no choice. Under the present circumstances we are imposing the Catholic view of abortion on the entire population.

For many years I supported abortion repeal but repeal is not enough. The majority of women who seek abortions not because they have been raped, exposed to German measles or have serious heart or liver ailments. The number of rape-induced pregnancies in the United States is about 800 per year—between 80,000 and 160,000 defective children or between 2% and 4% are born a year.

Women seek abortions because they find themselves with unwelcome or unwanted pregnancies. Abortion is a last resort birth control measure when preventive techniques have failed or have not been used.

Approximately 50 million abortions are performed annually around the world.

Between 8,000 and 13,000 legal, that is therapeutic abortions are performed annually in the United States.

Between 250,000 to 1,250,000 illegal abortions are performed annually in the United States.

Approximately 20,000 are performed in the D.C. area along of which only 25% are done in hospitals.

Nearly half of those seeking abortions are unmarried girls. Unless these girls have the \$600 to \$700 it takes to get a therapeutic abortion and are willing to swear to two psychiatrists that they are going to jump off a ledge, the only solution is to have the child.

Societies' attitude seem to be "you've had your pleasure now pay the price." What is more immoral, granting an abortion or forcing a young girl—some of them as young as 14 or 15 to assume the responsibilities of an adult while she is still a child? What are we doing to the mother? What are we doing to the child?

If a white girl gives up her child for adoption there is a pretty good chance that the child will be adopted. This is not the case for black and other minority group children. They spend their lives in orphanages and foster homes. This is one of the prime reasons so many black girls keep their babies. The number of children in orphanages or in foster care totals 316,000. Only 25% of the black children are in public institutions—18% are in voluntary welfare institutions or homes. This contrasts sharply with the 71% of white children in public institutions and 80% in voluntary care.

Is it more humane for these children to grow up unwanted and unloved?

Botched abortions are the single largest cause of maternal deaths in the United States. In 1964, Dr. Carl Goldmark, Jr., president of the New York County Medical Society reported that 34 women died in New York City as the result of criminal abortions. He estimated at that time that about 80% of maternal deaths are the result of criminal abortions. Women from minority groups are hit hardest. According to a study by Edwin M. Gold for 1960-1962, abortion was the cause of death for 25% of the white women, 49% of the non-white women and 56% of the Puerto Rican women.

Aside from the problem of securing the money for therapeutic abortions, poor, minority group women have another problem, that is that the municipal hospitals which they must patronize are far more reluctant to perform therapeutic abortions than volunteer hospitals. While 3.9 per 1,000 live births is the ratio for therapeutic abortions in voluntary hospitals, the ratio is only 1 per 1,000 live births, in municipal hospitals in New York City. Well over 90% of all therapeutic abortions in New York City are performed on white women.

Illegitimacy is a growing problem as of 1967 approximately 4.5 million children under the age of 18 in the United States are illegitimate. We can't ignore this. It is a fact. These children, this problem is not going to go away. We need to be concerned about the quality of these lives—both of the children and of their mothers.

By forcing a young girl to have an unwanted child, we are assigning her to societies' trash heap. Young, confused, usually without skills or training, she will be cut off from avenues of opportunity. Widows and divorcees have a rough time in the marriage market. Unwed mothers have it even rougher. By punishing her to have the baby, have we solved any problems? I think not—I think we have created some.

Some of you gentlemen may think this is all too hearts and flowers. Well I've got an even more practical reason why you should be in favor of abortion repeal. It costs you money.

The number of illegitimate children on AFDC has been steadily rising. Until now (as of 1967) 1,100,000 or 28% of all AFDC children are illegitimate. About 1/4 to 1/3 of all illegitimate children under the age of 18 are on the AFDC rolls. Over 70,000 unmarried mothers are receiving aid for dependent children.

The AFDC payments range from \$10.55 per recipient in Mississippi to \$64.65 in New Jer-

sey. The national average per recipient is \$44.30. For D.C. it is \$42.40. Think about it, gentlemen, that is about \$48,730,000 a year and unmarried women are the ones who find it most difficult to get off the welfare rolls.

I have talked a great deal about illegitimacy today. I have done it purposely because people are squeamish and don't want to discuss the matter. I think we must discuss the matter and come to grips with it. I do not believe in sugarcoating the issue.

Single girls are not the only ones seeking abortions. The most frequent reason married women seek abortions is that they feel that they have too many children already.

In a recent survey by Dr. Charles F. West-off of Princeton's office of population research revealed that 22% of all legitimate births in the United States are unwanted by either the husband or the wife. This indepth survey of 5,600 persons revealed that the poor were most anxious about this issue of all economic groups. Among the poor (i.e., earning under \$4,000) 42% of all legitimate births are unwanted. The principal reason seems to be financial or financially related, e.g., crowded housing. Indeed there is a high correlation between the number of children in a family and the ability to break the poverty cycle. The risk of poverty increases rapidly 9% for one-child families to 42% for families with 6 or more children. Nearly half of the children growing up in poverty in 1966 were members of families with five or more children under 18. More than one quarter of all families with four or more children live in poverty. The risk of poverty is two and a half times that for families with three children or less.

One hears talk about "genocide" from black militants. I think the principal things in operation here are the feeling of blacks that they want to control their lives and of the black man's pride and ego. Most of those who raise the genocide issue are black men not black women.

But we must also be aware of one of the underlying fears that is that blacks fear that some day people will be "required" to use contraceptives or have an abortion in order to receive public assistance. Although I am a strong advocate for both, I do not want anyone to misunderstand me. Birth control and abortions should never be forced or required, rather they should be "available".

As a matter of fact, studies done in 1960 and 1965 indicate that a significantly higher percentage of non-whites prefer a family of two children or less as opposed to the white desire for about 3 children. This I think relates to an awareness of the connection between poverty and the number of children one can afford to support.

In terms of our concern for world population growth, the desire for the average American family to have three children raises serious concern. The U. S. population growth rate has equaled and exceeded two of many underdeveloped countries. We are now adding about 3,000,000 people each year.

While it took 1,840 years since the time of Christ for the world population to reach one billion, we tripled this figure in little more than a century. At the present explosive rate the three billion people we have now will double to six billion from 1960 to 2000.

We urgently need to examine our attitudes and policies toward family planning and abortion or we shall be crowded off the earth.

I know that everyone treats the issue of abortion repeal gingerly. I'm a politician too and I understand your uneasiness but I think that this is an issue where the people are ahead of the Pope and the politician. A June 9, 1969, Harris Poll published in Newsweek indicated that 64% of the general population polled favored making the decision to have an abortion an issue between the woman and her doctor, 60% of the Catholic polled felt the same way.

Repressive legislation is not the answer. The strictest rules against abortion are found in Catholic countries yet it is the Catholic countries that have the highest rates of abortions.

In Roman Catholic Chile 27% of the women reported they had had abortions.

The illegal abortion rate in Uruguay is almost 2½ times the number of annual live births.

Birth control is not enough. Even if all women of child bearing age in the U.S. used the pill, a 1% failure rate would yield as many as 250,000 unwanted pregnancies. We must have expanded and more effective birth control programs and abortion repeal.

There are hopeful signs that there is a rethinking on this issue. In 1968 the American Public Health Association urged repeal of all restrictive statutes. And this year the A.M.A. will debate a resolution calling for endorsement of abortion repeal at their national convention which will be held from November 30 to December 3.

The resolution which will be introduced by the section on preventive medicine would receive the AMA's present policy on abortion and have the AMA "go on record as recommending the repeal of all state abortion laws (except those restricting abortion to qualified physicians) so that all women, for whatever reason, can have abortion performed under safe, healthful conditions by qualified practitioners of medicine."

As you know doctors are one of the most conservative groups in our society—they have the courage to reassess their views—in my view we cannot do less.

ABORTION STATISTICS

Abortion did not become a statutory crime in England until 1803. It did not become one in the United States until about 1830.

No other medical procedure is regulated by law.

In 43 states abortion is permitted only if the pregnancy threatens the mothers life. The other seven states and the District of Columbia are somewhat more permissive. In 1967 and 1968 five states, California, Colorado, Georgia, Maryland and North Carolina—adopted liberalized abortion laws.

Why repeal rather than reform—Because the majority of women who seek abortions do so not because they have been raped, exposed to German measles or have serious heart or liver ailments.

The number of rape-induced pregnancies in the United States is about 800 per year.

Between 80,000 and 160,000 defective children, or between 2% and 4% are born a year.

They seek abortions because they find themselves with unwelcome or unwanted pregnancies. Abortion is a last-resort birth control measure when preventive techniques have failed or have not been used.

Worldwide abortions legal and illegal—approximately 50 million annually.

Estimates are from 8,000 to 10,000 legal hospital abortions annually and from 250,000 to well over 1,250,000 illegal abortions.

NARAL statistics. 1969 over 1,000,000 abortions are performed per year 350,000 repair of botched jobs.

Dr. Vituch estimates that more than 20,000 abortions a year are performed in D.C. area and only about 25% of them are done in the hospitals.

Dr. Russell S. Fisher, ex-president of the Medical and Surgical faculty of the State of Maryland estimated that about 1,200,000 abortions are performed per year both spontaneous and induced.

There are 2,000,000 people in the greater Washington area. TIME Nov. 21. If we relate the national estimate of percentages then about 15,000 women in greater Washington Metropolitan area receive abortions. However, it is more than probable that this number reaches 20,000 since the rate of abortions is

logically higher in industrial urban areas than in rural parts of the country.

D.C. General reports 80 therapeutic abortions, but between 800 and 1,000 abortions are reported at D.C. General which are incomplete. Incomplete means that the abortion was induced either naturally, by drugs or by an instrument but they were not completed naturally . . . therefore this is a deleterious effect and must be completed by a physician.

The question is not can we justify abortions but can we justify compulsory pregnancy?

Botched abortions are the single largest cause of maternal deaths in the United States.

CBS TV Editorial, April 1, 1966 Dr. Carl Goldmark, Jr., President of the New York County Medical Society reported that 34 women died in N.Y.C. in 1964 as a result of criminal abortions. He estimates that about 80% of maternal deaths are the result of criminal abortions.

According to a study by Edwin M. Gold of deaths of women from childbirth in N.Y.C. in 1960-1962 abortion was the cause of death for 25% of the white women, 49% of the non-white women and 56% of the Puerto Rican women.

Well over 90% of all therapeutic abortions in N.Y.C. are performed on white women. (association for the study of abortion inc.)

Scientific American January 1969: Ratio of therapeutic abortions per 1,000 deliveries was 2.6 for white women, .5 for Negro women and .1 for Puerto Rican women.

In N.Y.C. 1960-1962 the abortion ratios ranged from 3.9 per 1,000 live births to only .1 per 1,000 in municipal hospitals—legal abortions are less readily available to low income families.

Also marked ethnic differential per 1,000 births, 2.6 white, 5 Negro, and .1 per Puerto Rican women.

Even under a so called "liberal" reform law costs are prohibitive—approximately \$600 to \$700.

Total number of children in orphanages or foster care—316,000

	Public institutions	Voluntary institutions
Percent black-----	25	18
Percent black-----	71	80
Percent black-----	4	2

Cost of Welfare per child per month: D.C. \$42.50, N.J. \$64.50 highest per month, Miss. \$10 lowest per month except for Puerto Rico \$8.50

Illegitimate births, 1940, 89,500; 1966, 302,400; 1977, approximately 4.5 million children under the age of 18 in the United States are illegitimate.

The number of illegitimate children on AFDC has been steadily rising until now in 1967 1,100,000 or 28% of all AFDC children. About ¼ to ½ of all illegitimate children under age 18 are on the AFDC rolls.

Nearly half of those seeking abortions are unmarried girls. The attitude of society seems to be "you've had your pleasure now pay the price." What is more immoral, granting an abortion or forcing a young girl some of them as young as 14 or 15 to assume the responsibilities of an adult while she is still a child.

The committee on population of the National Academy of Sciences urges early education in family planning in order to prevent illegitimacy. The mothers of approximately 41% of the 245,000 babies born illegitimately in the United States every year are women 19 years of age or younger.

Professor Andras Klinger, a Hungarian demographer says the significant point is that in countries where laws are strict there is absolutely no impact on the number of abortions.

Klinger's studies show that countries with

liberal laws have on the average 54 to 81 abortions for every 100 live births. In countries without liberal laws, the figures are exactly the same. The illegal abortion rate in Uruguay is almost 2½ times the number of annual live births.

In Roman Catholic Chile, 27% of the women reported they had had abortions.

In Roman Catholic France, the annual number of abortions equals the annual number of live births.

In an article in the Washington Post, 1/11/69, Myra McPherson reported. "No matter what the courts do about our laws, there will always be abortions. The only difference is whether the abortions will be done safely and legally in a hospital or clinic, or in the degrading and dangerous underworld, where a woman slaps down the money in advance in some abortionists office.

Most poor families as well as the American population in general desire a 3 child family and this seems to be a significant line. More than one-quarter of all families with 4 or more children were living in poverty, and 4 out of 10 were poor or near-poor. Their risk of poverty was two-and-a-half times that for families with three children or less.

The poor rely most heavily on the contraceptive methods which have the highest incidence of failure, e.g. withdrawal, rhythm, douche, suppositories, foam as opposed to the pill, the diaphragm, coil. The problem is the same as with all medical services—the poor have little access to medical care for preventive services.

Dr. Charles Westoff of Princeton Office of Population Research says, "22% of all legitimate births in the U.S. are unwanted by either the husband or the wife" in conclusion of an in depth survey of 5,600 married women across the country.

Among the poor the percentages 42%; near poor 26%; affluent, 17%.

Westoff says if everybody were taught to use contraceptives effectively, the U.S. population growth would be reduced by as much as 45%.

Mr. Speaker, I do want to make clear that by placing this statement in the RECORD, I am not implying that the members of the task force are endorsing Mrs. CHISHOLM's views—some will and some will not. But her statement was most enlightening.

REFLECTIONS ON AMERICA'S NOVEMBER 1969

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MIKVA) is recognized for 60 minutes.

Mr. MIKVA. Mr. Speaker, the subject is Vietnam. Today, only a few days after the month of November has ended, it seems appropriate to broaden the discussion somewhat and to reflect on what the month of November meant not only for our policy in Vietnam, but also for America's image of herself. For America's November 1969 has implications which go far beyond that month and far beyond this year. I intend my remarks today to be reflective, not critical. I hope they will be received in the spirit in which they are offered.

Much of what is bothering me about America's November 1969 involves what has been implied and insinuated, rather than what has been said. Thus, when I begin by referring to President Nixon's November 3 Vietnam speech, it is not what the President said which bothered

me. It was what he did not say but, nevertheless, implied. The President said that he would never yield to those who counseled precipitate withdrawal of American forces from South Vietnam; but he did not say who was counseling "precipitate" withdrawal. The President said that "honest and patriotic Americans have reached different conclusions as to how peace should be achieved"; but then he described signs he had seen, reading "Lose in Vietnam, bring the boys home," which, of course, implied that anyone who does not agree with the President wants America to lose the war. The President asked Americans to be united for peace, but then he added:

North Vietnam cannot defeat or humiliate the United States. Only Americans can do that.

Which, of course, implied that anyone who did not support the President would humiliate America.

So the President, on November 3, set the tone for America's November. One was either behind the President, supported his still secret plan for withdrawal, and helped present an unbroken front to an uncompromising enemy; or else one was in favor of "precipitate" withdrawal and wanted America to lose the war and was out to humiliate his country. So those were the terms in which the debate was cast.

The reaction to the President's Vietnam speech was, if not prearranged, at least predictable. No one thought it unseemingly that a President who only a few weeks earlier said that "under no circumstances will I be affected whatever" by protests against his policy in Vietnam, should after his speech take great pride in receipt of letters and telegrams which had been solicited in advance by the Republican National Committee; or that he should almost gleefully admit photographers to show him with his desk full of messages which supported him. From this demonstration it appears that the President's attitude really is "under no circumstances will I be affected whatever" by public feeling on Vietnam—"unless it agrees with my own views." But this, of course, is one of the virtues of having a "silent majority." Anyone can claim to speak for it. Since it is by definition "silent," those in power can interpret its silence any way they choose. Again in a reflective mood, I ask my colleagues whether the "silent majority" is not, indeed, a great contribution to democratic theory—at least from the point of view of those who govern.

In the same category as prearranged "spontaneous support" from the silent majority was the prearranged congressional response to President Nixon's November 3 speech. House Resolution 613, whose defenders argued fiercely, almost desperately, that it meant nothing more than the words on the page was the embodiment of that prearranged congressional response. Artfully drafted and skillfully promoted, House Resolution 613 was November 1969's counterpart to an earlier resolution expressing congressional support of Presidential policy in Vietnam—the Gulf of Tonkin resolu-

tion. Regardless of the resolution's precise wording, it was drafted, explicitly promoted, advertised and will now be heralded as a measure of the congressional support for President Nixon's secret plan for withdrawing—at some undisclosed pace—American forces from South Vietnam. And during November, while House Resolution 613 gathered momentum and support, without hearings and without the possibility of amendment, while all this happened in this body, Americans continued to die in South Vietnam at a rate of more than 100 a week. Support for the President's secret but slow plan of withdrawal—and the continuing casualties which go with it—was also part of America's November 1969.

Later in November we witnessed negotiations between the Justice Department and organizers of the November 15 march on Washington, negotiations which were characterized by intransigence and dire predictions of mass violence on the part of the Government. In retrospect, one might speculate about whether the Justice Department had not done more to encourage violence than to discourage it. But what are even more disturbing to one reflecting on the meaning of America's November 1969, are the revelations by Deputy Attorney General Kleindienst following the march. Mr. Kleindienst unabashedly admitted that he had purposely exaggerated the threat of violence to discourage participation in the march by nonradical elements. Mr. Kleindienst indicated that it was part of the Justice Department's strategy to emphasize the questionable affiliations of some of those associated with the march in order to discourage participation by other citizens. Mr. Kleindienst indicated that the Department had used "intelligence" information, the source and reliability of which was undisclosed—perhaps even unevaluated—to encourage moderate elements opposing the war to stay away from the November 15 march.

Mr. Speaker, I submit that in a country which has a first amendment, in a country which continues to pride itself on freedom of speech and association and free and open debate on all the issues, Mr. Kleindienst's revelations are shocking. When an official of the state uses secret, unattributed, unverified information for the professed purpose of influencing the political beliefs and actions of Americans, then I believe we must begin to examine again the role of law enforcement authorities in the political process.

Although Vice President AGNEW's now infamous "impudent snobs" speech was delivered the preceding month, on November 13 we were treated to another display of verbal fireworks. In an outstanding example of the "grain of truth" theory of speechmaking, the Vice President delivered a prototype of a speech which says a few of the right things for all of the wrong reasons. If one had heard only the last half of the Vice President's speech on TV and press coverage and commentary, it might have been possible to observe that he had made a few useful, if not very original,

observations about the dangers of over-concentration in important opinion-molding institutions. But the point is precisely that the Vice President's remarks were not made in an objective, dispassionate fashion; they were linked inseparably to his paranoid protestations of "unfairness" and vaguely substantiated charges of bias against his President, his administration, and himself. In this context—and it is only in this context that the Vice President's remarks can be accurately evaluated—his point became crystal clear. His objective was implicitly to threaten the media which produce what those in power consider "unfair" coverage with some kind of vague retaliation. FCC Chairman Burch's ill-advised request to the networks for transcripts of their coverage of the President's Vietnam speech merely served to make more certain what the Vice President had implicitly said and explicitly denied.

Still later in November we were treated to another dose of what James Reston has called "Agnewsticism." The Vice President's criticism of the Washington Post and the New York Times presented an interesting example of combining form and content: Mr. Agnew selectively criticized two newspapers for selective news coverage. He also criticized the concentration of media ownership and the lack of diverse and antagonistic opinion represented in the print media generally. It was interesting, in light of the Vice President's interest in media concentration, that he chose to talk only about Washington and New York. Those are two of the Nation's large cities which are fortunate in having more than two mass circulation daily newspapers. New York has four such newspapers, not including the Wall Street Journal; Washington, D.C., has three. The Vice President's selective criticism didn't mention, however, the 20 cities which have dwindled to only one newspaper during the last 20 years. I would certainly have thought that a Vice President who was concerned about concentration in the media would have been concerned about it whether or not the papers in question agreed with him. But perhaps this is too much to ask from those who prefer to rely on "silent majorities."

And so as we reached the mid-point in America's November 1969, the President had characterized those who did not support his secret plan for withdrawal as people who want America to "lose the war" and who are humiliating their country. The Deputy Attorney General had almost precipitated a crisis by his desire to maintain a hard line against the protesters—a situation which was ultimately resolved only through the intervention of Mayor Washington. And the Vice President had discoursed at length on how unfair and biased the coverage of the administration's efforts had been. The objective of this concerted campaign was, evidently, to stigmatize dissent, to discourage disagreement, to brand as subversive and unpatriotic those who would not embrace the official line. And into this atmosphere of paranoid suspicion burst the brightness of what

we have learned is still our last best hope—America's young. Undeterred by the vague and unsubstantiated smears, they came. Undiscouraged by the attempts at intimidation, they came—and they kept coming. A record group of almost half a million mostly young Americans demonstrated the depth of their opposition to the war, and the firmness of their commitment to an early peace. And despite dire official predictions, the march was overwhelmingly peaceful, lawful, nonviolent, and very American.

So the November 15 march, a peaceful protest in the best traditions of America, stood out, forthright and unequivocal, above the mass of innuendo, insinuation, and implication which surrounded it on either side. The marchers had proven that mass political protest could be passionate but peaceful, vital but nonviolent, and uncompromising but not unlawful. They had shown us that although we are now passing through a winter of discontent, there will be other months and other seasons ahead—for the future of this country belongs to those who marched on November 15.

It did not take long for the sowers of distrust and suspicion to regain the headlines. After the march, which had been overwhelmingly peaceful and nonviolent, the Attorney General told the American people that the march had been overall "not peaceful."

Later the Attorney General's wife elaborated on his view of the march, she indicated that Mr. Mitchell felt that the march had looked like "the Russian revolution." On nationwide television Mrs. Mitchell added:

I don't think the average Americans realize how desperate it is when a group of demonstrators, not peaceful demonstrators, but the very liberal Communists move into Washington.

These comments were followed by Mr. Kleindienst's revelation of the kind of information on which the Justice Department's planning and evaluations were based—vague, unattributed, unverified information from unidentified sources whose credibility was supposed to be bolstered by calling them "intelligence" agents.

What could have led the men who command the Justice Department to these gross distortions of the November 15 march? In a noteworthy article in the Washington Post of November 25, editorial page editor, Philip Geyelin ventured a guess:

The Problem is not merely a matter of whether this is an administration of able, intelligent, decent men; it's a mixture, like most. The problem, or a large part of it, is that the wrong men, the raw amateurs, are out front, making the running, doing the loudest talking, setting the pace. And just because they are the wrong men, unskilled, untested, out of date and out of touch with little stomach for the very thing the Vice-President professes to relish—"the rough and tumble of public debate"—because of all this, these men are running scared. For all their bold, aggressive airs, the men out front are frightened men.

Mr. Geyelin noted the irony of the insecurity which the men in power are demonstrating:

Without flinching Harry Truman conducted a war with as little as 27 percent of the public behind him; this administration feels insecure even while claiming to have a solid majority in support.

Another commentator, the respected reporter of Capitol Hill events Joseph McCaffrey, helped put things in perspective. He said:

Harry Truman . . . took more criticism in one day than this Administration has taken since January. Old Harry had a very simple motto, it was "If you can't stand the heat, get out of the kitchen." But Harry Truman had what it took, not just courage, but a deep, passionate devotion to the freedom which this country has nurtured since its independence. . . . A free country has to allow its leaders to be criticized, leaving the value of that criticism up to its citizens.

Lest we begin to feel a certain sense of *deja vu* about the events I am describing, let me hasten to draw the comparison explicitly. What happened in November—political leaders wrapping themselves in the protective folds of Old Glory and characterizing their opposition as subversive foreign agents or, more generously as "unwitting tools"—what was happening was something we had all seen before, about 2 years before. We had seen it in late 1966 and 1967, when another President—I regret to say a President of my own party—had attempted the same approach. As cartoonist Bill Mauldin recently drew it, Lyndon Johnson stood talking to a flag-draped Richard Nixon and consoling him:

That's alright, it didn't work for me either.

But in November 1969, something new has been added. Something new and sinister which was not present to the same degree in attempts of previous defenders of the Vietnam war to discredit their opposition. This new element is the active, direct participation in policymaking and opinionmaking of active-duty military personnel.

There had been some indications early in November that military leaders, perhaps encouraged by attempts to make support of the Vietnam war appear the only patriotic course, had already breached the traditional barrier between civilian command and military obedience. A general officer in the Army National Guard advised members of his organization that they were to drive with their lights on during Veterans' Day in order to demonstrate support for the President's Vietnam policy, and that they were not to participate in protest activities. The Chicago Daily News reported that National Guardsmen in Illinois were being given form letters to mail in supporting President Nixon's war policy. But what came later in November was even more direct participation.

America's November 1969 included revelation of the fact that a returned prisoner-of-war who is still on active military duty, Maj. James Rowe, had been taping television and radio programs attacking Members of Congress who did not agree with President Nixon's Vietnam policy. A newspaper story

of November 23 indicated that not only were General Westmoreland and the Pentagon aware of Major Rowe's activities, but that they were encouraging him to take a direct part in the legislative decisionmaking process. If this is the Pentagon's new policy, then it has grave implications for the future of the American Republic.

In the reflective mood in which this discussion is intended, one must wonder whether the civilian leaders of this administration have really considered the full implications of direct participation in the congressional process by military men. What would be the response, for example, if Members of Congress who deplored the Presidio trials asked the Pentagon to make available those soldiers involved in that trial to make films with them. Or suppose the members of the military who disagree with the President's course in Vietnam were requested for film-making purposes. Would the Pentagon make available those GI's who wrote to Senator Kennedy congratulating him on his Hamburger Hill comments? Or would they arrange for congressional interviews with members of peace groups—such as those who recently boycotted the Pleiku messhalls in a peace fast, or those who are publishing anti-war newspapers on military installations across the country? Perhaps the privilege of direct participation is limited to commissioned officers. In this case, would the Pentagon care to make available Capt. Dale Noyd, a combat pilot who is also a conscientious objector to the war in Vietnam and is now under court-martial sentence for refusal to instruct Vietnam-bound pilots? Or perhaps the privilege is limited to generals, such as General Walt of the Marine Corps who has said repeatedly that the war could have been won except for the political dissenters and that these dissenters must bear the responsibility for the added deaths of Americans in Vietnam because we have not "won the war." If the privilege is limited to generals, perhaps the Pentagon would consider bringing Generals Gavin and Shoop back to active duty and financing a speaking tour for them around the country or the filming of TV spots in support of Congressmen who oppose the war.

The bold—one is tempted to say brazen—flaunting of military intervention in the political process has reached as far as Taipei, where Brig. Gen. DeWitt R. Searles recently refused to talk to a representative of the Washington Post, reportedly because the general agreed with Vice President Agnew that the Post did not report the news in an acceptable fashion. General Searles also refused to make available to the Post copies of a speech by his superior, Maj. Gen. Richard G. Ciccolella, chief of MAAG in Taipei.

And then the Pentagon's pervasive preoccupation with its public image—with generating public support for its war in Vietnam—raises what must surely be the most somber and disquieting event in America's November. This event is the belated disclosure of events at Mylai—the alleged massacre at Pinkville.

With men currently accused before military tribunals and others likely to be, there is little that one can say now about the events at Mylai. Of course Pinkville does not represent what the overwhelming majority of American servicemen have done in South Vietnam. Of course it does not represent an American policy of genocide or atrocity. No one argues that Pinkville is not an aberration, a distortion, a mistake. But the point is, it is there. All the disclaimers, all the regrets will not make it go away. Whether Pinkville will be a turning point in American policy in Vietnam, whether it will deserve a footnote or a volume in the history of that war, has yet to be determined. But whatever the results of Pinkville, questions must certainly be asked.

First, how many other Pinkvilles have there been? Pinkville is the most publicized story of military brutality perpetrated against Vietnamese civilians, but it is not the first. Earlier this year Esquire magazine carried a story which was based on actual court-martial records of the assault, murder, rape, house-burning of a Marine patrol gone wild. How many similar incidents have there been, known to military authorities but undisclosed to the American people?

When we know the answer to that question, perhaps we will be in a better position to answer a second question: Why was the story of Pinkville unreported—or suppressed—for so long? How is it possible that an incident of the magnitude and seriousness of that alleged to have occurred at Mylai 4 could have gone unreported for so many months? It is not unreasonable to speculate that this long delay is itself a result of the Pentagon's preoccupation with its public image. Senator FULBRIGHT has recently pointed to the massive public relations mechanism which the Pentagon maintains at taxpayers' expense. Perhaps if a few of these public relations men had been transferred to the Criminal Investigation Division, we might have known about Pinkville a little sooner.

Finally, and really most significant, what does Pinkville indicate about the effects of this war on Americans—both those who are fighting in Vietnam and those who remain at home? It is these effects, these brutalizing effects on Americans and their image of themselves, which is the real cause for concern. This is the issue which takes us back to the beginning, which makes us wonder how we got into this war in the first place. As one of 1st Lt. Calley's friends said in an interview:

Rusty Calley wouldn't have gone except that the country sent him. . . . So if there is a guilty conscience, it is on the country.

That is what is so serious about Pinkville: what it has done to America's conscience.

America's November ended in a traditional way, a way which takes the mind back to the origins of this country and to what it was we wanted when we began. Thanksgiving presented a strange contrast this year with the events which had occurred earlier in November. It contrasted with the politics of polariza-

tion as practiced by those who had earlier preached the lowering of voices. It contrasted with the techniques of insinuation and innuendo which had been largely absent from American political life since the early 1950's. And it contrasted with the searing revelation of Pinkville.

America had much for which to give thanks in November 1969. It was by all measures the richest, most prosperous, most powerful nation on earth. But America also had much to ponder. It had to wonder whether polarization, and political prosecutions for dissent, and Pinkville would be a part of the future of America. It had to wonder whether November 1969 had set the tone for the years ahead. My own conclusion is that this November will not represent the style of the future. The reason I conclude this is the November 15 march on Washington. Because that march took place, thousands of young Americans were confirmed in the belief that peaceful, massive political protest is possible. Thousands were convinced that the system works well enough to stick with it. This makes me thankful, for as I look around I know that we need them more than they need us. The leaders of the march and others have advocated that those young people who feel strongly about Vietnam and the cause of peace turn their efforts to direct political action—to electing some candidates and defeating others. After 1968, we do not need much convincing to know that the young people can do this pretty well.

So we will be hearing from these young Americans again. We will be hearing from them when we go home at Christmas, and when we go home to run again in 1970. And that is the way it should be. That is why, despite America's November 1969, I cannot be too discouraged. America has its spring still ahead of it, and our kids will make it better.

FOREIGN BANK SECRECY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Texas (Mr. PATMAN) is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, on behalf of a majority of the House Committee on Banking and Currency, today I am introducing legislation to amend the Federal Deposit Insurance Corporation Act to require the keeping of certain records by commercial banks. The bill also requires reporting and recordkeeping of certain transactions with foreign financial agencies by U.S. citizens or those doing business in the United States.

Hearings on this legislation will be held before the House Committee on Banking and Currency during the month of December. At the end of these remarks a copy of the bill, together with a brief summary, is appended.

The need for legislation on the subject of foreign bank secrecy and further committee hearings was amply demonstrated at a previous investigative hearing held by your Banking and Currency Commit-

tee in December 1968 on the subject of the legal and economic impact of foreign banking procedures on the United States. At that time, the Assistant Attorney General for the Criminal Division of the Department of Justice, Mr. Robert Morgenthau, the able and outstanding U.S. attorney for the southern district of New York and representative of the Securities and Exchange Commission, told the committee of horrendous and widespread avoidance of U.S. laws by citizens and persons doing business in the United States through the use of secret foreign bank accounts. The variety and complexity of the financial shenanigans employed are far too detailed, and sometimes confusing, to set forth here. The record of our hearings will give the Congress a good idea of the situation.

The purposes of these financial transactions with institutions in foreign jurisdictions with strong secrecy laws are quite simple and easily understood. Foreign secret bank accounts are used by the organized underworld as a repository for the fruits of their criminal activities. Foreign institutions cloaked with these secrecy laws serve as a means to cleanse this "hot money." Through a variety of means the "hot money" is transferred back into this country, sometimes in the form of a loan from the foreign bank, sometimes through phony corporations, and in all events, in a manner unlikely to raise questions as to the source of the money or whether taxes have been paid.

Secret foreign bank accounts are not the exclusive property of the underworld. They are used by ordinary American citizens, by legitimate corporations to conceal transactions where the public interest requires disclosure, to avoid the payment of income taxes, to buy stock in the American market without regard to U.S. margin requirements, to work fraudulent business transactions, to buy gold in violation of U.S. law, and on and on. The illegal use of these accounts is as varied as the various schemes and conspiracies that the furtive, criminal imagination can devise.

Improper use of these accounts undermines basic law enforcement in the United States, shakes the confidence of the ordinary taxpayer in our taxation system, disturbs the stability of the American stock market, detracts from the confidence of the American dollar and raises serious questions over foreign-based influence in American industry.

In my judgment, it is time that the Congress acted. The secret foreign bank accounts and their uses are familiar to all of us. We have read about them for years, in 50-cent detective magazines and biographies and exposés of big criminals and, more recently, in serious criminal prosecutions. I suppose most of us have felt that there was not much that could be done about stopping the improper use of these accounts. The main objections seem to be that we would be interfering with the legal process of other nations and that we would be casting a tremendous burden upon the legitimate channels of international commerce in the

interest of catching some insignificant crooks. The legislation which we propose today meets those objections head on. This bill completely avoids interference with the processes of any foreign jurisdiction by directing the applicability of our legislation exclusively toward American citizens, those doing business in the United States or those who are otherwise subject to U.S. jurisdiction. On almost every occasion in the last year when I have been given an opportunity to comment upon the committee's activities on foreign bank secrecy, it has been pointed out in the most forceful way possible that neither the committee nor the legislation has any desire to lessen the fine relationships that this country enjoys with any foreign nation. I reiterate this assurance today. Our only concern is to make sure that these financial institutions are not to be continually used to flaunt American domestic law.

The bill meets the second major objection of interrupting the free flow of international commerce by giving, in section 206, a broad exemptive power to the Secretary of the Treasury. Through this exemptive power, the Secretary, pursuant to reasonable criteria, can relieve Americans and American businesses from the reporting and filing requirements of the law. He can exempt persons doing business with financial agencies in jurisdictions who have as a matter of practice, treaty, or otherwise always closely cooperated with American law enforcement officials. Surely this exemptive power will eliminate the smallest possible interference with international commerce.

Our hearings will commence tomorrow, Thursday, December 4, 1969. Our initial witnesses will be Mr. Will Wilson, Assistant Attorney General, Criminal Division, and Mr. Robert Morgenthau, U.S. attorney for the southern district of New York, representing the Department of Justice.

On Wednesday, December 10, the committee will hear from Mr. Eugene T. Rossides, Assistant Secretary-designate, Office of the Secretary, Department of the Treasury.

On December 11, the committee will hear from the Agency for International Development, and the Department of Defense; on Friday, December 12, the Securities and Exchange Commission will testify.

Finally, during the week of December 15, various public witnesses will be heard.

SUMMARY OF DRAFT BILL

The purpose of this bill is to authorize the Secretary of the Treasury to clarify the obligation of banks and other financial institutions to maintain prudent practices with respect to identification of their customers, reporting of unusual cash transactions, and general recordkeeping. The bill also provides appropriate legal means to enforce compliance with proper standards in this regard. It is divided into two titles. Title I deals exclusively with bank records, and covers both insured and uninsured banks. Title II deals with recordkeeping and reporting requirements in respect of large

currency transactions within the country, the movement of currency into and out of the country, and dealings with foreign financial agencies which do not make their records available to duly constituted authorities of the United States as to transactions with U.S. residents. In respect of the last of the foregoing items, no attempt is made to force foreign nations or their institutions to adhere to American laws or practices except when they are actually doing business in the United States. The obligations imposed under the bill fall exclusively upon "U.S. residents or citizens or persons doing business in the United States." There can be no question of the right and duty of the Congress to enact suitable legislation in this regard.

The text of the bill follows:

H.R. 15073

(In the House of Representatives, December 3, 1969, Mr. Patman (for himself, Mr. Barrett, Mrs. Sullivan, Mr. Ashley, Mr. Moorhead, Mr. Stephens, Mr. St Germain, Mr. Gonzalez, Mr. Minish, Mr. Gettys, Mr. Annunzio, Mr. Rees, Mr. Griffin, Mr. Hanley, Mr. Brasco, Mr. Harrington, Mr. Halpern, and Mr. Blackburn (introduced the following bill; which was referred to the Committee on Banking and Currency:)

A bill to amend the Federal Deposit Insurance Act to require insured banks to maintain certain records, to require that certain transactions in United States currency be reported to the Department of the Treasury, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—BANK RECORDS

Chapter	Sec.
1. INSURED BANKS.....	101
2. UNINSURED BANKS.....	121

CHAPTER 1—INSURED BANKS

Sec.
101. Retention of records by insured banks.
Section 101. Retention of records by insured banks

The Federal Deposit Insurance Act is amended (1) by redesignating sections 21 and 22 as 22 and 23, respectively, and (2) by inserting the following new section immediately after section 20:

"Sec. 21. (a) The purposes of this section are (1) to facilitate the supervision of the business of banking, (2) to aid duly constituted authorities in lawful investigations, and (3) to prevent the premature destruction of certain types of evidence having a high degree of usefulness in the establishment of civil and criminal liabilities.

"(b) The Secretary of the Treasury (referred to in this section as the 'Secretary') shall prescribe such regulations as he may deem appropriate to carry out the purposes of this section.

"(c) Each insured bank shall maintain such records and other evidence as the Secretary may require of the identity of each person having an account with the bank and of each individual authorized to sign checks, make withdrawals, or otherwise act with respect to any such account.

"(d) Each insured bank shall make, in accordance with the regulations of the Secretary,

"(1) a photocopy or other copy of each check, draft, or similar instrument drawn on it and presented to it for payment.

"(2) a record of each check, draft, or similar instrument received by it for deposit or collection, together with an identification

of the party for whose account it is to be deposited or collected.

"(e) Whenever any individual engages (whether as principal, agent, or bailee) in any transaction with an insured bank which is required to be reported under the Currency and Foreign Transactions Reporting Act, the bank shall require and retain such evidence of the identity of that individual as the Secretary may prescribe as appropriate under the circumstances.

"(f) In addition to or in lieu of the records and evidence otherwise referred to in this section, each insured bank shall maintain such additional records and evidence as the Secretary may prescribe to carry out the purposes of this section.

"(g) Any type of record or other evidence required under this section shall be retained for such period as the Secretary may prescribe for the type in question."

CHAPTER 2—UNINSURED BANKS

Sec.

- 121. Congressional findings.
- 122. Authority of Secretary.
- 123. Injunctions.
- 124. Civil penalties.
- 125. Criminal penalty.
- 126. Additional criminal penalty in certain cases.

Sec. 121. Congressional findings

The Congress makes the following findings:
(1) Banks are not insured by the Federal Deposit Insurance Corporation (referred to in this chapter as "uninsured banks") constitute a legally significant component of the banking industry in the United States.

(2) Uninsured banks make use of the means and instrumentalities of interstate commerce and directly affect such commerce.

(3) The regulation by the Federal Government of the banking industry is necessary and proper in order to carry into execution the power of Congress to regulate the value of money.

(4) In order to effectively regulate the banking industry and to effectuate the purposes set forth in section 21 of the Federal Deposit Insurance Act, it is necessary and proper to confer upon the Secretary of the Treasury the authority to impose recordkeeping requirements on uninsured banks as provided in section 122 of this chapter.

Sec. 122. Authority of Secretary

The Secretary may by regulation require any type of uninsured commercial bank, trust company, or savings bank:

(1) To make such reports as the Secretary may require in respect to its ownership, control, and management and any changes therein.

(2) To require, retain, or maintain any records or other evidence of any type which the Secretary is authorized under section 21 of the Federal Deposit Insurance Act to require insured banks to require, retain, or maintain.

(3) To permit the Secretary to have access to and to obtain copies of any material referred to in paragraph (2) of this section.

(4) To maintain procedures to assure compliance with this chapter. For the purposes of any civil or criminal penalty, a separate violation of any requirement under this paragraph occurs with respect to each day and each separate office, branch, or place of business in which the violation occurs or continues.

Sec. 123. Injunctions

Whenever it appears to the Secretary that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any regulation under this chapter, he may in his discretion bring an action, in the proper district court of the United States or the proper United States

court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Secretary, any such court may also issue mandatory injunctions commanding any person to comply with any regulation of the Secretary under this chapter.

Sec. 124. Civil penalties

(a) For each willful violation of any regulation under this chapter, the Secretary may assess upon any institution to which the regulation applies, and upon any partner, director, officer, or employee thereof who willfully participates in the violation, a civil penalty not exceeding \$1,000.

(b) In the event of the failure of any person to pay any penalty assessed under this section, a civil action for the recovery thereof may, in the discretion of the Secretary, be brought in the name of the United States.

Sec. 125. Criminal penalty

Whoever willfully violates any regulation under this chapter shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

Sec. 126. Additional criminal penalty in certain cases

Whoever willfully violates any regulation under this chapter or section 21 of the Federal Deposit Insurance Act where the violation is committed in furtherance of the commission of any violation of Federal law punishable by imprisonment for more than one year shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

TITLE II—REPORTS OF CURRENCY AND FOREIGN TRANSACTIONS

Chapter	Sec.
1. General Provisions.....	201
2. Domestic Currency Transactions.....	221
3. Disclosure of Exports and Imports of Currency and Coin.....	231
4. Disclosure of Certain Foreign Transactions	241

CHAPTER 1—GENERAL PROVISIONS

Sec.

- 201. Short title.
- 202. Purposes.
- 203. Definitions and rules of construction.
- 204. Regulations.
- 205. Compliance procedures.
- 206. Exemptions.
- 207. Civil penalty.
- 208. Injunctions.
- 209. Criminal penalty.
- 210. Additional criminal penalty in certain cases.
- 211. Immunity of witnesses.

Sec. 201. Short title

This title may be cited as the Currency and Foreign Transactions Reporting Act.

Sec. 202. Purposes

The purposes of this title are (1) to facilitate the supervision of financial institutions properly subject to Federal supervision, (2) to aid duly constituted authorities in lawful investigations, and (3) to provide for the collection of statistics necessary for the formulation of monetary and economic policy.

Sec. 203. Definitions and rules of construction

(a) The definitions and rules of construction set forth in this section apply for the purposes of this title.

(b) The term "Secretary" means the Secretary of the Treasury.

(c) The term "individual" means a natural person.

(d) The term "person" includes individuals, partnerships, trusts, estates, associa-

tions, corporations, and all other entities cognizable as legal personalities.

(e) The term "financial institution" means any person which does business in any one or more of the following capacities:

(1) an insured bank as defined in section 3 of the Federal Deposit Insurance Act.

(2) a commercial bank.

(3) a private banker.

(4) a trust company.

(5) an insured institution as defined in section 401 of the National Housing Act.

(6) a savings bank, building and loan association, or other thrift institution.

(7) a broker or dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934.

(8) a broker or dealer in securities or commodities.

(9) an investment banker.

(10) a currency exchange.

(11) an issuer or redeemer of checks, money orders, or similar instruments.

(f) The term "domestic financial institution" means any person which does business as a financial institution in any place subject to the jurisdiction of the United States.

(g) The term "financial agency" means any person which acts in the capacity of a financial institution or in the capacity of a bailee, depository, trustee, agent, or in any other similar capacity with respect to money, credit, securities, or gold, or transactions therein, on behalf of any person other than a government, a monetary or financial authority when acting as such, or an international financial institution of which the United States is a member.

(h) The term "foreign financial agency" means any financial agency which transacts any business as such at any place not subject to the jurisdiction of the United States.

(i) References to this title or any provision thereof include regulations issued under this title or the provision thereof in question.

(j) All reports required under this title and all records of any such reports are specifically exempted from disclosure under section 552 of title 5, United States Code.

(k) For the purposes of section 1001 of title 18, United States Code, the contents of reports required under any provision of this title are statements and representations in matters within the jurisdiction of an agency of the United States.

Sec. 204. Regulations

The Secretary shall prescribe such regulations as he may deem appropriate to carry out the purposes of this title.

Sec. 205. Compliance procedures

The Secretary may by regulation require any class of domestic financial institutions to maintain such procedures as he may deem appropriate to assure compliance with the provisions of this title. For the purposes of both civil and criminal penalties for violations of this section, a separate violation shall be deemed to occur with respect to each day and each separate office, branch, or place of business in which the violation occurs or continues.

Sec. 206. Exemptions

The Secretary may, under such conditions as he may deem appropriate, by regulation, order, licensing, or otherwise, exempt any person from compliance with any one or more of the requirements imposed under this title.

Sec. 207. Civil penalty

(a) For each willful violation of this title, the Secretary may assess upon any domestic financial institution, and upon any partner, director, officer, or employee thereof who willfully participates in the violation, a civil penalty not exceeding \$1,000.

(b) In the event of the failure of any person to pay any penalty assessed under this title, a civil action for the recovery thereof may, in the discretion of the Secretary, be brought in the name of the United States.

Sec. 208. Injunctions

Whenever it appears to the Secretary that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of the provisions of this title, or of any order thereunder, he may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Secretary, any such court may also issue mandatory injunctions commanding any person to comply with the provisions of this title or any order of the Secretary made in pursuance thereof.

Sec. 209. Criminal penalty

Whoever willfully violates any provision of this title or any regulation under this title shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

Sec. 210. Additional criminal penalty in certain cases

Whoever willfully violates any provision of this title where the violation is

(1) committed in furtherance of the commission of any other violation of Federal law, or

(2) committed as part of a pattern of illegal activity involving transactions exceeding \$100,000 in any twelve month period shall be fined not more than \$500,000 or imprisoned not more than five years, or both.

Sec. 211. Immunity of witnesses

Whenever in the judgment of a United States attorney the testimony of any witness, or the production of books, papers, or other evidence by any witness in any case or proceeding before any grand jury or court of the United States involving any violation of this title is necessary to the public interest, he, upon the approval of the Attorney General or his designated representative, may make application to the court that the witness be instructed to testify or produce evidence subject to the provisions of this section. Upon order of the court the witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no such witness may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor may testimony so compelled be used as evidence in any criminal proceeding against him in any court, except a prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this section.

CHAPTER 2—DOMESTIC CURRENCY TRANSACTIONS

Sec.

221. Reports of currency transactions required.

222. Persons required to file reports.

223. Reporting procedure.

Sec. 221. Reports of currency transactions required

Every transaction involving any domestic financial institution shall be reported to the Secretary at such time, in such manner, and in such detail as the Secretary may require

if the transaction involves the payment, receipt, or transfer of United States currency in such amounts, denominations, or both, or under such circumstances, as the Secretary shall by regulation prescribe.

Sec. 222. Persons required to file reports

Any transaction required to be reported under this chapter shall be reported both by the domestic financial institution involved and by one or more of the other parties thereto or participants therein, as the Secretary may require. If any party to or participant in the transaction is not an individual acting only for himself, the report shall identify the person or persons on whose behalf the transaction is entered into, and shall be made by the individuals acting as agents or bailees with respect thereto.

Sec. 223. Reporting procedure

(a) The Secretary may in his discretion designate domestic financial institutions, individually or by class, as agents of the United States to receive reports required under this chapter, except that an institution which is not insured, chartered, examined, or registered as such by any agency of the United States may not be so designated without its consent. The Secretary may suspend or revoke any such designation for any violation of this Act or section 21 of the Federal Deposit Insurance Act.

(b) Any person (other than an institution designated under subsection (a)) required to file a report under this chapter with respect to a transaction with a domestic financial institution shall file the report with that institution, except that if the institution is not designated under subsection (a), the report shall be filed as the Secretary shall prescribe. Domestic financial institutions designated under subsection (a) shall transmit reports filed with them, and shall file their own reports, as the Secretary shall prescribe.

CHAPTER 3—DISCLOSURE OF EXPORTS AND IMPORTS OF CURRENCY AND COIN

Sec.

231. Reports required.

232. Forfeiture.

233. Civil liability.

234. Remission by the Secretary.

Sec. 231. Reports required

(a) Except as provided in subsection (c) of this section, whoever, whether as principal, agent, or bailee, or by an agent or bailee, knowingly

(1) transports or causes to be transported currency or coin of the United States

(A) from any place subject to the jurisdiction of the United States to or through any place not subject to the jurisdiction of the United States, or

(B) to any place subject to the jurisdiction of the United States from or through any place not subject to the jurisdiction of the United States, or

(2) receives currency or coin of the United States at the termination of its transportation to any place subject to the jurisdiction of the United States from or through any place not subject to the jurisdiction of the United States

in an amount exceeding \$5,000 on any one occasion or in an aggregate amount exceeding \$10,000 in any one calendar year shall file a report or reports in accordance with subsection (b) of this section.

(b) Reports required under this section shall be filed at such times and places, and contain such of the following information, in such form and in such detail, as the Secretary may require:

(1) The legal capacity in which the person filing the report is acting with respect to the currency or coin transported.

(2) The origin, destination, and route of the transportation.

(3) Where the currency or coin is not legally and beneficially owned by the person transporting the same, or is transported for any purpose other than the use in his own behalf of the person transporting the same, the identities of the person from whom the currency or coin is received, or to whom it is to be delivered, or both.

(4) The amounts and types of currency and coin transported.

(c) Subsection (a) does not apply to any common carrier of passengers in respect of coin or currency in the possession of its passengers, nor to any common carrier of goods in respect of shipments of coin or currency not declared to be such by the shipper.

Sec. 232. Forfeiture

(a) Any coin or currency which is in the process of any transportation with respect to which any report required to be filed under section 231(1) either has not been filed or contains material omissions or misstatements is subject to seizure and forfeiture to the United States.

(b) For the purpose of this section, coin or currency transported by mail, by any common carrier, or by any messenger or bailee, is in process of transportation from the time it is delivered into the possession of the postal service, common carrier, messenger, or bailee until the time it is delivered into or retained in the possession of the addressee or intended recipient or any agent of the addressee or intended recipient for purposes other than further transportation within, or across any border of, the United States.

Sec. 233. Civil liability

The Secretary may assess a civil penalty upon any person who fails to file any report required under section 231, or who files such a report containing any material omission or misstatement. The amount of the penalty shall not exceed the amount of the coin and currency with respect to whose transportation the report was required to be filed. The liabilities imposed by this chapter are in addition to any other liabilities, civil or criminal, except that the liability under this section shall be reduced by any amount actually forfeited under section 232.

Sec. 234. Remission by the Secretary

The Secretary may in his discretion remit any forfeiture or penalty under this chapter in whole or in part upon such terms and conditions as he deems reasonable and just.

CHAPTER 4—DISCLOSURE OF CERTAIN FOREIGN TRANSACTIONS

Sec.

241. Reports required.

242. Classification and requirements.

Sec. 241. Reports required

Any resident or citizen of the United States or person doing business in the United States, who engages in any transaction, directly or indirectly, on behalf of himself or another, with a foreign financial agency which does not make its records available to duly constituted authorities of the United States as to transactions with United States residents or citizens or persons doing business in the United States, shall file reports setting forth such of the following information, in such form and in such detail, as the Secretary may require:

(1) The identities and addresses of the parties to the transaction.

(2) The legal capacities in which the parties to the transaction are acting, and the identities of the real parties in interest if one or more of the parties to the transaction are not acting solely as principals.

(3) A description of the transaction including the amounts of money, credit, or other property involved.

Sec. 242. Classification and requirements

The Secretary shall prescribe:

(1) The classification of foreign financial agencies which in his judgment do not make their records available as set forth in section 241, and transactions with which must therefore be reported by citizens and residents of the United States and persons doing business in the United States under section 241.

(2) The foreign country or countries as to which the requirements of section 241 apply.

(3) The form, frequency, and manner of filing of the reports required by section 241.

(4) The magnitude of transactions subject to the requirements of section 241.

(5) Types of transactions exempt from the requirements of section 241.

(6) Such other matters as he may deem necessary to the application of this chapter.

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1969

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Oregon (Mrs. GREEN) is recognized for 60 minutes.

(Mrs. GREEN of Oregon asked and was given permission to revise and extend her remarks and to include extraneous matter.)

Mrs. GREEN of Oregon. Mr. Speaker, I think that, perhaps, this is either the first or the second time since I have been in the Congress that I have asked for a special order at the close of the business of the day. I really do not like to do it because I know that every Member is busy and has work that he needs to do. However, it seems to me that we have had a very unusual procedure today, and, in my opinion, some new precedents have been set for the House.

Also, I cannot let this day go by without expressing great concern regarding what may happen to the poverty programs across the country because of this delay.

This delay, in my judgment, could have been avoided. We ended the hearings at least 6 months ago. There is no reason that the authorizing legislation and the appropriations could not have been made long before this time.

Mr. Speaker, before I discuss the bill itself I would like to try to put this poverty matter into some kind of perspective that I do not believe it has had before.

I have heard people say that if any change is made in the OEO legislation—any change at—we suddenly are going to abandon the poor people of the country.

I have also heard statements made that give the impression that if it were not for the OEO program, the Government of the United States or the governments of the 50 States would not be doing anything for poor people. This is a complete fallacy. As a matter of fact, in terms of programs for the poor, according to the Library of Congress and according to the General Accounting Office in Federal funds we are in this year appropriating about \$27 billion.

Now, if you just talk about Federal funds, the OEO program is only 10 percent of the total amount of money that is going for the impoverished or the disadvantaged in our country.

Then if we add the amount that the individual States and the local governments are spending, which is over \$14 billion, and if we add to that the \$2.4 billion that is contributed by voluntary private agencies, then the OEO program is only 5 percent of the total amount of money that is going to the "poor people" of this country, a fact which I think is important.

A second point that I would like to make, I asked the Library of Congress to compile for me the total amount of funds that a family could receive from the Federal Government, if that family took advantage of all the programs of public assistance that are available. I requested that they take the hypothetical family of a mother who has four children. One child would be in preschool, one child would be in high school, one child would be in college, and one child would be in elementary school. I think I am going to place the entire reply into the RECORD, but I think it is perhaps of interest to the Congress and to the public that if this hypothetical family of five, a mother and four children, took advantage of the various programs, they could have \$2,800 from public assistance; \$618 from medical assistance, because of the AFDC; \$336 in cash value for the food stamps; \$75 is the national average for legal services under OEO; \$125 under the OEO comprehensive health program to which they would also be entitled in addition to the medical assistance.

The one child in preschool would be entitled to Headstart, the average cost of which is \$1,050. They could either have public housing or the rent supplement; they can either have \$406 or as much as \$636.

The one hypothetical child who is in high school, and because of the criterion, would be eligible for Upward Bound, the average cost of which is \$1,440.

The child in college would be eligible for an educational opportunity grant, and the average of that is \$500. He really could receive up to \$1,000. He would also be eligible for an NDEA loan, and if he took advantage of the forgiveness feature it would give him an outright grant of \$520. He would be entitled to work-study, the national average of which is \$475.

If the mother wanted to participate in the job opportunity program, this would be worth \$3,000. The hypothetical youngster in high school would be entitled to Neighborhood Youth Corps, and the average amount of that is \$450.

So this imaginary family—though often very real—a mother and four children, if she wanted to take advantage of all the programs, would be able to have the equivalent of \$11,513 income in dollars and services for the year.

Let us consider another hypothetical case: a mother with eight children, two of whom are in preschool, three in high school, one in college, one in elementary school and one dropout. If this mother of eight children participated in the concentrated employment program, and, if she took advantage of all of the programs that the Federal Government has designed for the poor and the disadvantaged, she could have in dollars and goods

and services an equivalent of \$21,093 in annual income. Nobody in that family would need to work for 1 single day.

Now for those people across the country who are saying that this is a Congress—this is a Government that does not have any concern for the poor, and that they have to take to the streets to impress upon the Government their needs, I suggest that they look at these programs.

May I say that this is for two hypothetical families living in Portland, Oreg. Nonetheless, you can calculate for your own district how much any family would receive, and you can design your own hypothetical case.

Mr. Speaker, the reason I am taking a special order today is to discuss some aspects of the poverty legislation. It was the intent of those of us who were going to offer a substitute bill to explain that bill this afternoon, under the arrangement the leadership had made in scheduling it for "debate," and to place the substitute bill in the RECORD so every Member would have ample time to study it before amendments could be offered.

This is not an unusual procedure. It has happened many times. As I said earlier in the afternoon, the distinguished chairman of the Committee on Education and Labor put together a substitute bill on the ESEA earlier this year. No one had seen it. As a matter of fact, when it was introduced there were only Thermo-Fax copies available. There was not even time to type it, and no one had seen that bill. He introduced it not a day in advance—but on the afternoon amendments were considered. This procedure has been followed many times.

May I also say there have been many complaints about the OEO. I do not need to say that to my colleagues in the House. I do not think there is a Member of Congress who has not been keenly aware of the violations of law and of the training of revolutionaries through OEO funds, of confrontation politics, complaints of legal aid services, criticism of comprehensive health programs, complaints about community action agencies which are not really helping the poor, and so many other items.

Yet, I would say to you, while we had maybe 4 weeks, 26 or 27 days of hearings, in my judgment we did not address ourselves, to the legitimate complaints. In fact, in spite of the rule of the House that you must have two Members present in a hearing, many of these hearings were so dull and so repetitious that there was not a single Member of Congress present. On more than one occasion a staff member presided at the hearing. On other occasions, at least on two occasions, the gentleman from California (Mr. BELL) was presiding because there was not a single majority member in that committee for the hearing. From March until early November, only 1 hour—only 1 hour was spent on the markup of the bill.

Now those are the facts.

What did the committee do? We voted out a bill that did not have a single change—not a single change in the OEO program in terms of administration—in terms of structure—in terms of all the abuses that have occurred—and in terms

of what I think are outright violations by OEO of congressional intent. There was not a single change in this area. The only change in the bill was to say to the OEO, "We will give you an additional \$295 million to spend in the way you want to spend it."

Mr. Speaker, the record is clear. These are the facts. Now this is the reason why some of us, and we admit we are in the minority on that committee—we do not have the majority of the votes—this is the reason why we have spent literally weeks working on changes that we think would be desirable. Our aim has been to tighten up the language of the law, and to enable us to have a war on poverty program that would meet the noble objectives that were envisioned in 1964.

I think it is really very sad when Members of Congress—or the lobby that has built up for OEO—makes the charge that anybody who wants to make a change in the program is somehow against the poor.

That is not true. As I have said before, I think those of us who see these funds looted by people who are making a profit, and who see that this money is never getting to the poor; that those of us who want to make changes so that the money would actually benefit the poor rather than the poverty specialists and the profitmaking corporations across the country; that we are certainly as much justified in believing our concern is with the poor as those who oppose us. Let me emphasize to my colleagues: There is a "poverty-industrial complex" festering in this Nation just as surely as there is a "military-industrial complex."

We want the money to go where the 1964 act said it should go. It is not going to those places. I think the evidence is very ample. I would think that a Committee and the Congress had a mandate to consider the complaints of Members. The gentleman from Texas and my colleagues from West Virginia and Kentucky have complained about VISTA—and rightfully so. The gentleman from Florida—and I am talking about people on my side of the aisle—I am talking of Democrats who have voiced these complaints to me—the gentleman from Florida has complained about a legal aid project. He has every right to do so. The gentleman from Connecticut (Mr. GIALMO) has referred to a legal service that was a paperwork organization which never existed, but \$270,000 was originally earmarked for them. People who even were not incorporated received substantial Federal money, just because they said they were incorporated, and happened to have an office.

They did not have any clients, nonetheless, they were scheduled to receive this very substantial amount. Fortunately the scheme was stopped in time.

You and I know that there are hundreds of thousands of dollars unaccounted for. They have never gone to the poor. There has been no accounting for far too many of these funds. There has been no audit of the books. This has happened in place after place across the country.

The gentleman from Ohio has rightfully complained about a local comprehensive health program, and I might say that I have complained about the comprehensive health program in my congressional district. We have lots of complaints about the Job Corps. It was in trouble across the country. We have had complaints about confrontation politics. We have had complaints that the poverty program has become not an "antipoverty program," but an "anti-Government program." If you can say something against any elected official, somehow that fulfills the purposes of the war on poverty. Confrontation politics in this society is not going to create jobs; it is not going to provide health services; it is not going to provide education; it is not going to bring any out of the poverty cycle, and it certainly is not going to aid our Government nor add to the democratic process.

I could quote person after person who has complained about the program. You know them better than I. I am not going to take the time to do it today.

Let me turn to another matter. In 1967 we had a very controversial debate on the floor of this House over amendments to OEO, so we are kind of playing the record over. In 1967 I was taken to task by colleagues for introducing an amendment which provided that, "Any State or political subdivision of a State may be designated as a community action agency." You will remember that there were lots of arguments on both sides. Let me say it would not be necessary for the first part of the substitute bill even to be offered in this Congress if OEO, by administrative act, by rules and regulations, had not actually repealed the law of the land. The law that was passed, that went through the conference committee, that was signed by the President, provided—again, may I say—that "Any State or political subdivision of a State may be designated as a community action agency."

What was the first thing that happened? OEO said they would not designate a State as a community action agency. The statement is in the Record. There were nine States that wanted to be CAAs; OEO said that they would not designate them.

What did OEO do next? They said, "We will not designate any city under 250,000 population as a community action agency." The law did not say that, but OEO by regulation denied most of the cities of the country their legal right to be CAAs.

The next thing they did was to say, "We will not designate any county of a population under 50,000 as a CAA." So they removed most of the rural counties.

I claim that they, by design and by guideline and regulation, actually repealed the law that this Congress passed. That is really what the first part of our substitute bill is all about. It is simply to say that Congress in 1967 meant what it said; we believe that if a State wants to exercise that option, it ought to be designated as a community action agency. We hope we have tightened up the language so OEO will not be able to bypass it.

I was interested in reading in this morning's press, "OEO critics offer State control plan." The article in its own inimitable style mentions only one change—and the article generously quotes the chairman and Rumsfeld that if this plan is adopted, it will destroy the program.

May I say to you, that with two exceptions, there is nothing in the substitute bill in regard to State development and coordination that could not be done under the present law if a State wanted to exercise its option and if OEO followed the law. We are, of course, going to try to make OEO follow the law.

The first exception is that we bring in VISTA workers. You know as well as I do that there are many Members of this House who have complained about the freewheeling action of certain VISTA workers around the country. They are now under a separate title, title VIII. So our substitute bill provides that they will come under a State-coordinated effort. And if I may digress a moment: I think we should also give attention to the multiplicity of programs that we have for preschool day care and preschool programs. Do you know how many legislative authorities we have for such programs? Over 50 separate legislative authorities and I am going to list them in the Record today. There is very little effort to coordinate them.

If we would give the States some responsibility in terms of programs, not just OEO but others—model cities, for example, which I think is going the way OEO has gone—maybe the Governors at the State level can coordinate what we either cannot or will not coordinate.

To go back to the report in the press this morning, I read that the chairman of the committee said it would completely destroy the program.

I well remember, back in 1967, when Congressman GOODELL offered a motion to delete my amendment and substitute his. The chairman urged the defeat of the Goodell substitute and praised the amendment which made it possible for a State to become a community action agency.

If Members will recall, the Goodell motion was defeated by a vote of 111 to 205. Congress said pretty clearly, I believe, that a State ought to be able to be a CAA.

Then the gentleman from California, for whom I have the highest respect (Mr. HAWKINS) offered a motion that was somewhat similar to Mr. GOODELL's. It would have served the same purpose, and his motion was defeated by a vote of 57 to 153.

So on two occasions that afternoon this Congress said, "We think a State ought to be a community action agency." But OEO said, "No, we will not designate a State as such."

What do I read in this morning's paper, if I read it correctly?

Rumsfeld said turning the poverty program over to the States would defeat the purpose for which OEO was created.

That statement indicates he is not going to enforce the law any better than did the previous administration. That is why Congress ought to act. If I had abso-

lute confidence that any administrator of the OEO would administer it 100 percent perfectly, there would be no reason for us to act.

There is a quote in that regard. I cannot phrase the words as eloquently as they were originally said, but it was something to this effect: that legislation ought to be designed not for the person who is going to administer it absolutely perfectly and wisely, but ought to be designed for the person who would administer it in the worst possible way.

I believe this is what we ought to think about.

As I said, if the present law were enforced, it would give any State the right to become a community action agency. If Members will read section 211 of the law, they will find that this already gives States financial power, power to appoint people, and to make determinations regarding OEO programs.

So we are not suggesting any change that is going to destroy or do anything similar.

Let me cite a second way in which I believe OEO deliberately and carefully sought to subvert the congressional intent, the law of the land. This is in regard to Upward Bound.

Members may recall that during debate on the Higher Education Amendments of 1968, I offered an amendment to transfer Upward Bound to the Office of Education. I placed in the RECORD various documents showing the scurrilous material, including inflammatory posters, used in an Upward Bound prison program in Oregon.

I pointed out, as did the gentleman from Wisconsin (Mr. STEIGER) that at that time OEO had farmed out or contracted out to Educational Associates, supposedly on a competitive bid basis, the contract to administer Upward Bound. They were supposedly the lowest competitive bidder.

The contract, as I recall, was awarded to them on July 1. On the same day that the contract was awarded, supposedly on the lowest competitive bid basis, there was a modification which increased the contract by \$150,000. Then on July 3, 2 days later, there was another modification which increased it further. By July 19 there had been four modifications, with a \$200,000 advance because this new company had no funds. So the lowest competitive bid, which was under \$800,000, now became a \$1.3 million contract in 19 days' time.

That is why the gentleman from Wisconsin offered an amendment which said, "OEO and Upward Bound cannot contract with a private agency, a private profitmaking corporation."

It became the law of the land and it also became the law of the land that Upward Bound was to be transferred to the Office of Education. Do you know what OEO did? They transferred everything in Upward Bound except Upward Bound programs in prisons, then they changed the name of the Upward Bound prison program to Newgate. Then they said the prison program is not Upward Bound but Newgate and therefore does not come under the law requiring transfer. OEO today is still administering the

Upward Bound-Newgate programs in the Office of Economic Opportunity.

Do you know what they have also done? They have contracted with Cybern-Education, which is a profitmaking corporation, to evaluate the Newgate program. Do you know who the chief investigator is? Dr. Thomas Gaddis. Do you know who the person is who started the Newgate program and who was the director of the prison program Upward Bound in Oregon? Dr. Thomas Gaddis. He and two other people put in a bid for the evaluation of the Upward Bound program. He was not the lowest bidder, so it was given to Cybern-Education. Then, the GAO tells me, there is in the files at OEO a telephone call from a person in OEO to Cybern-Education saying, "Will you take this person as the chief investigator for the evaluation if you have the contract?" Well, Cybern-Education apparently said yes, because they got the contract. In the contract itself it says that Dr. Thomas Gaddis is to be the chief investigator for the evaluation of the Upward Bound-Newgate programs.

I ask my liberal Democratic friends, if this happened in a private utility or in some business that is supposed to be Republican oriented, would we as great liberals stand by and justify it? You know we would scream to high heaven. But now we have it in a research program, and we apologize and justify it and say it is for the good of the people. That is the second way in which I think OEO has deliberately violated legislative intent.

The third way is in political activity. The House authorized an amendment in 1967 which made OEO people subject to the Hatch Act and thus prohibits them from engaging in political activity. There was, however, evidently an escape valve. Let me tell you what happens. I should not object to this, but I do it on the basis of principle.

The Democratic chairman of my congressional district, Multnomah County, is a fine individual. I have known him for years and enjoy working with him. He is a college graduate and well trained. I count him as a personal friend. But I want you to know his total income comes from OEO. He has no income except from OEO funds through a delegate agency. The regional and national office of OEO ruled that this is not a violation of the amendment in the OEO law which prohibits political activity.

I suggest to my Democratic friends that there has been a change in administration. I hope they are smart enough to perceive that OEO will be in a position to put every single Republican county chairman in the whole United States on the OEO payroll, because under the ruling made by OEO this can be done unless we change the law. I tried to point this out to the chairman of my committee.

Now, Mr. Speaker, these are three ways in which I think OEO has deliberately violated congressional intent. Yet we voted out of committee a bill without a single change which will let them go on absolutely as they are at the present time.

In regard to CAP, OEO ruled that a State could not become a community action agency. On February 16, 1968, I wrote a letter to the chairman of the

Education and Labor Committee in regard to this defiance of the law. The committee has not looked into it and nothing was done about it during committee hearings.

I would also ask unanimous consent, Mr. Speaker, to place that letter in the RECORD.

The SPEAKER pro tempore (Mr. HICKS). Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Now, Mr. Speaker, I also want to discuss briefly evaluation projects, and then I will yield for questions.

I think that one of the biggest problems facing this Congress is the poverty specialists, the people who are profiting from this program. Let me read to you from a report that was made by OEO, itself.

This report says that contract evaluations have too often been poorly designed, inadequately monitored, and inefficiently utilized if utilized at all. The time has come to stop making excuses for "new programs." The time has come when Congress has the right to ask for good solid information about what, if anything, is being accomplished.

And, I might say to my colleagues, that in our study of evaluation contracts—and we have been doing this in my own office because the committee has not—almost without exception the monitoring and inspection and evaluation of the on-going programs have been contracted to outsiders on the presumption that they will be objective.

But our study indicates that this independence is no guarantee of either objectivity or of accuracy. "The evaluation contractors are generally profit minded, research minded, and are inclined to 'do their own thing' regardless of the original intent behind the evaluation. In some instances they may actually have a stake in the evaluation outcome."

And, may I again refer—especially to the attention of my liberal colleagues—something which I quoted once before from this great paper "Hard Times"—a paper that could not by any means be classified as a publication of the John Birch Society, or the Ku Klux Klan or the Minuteman or anything similar. What does this most liberal paper say? It says that probably our most enduring monument to the problem of poverty has been the creation of a poverty industry. There are more than 100 companies in Washington, D.C., alone which specialize in studying and evaluating the poor and the programs that serve them. They run in size from five- to six-man outfits to large organizations.

I am going to again place the entire article in the RECORD, but let me read down in the third paragraph:

The transition from poverty program to poverty company seems natural. When Bertrand Harding left his post as acting OEO director earlier this year he simply moved down the street to Fry Consultants, a poverty combine. As deputy director of VISTA, Leo Kramer was charged with recruiting and selecting VISTA workers. Now, as head of Leo Kramer Inc., he receives VISTA funds to run his own VISTA program for Mexican-Americans. Earlier this year, Leveo Sanchez re-

signed his job as OEO director for the mid-Atlantic region and now heads a consulting company with OEO contracts in the mid-Atlantic region. As manpower administrator in the Labor Department, Stanley Ruttenberg gave Phoenix, Arizona \$3.5 million in job training funds two years ago. The city fathers of Phoenix recently hired Stanley Ruttenberg Associates, headed by the former administrator, to evaluate the project. Ruttenberg also acts in an advisory capacity to the Watts Labor Action Committee. As manpower administrator, he awarded the Watts group \$2 million for a youth program earlier in January.

And, the article goes on and cites the names of other individuals formerly with OEO who have moved to private organizations.

At the time of the debate I will explain to the House those I think are actual conflicts of interest and why I think the Department of Justice ought to be looking at them.

This, Mr. Speaker, is why I say some of us on the committee feel that a 2-year extension of the bill without any changes is wrong. We believe the Congress of the United States has an obligation to the poor of this country to at least try to make some effort to see that the money goes to them instead of to nonpoor people.

Let me briefly discuss some of the amendments besides the one for State involvement.

We would tighten up political activity. I have already discussed this. There would be a prohibition on it.

We would have an amendment in regard to the evaluation of all these contracts. One group alone has over \$25 million in OEO contracts to administer and evaluate. Mr. Cramer, who was formerly Director of VISTA has over \$1.5 million in contracts. Seven of the nine contracts amount to \$1.5 million and are for VISTA programs for which he was supposedly the Director.

Mr. Sam Sanchez has even a more interesting story.

So we would say that before any more contracts are let for evaluation, and similar activities the Director of OEO would have to consult with the Comptroller General of the United States.

And we would like to have some central place where there might be access to these documents, for I am absolutely persuaded that we have hundreds of evaluations and studies and reports, some of them telephone-sized documents, that are filed away and gathering dust, and no one has ever utilized them.

If there is one group of people in the United States that there is a Federal responsibility toward, it is the family of a GI whom we sometimes require to leave this country, and serve in the armed services. Yet some have families at home on welfare. If this is not evidence of hypocrisy, real hypocrisy, about wanting to do something about the poor, then I do not know what it is. A provision in the substitute bill would rectify this situation.

We simply direct the Director of OEO to pay a cash amount to every family of a GI living below the poverty level. You do not have to build up any new bureaucracy, you do not have to evaluate, study,

nor do all of the other 101 things that cost money but seldom cure poverty. Give the GI families a cash amount and give them the credit for having the brains to spend the money wisely. We would simply give a family of a GI below the poverty level a cash amount that would bring them up to the poverty level that the Federal Government itself has set.

If we are really serious about doing something about poverty, this is a sensible start.

I would like to do the same thing for the elderly. The cost would be great and, until OEO justifies some confidence in their operation—I am reluctant to give them an additional dime. But as I say, there are many elderly persons over 65 who are not able to work, who are living on minimal income, many of them living in hovels on \$60 a month. Again, if we are not hypocrites, why do we not take a sum of money out of OEO and give them a cash amount that is the difference between what their income is and what would bring them up to the poverty level that we are talking about?

We financed Pride here in Washington. We financed the Rangers in Chicago. We financed the Black Panthers in Cleveland. We do all of these things. Is our compassion and concern again to be measured by the amount of noise there is in the street? Why do we not have some compassion and some concern for the people who cannot go out and yell and make threats?

So the substitute bill directs OEO to do a pilot project on providing a cash grant to people over 65. OEO is already carrying out two research projects on guaranteed annual income for able-bodied people, people who could work, so let us also do this for the elderly.

Senator HUGHES introduced in the other body a provision in regard to a research project for alcoholics—and I think there are few problems that impoverish more people than that. So, with the help of NIMH, we made some suggestions for this problem area.

In regard to VISTA, we have 700 lawyers now serving in training to serve as legal aides across the country. We think that any volunteer who is assigned to Legal Services should meet the requirements of the bar association of that State. What is wrong with that? Why should VISTA people—and this is true in my State—who have never passed the Oregon bar be working in legal aid?

And the next thing that we ask is that if OEO legal aid is going to file a suit—

Mr. CAREY. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. Please permit me to finish, and then I will be glad to yield.

If they file a suit, either a class action—and we know that the major part of their effort now is on reform and not representing indigent persons—but either in a class action or an individual suit, if they file it and they lose the suit then out of the legal aid funds they are going to be required to pay the defendant who prevailed in that lawsuit the full amount of the court costs and the attorney's fees.

Now it is my contention that if the Federal Government is going to finance out of tax dollars legal suits for one side, and they do not win the suit, that we ought to be at least as generous for the person who is the defendant and who was put to a tremendous cost to defend himself. I really do not see anything wrong with that.

It seems to me something that makes good sense. Let me tell you what is happening in my State, if I may digress here for a moment.

We have a class action suit in my city against the Government, and the city council and the police department. We are trying to determine the cost, the amount of money that they are going to have to spend to defend themselves. What this provision would say is that if they prevail in court, they would be entitled to Federal payment of those defense costs. Let me make very clear that I entirely support the purposes of legal services. Many of the OEO lawyers have performed immensely valuable services. But I think the program needs to be tightened up.

These are, briefly, some of the changes we made in the legislation. It has been truly a bipartisan effort. I can say to my colleagues, what a real joy it has been to work with my good colleague who was here, the gentleman from Connecticut (Mr. GIAMMO) who was formerly a member of the Education and Labor Committee and who really knows the program. He shares my deep concern about the fact that the money is not going to the poor. I can say what a joy it has been to work with him and to work with my two colleagues on the committee, the ranking Republican member, the gentleman from Ohio (Mr. AYRES) and the gentleman from Minnesota (Mr. QUIN). This is really a joint effort. No single thing is the total effort of any one person. These ideas are from all four of us, and also others of our colleagues whom we have talked to on both sides of the aisle.

So I am really proud as a Democrat to be a part of this effort to try to bring about changes in the OEO that we think will strengthen it and improve the program and offer some hope that the money will go to those people for whom it was really intended.

If I may make a brief final statement: I do not know whether my reaction is a matter of resentment or hurt or what when I am told by colleagues on my side of the aisle that I have abandoned the Democrats. But I think it is really a strange thing for Democrats—who believe in the great Jeffersonian tradition of the right to disagree, who believe in the right to dissent and who believe in change, to then suggest that whoever disagrees with them is somehow not a Democrat.

As I said earlier, I wear the democratic badge proudly. I also would say to my Democratic colleagues that I will place my support of Democratic programs—my voting record—on the line with any member of my committee or any Member on this side of the aisle. I do not apologize for it. Where I disagree I think I have the right to disagree. Indeed, I

think I have that obligation if I am really to represent the constituents of my congressional district.

Mr. Speaker, I thank my colleagues for listening to me.

Mr. WAGGONER. Mr. Speaker, will the gentleman yield?

Mrs. GREEN of Oregon. Mr. Speaker, I might also pay my deep respect to the gentleman from Louisiana who has worked with us. He has come to me, I do not know how many times during the last 2 years, and talked of things in the poverty program that he thinks, if changes were made, would be more beneficial to the poor people of the country. He has worked with us as have several other people, and I mentioned my four colleagues before because four of us were introducing the bill together. Certainly, to my other colleagues, I express my deep thanks.

Mr. WAGGONER. Mr. Speaker, I want to express my personal appreciation to the distinguished gentleman from Oregon for having performed what I believe is—yes, a service to this House of Representatives—but more important in the end, I believe, a service to the people of this country that this program supposedly is intended to help.

I do not believe there is anybody who works harder or who knows this program any better than the dedicated gentlewoman from Oregon does or as well as she does. I concur competently with her position on this issue because I have had some of the same experiences that she has had. I just want to tell the gentlewoman that I appreciate what she is doing to try to help make a workable program out of what is now a miserable failure and to tell you I am going to do everything I can to help support and pass this substitute when, and if, it is ever considered in the 91st Congress. The people of this country are very fortunate to have a lady of the caliber of the gentlewoman from Oregon on their side.

Mrs. GREEN of Oregon. I thank the gentleman.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Illinois.

Mr. PUCINSKI. The gentleman has made a very persuasive argument here, and I cannot find myself in any disagreement with any of her remarks. Certainly I have worked very closely with the gentleman over the years on this program and other programs. I do not think I am being unfair when I remind the gentleman that it was I who went to her in 1967 and suggested a series of amendments, and persuaded her to become the principal sponsor of the amendments because I was seriously concerned about this program from its very inception.

I remember well how this program was rammed through the committee in 1964 before a November election. I remember well how all the Cabinet members were marshaled in. I think the only Cabinet member who did not testify was the Secretary of State. I was, perhaps, one of the principal critics of the program, and continue to be. I was the one who blew the whistle on the legal services in Chicago, when lawyers were train-

ing young high school people to assert their constitutional rights to strike against the schools, their constitutional rights of rebellion in the schools.

So the gentlewoman and I are on the same frequency and we agree fully.

But I would like to ask you some points about your substitute. And, I might say, I think I can support the whole substitute. I am particularly gratified with the provision which would give GI's and their families a decent standard of living.

Mrs. GREEN of Oregon. If I may interrupt, we do not give it to the GI's, we give it to the families of GI's.

Mr. PUCINSKI. Yes, I am delighted to see it is here. I think it is high time we did this, and way overtime. I am hopeful, however, that the President and the administration, after they take a look at the cost of this program, will support the gentleman with the same enthusiasm that is given to the substitute. And I am in complete support on the evaluation. I think the gentleman cited some evidence here that calls for the kind of inspection and evaluation that is long overdue. So there is nothing in the gentleman's substitute that I could be opposed to, except one thing, and that is her formula for State control of this program.

If I understand the substitute correctly—

Mrs. GREEN of Oregon. Let me interrupt at that point. The bill does not provide for State control. It provides for the opportunity for States to coordinate, to bring some sense out of all the chaos and confusion, and I pay my respects to the gentleman from Minnesota, who has worked so hard on this. This is a program for increased participation, and let me emphasize again that except for the two exceptions I pointed out earlier the appeal to the courts, and the provision for VISTA workers there is no control given any State that it does not have at the present time if OEO followed the existing law.

Mr. PUCINSKI. Let me ask the gentleman this question. I well remember the amendments, and I think it is scandalous that the OEO did not implement the amendments that we worked so hard to get through on this bill in 1967, when we permitted a State or any municipality to become a community action agency. Let me ask the gentleman if in her opinion a State under her amendment or substitute bill decided to become a community action agency and decided to take over and coordinate all of the local, municipal programs in that State, if such action would not be possible, and is that not what her bill really provides?

Mrs. GREEN of Oregon. It provides the opportunity to bring about coordination, and I intentionally did not discuss this in great length because I knew the gentleman from Minnesota wanted to speak on that subject, and he has spent more time working on this than have I.

Mr. PUCINSKI. May I ask the gentleman one further question: If under the gentleman's substitute a State is given total control over all programs in that State, what kind of poverty program does the gentleman think we

would have in Mississippi, Alabama, Louisiana, Georgia—

Mrs. GREEN of Oregon. Let me say to the gentleman I am sick and tired of being appealed to on the floor of the House on the basis that somehow programs are wrong in two States, and therefore the State of Oregon has to have legislation that is designed for two States instead of 50 States. Let me say something about my State of Oregon. This is the State I represent. This is the State I come from.

I want the gentleman to know that there are regional people appointed, from the San Francisco regional office, who have an absolute veto power over every single part of the OEO program. That is an appointed person, nameless and faceless, who has never run for any election. He is an autocrat. He is a czar. He comes up from San Francisco on some OEO program, and they ask him a question, and he says, "I do not feel you should do this." They ask, "Where is that in the law?" He says, "I just feel you should not." He has a veto power greater than any veto power Congress ever suggested that a Governor use.

Let me say to the gentleman, I have a great deal more confidence in my Governor. He is a Republican Governor. I have a great deal more confidence in the elected official of the State than I have in an appointed official from a regional office. He does not know anything about the problems in Oregon. We have 50 problems when he comes. By the time he has left we have 100.

He exercises an absolute veto power. I want the gentleman to know, I am tired of it.

Mr. PUCINSKI. I will ask the gentleman one more question.

Mrs. GREEN of Oregon. Is it on this same point?

Mr. PUCINSKI. Yes, on this point. May I pursue this question?

The gentleman is, of course, correct when she says she has more confidence in her Governor than a civil service regional director or some Federal bureaucrat.

I want the gentleman to come to the West Side of Chicago to see the huge social problems in the big cities of this country. We are totally unable to deal with them simply because certain States in this Union have refused to have adequate programs. In Alabama, for much too long, the welfare program is a one-way ticket to Chicago.

I ask the gentleman again, what kind of program does she think we will have under Governor Maddox and some others if the substitute prevails?

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Minnesota.

Mr. QUIE. I want to point out to the gentleman from Illinois that the Green amendments of 1967 provided that the local community could opt out. That provision has not been changed. They can opt out.

Mr. PUCINSKI. A city like Chicago, New York, Los Angeles, or Boston, if the State decides to set up a community action agency and becomes the community

action board for that State, a municipality large or small, the gentleman is saying now, may opt out and continue its own program through its own municipal community action board as incorporated in the Green amendments of 1967? Is that what the gentleman is saying?

Mr. QUIE. That is correct.

Mr. PUCINSKI. Then why is the substitute necessary? We now have this in the Green amendments of 1967.

One reason why we did not change anything is because Don Rumsfeld in the name of the President came before our committee and said, "Look, I know that these amendments have not been implemented. I know that these amendments have not been given meaning. But I intend to set down rules and regulations forthwith which are going to give meaning to the intent of the Congress. I was in that Congress. I voted for those amendments. I intend to carry out the intent of the Congress under the authority vested in me as Administrator of the OEO."

That is one reason why we did not change it.

Mrs. GREEN of Oregon. May I take back the floor, please?

Mr. PUCINSKI. Yes, please.

Mrs. GREEN of Oregon. I should like to read from the debate in 1967, found in the CONGRESSIONAL RECORD for November 14. It was on the amendment I offered at that time which would make a State a community action agency. I should like to quote the gentleman from Illinois, because he supported me on that amendment to make it possible for a State to be a community action agency.

It was a very eloquent statement. I thought he was great.

Mr. PUCINSKI. And still eloquent.

Mrs. GREEN of Oregon. The gentleman from Illinois said:

We say that the taxpayers' money shall go to an agency controlled by the electorate, either a municipal, county, or a State, but none of that money can be spent until a community action board has been set up, and I repeat, it is spelled out how this board is to be set up and what it is to consist of.

The gentleman from Illinois went on in his very eloquent fashion:

If this provision of the bill is defeated in the Committee, I shall ask for a rollcall vote, and I want to spread across the Record those Members who do not have confidence in the elected officials of their respective communities, in the mayors, the city councils, county boards, and, yes, in their State Governors—those who do not have confidence in letting elected officials control the taxpayers' money.

Mr. PUCINSKI. Will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman.

Mr. PUCINSKI. I think you are right, and that was an eloquent statement, but in the light of the explanation given by the gentleman from Minnesota—and this is what it was all about—had we seen this bill yesterday and seen the substitute bill this morning and had we had this special order on yesterday in which we would have had an opportunity to ask these questions, and had the gentleman from Minnesota said yesterday that a local community can opt out, as

was incorporated in the amendment that I supported and which the gentlewoman just quoted me on, then I would most probably be supporting the substitute bill today. However, none of us knew this until this very moment, and we did not know what was in your bill.

Mrs. GREEN of Oregon. I yield to the gentleman from Minnesota.

Mr. QUIE. I thank the gentlewoman for yielding.

I will say to the gentleman from Illinois that if we had had the debate, which it was our understanding we would have, all that would have happened today is just what has gone on here. What has happened here just now would have gone on in the debate today. We would have used our time to explain it and to put into the RECORD all of the details on it. Then tomorrow we could get into the real details of the amendment under the 5-minute rule. This is the procedure that we had thought we would follow.

Mrs. GREEN of Oregon. Mr. Speaker, I now yield to the gentleman from California. I promised to yield to him a moment ago.

Mr. DON H. CLAUSEN. I thank the gentleman for yielding to me.

Mr. Speaker, I want to join the others in stating that I am certain the gentlewoman has performed a great service not only to the Congress but to our country by her remarks and by what she has placed in the RECORD here.

Inasmuch as she has made reference to politics being involved in the OEO, I think the RECORD would be enhanced if I may be permitted to place into the RECORD at this time—and I ask unanimous consent to do so—a speech that I made on the subject some years ago.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LET'S REMOVE POLITICS AND PROFIT FROM
THE WAR ON POVERTY

(By DON H. CLAUSEN, Congressman from
California)

The so-called war on poverty got off to a bad start and is still in deep trouble. In the past few days, scandalous headlines were appearing with increasing frequency as I left Washington. Many Members of Congress pointed out in the congressional debate this year the problems inherent in the law. It is not enough to put a good label on a bill and then to neglect meaningful standards and guidelines. The first thing that is wrong with this act is that it was not written by Congress but by the administration. As problems in the war on poverty have gained increased attention by the public, the administration, in its sensitivity, has refused to allow amendments to the act.

Last year when hearings on the amendment of the act were opened by the House Education and Labor Committee, Chairman Adam Clayton Powell charged that the war on poverty was a "giant fiesta of political patronage—a political porkbarrel" and made assurances that needed directives would be written into the law.

It appeared that something substantial would be done, but as witnesses appeared, testifying to the slipshod manner in which the program was being implemented, pressures were applied and the hearings were stopped after only 5 days of testimony. A few meaningless amendments were forced through Congress speedily and then, with the poverty program doomed to another year of

operation without direction, Chairman Powell hastily called for a complete examination of the program. A large committee staff was assembled, hearings were promised in the field, but following 3 months of investigation, nothing substantial has resulted.

The major issue of the war on poverty, according to the attention it has received in recent months, has been the issue of the involvement of the poor. A truly effective war on poverty will not do things for the poor people—it will do things with the poor people. This is the difference between the welfare-dole approach of the past and the potential of the future.

Almost any social worker or person working with the poor can tell you what the poor's problems are—lack of education, lack of job and lack of motivation, among others. One of the characteristics of poverty is that it is generally handed down from generation to generation. No wonder many of the poor have become cynical, bitter and without hope.

If we cannot involve the poor in the solution of their own problems, they will have no place to go but to the streets. No one knows their problems better than the poor themselves. They must be involved in policy decision of the program where proposed solutions to the problems are being developed.

Make no mistake about it—all the public relations work on the war on poverty has raised great expectations among the poor. We had better make this program work or its failures will generate a new and more serious revolt among the poor.

There is another reason why the poor should be involved in policy roles. Many of their frustrations derive from their conflict with the big city governments and institutions. In some ways they have good reason for frustration. Certainly our big city governments leave a great deal to be desired. If the poor are not involved they are going to fight and circumvent the existing institutions. This means picket lines, riots and demonstrations that waste energy and talents that could be otherwise employed. Involvement can show the poor that they can work through existing agencies.

This does not mean that local government, social agencies, and the State should not have anything to say. I am an advocate of local control. With the right kind of representative community action boards, dictation from Washington should become virtually unnecessary. To date the States have been completely bypassed and so have the poor.

During the debate last year, the Republicans proposed an amendment that would insure balanced representation on community action boards. Belatedly, the Office of Economic Opportunity has been applying our proposal, but it is not written into the law. Consequently, many communities have been torn asunder in the strife over the establishment of a program. Proper legislation could avoid this waste.

When the guidelines were first established for running the program, the administration showed little interest in the requirement that the poor participate in running their own programs. The first directives did not even mention representation of the poor, although the law requires "maximum feasible participation of the poor."

Mr. Shriver apparently now believes that the poor should not only help at the service level, but also at the highest policy level. The Bureau of the Budget and the administration apparently do not agree with Mr. Shriver.

Why is it important that the poor be involved? What will involvement mean? First, involvement will mean motivation. Being involved provides a glimmer of hope for people—that their opinions are heard and listened to. They see a channel of working out their frustrations and finding solutions to their own problems. Second, involvement

means responsibility. In order for a person to act responsibly, he must be given responsibility. If he has no decision concerning the factors that affect his life, he will not feel that he is responsible to carry out the decisions made for him.

Why have the administration spokesmen suddenly become so cautious over this issue of involvement of the poor? The poor and their advocates have seen participation as an opportunity to change or overthrow existing institutions and government. The program, which the administration conceived as a political boon, or boondoggle, has suddenly boomeranged. The poor will simply not be pacified by another handout program when something new and better was promised and is available.

There is more to the poverty program than the question of involvement of the poor. There are other programs beside the community action program in which political motivation has compromised the effectiveness of the program. I am speaking particularly of the Neighborhood Youth Corps. This program, properly administered, could provide training for the great numbers of unemployed and unemployable youth. Instead, politicians have again stepped in to use this program for their own ends. Recent newspaper studies of Rhode Island Neighborhood Youth Corps programs are indicative of what is happening throughout the country. Rather than enrolling poor youths to whom this program would give needed income, training and motivation, enrollees are typically from families whose income is in excess of \$7,000 per annum. Although this income level is not high, it is far above the poverty standard. Some of the youths, I was appalled to learn, were college enrollees. People have been placed on the payrolls of the program as supervisors, when they were performing no functions for the corps, but holding other municipal jobs. The list of abuses goes on and on. The Boston program is the most recent example of corruption. There, enrollees collected paychecks long after their names were off the payroll, and some employees of the program collected several salaries through the use of forged identification cards provided to them by the program's employees.

The Project Headstart section is generally recognized as the best part of the poverty program. It is interesting to note this section was originally proposed 4 years ago by Republicans, but turned down by the Democratic majority. It was included in an education bill I coauthored, H.R. 6422.

The question is, Where do we go from here? The Republicans in Congress joined by a number of Democrats, the National Chamber of Commerce and other organizations were opposed to the original legislation. The reason was not that we were against helping the poor; rather we were against the manner in which we felt this loosely drawn program would be administered. It is unfortunate that many of our objections have been borne out. Those include the lack of coordination, confusion, flaunting of established governmental structures and the cruel hoax of raising people's expectations far above the ability of this program to fulfill.

Despite objections, the war on poverty has become an economical, social, and political fact of life. We must deal with it as a reality. What are our alternatives? We can vigorously oppose the program, and by so doing, be charged with being against the poor. The second alternative is to ignore, or refuse to take part in, the war on poverty because this problem is not of our making. This approach would be to bury our heads in the sand, and, again, we would be charged with the responsibility for failure.

Our final alternative is to take an active part in the program. This is my recommendation. Our major targets should be the removal of politics from poverty. The war on

poverty is making many changes, some distasteful and some necessary, in most localities across the Nation. At this point, it may be to our best interests to take over and direct the poverty program with the dynamic and creative leadership that we know is available in the private sector. It is not only to our benefit, but it is our responsibility to take an active interest in these programs to insure that the decisions being made are carefully weighed and carried out in a proper manner. I am suggesting that the chamber members become, when possible, members of the community action boards. There may also be roles for you to fill in offering training experiences for program enrollees. This could be of benefit to the employer and the employee.

In this way, the poor can watch you in action. They will gain knowledge from your participation. You will gain more respect as a responsible community leader. As we all realize the war on poverty is far from the solution to the problem of economic deprivation in our country, we must seek other means of alleviating the problem. One of the primary problems of poverty is lack of employment by the poverty-stricken. Jobs must be developed for these people and more importantly, the people must be developed for the jobs. Those of us who have worked for a living or developed business enterprises know that the only real answer for reduction of poverty and unemployment is to create opportunities for the individual to become self-motivated, increase his productivity and add his effort to the acceleration of economic growth. Human energy is the mainspring to progress. Our continuing challenge is to develop programs that spark the enthusiasm of a young man or woman who is attempting to propel himself into orbit in the mainstream of American life.

With this thought in mind, a group of determined Republicans, myself included, have coauthored legislation that we think will truly provide this type of opportunity for working Americans. Rather than creating a new bureaucracy that might inhibit the management of the program, we have chosen to accentuate the positive aspects of existing institutions and enterprises. We have introduced the Human Investment Act package. The first of two bills in this package would encourage employers to increase their job training and retraining programs significantly by permitting them to deduct as a tax credit up to 7 per cent of funds spent in such programs. When they provided the 7 per cent tax credit for machinery investment incentives, I believe they left out the most important ingredient—incentives for upgrading the qualifications of human resources. The purpose of this legislation is to correct this oversight.

The second bill would permit employers to hire persons over 45 without serious concern over the extra costs involved for health insurance and retirement plans. This, too, would be accomplished by allowing tax credits to balance, in part, any such added costs.

In case you haven't guessed it, I'm trying to use the tax structure to help create incentives for people to advance their way in life rather than destroy their initiative through excessive taxation. As we seek means of improving our education, employment, and other programs for social progress, we must seek positive means of making the tax structure a constructive tool in our way of life, not a destructive tool. Proper tax reform is the answer.

Rather than taking away initiative by way of free money and help, people should be encouraged to become motivated volunteers by permitting them to take measured tax deductions if they, in turn, accept certain social responsibilities.

This approach may not fit the Great White

Father's protocol of paternalism, but it provides unlimited opportunities for a man to chart his course toward a life of dignity, self-respect, and the cherished independence that remains the dream of freemen everywhere.

Mrs. GREEN of Oregon. Mr. Speaker, I now yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentlewoman for yielding.

I am very much interested in what the gentleman from Illinois (Mr. PUCINSKI) has just said. He seems to be all over the lot this afternoon. Earlier he said in this debate—and I am sure that the transcript will show it—that he is prepared to support the substitute. I wondered at that time how he became suddenly acquainted with the provisions and details of the substitute. He has been arguing all day that he has not had a chance to see it. Yet he said earlier this afternoon in colloquy with the gentlewoman from Oregon that he would support the substitute.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mrs. GREEN of Oregon. I believe I have the floor, Mr. Speaker.

Let me make one other comment. Mr. Speaker, I think the record should also be clear that in the last several months—and I think there is abundant evidence to show this—I have gone to the chairman and to other people on my side of the aisle and to the chairman at least 20 times and perhaps 30 times and said, "When can we sit down to discuss amendments?" I want to say to my Democratic colleagues on the committee that there has been absolutely no time this year when I would not have gladly sat down and discussed possible changes. However, I was given to understand in no uncertain terms that the Democratic position on the committee was a 2-year bill with no amendments. That is the reason why I have taken the course that I have taken.

Mr. PUCINSKI. Will the gentlewoman yield?

Mrs. GREEN of Oregon. Yes.

Mr. PUCINSKI. I would like to reply to the gentleman from Iowa, who raised a good question.

As I said, I do not know what the situation of the gentleman from Iowa is on this, but this is the first chance that I have had to look at the substitute. I thought the gentlewoman did a good job in describing her bill as to what it would and would not do. We had a very frank statement by the gentleman from Minnesota as to the fact that a municipality may opt out if it wishes to continue its own program as they are now. In the light of this explanation, it was the first time I have seen or heard this explanation, and I must say that I am constrained to feel somewhat more favorable to it. But I did not know that this morning when we had to hold up action on it because we had no idea of what was in the bill. So I think that the action was consistent. Furthermore, I think that the gentleman should know we were somewhat motivated by the fact that the new director of OEO, who is a colleague of ours, came before the committee and said, "Will you give me a chance to look at this thing and come up with

some intelligent recommendations to this committee?"

And we took him at his word.

Mrs. GREEN of Oregon. All I can say is that fear does some strange things to us and the fear that there were not enough votes on the floor to carry the 2-year extension without change probably explains the change in the schedule this afternoon.

Mr. LENNON. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from North Carolina.

Mr. LENNON. Mr. Speaker, I want to say that I consider myself highly honored and privileged to stand here today and say I believe that the distinguished gentlewoman in the well certainly has the highest respect and esteem of every Member of the House of Representatives.

I want to say, too, in my judgment I think while sitting here listening to her today, it is tragic that all the Members of the House are not here to hear this landmark speech.

Mr. Speaker, I know I try to be an American, a North Carolinian, and a Democrat precisely in that order. I feel that the distinguished gentlewoman has a somewhat similar political philosophy. We do not agree on everything. I am an avowed conservative and I know that the gentlewoman's feelings and love for humanity, her concern for the poor, the needy, and the uneducated is dedicated in her efforts to make this into a viable program, if it is amended in the manner which she has indicated here today.

I do not see, Mr. Speaker, how any person can in all good conscience fail to recognize what the gentlewoman has so vividly brought to our attention today, and I think that we must respect her views.

Mr. Speaker, if this legislation is to be considered, certainly it ought to be considered in the light of the amendment proposed by the ranking minority member of the Committee on Education and Labor, the distinguished gentleman from Minnesota (Mr. QUÉ).

I urge the Members not only to take what the gentlewoman has said seriously, but to speak to their respective delegations in an effort to persuade those Members to give to the gentlewoman our support in this matter.

Mrs. GREEN of Oregon. I thank the distinguished gentleman from North Carolina for his very complimentary and gracious comments.

The following is the exact description of possible sources of public assistance for the hypothetical family, to which I previously referred:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D.C., December 2, 1969.

To Hon. Edith Green.

From Education and Public Welfare Division.

Subject: Approximate dollar value for goods and services received through programs for low-income people.

As you requested yesterday, we are sending the approximate annual values of goods and services that could be received by a five-member family (a mother and four children) through various Federally-assisted programs for low-income people. Below each program title and accompanying figure, we have included an explanation of the figure and listed its source.

Public assistance..... \$2,808

(Explanation of figure: This is the annual amount which a woman with four children living in Portland, Oregon, would be eligible to receive if the family had no other income. If the mother were participating in a Work Incentive program, she would receive an additional \$30 a month, in addition to being eligible for free day care services for her children.

Source: Department of Health, Education, and Welfare).

Medical assistance..... \$618

(Explanation of figure: In Oregon, a family receiving cash assistance under AFDC is also eligible for Medical Assistance. In the period July-December 1967, children and adults receiving AFDC in Oregon received free medical and dental treatment for which the State and Federal governments paid an average of \$10.30 per person.

Source: derived from tables developed by HEW).

Food stamp benefits..... \$336

(Explanation of figure: In fy 1969, a five-member Northern family would pay \$912 for food stamps worth \$1248—a bonus of \$336

Source: Dept. of Agriculture. Quoted on p. 274 of Part 2 of the Senate Select Committee on Nutrition and Human Needs on USDA, HEW, and OEO officials)

OEO legal services program..... \$75.37

(Explanation of figure: average unit cost/case, fy 1968

Source: OEO, November 1969. Quoted on p. 101 of Senate Subcommittee on Employment, Manpower, and Poverty hearing on Legal Services Program, November 14, 1969)

OEO comprehensive health services... \$125

(Explanation of figure: average annual cost of care per person in fy 1968, computed for planning purposes

Source: OEO. Quoted on p. 198 of *The Great Society's Poor Law* by Sar Levitan)

Headstart \$1,050

(Explanation of figure: total program cost per child for the year-round, part-day program in fy 1967

Source: Headstart staff study. Quoted on p. 14 of the Headstart Report, February 1969)

Public housing..... \$406

(Explanation of figure: average subsidy for conventional new construction units under payment in fy 1968

Source: HUD. Quoted on p. 265 of Part 4 of House Appropriations Committee hearings on HUD for fy 1970)

Rent supplements..... \$636

(Explanation of figure: average subsidy for units under payment in fy 1968

Source: HUD. Quoted on p. 265 of Part 4 of House Appropriations Committee hearings on HUD for fy 1970)

Upward Bound \$1,400

(Explanation of figure: Maximum Federal contribution per enrollee.

Source: Catalog of HEW Assistance, August 1969).

Educational opportunity grants..... \$500

(Explanation of figure: Estimated average grant in FY 1969.

Source: Catalog of HEW Assistance, August 1969).

NDEA loans..... \$520

(Explanation of figure: Average loan.

Source: Catalog of HEW Assistance, August 1969).

Work-study program \$475

(Explanation of figure: Average earnings, FY 1969.

Source: Catalog of HEW Assistance, August 1969).

Job opportunities in the business sectors

(JOBS) \$3,000

(Explanation of figure: Estimated unit cost for FY 1970.

Source: Department of Labor. Quoted on p. 102 of Part 1 of the House Appropriations Committee hearings on DOL for FY 1970).

Concentrated employment program. \$1,400

(Explanation of figure: Estimated unit cost for FY 1970.

Source: Department of Labor. Quoted on p. 102 of Part 1 of the House Appropriations Committee hearings on DOL for FY 1970).

Neighborhood Youth Corps summer and school programs \$450

(Explanation of figure: Estimated participant cost for FY 1970. Includes State and local cost sharing.

Source: Bureau of the Budget. Quoted on p. 144 of the Special Analyses of the FY 1970 Budget).

As you requested this morning, we are sending the approximate annual values of goods and services that could be received by a nine-member family (a mother and eight children of which two children are preschoolers, eligible for Head Start; two are in elementary school; three are in high school; and one is in college) through various Federally-assisted programs for low-income people. Below each program title and accompanying figure, we have included an explanation of the figure and listed its source.

Public assistance..... \$5472

(Explanation of figure: This is the annual amount which a woman with eight children living in Portland, Oregon, would be eligible to receive if the family had no other income. If the mother were participating in a Work Incentive program (institutional and work experience training), she would receive an additional \$30 a month, in addition to being eligible for free day care services for her children.

Source: Department of Health, Education, and Welfare.

Medical assistance..... \$1112.40

(Explanation of figure: In Oregon, a family receiving cash assistance under AFDC is also eligible for Medical Assistance. In the period July-December 1967, children and adults receiving AFDC in Oregon received free medical and dental treatment for which the State and Federal governments paid an average of \$10.30 per person per month.

Source: Derived from tables developed by HEW.

Food stamp benefits..... \$528

(Explanation of figure: in fy 1969, a nine-member Northern urban family at the poverty level would pay \$1,560 for food stamps worth \$2,088—a bonus of \$528.

Source: Dept. of Agriculture. Quoted on pp. 273-275 of Part 2 of the Senate Select Committee on Nutrition and Human Needs on USDA, HEW, and OEO officials).

OEO legal service program..... \$75.37

(Explanation of figure: average unit cost/case, fy 1968.

Source: OEO, November 1969. Quoted on p. 101 of Senate Subcommittee on Employment, Manpower, and Poverty hearing on Legal Services Program, November 14, 1969).

OEO comprehensive health services¹... \$125

(Explanation of figure: average annual cost of care per person in fy 1968, computed for planning purposes.

Source: OEO. Quoted on p. 198 of *The Great Society's Poor Law* by Sar Levitan).

Headstart (\$1,050.00 × 2) \$2,100

¹ Though a welfare family may be eligible for both Medicaid and OEO Comprehensive Health care, presumably they would not actually be receiving both services.

(Explanation of figure: total program cost per child for the year-round, part-day program in fy 1967.)

Source: Head Start staff study. Quoted on p. 14 of the Head Start Report, February 1969).

Public housing²..... \$406
(Explanation of figure: average subsidy for conventional new construction units under payment in fy 1968.)

Source: HUD. Quoted on p. 265 of Part 4 of House Appropriations Committee hearings on HUD for fy 1970).

Rent supplements²..... \$636
(Explanation of figure: average subsidy for units under payment in fy 1968.)

Source: HUD. Quoted on p. 265 of Part 4 of House Appropriations Committee hearings on HUD for fy 1970).

Upward bound (\$1,440×3)..... \$4,320
(Explanation of figure: maximum Federal contribution per enrollee)

(Source: Catalog of HEW Assistance, August 1969)

Educational opportunity grants..... \$500

² Alternatives; one family can't receive both types of payments.

(Explanation of figure: estimated average grant in fy 1969)

(Source: Catalog of HEW Assistance, August 1969)

NDEA loans..... \$520
(Explanation of figure: average loan)

(Source: Catalog of HEW Assistance, August 1969)

Work-study program..... \$475
(Explanation of figure: average earnings, fy 1969)

(Source: Catalog of HEW Assistance, August 1969)

Job opportunities in the business sector (JOBS)*..... \$3,000

(Explanation of figure: estimated unit cost for fy 1970)

(Source: Department of Labor. Quoted on

*A public assistance recipient referred to job training would be eligible to receive only a \$30 a month training grant, in addition to the public assistance payment, plus an exemption for work experience. The recipient would not receive the figures listed above for JOBS or CEP; those figures refer to the amount expended by the Federal government to train any individual for employment.

p. 102 of Part 1 of the House Appropriations Committee hearings on DOL for fy 1970)

Concentrated employment program*.. \$1,400

(Explanation of figure: estimated unit cost for fy 1970)

(Source: Department of Labor. Quoted on p. 102 of Part 1 of the House Appropriations Committee hearings on DOL for fy 1970)

Neighborhood Youth Corps summer and school programs (\$450×3)..... \$1,350

(Explanation of figure: estimated participant cost for fy 1970. Includes State and local cost sharing)

(Source: Bureau of the Budget. Quoted on p. 144 of the Special Analyses of the fy 1970 Budget)

All of the figures listed above are estimates and inevitably involve some overlapping of services. In addition, it is highly unlikely that one family would be receiving cash and services under all of these programs.

We hope that this information will be of value to you and that you will contact us if we can assist you further.

Mrs. GREEN of Oregon. Mr. Speaker, the following is a partial listing of the over 50 legislative authorities for preschool day care and other preschool programs, all largely uncoordinated with each other:

DAY CARE PRESCHOOL PROGRAMS AUTHORIZED BY CONGRESS

Agency and program	Program purpose	Program effect on children	Program budget
Office of the Secretary: HEW, Head Start (title II, Economic Opportunity Act).	A comprehensive early childhood development program for preschool children. Family involvement is included.	Direct program specifically for children.	\$338,000,000.
Parent and Child Centers (title II, Economic Opportunity Act).	Center established to help families function effectively and for direct services to children.	Direct.....	\$5,000,000 (1969).
HEW: Social Rehabilitation Service, Community Services Administration, social services to families and children receiving AFDC (title IV, Social Security Act).	Social services to needy families with dependent children to help the family maintain and strengthen family life.	Direct and indirect.	
Child Welfare Services (title IV, Social Security Act).	Grants-in-aid to State welfare agencies for (1) preventing or remedying neglect, abuse, delinquency; (2) protection and care for homeless child; (3) protecting children of working mothers; (4) providing for foster and day care.	Direct.....	\$7,276,000 (day care services).
Child Welfare Training Grants Program (title IV, Social Security Act).	Grants to institutions of higher learning to assist in training students in the field of child welfare. May also include training of volunteers to serve in child welfare programs.	Indirect.....	
Child Welfare Research and Demonstration Grants Program (title IV, Social Security Act).	Grants to institutions of higher learning and nonprofit agencies or organizations engaged in research related to child welfare for research and demonstration projects in the area of new methods or facilities relating to child welfare.	.....do.....	\$2,725,588 (day care demonstration and other projects).
Child Care for the Work Incentive Program (WIN) (title IV, Social Security Act).	Grants to state welfare agencies to provide child care services for WIN enrollees.	Direct.....	\$56,140,000 (preschool and school age).
SRS, Administration on Aging, Foster Grandparents Program.	To employ low-income persons over 60 for purpose of establishing a continuing "grandparent" relationship with children under 17 (usually deprived) in an institutional setting.	Direct and indirect.....	
Retired Senior Volunteer Program.....	When program is started will recruit and train people over 60 for community volunteer work.	.....do.....	
HEW: Office of Education (title I, ESEA).....	Federal aid to State for educational programs for deprived children. Program designed as comprehensive education program involving coordinated use of resources from other programs.	Direct.....	\$58,112,000 (preschool kindergarten).
Title I—ESEA migrant program.....	Grant awards to State education department to assist in education of migrant children.	.....do.....	\$2,723,664 (1969).
Follow-Through (title II, Economic Opportunity Act).	Designed to augment and build upon gains made by poor child in Headstart or similar programs in kindergarten through 3 years of schooling. Comprehensive program to meet child's instructional, physical, and social needs.	.....do.....	58,000,000.
Handicapped Children's Early Education Assistance Act.	Demonstration program to establish education development centers for handicapped children.	.....do.....	\$1,000,000 (1969).
Aid to State schools for the handicapped (title I—ESEA).	Provides grants to State to assist in education of handicapped children in State-operated or supported schools for the handicapped.	.....do.....	\$36,690,000, (preschool cannot be broken out).
Education for the handicapped (title VI A—ESEA).	Grants to States to assist in the initiation, expansion, and improvement of special education.	.....do.....	\$4,000,000.
Research and demonstration projects (title III, Mental Retardation and Facilities and Community Mental Health Centers Construction Act of 1963).	Support for research and related activities for education of handicapped children.	Indirect.....	\$2,806,888 (preschool and school age).
Education research and related activities (Cooperative Research Act of 1954 as amended by ESEA).	Educational research and related activities for children of all ages.....	.....do.....	\$4,716,883 (all ages).
Training program for early childhood educational personnel.	Awards to universities and State and local education agencies to conduct training programs to improve the qualifications of individuals serving in educational programs.	.....do.....	
PHS—Health Services and Mental Health Administration, maternal and child health grants (title V, Social Security Act).	Grants to States to reduce infant mortality and promote the health of mothers and children particularly in areas of economic distress.	Direct and indirect.....	Not specific for preschool.
Maternal and child health research (title V—SSA).	Grants to improve the operation, usefulness, and effectiveness of maternal and child health programs.	Indirect.....	
Maternity and infant care (title V, SSA).....	Projects to reduce infant and maternal mortality and to reduce incidence of retardation and other handicaps associated with childbearing.	Direct.....	\$38,550,000 (total).
Crippled children's services (title V, SSA).....	Grants to States for services to crippled children and for services for conditions leading to crippling.	.....do.....	\$58,000,000 (total).
Comprehensive health care for children and youth (title V, SSA).	Comprehensive health care to children of low-income families who would not otherwise receive the services provided.	.....do.....	\$40,905,000 (preschool and school age).
Training of professional personnel (title V, SSA).	Grants for training of personnel for health care and related services for mothers and children.	Indirect.....	
Migrant health program (sec. 310. Public Health Services Act).	Grants to improve the health status of migratory farm workers and their dependents.	Direct.....	\$8,000,000 (1969 program total, 25 percent under 6).

DAY CARE PRESCHOOL PROGRAMS AUTHORIZED BY CONGRESS—Continued

Agency and program	Program purpose	Program effect on children	Program budget
Regional medical program (title IX, Public Health Service Act).	Grants to assist in establishment of regional cooperative arrangements among medical schools, research institutions, and hospitals in fields of heart disease, cancer, strokes, and related diseases.	Indirect.....	\$1,667,000.
Maternal and child health program of the Indian Health Service (Transfer Act of 1955).	Promote and upgrade general health of Indian population.....	Direct.....	Preschool amount cannot be broken out.
National Institute of Child Health and Human Development (Public Health Service Act sec. 441).	To foster, conduct and support research and training in basic biological and behavioral sciences relating to child health and development.	Indirect.....	\$15,493,000 (estimate).
Office of Economic Opportunity: Migrants and seasonal farm workers program (title III-B, EOA).	Camp social services for farm labor families.....	Direct.....	\$1,400,000 (day care).
Concentrated Employment program (title I, EOA, title II, MDTA).	Brings together all available manpower programs under single sponsorship.....	Indirect and direct (day care).....	(1969) \$6,374,196 (not all projects responded).
Department of Agriculture: School Milk Program (Child Nutrition Act).	Increase consumption of milk by children in nonprofit schools, institutions, camps and day care centers (confined with expanded food program in fiscal year 1970).	Direct.....	\$103,595,000 (all children 1969).
Department of Housing and Urban Development: Model Cities Program (Demonstration Cities and Metropolitan Develop Act of 1966).	To improve the physical, social and economic conditions of a large blighted neighborhood. Planning and supplemental grants and urban renewal projects are included.	Indirect and direct.....	\$10,565,000 (day care).
Department of the Interior: Kindergarten Program for Indian Children in Federal Schools (25 U.S. Code 13).	Kindergarten classes for Indian children operated in Federal facilities.....	Direct.....	\$1,850,000 (kindergarten).
Johnson-O'Malley Program of Aid for Public Schools (25 U.S. Code 452).....	Financial aid to public schools to provide kindergarten for reservation Indian children.	do.....	\$2,300,000 (kindergarten).

The following is a most interesting article from the *Hard Times* which offers some very discerning observations relative to the common-law marriage between OEO and its vast army of private satellites. My own investigation of the burgeoning "poverty industrial complex" suggests that this is an issue which should concern all Americans.

GAMES POOR PEOPLE PLAY

Probably the most enduring monument to the War on Poverty is the creation of a poverty industry. There are more than 100 companies in Washington, D.C., alone which specializes in consulting, studying and evaluating the poor and the programs which serve them. They run in size from five- or six-man outfits to large organizations such as the American Institutes for Research or Stanford Research Institute. While these firms are often ridiculed in the newspapers and viewed with disdain by government bureaucrats, the companies flourish.

In many instances the companies are initiatives of New Deal institutions. High-minded reformers joined the Kennedy or Johnson administrations determined to wipe out poverty, only to end running companies whose profits are dependent on the existence of the poor. Sometimes the poverty firms are merely holding operations for out-of-office politicians. In a more fundamental sense, however, the emergence of the industry reflects efforts made over the past decade to construct a sort of poverty technology, a way or ways for manipulating human behavior. In this instance the governing idea has always been to boost the ghetto poor up into jobs and hence into the "middle class." So far these efforts haven't come to much. The lines of poverty in the United States have deepened and hardened, if anything. But still the search for the technology, financed by the government, continues.

While the poverty companies are nominally expected to maintain a discreet distance from the federal agencies with which they do business, the personnel are drawn together by professional bonds, and in the end, interests of the companies and the government seem nearly identical. The transition from poverty program to poverty company seem natural. When Bertrand Harding left his post as acting OEO director earlier this year, he simply moved down the street to Fry Consultants, a poverty combine. As deputy director of VISTA, Leo Kramer was charged with recruiting and selecting VISTA workers. Now, as head of Leo Kramer, Inc., he receives VISTA funds to run his own VISTA program for Mexican-Americans. Earlier, this year, Leveo Sanchez resigned

his job as OEO director for the mid-Atlantic region and now heads a consulting company with OEO contracts in the mid-Atlantic region. As manpower administrator in the Labor Department, Stanley Ruttenberg gave Phoenix, Arizona, \$3.5 million in job training funds two years ago. The city fathers of Phoenix recently hired Stanley Ruttenberg Associates, headed by the former administrator, to evaluate the project. Ruttenberg also acts in an advisory capacity to the Watts Labor Action Committee. As manpower administrator, he awarded the Watts group \$2 million for a youth program earlier in January.

Last spring there was a flurry of protest within OEO when RAND, the Air Force think tank, sought a remedial education contract from the OEO's research office. OEO employees were bitter over what they believed to be favored treatment given RAND. OEO's research office was established in 1964, and the first director, Joseph Kershaw, came from RAND. His successor, Robert Levine, also was a RAND man. While he ran the research office, Levine handed out two contracts worth \$600,000 to RAND. They were "sole source" contracts which meant other companies could not bid for the work. One OEO official who didn't want RAND to get the contracts remembers protesting to Levine. Levine pointed out RAND's superior technical prowess then arranged a meeting between the disgruntled official and RAND experts. Both the contracts went through under Levine, but the remedial education project was squashed.

Black poverty companies are not numerous and black capitalists bitterly assail discriminatory policies at OEO which prevent them from breaking into the market. Even so there are exceptions to the rule. Mark Battle left the National Urban League to become head of the Bureau of Work Training Programs in the Labor Department under LBJ. There he shoveled \$9 million in job projects back to the Urban League. Battle quit Labor along with the other Democrats this year, and then surfaced as head of Mark Battle Associates, a consulting company which advises the Urban League on economic development.

Sometimes the studies undertaken by poverty companies are baffling. For instance, the Transcentury Foundation, a branch of Transcentury Corp. (began by ex-Peace Corps deputy director Warren Wiggins) is in the midst of an evaluation of different sorts of youth programs for the Justice Department. Eventually Transcentury plans to create a "typology" of such programs. The foundation believes a typology will be helpful to future groups of youths who want to start

their own uplift projects. Transcentury divides youth programs according to a number of categories: evolutionary vs revolutionary rational vs irrational; incremental vs simultaneous, and pro- or anti-confrontation.

Last summer Transcentury made another survey of youth programs for OEO. The survey was called "Not Our Thing." To do the job, Transcentury hired black people to interview the ghetto residents, while the company personnel asked for opinions from the establishment. In general the black youngsters who were queried said they thought the youth programs were con jobs, aimed at averting riots and they seemed more militant than ever before. Transcentury never sought to come to grips with the basic problems which the study revealed. Rather, the company suggested programmatic changes which had the effect of helping the government oppress more effectively.

On some occasions it almost seems as if poverty programs have been set up so that the poverty companies can loot them. Take the case of the Peoples Involvement Corporation (PIC), a Washington, D.C., development corporation, financed with OEO money. PIC is one of fourteen development corporations sponsored by OEO. The original idea was to encourage ghetto residents to form a company in which they would hold stock. The company could then enter into various business operations which would employ the ghetto residents—such things as running restaurants, cleaning establishments and construction companies. PIC someday plans to operate a printing press. At the moment, however, PIC has a small staff and operates one neighborhood center where people come and then are routinely referred to other governmental agencies. Although PIC is not of any real value to poor people living in Washington, it has been immensely profitable to some of the poverty companies. When it was funded by the government, OEO also paid OSTI (The Organization for Social and Technical Innovation) of Cambridge, Mass., to advise Peoples Involvement Corp., along with four other new development corporations. OSTI was given a contract to help the new enterprises devise future plans, set up elections and generally organize themselves into effective units. But OSTI's consultants rarely showed up at PIC and they inevitably had to fly out of town to make their next appointment just as the discussion was getting down to brass tacks. Finally, OSTI sent a long tape recording of its ideas to OEO. The Peoples Involvement Corporation never received the tape. If PIC didn't get much help from OSTI, it got not help at all from Heliodyne, a firm which had a \$125,000 OEO contract to assist neighborhood groups find out about the people coming to the service cen-

ters, that is, find out who the people were, where they came from, and what they wanted. Heliodyne didn't show up at PIC until one month before its contract expired. It then suggested using special application forms, and asking people questions such as where do you come from, do you want medical help, and so on. In the end Heliodyne asked PIC to help write conclusions to the report and they were sent along to OEO. After OSTI and Heliodyne finished with PIC, Harbridge House, another Cambridge firm, entered the picture. Harbridge House specializes in Navy procurement problems. It gained fame during the Korean war for figuring out ways to help the Navy purchase more efficiently. Having set up a system for the Navy, Harbridge House then turned around and hired out to the shipping companies which were selling to the Navy. Recently Harbridge House decided to diversify and plunged in to poverty. It is supposed to be helping PIC set up a printing plant. So far, however, nobody has called at PIC's office.

The consultants usually shuttle back and forth, between business and government with some regularity, playing off contacts in one place against those in another. One grows giddy trying to follow the deals. For instance, Robert Freeman worked at the State Department in the 1950s, then quit and began insurance companies in Africa. He soon tired of this, and sold the companies to the Nigerian and Ghanalan governments. Back in the US, Freeman joined with Robert Cole, a former AID official, in setting up a consulting business. Utilizing Freeman's knowledge of the insurance business and Cole's AID contacts, the company prospered on an AID contract which called for them to make insurance surveys in Africa with an eye to persuading Americans to invest in the business there. At that point, Freeman and Cole branched into the poverty business. They were employed by CBS, the Ford Foundation and Mobil Oil to scout likely looking blacks who could be hired as executives. Last year Freeman quit the company, and Cole picked up Leveo Sanchez, OEO's mid-Atlantic regional director, as a replacement. Sanchez, who had also worked in AID, brought some Latin American business, along with poverty contracts. But Cole and Sanchez didn't get on, and not long ago, the two split up. Cole now runs his own consulting company, and Sanchez directs two poverty firms.

Sterling Livingston, a Harvard business professor, is among the sharpest and most successful operators in the poverty business. Livingston's specialty is purchasing ramshackle companies and building them up. Since the Second World War the professor has owned half a dozen such firms and his activities range all the way from helping the Navy buy ship parts to the manufacture of industrial diamonds. Lately, Livingston has been intrigued with the possibilities in education and poverty, and he tacked together Sterling Institute, a mini-conglomerate with offices in Boston, New York, and Washington. The institute consists of various centers; they operate pretty much on their own, making films, advising banks how to train tellers, etc. Some of the centers were begun from scratch, while others are rebuilt shells of companies. One of the shells Livingston picked up was that of a moribund firm called Human Resources Development Co., begun by David D. McClelland, the Harvard psychologist and motivation expert. This was a clever move, for Livingston was in effect buying McClelland, his graduate students, and proteges in the university community. The company was renamed the Behavioral Science Center. Its work ranges from developing motivational leadership courses for fraternity boys to helping the Navy chaplain "make the transition from his role as pastor to a manager and supervisor." The Center developed the motivational comic book which the Labor Department distributed among poor blacks. The leading character in

the comics, a chocolate sport, is invariably pictured standing in the street, surrounded by shattered glass and overflowing garbage cans and yelling at his freaky pals nodding in the doorways. "Power is green, Baby," he implores. On the back side of the comic is an employment application form made in the shape of a dollar bill.

Last year Sterling Institute won a \$200,000 contract to train poverty workers in the Delmarva Peninsula, a stretch of backward country in Delaware, Maryland and Virginia. Livingston wanted to do research in the area, but OEO officials said that would not look proper, and if he wanted to do research, it must be done under the "guise" of training. Since Sterling didn't know anything about Delmarva, and was scarcely in a position to train people to do any thing, the company decided to give the prospective poverty workers a dose of McClelland's motivational stuff. First, Sterling showed the poverty workers how to sensitize themselves. They tossed rings onto stakes from different distances in an effort to discover whether or not they set unrealistic goals for themselves. Then, they played the popular disarmament game where the workers choose up sides and sit in different rooms and simulate attacking one another. Eventually the teams "disarm" as they came to understand that this is the only way they can win. The game is meant to recreate the bargaining situation that exists between poor people and the local government, where each side has something the other wants. Or, as a Sterling employee puts it, "The power structure may be willing to give something to avoid having the city burned."

After a go at the games the poverty workers learned what might be made to happen in their territory by feeding information into a computer simulation called "Charlie." The training program is just now coming to a conclusion, and while it is unclear what, if anything, will happen to the poor in Delmarva, Sterling is doing well indeed, having already secured contracts to repeat the training in North Carolina, Kentucky and West Virginia. Sterling also has a contract in Pennsylvania where it will move into communities giving people psychological tests, and in this way, having spotted the leaders, instruct them how to motivate the masses to follow them out of poverty.

"Sensitivity training," as this sort of instruction is often called, has been adopted by other companies as well. The Human Development Institute, a subsidiary of Bell and Howell, devised a training kit for the National Alliance of Businessmen, and is now also trying to peddle it to poverty groups. The kit contains material to help managers deal with poor black people in a more understanding way. For example, there are black and white masks. In one kit a black masked man plays he is coming to work late. He is confronted by his supervisor who is wearing a white mask. In this way, white employees get to feel what it is like to be a black man. In another exercise foremen pair off. One foreman closes his eyes and he is lead around by the other foreman for 10 minutes, enough time for him to see how entirely dependent a new employee must feel. Jerome Berlin, who heads the Institute, explained why the kit was made this way: "All of us were hurting with the racial prob-

lem. We felt we needed to get at it in some way, that it was tearing the fabric of our culture . . . I don't think social consciousness has to conflict with making a profit—The two parallel each other. . . . In fact, I believe any real contribution to our social environment has a right to profit." Bell and Howell's chairman, Peter G. Peterson, goes further: "I not only see nothing wrong with industry's profiting from social ills, but I think it's the best way to cure them. It puts a strong incentive, the profit motive, behind the cure."

Not everyone is so enthusiastic about McClelland's motivational methods, and those who shy away from this blunt method may prefer the "operant psychology" pioneered by B. F. Skinner and his followers. Motivation Training Specialists, of Baltimore, is attempting to condition slum youngsters in this manner with OEO funds. The idea is that the consequences of a person's actions determine whether or not these actions are repeated. The poor behave in certain "non-adaptive" ways because they have learned to expect certain rewards for such behavior. So to upgrade the lives of the poor, it is important to teach them new behavior patterns. Motivation Training Specialists will soon begin a 21-day training scheme for high school dropouts. The teenagers will be isolated in a "Utopian community" for three weeks. There they will receive points for suitable behavior, such as completing a lesson, and on collecting enough points, they qualify for a reward: a movie, cigarettes or candy. Last winter Motivation Training Specialists ran a residential training session for 24 members of the West Central West Virginia Community Action Agency. The members, many of them poor, began by playing games as they arrived at the campsite. One group was required to negotiate to obtain mattresses to put on the beds. Another group was separated and the members were asked to negotiate a reunion. And a third group was dumped onto the roadway before reaching the campsite. They had to negotiate entrance to the camp. Jerome Breslaw, of the Motivation Training staff later explained the purpose of the games: "In order to emerge from a state of physical deprivation—analogueous to that experienced by the poor—the training team members had to organize themselves into units which could effect changes in their environment through negotiations with each other and with management." While it may have seemed to the untrained observer that poor people were being asked to simulate being poor people, Breslaw maintained that was not the case. "No simulation situations were provided," he said. "In fact, simulation and role playing were excluded from the training design . . . that which arose, arose naturally."

FRANCES LANG.

Mrs. GREEN of Oregon. Mr. Speaker, the following remarks provide examples of three private firms which now have or previously enjoyed "support contracts" with the Office of Economic Opportunity. All three organizations involve former OEO personnel. These are only examples of what is going on; a careful review of this information should raise quite a few questions in the reader's mind.

CYBERN-EDUCATION, INC.

Contract number	Program office	Date executed	Amount	Purpose
B89-4481	Job Corps	May 13, 1968	\$31,471	Development of vocational training assessment instrument.
B99-4712	Upward Bound	Oct. 25, 1968	24,962	Study of parental involvement in Upward Bound.
B99-4849	CAP	May 8, 1969	130,000	Evaluation of Newgate Demonstration Projects.
Total (3)			186,433	

The following information concerns the circumstances surrounding Dr. Thomas Gaddis' employment with Cybern to perform evaluations of OEO Newgate projects.

On February 12, 1969, requests for proposals to evaluate four Newgate demonstration projects were solicited from 38 potential bidders. Eighteen proposals were received by the closing date of March 4, 1969, and technically evaluated by OEO program personnel by April 14, 1969. The technical evaluation memorandum stated that only three of the 18 proposals were acceptable—those submitted by Prof. Thomas E. Gaddis, of \$121,051; Consulting Services Corp., \$213,726; and Cybern-Education, Inc., \$88,702. The evaluators rated the three in the order given above, commenting that Dr. Gaddis' proposal showed greater knowledge of program purposes and understanding of evaluation problems. The evaluation memorandum also stated that because Dr. Gaddis had served as project director for the Oregon State Prison project it was not recommended

that he be awarded the contract directly, but that he be the principal investigator in this effort under the aegis of either Consulting Services Corp. or Cybern-Education, Inc.

OEO contract files contain a memorandum dated April 15, 1969, to an OEO contracting officer which states that Dr. Billings, project manager, Upward Bound, had checked with Cybern and that Cybern was agreeable to hiring Dr. Gaddis for the evaluation contract. On April 29, 1969, Cybern sent a letter to OEO confirming that it was Cybern's intention to employ Dr. Thomas Gaddis as a regular full-time employee of the corporation and that his assignments would include the Newgate project evaluations, excluding the Oregon project. After increasing the work requirement of the proposed contract from the evaluation of four Newgate projects to five, Cybern-Education, Inc., was awarded OEO contract B99-4849 on May 8, 1969. The contract states that Dr. Gaddis will "participate in fieldwork in the evaluation of four of the five Newgate sites, excluding the Oregon project."

LEO KRAMER, INC.

Contract number	Program office	Date executed	Amount	Purpose
OEO-2396	Job Corps	Jan. 6, 1967	\$22,000	A new model for JC training.
OEO-4054	VISTA	May 17, 1967	22,384	Study of regional management and control systems.
OEO-4082	VISTA	May 22, 1967	215,463	VISTA training program.
OEO-4088	CAP	June 1, 1967	6,231	Analyze and assess CAP manpower programs.
B89-4304	VISTA	Nov. 29, 1967	14,133	Assess and evaluate VISTA volunteer Citizens Corps.
B89-4514	VISTA	May 20, 1968	1,214,216	Support for VISTA associate programs.
B89-4540	VISTA	June 20, 1968	37,973	VISTA training program.
B89-4748	VISTA	Oct. 15, 1968	255,113	Administrative support for minority mobilization project.
800-5062	VISTA	Oct. 9, 1969	185,399	In-service training for minority volunteers—southwest region.
Total (9)			1,972,912	

Seven of the nine contracts awarded to Leo Kramer, Inc., were for VISTA support services and amounted to \$1,944,681 of the total \$1,972,912 contract awards to Kramer. Six of the seven VISTA contracts to Kramer were awarded on a sole source basis; that is, without any competition. For the remaining VISTA contract B89-4514, six requests for proposals were sent out by OEO on April 26, 1968, and by the deadline of May 6, 1968, two proposals were received, one from Leo Kramer, Inc., for \$600,664, and one from Policy Management Systems, Inc., for \$885,934. However, Policy Management Systems, Inc., headed by Mr. Gary Price, another

former OEO-VISTA official, subsequently withdrew its proposal for no stated reason. As a result, Leo Kramer, Inc., was, in effect, a sole source supplier on B89-4514.

Leo Kramer was employed by OEO on a full-time consultant basis in the position of Associate Director, Selection and Training Division, VISTA, from February 1, 1965 to January 22, 1966, at a salary rate of \$90 a day. Mr. James M. Harkless who was Executive Secretary, OEO, from March 14, 1966, to August 18, 1967, later received employment with Leo Kramer, Inc., and negotiated for OEO contract B89-4514 dated May 20, 1968, as a Leo Kramer, Inc., official.

COLE, SANCHEZ AND ASSOCIATES INC.

Contract number	Program office	Date executed	Amount	Purpose
OEO-4136 ¹	VISTA	June 12, 1967	\$24,500	Study to measure effectiveness of VISTA summer associates programs.
OEO-4214 ¹	VISTA	June 28, 1967	90,238	Design and test objective criteria for evaluating the effectiveness of VISTA projects.
B99-4956 ²	Reg. II	June 30, 1969	47,852	Evaluation of CAAs in Mid-Atlantic region.
B99-4970 ²	Reg. IV	do	77,497	Evaluation of training programs for CAA's in the Great Lakes region.
B99-5011 ²	Reg. II	do	38,306	Evaluation of training programs for CAA's in the Mid-Atlantic region.
B99-5030 ³	Reg. V	do	95,000	Technical assistance and support of OEO/CAP Planning Development Programs.
Total (6)			\$373,393	

¹ Contract with Freeman, Cole and Associates, Inc.

² Contract with Cole, Sanchez, and Associates, Inc.

³ Contract with Hispanic-American Community Development Corp.

The following information concerns former OEO Mid-Atlantic Regional Director, Leveo Sanchez, and his involvement with Cole, Sanchez & Associates, Inc., as well as other consulting firms which have been awarded OEO contracts.

Leveo V. Sanchez was OEO's mid-Atlantic regional director from early in calendar year 1967 to September 6, 1968, at which time he resigned. Although the date on which Cole, Sanchez & Associates was incorporated was not ascertained, its application to be added to OEO's bidders list was dated October 3, 1968. The principal officers of Cole, Sanchez & Associates were Robert L. Cole, president and treasurer; and Leveo V. Sanchez, senior vice president and secretary.

Prior to the formation of Cole, Sanchez, Robert Cole had been the vice president of Freeman, Cole & Associates, Inc., a small business concern which had received two OEO VISTA contracts in June 1967 as shown above. This organization was dissolved in about October 1968, the approximate time period during which Cole, Sanchez was organized.

In July 1968, Leveo Sanchez formed another corporation named Hispanic-American Community Development Corp. Principal officers of Hispanic, a subsidiary of Cole, Sanchez, are as follows: Leveo V. Sanchez, president; Daniel K. Trevino, vice president; J. Homer Garza, secretary; and Peter B. Davis, treasurer.

All of the Hispanic officers had prior experience with OEO programs, either as direct OEO employees or as employees of OEO-funded community action programs. Daniel Trevino had been employed as an OEO consultant, and, as was the case with Mr. Garza, had also been employed through community action programs.

Peter Davis was a direct OEO employee who had worked in the mid-Atlantic region from 1966 until his resignation on September 13, 1968. During Mr. Davis' employment with OEO's mid-Atlantic regional office, he held the positions of special assistant to the regional director and acting deputy CAP regional administrator. In this latter position, Mr. Davis was responsible for assisting in the development of the first regional CAA evaluation system. Following Mr. Davis' resignation, he was also employed by Cole, Sanchez as project director for contracts B99-4956 and B99-5011, both of which involved performing evaluation services of CAAs in OEO's mid-Atlantic regional area.

On July 21, 1969, Cole, Sanchez & Associates, Inc., was dissolved, and Leveo Sanchez formed another firm named Development Associates, Inc. As of October 1969, no OEO contracts had been awarded to Development Associates, Inc.

You will recall my previous reference to the "poverty industrial complex." Of contracts that are available to me, I have been able to identify over one-half a billion dollars spent by national OEO alone for various "secondary" or "support" services. The exact amount is \$573,306,273. I would emphasize: that amount was spent for so-called "secondary services" out of a total appropriation to OEO

through fiscal 1970 of only \$7.7 billion. I would also emphasize that this amount excludes the sums given in contracts to the States or State agencies. This money goes to private firms.

These support activities include evaluation and study; legal assistance; technical assistance and physical support of every kind. Physical support includes such functions as data processing; publications and films for publicity and training; equipment; general supplies; construction and maintenance of buildings, offices, training centers, and other facilities.

The following is a partial listing of the multitude of services covering a fantastic range for which OEO contracts to private organizations on a national level:

Appraisal	Speaking
Development Programs	Studies
Clothing	Testing
Curriculum	Training
Data Processing	Transportation
Engineering	Travel Expenses
Entertainment	TV & Radio & Records
Equipment	Health Services (Insurance)
Evaluation	Information Storage
Exhibits	Child Development
Film	Centers
Legal Services	Check Disbursement
Loan Services	Administrative and
Mailing	Clerical Services
Maintenance	Accommodations
Panel Discussions	Recreation
and Conferences	Audit
Police Patrol	Logistics
Publicity	Placement and Follow-up
Recruitment, Placement	Professional and Consultant Services
Reports	

EVALUATION CONTRACTS AND GRANTS

On the basis of contracts available to me, between December 1964 and September 1969, OEO has authorized 157 evaluations, at a total cost of \$31,311,236. The following is a breakdown of where the money was spent:

[Number of evaluations and total amount]	
Program evaluated:	
Headstart (44)	\$9,980,933
CAP and CAA (29)	6,368,869
Manpower programs (5)	1,879,867
Special impact programs (3)	927,516
Neighborhood centers (4)	814,535
Job Corps (8)	700,096
Upward Bound (6)	537,866
VISTA (8)	430,174
CEP (2)	371,791
Model cities (1)	300,000
EOA, section 232 programs (3)	242,908
Legal services programs (4)	150,718
Training resources for youth (1)	17,567
Other evaluations that cannot fall into any particular program (47)	8,566,863
Total (157)	31,311,236

EXAMPLES OF EVALUATIONS OF SPECIFIC CAPS BY NATIONAL CONTRACT OR GRANT

- OEO-935. Human Sciences Research, "Research evaluation of CAP on American Indian reservations; 1/26/66-9/1/66, \$112,000.
- OEO-973. Emory University, "Study and evaluation of CAP in Atlanta;" 3/14/66-12/31/67, \$537,477.
- OEO-1242. Western Behavioral Sciences, "Study and Evaluation of CAP in San Diego;" 4/20/66-12/15/67, \$374,377.
- OEO-1314. Community Studies, Inc., "Study and Evaluation of CAP in Missouri;" 5/27/66-2/29/68, \$311,060.

OEO-1373. Trustees of University of Pennsylvania, "Study and Evaluation of CAP in Baltimore;" 6/29/66-5/1/68, \$432,922.

OEO-2265. TRACOR, Inc., "Study and Evaluation of CAP in Austin, Texas;" 8/30/66-4/14/68, \$341,308.

B89-4352. Western Behavioral Sciences Institutes, "Evaluation of CAP programs in San Diego;" 12/16/67-9/15/69, \$382,635 (see OEO-1242).

B89-4452. TRACOR, Inc., "Study and Evaluation of CAP in Texas;" 4/15/68-10/10/69, \$329,863 (see OEO-2265).

B89-4593. University of Pennsylvania, "Continuation of Study and Evaluation of CAP Program in Maryland;" 5/1/68-3/1/70 (see OEO-1373), \$498,012.

There have been 29 separate contracts let between December 1964 and September 1969 to evaluate CAP functions. They represent \$6,368,869. Nine of these 29 have been for evaluation of specific CAP'S. These nine contracts total \$3,355,654.

Here is an interesting excerpt from a CAP newsletter in which a Headstart program director from the Northwest comments on the problems of private contracts:

Head Start has nine consulting firms, each with government contracts that probably total several hundred thousand dollars, if not millions. What they do with that money is the first question. The second is . . . why?

FUND (Foundation for Urban and Neighborhood Development) is one. Its purpose is to train Head Start parents, or provide for their training. At a Head Start Directors' meeting in Eugene in October, we were informed that FUND had no money to defray those parents' expenses. FUND's money is for training staff. We already do that. There was no response when we informed the FUND representative that we had no money to pay parents' expenses.

Last spring we attended a conference at Berkeley, California, on Career Development, conducted by EPI (Education Projects Incorporated). EPI paid delegates expenses. At that time we were introduced to a man from Social Dynamics, who informed us that Social Dynamics had been awarded a contract for Career Development . . . replacing EPI, which, so far as Oregon was concerned was doing a creditable job already. The man told us that we would be hearing from Social Dynamics in August. We heard . . . we received a news letter.

In October, we received an invitation for a two day meeting at the Holiday Inn in Eugene, but very carefully stated in the invitation was the fact that Social Dynamics had no funds for delegates expenses! Except for deficit spending, neither did we. There is another interesting sidelight to this little incident: Social Dynamics asked the Regional Training Officer for Oregon to arrange for a place to meet, but, very conveniently, failed to invite the RTO to the meeting. It would be interesting to know why the Head Start Training Officer for Oregon was not invited to the meeting; or how much it cost Social Dynamics for a conference at the Inn instead of the University. As far as we know, this is all that Social Dynamics has done in Oregon since the Berkeley meeting.

VOLT is a consulting firm available to Head Start (upon request) for whatever need arises. VOLT's services cost local programs nothing. We have made use of these services in the past and have been reasonably satisfied with the results.

What or who the other five firms are, I haven't the faintest notion. What they do, I know even less. Or why!

More than one Regional Training Officer has told me, or said in my presence, their

entire time would be taken up with merely keeping the nine consulting firms straight, and out of their hair—if they let it happen.

At the present time, we are in the process of writing the proposal for our new fiscal year, which begins in March, 1970. We will have no more money to conduct the upcoming program, than we had for this year—and it was no more, than was available for last year's program. A career development plan is required and we have one, a reasonably good one—but it is useless. In order to give a raise to a staff member who deserves it by following the Career Development Plan, it would be necessary to cut services to children. This, we will not do, nor will we provide for cost of living increases, because it again would require cutting services to children. This summer, we received \$965.00 to cover Career Development raises for staff for the final five months of our current year. When we received the figures for our coming year's budget from San Francisco (OEO) those raises were not included. To all intents and purposes—those persons on the staff who received a raise according to their accomplishments under the Career Development Plan, will lose them at the end of February. Isn't that nice for morale?

It is not necessary for a Moratorium, nor to question NASA, or the other large, government spending programs. We do not have to go *that far afield*. All we need to do is question the hundreds of thousands and millions of dollars that go to "do nothing" consulting firms—a surfeit of them.

Training is important, training is necessary. To my way of thinking only one organization has done anything for us. This organization is Supplementary Training for Head Start, which is conducted by the Division of Continuing Education of the State System of Higher Education. It has done and continues to do a superb job—but it is the only one. The others have done nothing—and at great expense. Outside of the academic training provided through Supplementary Training, we have taken care of practically all other on-the-job and in-service training ourselves, with assistance from the Regional Training Officer.

If the over-abundance of so-called training contractors aren't interesting enough to question, how about some of the funded research and study projects? I read of one, for instance, in which it took two years to conclude that school psychologists need to affect environmental changes so that school programs more nearly fit the needs of the children! Any competent teacher could have reached that conclusion over a cup of coffee! For centuries, Education tried to fit the children to the program, and that NEVER worked. Head Start, at least in Washington County, has been fitting the program to the needs of the children ever since the first summer in 1967. That is one of the basic philosophies of Head Start, and it did not take a two year study to reach that decision—nor a study grant.

Yet, we cannot take a Head Start program to more than forty-five children out of the hundreds of eligible children in the county, because next year's budget hasn't a dime more in it than this year's budget.

JOHN ULRICH,
Headstart Director.

It will also be of interest to my colleagues that an in-house evaluation of OEO evaluations, prepared at the request of a past Director, is exceedingly critical of the entire OEO evaluation effort. If I may excerpt but a few observations from that report:

It is the absence of guiding plans which lies behind most of the methodological deficiencies apparent in OEO evaluation design.

A brief look at the experience of CAP, Head Start, and the manpower programs reveals the nature of the problem.

The long-uncertain role of the CAP evaluations branch is reflected in its experience as the program's stepchild. At first, it was placed in the Office of Program Review, then in the Office of Program Operations, and finally, after more than a year of discussion, came to rest last March in the Office of Program Policy. Not surprisingly, this history accentuated CAP's problem of defining its evaluation role and devising a coherent evaluations strategy. Judging by the comments of those who now lead CAP's evaluation activities, many of the evaluations designed and conducted during this interregnum were pretty far removed from program relevance. As a result, CAP has decided to start afresh, letting the 30-odd current contracts run their course.

One example—the 3-year evaluation of eight Community Action Programs (initiated in 1966 by CAP and now supervised by RPP&E as a Type I evaluation)—indicates the thinking that was operative two years ago and is still being felt. Eight different contractors were selected to carry out this evaluation with a view to developing methodologies by which all CAPs might be evaluated. The statement of work delineated the task in broad, unstructured terms, leaving such contractor *carte blanche* in the approach to be taken and the methodology to be used. As the evaluations got underway, it became clear that the original concept was too vague and the job too large for the contractors to handle, because the project was unrealistic to begin with, CAP was forced to spend far more time working out contractor problems than would normally be necessary. With each contractor given freedom to take a different approach, CAP's monitoring task became double burdensome.

Apparently, the results have been less than satisfactory. Of the eight contractors, only two have produced something that holds promise and at least one has been dropped for refunding because of poor quality. This is a low batting average by any standard, especially in light of a total cost exceeding \$1.5 million. It might be argued that this rate of loss is the price one should be prepared to pay for developing methodologies to evaluate new programs. But this argument cannot satisfactorily answer the criticism that OEO should have defined the evaluation objectives more precisely and worked closely with the contractors in developing coordinated, parallel approaches. Moreover, RPP&E thinks it necessary to launch a \$350,000 national impact study of 50 CAPs which, in the end, may obviate the need for the eight CAP evaluations in the first place.

In a recent—and hotly contested—analysis of 30 Head Start impact evaluations, RPP&E concluded that "... it is difficult to draw general, program-relevant conclusions from the evaluation research on Head Start." They cited the absence of a guiding plan as the underlying reason.

The original legislation clearly specifies that State economic opportunities boards should provide technical assistance to prime OEO programs. Yet the total allocation to the State economic opportunities offices for their entire operations from fiscal 1965 through fiscal 1969 totals only \$36.29 million. It is interesting to note that private organizations have done quite better. Contracts available to me show that \$103,000,066 in OEO funds has been allocated to organizations other than State and local governments for activities described as "training and technical assistance" to

various OEO programs. GAO describes these functions as "to provide training, technical assistance, and other program or office support-type services, other than to provide computer related services, general supplies, publications, or other physical support items and services." Based on this definition, GAO computed that OEO had allocated \$59.9 million for training and technical assistance in fiscal 1968 and 1969 alone.

According to OEO's rather vague contract descriptions, "training" refers to training of VISTA volunteers, CAA officials, and other personnel committed to carrying out operating programs and functions. For example, training as a support function would include training of instructors for Job Corpsmen, but not the training of the Job Corpsmen themselves. In addition, according to a Fry Consultants, Inc., evaluation of the training and technical assistance, "training" also refers to the orientation of the consultants and other personnel who are to be assigned to carry out technical assistance.

The term "technical assistance" refers to any technical or administrative support-type activities that OEO has deemed necessary to the success of its operations. This includes curriculum development, consulting services, providing for such logistic requirements as transportation and disbursement, and other clerical functions. I have also included recruitment and screening in this category whenever that function was contracted to a private agency or organization.

It might be of further interest to my colleagues to note the following list of organizations, 271 in all, who have contracted with OEO for more than \$100,000 worth of funds. The list excludes States and State agencies.

ABT Associates, Inc., and Consulting Services Corp.	\$1,502,546
AFL-CIO Appalachian Council	998,000
Alpha Kappa Alpha Sorority	10,972,787
American Academy of Pediatrics	762,552
American Association of Colleges for Teachers	321,141
American Film Institute	400,000
American Institutes for Research	311,775
American Institute of Engineering and Technology	315,725
American Psychiatric Association	100,000
American Public Welfare Association	294,605
American Technical Assistance Co.	207,167
Appalachian Volunteers, Inc.	529,260
Aries Corp.	794,658
Arizona State University	588,052
Assist Corp.: \$128,360 to \$239,269. (Four different amounts of money were listed by OEO in four separate places for contract No. 4347.)	
Automation Information Data Systems	205,000
AVCO Corp.	28,910,385
Baker, Jacobsen & Sanders	697,461
Bank Street College of Education	910,610
Barss, Reitzel & Associates, Inc.	416,730
Basic Systems, Inc.	\$739,565
Battelle Memorial Institute	202,805
Bio-Dynamics, Inc.	3,009,428
Blue Cross Association and National Association of Blue Shield Plans	2,503,005
Boston University	501,334

Brodhead-Garrett Co.	1,701,900
Brotherhood of Painters, Decorators & Paperhangers (AFL-CIO)	179,144
Brunswick Corp.	3,867,693
Bureau of Social Science Research, Inc.	234,610
Burroughs Corp.	16,423,392
Center for Family Planning Development (Planned Parenthood Federation)	214,000
Children's Caravan, Inc.	441,289
Clarion State College	164,194
Colorado Migrant Council	112,966
Colorado State College	484,125
Columbia Pictures Corp.	100,000
Columbia University	846,015
Commerce Clearing House	150,000
Communications & Systems, Inc.	121,492
Community Programs & Training Consultants	234,679
Community Service Foundation	395,860
Community Studies, Inc.	308,555
Computer Services Corp.	1,194,902
Consolidated American Services	1,353,007
Continental Allied Co., Inc.	351,888
Control Data Corp.	185,500
Control Systems Research, Inc.	296,359
Cooperative League of U.S.A.	590,992
The Council of Southern Mountains, Inc.	111,985
CUNA International, Inc.	340,656
Cybern-Education, Inc.	186,433
Daniel, Mann, Johnson & Mendenhall	132,203
Daniel Yankelovich, Inc.	1,137,518
Day Care & Child Development Council of America, Inc.	384,920
Defense Clothing & Textile Supply Center	409,481
Delta Educational Corp.	9,967,000
Economic Opportunity of Atlanta, Inc.	221,334
Educational Associates, Inc.	2,558,176
Educational Design	382,897
Educational Development Center	251,821
Educational Projects, Inc.	2,747,590
Educational Testing Service (+\$1.1 million for HS evaluation)	1,022,491
E. F. Shelly & Co., Inc.	253,692
Educational Data Systems Federal Corp.	446,800
Emory University	634,302
Fair, Isaac & Co., Inc.	612,080
Federal Electric Corp.	46,636,502
Fleetwood Films, Inc.	100,000
Freeman, Cole & Associates, Inc.	111,500
Friends of Psychiatric Research	349,557
Fry Consultants, Inc.	367,348
Fundacion de Desarrollo Comunal	120,033
Gale Association	285,748
G.E. Co., Defense Electronics Division	5,679,790
General Analytics Corp.	551,965
George Washington University	109,952
Graflex, Inc. (subsidiary of General Precision Equipment Co.)	44,731,689
Greenleigh Associates	1,643,232
Grolier Educational Corp.	100,000
Harcourt, Brace & World, Inc.	141,970
Health & Welfare Council of the Baltimore Area, Inc.	309,616
Hellodyne Corp.	127,800
Horton, Gerald T.	692,811
Howard University	108,527
Hull House Association	1,875,767
Human Sciences Research	112,000
IBM Corp. (Advanced Systems Development Division)	456,300
Institute for Community Studies	354,362
Institute for Defense Analysis	194,000
Institute for Educational Development	\$1,894,796
Institute for Resource Management, Inc.	420,899
Institute for Services to Education	603,000
Integrated Business Methods	375,000

International Business Machines	2,637,551	PMS, Inc.	121,050	Walt Disney 16-millimeter Films	157,300
International Research Association	147,810	Police Athletic League	347,000	Warner Brothers	362,319
Interracial Council for Business Opportunity	209,000	Policy Management Systems, Inc.	3,307,913	Wel-Met Camps, Inc.	572,788
I.R.M., Inc.	113,306	Portland State College	121,630	West Virginia Labor Federation (AFL-CIO)	818,007
Jobs for Progress, Inc.	590,348	President & Fellows of Harvard College, Harvard University	132,041	West Virginia University, Board of Governors	395,528
Joint Action in Community Services, Inc.	1,314,268	Productions Unlimited, Inc.	100,000	Western Behavioral Sciences Institute	610,954
Kentucky Child Welfare Research Foundation, Inc.	178,040	Providence College	374,355	Westinghouse Electric Corp.	38,298,449
Kirschner Assoc.	1,082,262	Public Affairs Communications, Inc.	199,998	William C. Allen Corp.	657,116
Lazy Eight, Inc.	100,500	The Rand Corp.	797,775	The University of Wisconsin, University Extension	200,732
Leadership Resources, Inc.	598,173	RCA Service Co.	26,974,074	Wolf & Co.	233,914
Lear Siegler Services	2,715,757	Research Foundation of the State University of New York	308,497	Wolf Management Services	101,382
Leo Kramer, Inc.	1,857,653	The Research Group, Inc.	135,678	Women in Community Service	2,214,748
Letters, Inc.	200,000	Responsive Environments Corp.	1,003,124	Xerox Corp.	11,974,237
Lewis & Clark Opportunity Foundation, Inc.	1,053,000	Rodman Training Center, Inc.	4,318,000	Yeshiva University	167,922
Roy Littlejohn & Associates	258,500	Roxco Federal Credit Union	47,300	YMCA of Jersey City	4,013,905
Litton Systems, Inc.	54,378,850	St. John's Episcopal Mission Center	178,607	YMCA of Metropolitan Chicago	189,932
Louis Harris & Associates, Inc.	495,050	Science Research Association	10,449,588	Central Branch of the YMCA, Washington D.C.	229,349
Louisiana State University	124,251	Service Corps Commission	188,000	YWCA of Jersey City	11,874,593
Management Systems Co.	8,087,287	Seven Arts Associated Corp.	243,390	YWCA of Los Angeles	8,957,000
M. A. Mangum	403,588	Shaller Rubin Company, Inc.	145,456	YWCA of New York	2,060,000
Manpower Evaluation & Development Institute	214,884	Robert K. Sharpe	132,924	National Board of YWCA of U.S.A.	5,895,520
Medical and Health Research Association of New York	248,500	Paul Daniel Shea, doing business as Primary Prevention Center	181,170		
Menninger Foundation	192,721	The Simulatics Corp.	336,383		
Metro Goldwyn Mayer	193,270	Social Development Corp.	127,770		
Meyer, Howard R.	108,480	Social Dynamics, Inc.	297,233		
Michigan State University	474,422	Social Science Institute, Washington University	234,131		
Midwest Educational Foundation	14,228,441	Software Systems, Inc.	259,967		
Midwest Research Institute	252,132	Southern Illinois University	11,775,592		
Modern Talking Picture Services, Inc.	125,609	Southern Methodist University	289,480		
Monsanto Co.	127,000	Southern University and Tulane University	610,750		
Morgan State College	117,685	Springfield College	200,410		
Mountain States Ranch School	119,119	Stanford Research Institute	2,049,392		
McGaughy, Marshall & McMillan	657,000	Sterling Educational Films, Inc.	100,000		
McGraw Hill Book Co.	490,233	Sterling Institute	207,246		
McKinsey & Co.	345,400	Sterling Movies, Inc.	120,799		
National Analysts	192,102	Sun-Dial Films, Inc.	122,601		
National Business League	413,000	Syracuse University	515,634		
National Committee on Employment of Youth	185,710	Systems Development Corp.	1,621,439		
National Council of Negro Women	198,856	Temple University	1,332,345		
National Council on the Aging	2,439,388	Texas Educational Foundation	50,196,566		
National Education Association	3,102,710	Thiokol Chemical Corp.	31,390,881		
National Federation of Settlements & Neighborhood Centers	386,135	Tracor, Inc.	935,384		
National General Pictures Corp.	100,000	Training Corp. of America	8,260,152		
National Opinion Research Center (University of Chicago)	926,928	Trustees of Boston College	289,685		
National Police Conference on P.A.L. & Youth Activities	297,606	Twentieth Century Fox	100,000		
National Police Conference on Police Activities	576,000	UCLA	613,491		
National University Extension Association	6,020,656	United Artists Corp.	240,050		
National Urban League-Atlanta	244,727	United Entertainment, Inc.	100,000		
New England Council (AFL-CIO)	176,026	United Planning Organization	567,022		
New York City Economic Opportunity Committee	516,436	United World Films	181,589		
New York University	2,033,194	Universal Education & Visual Arts	100,000		
North Carolina Fund	301,081	University of Alaska	294,684		
Northeastern University	246,273	University of California	1,111,470		
Northern Michigan University	6,809,779	University of Chicago	445,761		
Northern Systems Co.	5,921,416	University of Hawaii	616,643		
Northern Western University School of Law	475,471	University of Hawaii	1,031,036		
Operations Research, Inc.	994,522	University of Colorado			
Organization for Social and Technical Innovation	1,126,892	University of Georgia, Center for Continuing Education	120,396		
OIC Institute, Inc.	317,128	University of Kansas	476,079		
Packard Bell Electronics	15,466,086	University of Maryland	1,837,557		
Paramount Films	160,800	University of Michigan, Regents	911,645		
Paramount Films Dist. Corp.	100,000	University of New Mexico	560,637		
P. Ballantine & Sons	101,200	University of Oklahoma	1,911,942		
The Pennsylvania State University	227,822	University of Oregon	703,355		
Performance Systems, Inc.	\$186,625	University of Pennsylvania	967,689		
Philco Corp.	11,105,748	University of Rochester	104,871		
Pillsbury Co.	180,500	University of South Carolina	367,190		
Planned Parenthood Association, Chicago	186,451	University of Texas	772,700		
Planning Research Corp.	367,340	University of Utah	656,013		
		University of Washington, Graduate School	416,482		
		University of Wisconsin	477,453		
		University Research Corp.	1,494,380		
		Urban America, Inc.	148,542		
		Urban Systems, Inc.	280,010		
		U.S. Industries, Inc.	29,136,180		
		U.S. National Student Association	\$444,822		
		Visual Media	184,392		
		Volt Information Services, Inc.	25,210,043		
		Volunteers for International Technical Assistance, Inc. (VITA)	247,050		

Letter and attachments to chairman of the House Education and Labor Committee re OEO failure to comply with 1967 amendment:

FEBRUARY 17, 1968.

HON. CARL D. PERKINS,
Chairman, Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The 1967 Amendments to the Economic Opportunity Act became law on December 23 amid much comment that Congress had made major changes in order to make elected officials in our nation's states, cities and counties responsible for Community Action programs under Title II. However, the Office of Economic Opportunity has issued guidelines for this new legislation which indicate that this agency—charged with administering billions of dollars—is not aware that the Congress has made substantial amendments.

The seriousness of this breach of Congressional intent is so profound that I strongly urge you to invite appropriate O.E.O. officers to appear before our Committee to explain their purposes in writing these guidelines and to answer questions as to how the guidelines carry out Congressional intent of the legislation passed last year. It will be necessary that such a meeting be held very soon in order that any changes in O.E.O. interpretation of the law will be made before the proposed guidelines are printed and circulated.

There are, as I see it, two major areas in which the guidelines deviate seriously from the intent of Congress:

(1) The statement of intent not to recognize a State as a Community Action Agency, although the law clearly says that a State or a political subdivision of a State may become a Community Action Agency.

(2) The obvious attempt to discourage political jurisdictions from becoming Community Action Agencies themselves, indicating the effort of O.E.O. to encourage continuation of the present system which Congress (by its action) found to be unsatisfactory in its operation and in its accomplishment of the objectives of the program.

Attached is a more detailed analysis of this effort by the Office of Economic Opportunity to interpret the intent of Congress.

Sincerely,

EDITH GREEN.

ANALYSIS OF PROPOSED GUIDELINES ON IMPLEMENTATION OF TITLE II

The Office of Economic Opportunity, in its proposed guidelines for the implementation of Title II of the Economic Opportunity Act

Amendments of 1967, entitled *Organizing Communities for Action*, states that it must give first preference to applications for recognition by Community Action Agencies which have been designated by local political subdivisions, rather than States (cf.: Designation and Recognition of Community Action Agencies, page 11 of memo No. 80). OEO stresses its determination to recognize only locally designated Community Action Agencies by stating:

"OEO must give first preference to applications for recognition of Community Action Agencies which have been designated by local political subdivisions, rather than by states. The role of the states . . . in exceptional cases where OEO determines that circumstances require a departure from the rule of local sponsorship will be dealt with in guidelines to be issued by OEO shortly."

In the first chapter of the proposed 1968 guidelines, OEO stresses repeatedly that Title II of the new Act requires only that governing officials designate Community Action Agencies.

A calendar of important dates on page 1 lists March 15, 1968, as the deadline for a notice of intent to designate a Community Action Agency. No mention is made of notice of intent of a state or political subdivision to designate itself as a Community Action Agency.

May 1 is given as the deadline for existing Community Action Agencies to file a certificate of compliance with board requirements.

May 15 is given as the deadline for a political jurisdiction, which is planning to designate a Community Action Agency, to notify its state government and other political subdivisions of its intent. No requirement is given here for a political jurisdiction planning to designate itself a Community Action Agency to notify others of its intent.

June 15 is given as the deadline for all political subdivisions to have submitted a form expressing their intent as to which agencies should become Community Action Agencies. No mention is given of a requirement that a state should have submitted a notice of its intent to become a Community Action Agency.

November 1 is given as the date by which OEO will have given (1) full recognition to existing Community Action Agencies, and (2) provisional recognition to new Community Action Agencies.

On page 4 the stress of the Economic Opportunity Act of 1967 is interpreted by OEO as follows: ". . . local governments are given the responsibility for establishing Community Action Agencies and assuring that they meet the structural, procedural, and program requirements to qualify for Federal recognition and funding. . . . They make clear that the Community Action Agency is not to be simply a dispenser of social services to the poor. It is to be a source of leadership in identifying and eliminating the causes of poverty. It is to exert its influence to 'stimulate a better focusing of all available local, state, private and federal resources . . .'"

At no point in this explanation of Congressional intent does the Office of Economic Opportunity mention that one of the main purposes of the new amendments and certainly the amendment to Title II is to encourage and require elected officials to assume the responsibility for Community Action programs.

On page 5 OEO states that the "act provides" for neighborhood level organizations including neighborhood centers and community based organizations controlled by the local residents. It is my understanding of the new legislation that such neighborhood level organizations may well be established but only if the Community Action Agency decides that they should be established.

In acknowledging the involvement of elected officials OEO states: "Under the OEO Act, more than ever before, the responsibility

for assuring that Community Action bridges are being built . . . falls to the local elected officials." It is my understanding that the responsibility falls to state elected officials as well as to local elected officials. Further expanding on the role to be played by elected officials OEO says that this role will be filled by making ". . . wise decisions in performing their central functions of designating the Community Action Agency . . ."

OEO IGNORES THE EMPHASIS IN THE ACT WHICH URGES STATE AND LOCAL POLITICAL SUBDIVISIONS TO BECOME COMMUNITY ACTION AGENCIES

It is my impression that OEO has again ignored the main point of the amendment to Title II in their first paragraph to the chapter, "Designating Community Action Agencies," on page 7 of the proposed guidelines.

OEO states: "Over 1000 Community Action Agencies have been recognized by OEO since the initial Economic Opportunity Act. Late in 1967 Congress amended that Act so as to give elected state, local and tribal officials the choice as to which agency should be designated as the Community Action Agency for their community. * * * OEO must approve the designation by recognizing a CAA." Rather than giving these officials the choice as to what character agency should be designated a Community Action Agency, the act urges them to assume the responsibility for making the state and its political subdivisions the Community Action Agencies themselves. OEO intention to subordinate the right of the state or of its political subdivisions to become Community Action Agencies is seen in the detailed discussion on how mayors and councils, county commissioners, or tribal council or governor and legislature are to become involved in a decision of whether to designate a different agency or whether not to designate any agency at all. Rather than suggesting that if a group of elected officials chooses not to designate any agency but may become the agency itself, OEO simply states that in the absence of any action the Office of Economic Opportunity on its own authority will designate a Community Action Agency.

Still prior to any mention of an elected board itself becoming a Community Action Agency, OEO further encourages recognition of existing Community Action Agencies by stating: "The process of designating an existing CAA is relatively simple since existing CAAs generally have already met all requirements for recognition by OEO. The principal actions required are a public hearing or an opportunity to comment and the notification of those other political subdivisions which would be served by the CAA. . . ." After exhausting all these possibilities, OEO reluctantly acknowledges what is the most important factor of the Title II amendments by stating: "If the political jurisdiction elects to designate a different CAA it may either: (1) designate itself as a Community Action Agency or, (2) designate a public or private nonprofit agency as the CAA."

On page 8 under "Composition of Boards" paragraph 1 states that $\frac{1}{2}$ membership of public officials "is both a maximum and minimum figure." In Section 211(b), on page 22 of the Act, a requirement is made that $\frac{1}{2}$ of the members of the board are to be public officials "unless the number of such officials reasonably available or willing to serve is less than one-third of the membership of the board."

In paragraph 3 regarding those members of the board to be made up of members or officials from business, industry, labor, etc., OEO states that selection of these members "will be made by those groups of interests." The law definitely does not state this. The legislative history clearly shows that Congress was intentionally silent on this in order to allow any one of several procedures to be followed with the choice reserved to

the governing authority of the state or of the political subdivision of the state. Congress intended to permit the elected officials themselves, if they so wish, to select the members from the above groups of interests.

Again, OEO discourages a state or political jurisdiction from becoming a Community Action Agency in the section, "Making the Choice of Agencies." Here again, OEO ignores the central point of the Title II amendment by stressing once more that political jurisdictions can choose to designate existing agencies as Community Action Agencies. OEO says: "The political jurisdiction, in making its decision as to which agency to designate, must be sure that it understands the requirements of law and OEO policies which stem from the law." But OEO further discourages any initiative of a political jurisdiction to take the responsibility for becoming a Community Action Agency by stating: "Such requirements may, in some cases, make it impossible for a political jurisdiction to itself serve as the CAA."

Under the section, "Specific Steps Toward Establishing a CAA," on page 9, OEO again omits any mention of the possibility of a political jurisdiction becoming a Community Action Agency: "1. By March 15, 1968, the political jurisdiction should submit to OEO a Statement of Intent to Designate a CAA."

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1969

The SPEAKER pro tempore (Mr. PRICE of Illinois). Under a previous order of the House the gentleman from Minnesota (Mr. QUIE) is recognized for 1 hour.

Mr. QUIE. Mr. Speaker, I ask unanimous consent that the special order of the gentleman from Ohio (Mr. AYRES) precede mine.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1969

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Ohio (Mr. AYRES) is recognized for 1 hour.

(Mr. AYRES asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. AYRES. Mr. Speaker, in 1966, the minority members of the House Committee on Education and Labor presented a long and detailed analysis of the faltering "War on Poverty." This was republished by the Republican National Committee under the subtitle of "A National Tragedy." Many Members on my side of the aisle in the 1966 November elections campaigned for election or reelection using this document as a basic source book of arguments for the return of a Republican Congress which would set this matter right and clean up the biggest mess in Government.

The mess is still there. The war is still faltering. It is still a "national tragedy." It is tragic because, if for no other reason, a whole industry has grown up around this program—an industry which consists of thousands of professional employees of one description or another, and more thousands of professional "consultants," who are not poor, have never

been poor, do nothing to help those who are poor, but who thrive on large salaries and larger consultant fees and fat contracts to analyze the needs of the poor.

Three years ago I made an analysis of the salary levels in the Office of Economic Opportunity, and concluded in a speech delivered on this floor that "the big money is in poverty." It still is true, and we are hearing from it today as efforts are suggestive to restructure the war on poverty.

What are those efforts intended to accomplish? They are mainly aimed at providing a framework through which the orderly processes of elected State and local government can be brought to play in coordinating a real attack on the causes and effects of poverty.

That was a key recommendation of the Republicans on our committee in 1966; it was then and has ever since been the fundamental principle upon which the overwhelming majority of Republicans—and I am glad to say, a large and increasing number of our Democratic colleagues—relied upon in formulating proposals for an effective fight against poverty.

Yet, today, I am asked to abandon the principle, sound though it may be, because "the shoe is on the other foot." We Republicans have an administrator of OEO—an able and valued former colleague in this body. I do have confidence in Don Rumsfeld. I do feel that he is making some progress in a near-to-impossible job. I do want to help him in that task. But I do not want to be asked to abandon sound principles in the process. I do not change my views as to sound public policy with every change in administrations.

I am being told "support the administration" by Members who virtually were in diapers when President Nixon and I served together in the Congress. I am being told "support the administration" by Members who hardly ever support it on other matters. Well, Mr. Speaker, I shall support the administration, and my leader and friend President Nixon, every time I can do so in good conscience. At this point I am not at all convinced that the President shares the views of the Director of OEO concerning what the policy of his administration is and ought to be. But I shall not change my view, in any case, as to the duty of the Congress to clean up the Economic Opportunity Act. That is my duty as a legislator—to do what I know is necessary and right. So I have no other choice. I only hope, in making that choice, that the administration will see its way clear to support me.

Mr. CAREY. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from New York.

Mr. CAREY. I thank the gentleman from Ohio for yielding. I attempted to ask my colleague from my side of the aisle to yield to me briefly, but I understand she was involved with other colleagues and probably did not observe me standing on my feet in an effort to get some time. I am very pleased that my distinguished colleague, the gentleman from Oregon, has explained her substitute.

I take this time in order to ask my colleague, the gentlewoman from Oregon who is still on the floor, if the gentleman plans to put in the RECORD or any other appropriate place the full text of her substitute so that we may all see it?

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman from Ohio yield?

Mr. AYRES. I yield to the gentleman from Oregon.

Mrs. GREEN of Oregon. May I say first of all that I did want to yield to the gentleman from New York but I understood the Speaker pro tempore to say that my time had expired.

Mr. CAREY. I understand that.

Mrs. GREEN of Oregon. And it was for that reason that I was not able to yield to the gentleman. I think, certainly, the plan was when the bill was scheduled today that the gentleman from Ohio was going to explain the bill. He was going to put the full text of the bill in the RECORD. And I certainly say that the amendments that the other three people—the four of us who have worked together on it—did agree that we would go ahead with our plans and make available to other Members of the House the full text.

Mr. AYRES. The reason, I will say to my dear friend from New York, contrary to the suspicion that our chairman, the gentleman from Kentucky, had, the bill was just folded and clipped together minutes before 12 o'clock. The reason was that there was a last-minute change dealing with the legal aid phase of it, because we had conferred with the gentleman from Virginia (Mr. POFF) who is in my judgment one of our great constitutional lawyers, and we conferred with the gentleman in getting the language that would take care of the Murphy amendment.

Mr. CAREY. If the gentleman will yield further, I am very pleased to hear that the group is consulting with established legal experts in the House like the gentleman from Virginia (Mr. POFF), because that is what gives me great concern with regard to the implication of some of the suggested amendments which make up the substitute in the present form before us.

I would ask the distinguished ranking minority member of the committee if it would not be in the best interest of the agency, and therefore of the poor and of the Congress, if we proceeded in an orderly and, shall I say intensive, way to find out from the agency which will be called upon to administer the bill, administer this program, now headed by a former Member of the House, and a highly respected former Member, as to what he thinks of the individual provisions of the new bill. Because he has come to us—

Mr. AYRES. Might I say to the gentleman from New York that the gentleman from Illinois (Mr. ANDERSON) was privileged to receive a communique from the new Director, and I understand that a copy of that is going to be made available and it will be placed in the RECORD.

Mr. CAREY. On an important matter like this I do not like to legislate on the

basis of communiques. I would rather have a complete report from the Director.

Mr. AYRES. The letter was not addressed to me.

Mr. CAREY. But to have a privileged communique is scarcely the right way to understand what he thinks of the provisions of the legislation.

If the gentleman will yield further—

Mr. AYRES. May I say to the gentleman from New York that I would like to proceed with what I have, and then I will be glad to yield. I will be here for the whole hour.

Mr. CAREY. I just want to finish on this point, if I may. I did hear a great deal yesterday about supporting the President at this stage in his efforts to bring about peace in the war in Vietnam, and I would hope the same order of support might be appropriate here when the President is attempting to grope and grapple with the problems of the poor.

The President, as I understand, asked for a simple extension of 2 years to set his house in order, and to bring forth a better understanding of the management of these programs, and I wonder why the President wants this sort of action with \$2 billion to deal with 30 million of the poor, and why we are unwilling to go along with President Nixon when yesterday by 6 to 1 we voted to go along on a program where there is some \$30 billion a year to deal with 2 million North Vietnamese.

Mr. AYRES. I would say to the gentleman from New York—and I appreciate his remarks—I cannot speak for the President of the United States. I presume he will be speaking out on many subjects where positions in the House have previously been taken.

Mr. Speaker, what we are doing here this afternoon is almost exactly what would have happened if the chairman of the committee had not seen fit to recall the bill. The gentlewoman from Oregon (Mrs. GREEN) had an hour, and now I have an hour, and then the gentleman from Minnesota will have an hour. The rule called for 3 hours of general debate, and what is transpiring here is approximately the same thing that would have happened were we operating under the rule. I am sure that the gentleman from Illinois (Mr. PUCINSKI) would have been active in the debate as he is here today.

I do think that it is proper to briefly review what has transpired in connection with this program, and to also let it be known, Mr. Speaker, why many of us feel so deeply that changes should be made in the program.

I do not know of anyone in this House who has more personal admiration and respect for the gentleman who is now the Director of OEO than the gentleman in the well. But I hope, Mr. Speaker, that the membership will recall what I had to say back in 1964 regarding this program.

You know a former colleague of ours, and a late Speaker, once had these words to say, "You are never defeated on what you do not say." Well, I said it, and I was reelected. Not that this had all the bearing on it. But the point is, it is a matter of record and BILL AYRES is not going to run from it.

Despite deep reservations concerning the form of the proposed "war on poverty," I did not sign the minority views when the original bill was reported out of our committee on June 3, 1964. It was my hope, even then, that the Congress would "stop, look, and listen" and then take action to find the way to an effective war on poverty.

PROBLEMS COULD HAVE BEEN AVOIDED

On the floor of the House, on August 6, 1964, during the debate on the poverty bill, I stated:

I favor an all-out attack on poverty. I do believe that we probably can improve existing legislation and devise new methods of attack if we knew exactly the effectiveness of present legislation and better understood the problem from a local level.

I therefore offered a substitute bill—H.R. 12040—to create a Presidential Commission to—

review the scope, cost, and effectiveness of all existing programs; to examine into and analyze the underlying causes of poverty; to define those areas of unmet community and individual needs to which new programs need be directed or established programs re-directed to more effectively deal with the causes and effects of poverty; to recommend specific administrative and legislative action which should be taken by the Federal, State, and/or local governments.

My substitute was rejected by a margin of 27 votes.

If only this course had been taken in 1964, we would not now in 1966—2 years and \$2.5 billion later—be faced with a hastily conceived program rushing headlong toward catastrophic failure.

THE "FALL GUY" FOR FAILURE

During the 1964 debate on the poverty bill I said of Mr. Shriver:

The distinguished gentleman who is scheduled to head this new agency (Office of Economic Opportunity) seemed to be working against a most early deadline. I have been told that many of his friends felt that his leadership for this legislation would make him the most popular political figure in the Nation.

After 2 years, it appears that this very able man is going to be made the "fall guy" or "goat" for failures which result inevitably from sloppily drafted legislation. Personally, although I have criticized the excesses of his program, I regret that he should be made the political victim. Mr. Shriver is virtually this administration's last link with the idealism and graceful style of President Kennedy, so well exemplified by the Peace Corps which Mr. Shriver led brilliantly. We can only hope that this fact serves him as well in high places in Washington as it does with the general public.

OUR PRIMARY GOAL

As I reminded the House 2 years ago, "Our primary concern is for the less fortunate citizens." That is the concern of my colleagues and myself in presenting the foregoing views; we seek neither political victims nor partisan advantages. We do seek more effective means to attack problems of poverty.

Much of the antipoverty program could still be salvaged and made a serviceable tool for helping the poor. Federal, State, local governments, and private

agencies are spending tens of billions of dollars each year in a multitude of anti-poverty programs which could be and should be better coordinated and more sharply aimed at eliminating the cause of poverty.

Decent jobs are the first need of the poor; and our efforts to help unskilled unemployed, and underemployed citizens must be improved. We must reexamine and reevaluate our welfare and educational programs to assure that they are reaching the right people in the right way. This is what I had hoped to accomplish with H.R. 12040 (and an expenditure of \$1.5 million) in 1964. We can still accomplish these purposes in 1966 if this Congress will put aside the politics of poverty and turn to the needs of the poor.

The bill here reported by our committee does little to improve the faltering war on poverty.

Now my remarks and the remarks of many Republicans, and reprints of what many Democrats have said including my friend, the gentleman from New York (Mr. CAREY) who I might add said, quoting from the New York Times,

There is a riot of runaway and ineffective programs proliferating all over New York City, but not an effect attack on the basic problem of poverty.

Mr. Speaker, I ask unanimous consent to insert a portion of this booklet called "The War on Poverty" which was printed by the Republican National Committee and given out to every Member and every candidate running for office in 1966.

THE SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE WAR ON POVERTY: AN AMERICAN TRAGEDY

The Joint Senate-House Republican Leadership has singled out for praise the efforts of eight GOP Members of the House Education and Labor Committee. These Congressmen have mounted a major offensive to correct the abuses that have devitalized the anti-poverty program. Their views, excerpted from pages 91-161 of House Report No. 1568, detail and document the political meddling, the waste, and mal-administration that have caused the "War on Poverty" to become a national disgrace—an American tragedy.

Republicans feel that all Americans are entitled to a complete statement on the competence of the anti-poverty stewardship of the Johnson-Humphrey Administration. In its role as a responsible opposition spokesman, the Republican Party is working hard to ensure that deprived Americans are receiving 100 percent benefit from every dollar spent in the fight against poverty. The Republican Opportunity Crusade, outlined in this report, is a complete and constructive substitute for the President's lagging "War on Poverty."

THE JOINT SENATE-HOUSE REPUBLICAN LEADERSHIP

For the Senate: Everett M. Dirksen, Leader; Thomas H. Kuchel, Whip; Bourke B. Hickenlooper, Chr. of the Policy Committee; Leverett Saltonstall, Chr. of the Conference; Thruston B. Morton, Chr. Republican Senatorial Committee. Presiding Officer: The Republican National Chairman, Ray C. Bliss.

For the House of Representatives: Gerald R. Ford, Leader; Leslie C. Arends, Whip; Melvin R. Laird, Chr. of the Conference; John J. Rhodes, Chr. of the Policy Committee; H. Allen Smith, Ranking Member Rules Committee; Bob Wilson, Chr. Republican Con-

gressional Committee; Charles E. Goodell, Chr. Committee on Planning and Research.

STATEMENT BY SENATOR DIRKSEN

The Republican Membership of the House Education and Labor Committee have done the Congress and the Nation a signal service in the detailed and vigorous minority report they have issued on the so-called "War on Poverty" program of the Johnson-Humphrey Administration.

In a speech in the Senate on August 19, 1965, I identified the erratic, costly and misdirected course this program was then threatening to take. The Republican minority have now confirmed in every detail the most ominous of my predictions where the genuine welfare of the poor and the dreadful costs to the American taxpayer were concerned. This Minority Report will be printed and available within a day or so and I not only commend it to your attention but strongly urge your careful reading of it. *I urge, moreover, that you in turn urge your readers and listeners to write their respective members of the Congress for copies of it.* I have seen nothing in a good number of years that will so alert and alarm our people as to the reckless course the Johnson-Humphrey Administration has now clearly laid out before us.

Constructively and positively, I therefore urge:

1. That the President institute immediately a thorough review and reappraisal of this disastrous Poverty program under the Congressional Resolutions to this end that have already been filed by me and by Representative Ford and that at the same time he examine objectively and honestly the increasingly harsh impact of the high cost of living upon the American people.

2. The adoption by the Congress and the Administration of the strong clear recommendations of the Opportunity Crusade contained in this superb Minority Report.

When the Representatives of the American people in Congress are asked to appropriate another one and three quarters billions of dollars for a poverty program that has already wastefully consumed two and one-third billions of dollars, the people are fully justified in demanding an explanation of this disastrous program and of how it is now proposed to spend still more of their hard-earned and rapidly vanishing income in this wasteful, reckless way.

Therefore, our Question-of-the-Week: Mr. President, Why is the War on Poverty being lost?

STATEMENT BY REPRESENTATIVE FORD

At the very outset, let me join with Senator Dirksen in urging your readers and your listeners to ask their respective Members of Congress for copies of this historic Minority Report on the Poverty program as soon as the Democrat-controlled Committee makes it available. Our people not only have the right to know the harsh facts of that program but, as they now struggle at every income level to make both ends meet, they must be told how frightfully, how disastrously their dollars are being spent in this incredibly mismanagued, almost totally unproductive program of the Johnson-Humphrey Administration.

A very prominent Democrat has used the phrase "the arrogance of power" with respect to his own Administration's foreign policy. That phrase "arrogance of power" far more aptly describes this Poverty program: in the day-to-day administration of that program in countless communities across the country, in the high-handed, steam-rollering of poverty legislation in the House Education and Labor Committee and in the repeated defiance hurled at many of the governors of our states and mayors of our cities by Poverty office bureaucrats.

We Republicans in opposition contend that, in this as on almost every domestic

front, the Johnson-Humphrey Administration has regularly substituted promises for performance. When such a policy is applied to the poor it becomes not only harsh, not only cruel, but intolerable and unforgivable.

Let it be clear, however, that this is by no means a partisan political point of view. Repeated statements on the subject by prominent and dedicated Democrats in the Congress have included such Poverty program charges and phrases as "disastrous," "Programs now mired in the swamp of mediocrity," "a riot and a runaway of ineffective programs," "The rural areas . . . have . . . been lost in the Shuffle," "an awful mess," "grandiose sociological studies and anti-social protest movements." These are the words of Democratic spokesmen for their constituents and to their reactions can be added the detailed article in the May issue of U.S. News and World Report on "The Mess in the Poverty War," a significant poll taken in one of our most populous states, and endless other evidence from public officials and private leaders of all political faiths.

As Senator Dirksen has indicated, we will not be critical only. The Republican Minority on the Committee has proposed an "Opportunity Crusade"—eleven sound and specific recommendations for a total overhaul of the Poverty program. They deserve not only a hearing by the Congress and the country—they deserve to be heeded, *immediately*, by the Johnson-Humphrey Administration.

Therefore, our Question-of-the-Week: Mr. President, Why is the War on Poverty being lost?

ECONOMIC OPPORTUNITY AMENDMENTS OF 1966—MINORITY VIEWS

We, the undersigned, oppose this legislation because it merely repeats the high promises to the poor and raises their expectations without providing the effective means of fulfilling them. Specifically, we oppose this legislation because it does not address itself to—

1. The correction of the abuses which are destroying the poverty program; or
2. The guarantee of involvement of local government officials and citizens of talent with representatives of the poor at policy-making levels to provide the indispensable ingredient of success for community action programs; or
3. The establishment of a partnership with the States which will allow them meaningful participation in the program; or
4. The establishment of program and funding priorities which would give emphasis to the needs of the very young and training opportunities in private enterprise to the unemployed.

From bad to worse

During the past year, efforts by the Education and Labor Committee to gather information which would be helpful in drafting effective antipoverty legislation have fallen far short of the desired goal. A \$200,000 investigation was thwarted by lack of direction and tactics resulting in a most superficial effort. To date, no report has been published of the findings of the investigation.

The promises of an in-depth study of the war on poverty and subsequent hearings in selected field areas were totally unfulfilled. The minority membership, available during the November-January period of adjournment, waited patiently for field hearings which never materialized.

A musical chair investigative staff, which at no time included an accountant, was constantly confused by change of directions, canceled trips, recall from investigations, and numerous changes in the lineup. Reports were sketchy and for the most part consisted of statistics and percentages which provided little help to draft sorely needed legislative changes. In December the chairman astonished subcommittee members by appointing a three-man task force to "check on" his first investigation.

No Independent Investigation Was Possible Under These Circumstances

The widely heralded hearings of the Ad Hoc Subcommittee on the War on Poverty in March developed into an 8-day parade of administration spokesmen and apologists for the poverty program who spent hours relating self-serving statistics and stressing debatable accomplishments. The hearings were so loaded that the most critical witness turned out to be the Director, Sargent Shriver, himself.

The minority recommended 67 witnesses, knowledgeable regarding all aspects of the antipoverty program, be called. These recommendations were ignored and the hearings were abruptly terminated. When incredulous Republican committee members, and the press, questioned Chairman Powell's arbitrary action, his response was characteristic: "Because I am the Chairman."

The Private Wedding of Politics and Poverty

Perpetrating one of the sorriest exhibitions of political partisanship involving a piece of important national legislation that the Congress has ever witnessed, committee Democrats held a series of private caucuses to draft the Economic Opportunity Act amendments. Excluding Republicans from the closed-door sessions, the Democrats sought to write "a bill we can defend."

In our opinion these actions are an open admission that many Democrats consider the poverty program as pure politics and their own private preserve.

Forty-one days after the abrupt termination of hearings, executive sessions to mark up the bill were begun. The more than a month that the Democrats spent in an effort to hammer out a position which they could defend was apparently of no avail. Any discussion of issues quickly revealed their serious divisions. Several times executive sessions broke up in confusion as Democrats repeatedly caucused in an effort to unite in a defensive position.

Whip Cracks

When it became apparent that there was still serious dissension among the Democratic members, the chairman ramrodded the bill through the committee rather than have it subjected to amendments. Republican proposals for substantial changes that would have corrected present abuses in the program were summarily rejected on straight party-line votes.

Thus, as the war on poverty approaches its third year, with abuses, scandals, and waste mounting, no significant corrective changes have been made in the legislation. Now, more than ever, there is a critical need for a responsible and sincere investigation of the program. Numerous instances of waste and corruption have been exposed, for the most part by diligent newspaper reporters in various localities. But this is not enough. There is a notable lack of inspections and examinations of expenditures.

Rules Committee Refuses To Hold Hearings

Congressman William H. Ayres, joined by other Republicans, sponsored a resolution to establish a select committee of the House, appointed by the Speaker with the advice of the minority leader, to conduct a thorough and bipartisan investigation of the structure and operation of the Economic Opportunity Act. Although this proposal has had overwhelming support from Republicans and has been sponsored by some Democrats—notably Judiciary Committee Chairman Emanuel Celler—the controlling members of the Rules Committee have refused to even hold a hearing on the resolution for a select committee.

Although undermanned, we will continue to survey the poverty program, to point out the abuses, and to make proposals for constructive changes.

Where are we now?

A war on poverty is not a new concept in the economic history of the United States. However, a "war on poverty" as a political tool which seeks to decrease and abolish poverty by Government fiat is new.

The entire economic progress of our Nation has been marked by an increasingly successful struggle against deprivation. The advancement that the U.S. economy has made is illustrated by the fact that the number of families with income of less than \$3,000 has decreased by 13 percent since 1947.

The Dimensions of Poverty

Using 1964 constant dollars, 31 percent of the families in 1947 had incomes of less than \$3,000 and by 1964 only 18 percent of the families fit into this category. This remarkable decrease was accomplished through the combined efforts of industry, government, and private organizations pursuing the joint goals of economic progress and the elimination of poverty—not by massive employment in the public sector of the economy.

Income of families, 1947-64

[Percent of families with money income less than \$3,000 (1964 prices)]

1947	-----	31	1956	-----	22
1948	-----	32	1957	-----	22
1949	-----	33	1958	-----	22
1950	-----	30	1959	-----	21
1951	-----	28	1960	-----	20
1952	-----	27	1961	-----	20
1953	-----	25	1962	-----	19
1954	-----	27	1963	-----	18
1955	-----	24	1964	-----	18

Source: Department of Commerce, Office of Business Economics.

Although substantial economic progress been made, we must take a more critical look at the advancement of the effort to reduce poverty. It is disturbing to note that the reduction rate of the total number of Americans living in poverty has slowed in recent years.

Overall advancement is further marred by the finding that certain groups of our population have not made any economic advancement and, in some cases, have become even further entrenched in their poverty status. For instance, the number of families with five or more children who live in poverty has remained constant at about 1.1 million. The number of poor households headed by females increased from 1959 to 1964.

Although the total number of poor, non-white households declined by 200,000 between 1959 and 1964, it is still of serious consequence to note that in 1964 almost 48 percent of the nonwhite families with children were below the poverty-income level. As was noted in testimony before the committee, since 1960 per capita income in Negro sections of Los Angeles has declined and there has been no improvement in the unemployment rate. This occurred in a 5-year period when there was a 23 percent per capita income rise.

"Nothing can be done * * * but to pay the bill"

As the monetary commitment to the reduction of poverty has increased, the rate of the reduction of poverty has slowed. This disturbing phenomenon was noted by the Committee on Appropriations in its report on the second supplemental appropriation bill of 1966. Discussing the supplemental appropriation to States for public assistance, the report states:

"When Congress acted on the regular annual bill for the Departments of Labor and Health, Education, and Welfare for fiscal year 1966, it reduced the request for grants to States for public assistance by \$242,100,000 on the basis that we have been appropriating hundreds of millions of additional dollars every year for the past few years for

programs that are aimed at combatting dependency, and the outlook for a reduction in the rate of unemployment was better than it had been for a long time. Of course, unemployment rates have gone to even lower levels than was anticipated when Congress acted on the original appropriation for 1966. Yet, in the face of this fact, the request for a supplemental appropriation is not only to restore the reduction made by Congress last year but for an additional amount of approximately \$140 million. Of course, this is purely a mathematical calculation and nothing can be done under the law but to pay the bill."

Redirection for Progress

It is apparent that a mere increase of funds will not be able to sustain the economic progress that has been made to date. Because we are in the midst of a critical historic period when Federal funds are limited, we must see that top priority is given to the programs which will bring the highest return on our investment. A redirection of programs and funding is necessary if the objective of the elimination of poverty is to be accomplished. The war on poverty must be evaluated on the basis of its accomplishments, not its objectives.

\$2.3 billion later

The war on poverty has now been in progress for 2 years. Two billion three hundred thousand dollars have been spent to wage that war. There is no doubt that some good has been accomplished at extravagant cost, but what return has the taxpayer received for his investment? He is daily treated to headline stories of mismanagement, abuse, and scandals concerning the poverty program.

Sargent Shriver testified before our committee on the accomplishments and mistakes that the Office of Economic Opportunity has made in the past year. He produced a welter of self-servicing statistics designed to prove that the programs are working. He even "admitted" a few of the "setbacks" like the Black Arts Workshop, Job Corps problems, and ineligible Neighborhood Youth Corps enrollees.

The mistakes that Mr. Shriver admitted were all points of fact, but the balance of accomplishments and failures he presented was decidedly lopsided. Through a series of press releases and Republican poverty memos, we have sought to present a clearer picture of just exactly what is happening. We do not attempt to discuss all of the incidents that have occurred, or to reproduce all the excellent news stories, but it is essential that we highlight the problems so that clear carefully developed remedies may be found.

Our Worst Fears

As original supporters of residential, experimental schools for unemployed underprivileged youths, the concept embodied in the Job Corps program, we were very apprehensive about the mass production of this idea. Our worst fears did not begin to anticipate the heavy fire of criticism that the Job Corps has been under since its much publicized initiation. A potentially good program is faced with failure because of excessive costs, political profiteering, permissive disciplinary policy and a distant unenlightened, centralized control.

A Matter of Speculation

The costs of this single antipoverty program are appalling. Costs everywhere are exceeding estimates. The combination of high property rentals, excessive salaries, and underestimated site rehabilitation costs has resulted in a cost per enrollee that has been variously estimated as \$9,120 to \$13,000 per year. These costs merely represent the costs per enrollee.

When expenses are evaluated on the basis of cost per graduate, the results are even more astounding. For example, the St. Peters-

burg, Fla., Women's Job Corps Center, after 1 year of operation, has produced 42 graduates at a cost of \$39,205 per graduate.

If the Job Corps program is to be continued, it is vital that costs per enrollee be reduced. We must, then, curb the factors that are causing the soaring costs. And, what is the main factor? Improper location of Job Corps facilities in locations that demand high rentals or unreasonable rehabilitation costs. The reasons that prompted Job Corps officials to locate the centers in such uneconomical locations are only a matter of speculation at this time.

The Charleston, W. Va., Women's Job Corps Center, which is located in the old Kanawha Hotel, is one of the most notable of the examples that could be given. The story surrounding this center has been documented in the following Republican Poverty Memo.

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 5, Mar. 21, 1966]

CHARLESTON, W. VA., HOTEL CASHES IN ON ANTIPOVERTY PROGRAM

Lease a rundown hotel for \$94,800 a year. Pay all taxes, insurance, utilities, and repairs. Spend \$225,000 renovating the building, which reliable real estate brokers value at \$250,000.

Result: One Women's Job Corps Center in Charleston, W. Va.

The waste involved in another of the pet projects of the President's so-called war on poverty was disclosed today by Congressman Albert H. Quie, Republican, of Minnesota, in a speech on the floor of the House of Representatives.

The Charleston Women's Job Corps Center is housed in the old Kanawha Hotel, owned by the Kanawha Hotel Co., whose president is Angus Peyton, a prominent West Virginia Democrat and State commerce commissioner.

"The rundown hotel, which was used for Democratic presidential campaign headquarters in 1960, was assessed at \$87,000 prior to occupancy of the Women's Job Corps in August 1965," Congressman Quie said. "It was subsequently raised to \$115,000. Estimates of reliable real estate brokers in Charleston placed the value of the hotel at \$250,000."

"In addition to receiving a guaranteed profit of 40 percent on the annual \$94,800 rental paid by the Federal Government, the \$225,000 spent renovating the building would accrue to the Kanawha Hotel Co., Congressman Quie said.

"Our investigations have revealed that in the spring of 1965 a construction consultant, an employee of a firm retained by the Office of Economic Opportunity, on two separate occasions surveyed the Kanawha Hotel to determine its suitability for a Women's Job Corps Center," said Congressman Quie. "Both times, despite pressure to approve the site, the consultant recommended against use of the hotel, reporting among other things that the building would be too expensive to rehabilitate."

Congressman Quie said there are "obvious political implications" in the arrangement and that it is "another example of extravagant diversion of antipoverty funds into the pockets of Democratic politicians."

"Testimony at hearings currently being held by the Education and Labor Committee has revealed the estimated costs of maintaining one Job Corps enrollee for a year ranges from \$8,500 to \$13,000. Educators gasp at these figures and taxpayers question the justification for such an expensive program. We all recognize the necessity for the Job Corps program and agree with the concept * * * however, the program wasn't designed to be a windfall for the wealthy with influence," Congressman Quie said.

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 14A (supplement to Poverty Memo 14), Apr. 15, 1966]

CREDIBILITY GAP AT OEO—CHARLESTON REVISITED

"Congressman Quie, the figures that were given to you * * * were inaccurate." Thus, in testimony on March 23, Bernard L. Boutin of the Office of Economic Opportunity began a point by point denial of facts presented by Albert H. Quie, Republican of Minnesota, 4 days earlier with reference to the Charleston, W. Va., Women's Job Corps Center. The same day Congressman Sam Gibbons, of Florida, took the floor defending OEO and declaring that Congressman Quie, inadvertently, was wrong.

Further investigation in Charleston not only showed that Congressman Quie was right but that he conservatively underestimated facts that add up to scandalous poverty profits to a leading Democrat officeholder in West Virginia. Congressman Quie said the Hotel Kanawha was owned by a corporation whose president was Angus Peyton, a prominent Democrat and the present commerce commissioner in West Virginia. This is undeniable. Congressman Quie said that the Kanawha Hotel lease provides for payment of \$94,800 a year net profit, after the Federal Government reimburses for taxes, insurance, utilities and repairs. Mr. Boutin said the rent was \$90,000. The fact is that the rent is \$94,800 and the Federal Government pays, in addition, \$4,800 a year for the storage of old hotel property.

Congressman Quie said assessments in West Virginia were by law 50 percent of market value. Mr. Boutin said they were 40 percent. Chapter 18, article 9(a), section 4 of the West Virginia Code provides that assessed valuation shall not be less than 50 percent nor more than 100 percent of appraised valuation.

Mr. Quie said that the Federal Government has spent at least \$225,000 renovating the rundown Kanawha Hotel. Mr. Boutin said they have spent only \$187,000. The fact is the Federal Government has spent \$345,000 to renovate the hotel into a Job Corps Center. This includes \$290,026.60 spent on repairs and installation of equipment, \$24,936.77 for electric, heating and plumbing items which they call "maintenance" and \$30,586.14 for outstanding mechanics liens.

Mr. Quie said that the Kanawha Hotel was worth about \$250,000 at the time it was chosen for a Job Corps Center. Mr. Boutin claimed it was worth \$438,000 in 1965 and \$508,250 in 1966 (perhaps silyly including in its value \$345,000 worth of renovations at taxpayers' expense). The fact is that reliable real estate brokers in Charleston indicated the Hotel Kanawha was worth about \$250,000 prior to renovation. A somewhat older but comparable hotel in Charleston, the Milner-Ruffner, with more land and a more valuable location, sold on February 1 this year for \$200,000.

Mr. Boutin defended the Kanawha Hotel expenditures with the claim that annual square-foot rental cost is less than one dollar. This figure must have been computed by dividing the erroneous \$90,000 per year rental by 100,000 square feet. This becomes an entirely meaningless computation when it is understood that it ignores \$4,800 being paid annually for storage of the old hotel furniture, \$7,500 paid annually for taxes (including taxes on the furniture in storage and the hotel's accounts receivable), \$5,740 paid annually for insurance and \$4,800 paid annually for rent in addition to the \$90,000 reported by OEO. Certainly a meaningful annual square-foot cost figure should include all annual expenditures, not to mention \$16,000 to settle leases of former tenants and some annually amortizing of the \$345,-

549.51 renovations. Who does Mr. Boutin think he fools by citing such glib and misleading figures?

In summary, the poverty program has spent \$345,549.51 renovating a rundown hotel worth about \$250,000. A corporation, whose then president is a leading West Virginia Democrat, receives \$94,800 per year profit on property worth \$250,000. That is a poverty profit of 38 percent a year. An OEO official described the Charleston Women's Job Corps arrangement as "the very best deal that could be gotten." The taxpayers might be justified in asking "the best deal for whom?"

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 16, Apr. 20, 1966]

THE KANAWHA HOTEL—A LOGICAL CHOICE?

Congressman Albert H. Quie pointed out today more errors in the March 23 testimony of Bernard L. Boutin, Deputy Director of the Office of Economic Opportunity. Boutin was testifying before the Ad Hoc Subcommittee on Poverty of the House Education and Labor Committee.

Congressman Quie was attempting to learn more about a feasibility study that had been conducted to determine if the rundown Kanawha Hotel in downtown Charleston, W. Va., was suitable for a Women's Job Corps Center.

The engineer who conducted the feasibility survey twice said that it was not suitable—and was fired for his trouble. The Kanawha Hotel was leased from the Kanawha Hotel Corp. whose president was Angus Peyton, West Virginia Commerce Commissioner and unsuccessful 1964 Democratic candidate for the State Senate.

Boutin was just one of three OEO officials that Congressman Quie questioned about the feasibility study. He also asked Benetta B. Washington, of OEO's Women's Centers Division, who had conducted the study. She said it was OEO's own engineers. Congressman Quie asked Milton Fogelman, OEO contracting officer, who had conducted the feasibility study. Fogelman said it was Consolidated American Services. He was right. Boutin's version came out like this:

Mr. BOUTIN. "Survey for this was done by GSA for us. The facilities that were carefully looked at was the Ruffner Hotel, the Holley Hotel, the hotel in question, the Daniel Boone Hotel and the Holiday Inn Hotel."

The "hotel in question" was, of course, the rundown Kanawha.

Congressman Quie had charged earlier that selection of the Kanawha Hotel, coupled with the \$94,800 annual rental and the fantastic cost of rehabilitation which mounted the first-year cost of the site to at least \$477,839.76, "implies political favoritism."

(Boutin also testified before the ad hoc subcommittee that the first-year cost figures advanced by Congressman Quie were inaccurate. Subsequent investigation showed that Congressman Quie was right—Boutin wrong.)

As in the case of the cost figures, Boutin's testimony that several sites were "carefully looked at" appears to be inaccurate and misleading.

In order to determine what, if any, alternatives were considered for the location of the Charleston Women's Job Corps Center, Congressman Quie had the minority investigator of the ad hoc subcommittee make a check, with the following results:

On March 28, 1966, Mrs. Mary Lee Crowley, owner of the Holley Hotel on Quarrier Street in Charleston, said that at no time did she consider leasing the Holley Hotel to the Office of Economic Opportunity or its contractor, Packard Bell Electronics Corp. She recalled that early in 1965 a representative of Packard Bell called on her and asked if she would be interested in leasing the hotel as a Women's Job Corps Center. Mrs. Crowley told this

man that she was interested in selling the hotel, but not in leasing it. She remembered that his manner was abrupt and her conversation with him was less than 5 minutes. To her knowledge, no surveys or studies of the Holley Hotel were made by Packard Bell, OEO, or General Services Administration, which Boutin claimed made some studies for the OEO program.

Also on March 28, 1966, Mr. Joe Reiser, assistant manager of the Daniel Boone Hotel at Washington and Capitol Streets in Charleston, said that to his knowledge no studies or surveys of the Daniel Boone Hotel were made by Packard Bell, GSA or OEO in contemplation of a Women's Job Corps site. He said no approach or offer had been made to the Daniel Boone management by any representative of these organizations. On April 6, 1966, Mr. Reiser said he had been in contact with Mr. Roger S. Creel, general manager of the Daniel Boone, who had been vacationing in Miami, Fla. Mr. Creel confirmed that at no time was any offer made to the Daniel Boone management regarding the Women's Job Corps Center and to his knowledge no studies or surveys of the hotel had been made for that purpose.

On April 6, 1966, Mr. Lyman Stanton, president and general manager of the Holiday Inn Hotel on Kanawha Boulevard in Charleston, told the same story. He said that no approach or offer had been made in regard to the Women's Job Corps Center site and to his knowledge no studies or surveys of that facility had been made.

On March 30, 1966, Mr. Vincent Chaney, Charleston attorney who had represented the Ruffner Hotel for years prior to the sale of the building on February 1, 1966, said that to his knowledge no action had been taken in any way by Packard Bell or OEO in consideration of the Ruffner Hotel as a Job Corps site. His statement was affirmed by Mr. R. G. Lilly, Sr., Charleston attorney and principal stockholder of the family-owned Ruffner Hotel prior to its sale.

Mr. Lilly said, however, that in 1965, when he learned that a Women's Job Corps Center had been planned for Charleston, he was interested but was never approached.

Had he been approached, Mr. Lilly said, he would have been very interested in leasing the Ruffner Hotel as a Women's Job Corps Center for much less than the \$94,800 annual rental on the Kanawha Hotel.

Mr. Lilly described the Ruffner as a six-story building with basement and penthouse which includes about 170 bedrooms. He said the hotel has been leased to the Millner Co., of Detroit, Mich., during the past 3 years under an arrangement where the hotel owners received 17 percent of the gross income. This resulted in the following approximate incomes to the hotel: 1965, \$21,000; 1964, \$18,000; and 1963, \$14,000. Under the terms of the lease, the Ruffner Hotel paid taxes and insurance on the building and its furniture.

Under the Kanawha Hotel-Packard Bell lease, the Office of Economic Opportunity pays taxes and insurance on the hotel and its furniture, as well as furniture storage.

"It seems apparent from these figures that Mr. Lilly would have been glad, as he has said, to lease the Ruffner Hotel for much less than \$94,800 a year," Congressman Quie said in a speech on the House floor today. "Based on information furnished by responsible Charleston hotel representatives, it is apparent to me the Kanawha Hotel was the only site considered."

"This is in addition to the errors I pointed out previously in Mr. Boutin's testimony before the ad hoc subcommittee," Congressman Quie said. "As far as I am concerned, so many errors of such a basic and grave nature are enough to discredit Mr. Boutin's entire testimony. This is another example of the chaotic and make-it-up-as-you-go administration that seem to be so much a part of everyday operations at the Office of Economic Opportunity."

CONTINUATION OF TEXT "Silver-salaried Job Corps"

Excessive salaries paid to Job Corps employees have resulted in extraordinary expense and the proselytism of personnel from existing school systems. An extreme example of this was found at the Camp Gary Men's Job Center in San Marcos, Tex., where the 208 staff personnel who make \$9,000 a year or more received an average of 57 percent increase in salary when they were employed at the Center. Further details on the salaries at Camp Gary were set out in a Republican poverty memo and a speech made to the House by Congressman Goodell.

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 20, Apr. 28, 1966]

SILVER-SALARIED JOB CORPS; OR RAGS TO RICHES

Want a 57-percent raise? Join the staff of the Job Corps. The 208 staff personnel at Camp Gary (San Marcos, Tex.) drawing above their previous salary. Twenty-two of them more than doubled their previous salary. Here are some examples of past and present salaries of Camp Gary personnel:

Position	Previous	Present
Manager of personnel.....	\$5,000	\$10,000
Math chairman.....	4,730	10,080
Citizenship teacher.....	4,800	10,080
Chairman commercial skills.....	4,650	10,080
Welding instructor.....	3,200	9,780
Teacher commercial skills.....	4,500	9,780
Do.....	4,300	9,780
Auto mechanic instructor.....	3,800	9,780
Drafting instructor.....	4,764	9,780
Science teacher.....	4,700	9,780
Duty officer.....	4,500	9,493
Physical education instructor.....	4,600	9,480

The automatic, facile explanation always given by poverty officials for high salaries is, "We need the best people." Is it really necessary, however, to go this far? Aside from the leakage of poverty funds for extravagant salaries, there is a distressing impact on school systems. What school board can compete with their rich Uncle Sam who apparently has money to burn; 154 of the 208 came directly to Gary from school jobs. Is it necessary to offer \$9,780 to a math instructor making \$4,887, or to a music teacher making \$4,200, in order to attract them to come to Camp Gary? Would a private employer offer these lavish salary increases in his business?

These are the kind of facts that should have been brought out in congressional hearings. In spite of our efforts, and those of Congresswoman Green (Democrat of Oregon), the reason for extravagant costs of Job Corps camps remained a mystery in the hearings. Camp Gary does not stand alone; on the contrary, it appears to be a typical outgrowth of inept administration of the Job Corps.

I have today telegraphed seven other urban Job Corps centers for full data on their staff salaries. In the meanwhile, the press is welcome to examine the complete salary records of Camp Gary in my office.

CONTINUATION OF TEXT Lack of Enrollee Screening

Alarming incidents of violence involving Job Corps enrollees at the Job Corps centers and in neighboring towns and cities emphasize the need for more discipline and for a more careful screening and selection of enrollees. We recognize the program is designed to assist disadvantaged youths and that a large number of them will have been involved in scrapes with the law; however, Congress did not intend that Job Corps centers replace reformatories.

The Job Corps should be able to take juvenile offenders, but the Job Corps officials have

the responsibility to know the background of all enrollees. The following case history, described in statements to the House by Congressmen Albert H. Quile and Charles E. Goodell, reveals the type of sorry incident that can occur when Job Corps officials fail to fulfill their responsibility.

JOINT STATEMENT ON THE FLOOR OF THE HOUSE OF REPRESENTATIVES, FEBRUARY 7, 1966

As friends of the Job Corps concept, we are deeply distressed and angry about the philosophy prevailing in its administration today. Situations involving Job Corps enrollees from all over the country have come to our attention dramatizing this point. Perhaps the most disgraceful of them all involves the Job Corps camp at Mountain Home, Idaho, which we wish to discuss and express our indignant protest about today.

In doing so, let the record be clear that we sponsored legislation for experimental "residential skill centers," as far back as 1961. Although the administration opposed these proposals, we were able in 1963 to add such a provision to the Vocational Education Act. The projects were never funded by the administration.

The 1964 Poverty Act launched us on a mass production of Job Corps camps without the benefit of experience. The present philosophy of Job Corps administrators is endangering the entire Job Corps approach, which can and should help many youngsters help themselves. The following case history forcefully illustrates our point.

Mountain Home, Idaho

On November 15, 1965, a vicious fight took place in a dormitory at the Mountain Home Job Corps Camp. A corpsman was brutally beaten by Paul Dennis Jones, a fellow corpsman for playing a radio in the dormitory. With his victim prone, Jones slashed his face and hands with a knife and then plunged the knife into his abdomen.

Up to this point, the story seems like one of those unfortunate incidents that can happen occasionally when you put rough, hard-core young men together in a camp. The full sequence of events, however, is appalling and incredible. They can be summarized in the following 10 points:

1. Jones, the assailant, was what is known in the trade as a "three-time loser." He had three felony convictions against him, plus a parole violation, when admitted to the camp.

2. Job Corps officials violated the interstate compact on parole and probation by failing to notify Idaho authorities that Jones was a parolee from California. Not only that, in response to a request from Idaho authorities, officials at the Mountain Home Camp are unable to determine, or have refused to determine, how many of their corpsmen are presently on parole or probation from other States.

3. Jones not only was a three-time felony loser, he was serving in a supervisory capacity in the Mountain Home Camp as a dormitory leader, wing leader, and squad leader.

4. The Job Corps paid for an attorney, bail, and psychiatric treatment for Jones.

5. The Job Corps, by telegram from Washington, asked the court to release Jones on probation, without punishment, on the assurance he would be accepted back at camp.

6. After release from the hospital, the victim was so mistreated and threatened by Jones' friends at the Mountain Home Camp that he was forced to resign from the Job Corps.

7. Job Corps officials refused to sign a criminal complaint against Jones and refused to cooperate with the local prosecuting attorney, Mr. Fred Kennedy.

8. The prosecuting attorney had to subpoena other corpsmen in order to get them to testify and at least one of the eyewitnesses to the assault, standing 3 feet from the scene, said he saw nothing. The prosecuting attorney is convinced that this witness is guilty

of outright perjury, but once again Job Corps officials refused to cooperate or take action to assist the prosecution.

9. The U.S. attorney, Mr. Sylvan Jeppesen, the prosecuting attorney, the warden of the Idaho State Penitentiary (Mr. L. E. Clapp), the vice chairman of the Idaho Board of Correction (Mr. Mark Maxwell), an Idaho parole and probation officer (Mr. Al Roark), an official of the Idaho Employment Security Agency (Mr. Bill Lesh), and the Idaho attorney general (Mr. Allan Shepard) were so incensed by the handling of this case by Job Corps officials that they met jointly and determined to bring the matter to the attention of Mr. Shriver and other officials in Washington. The prosecuting attorney wrote Mr. Shriver in December and, at least until recently, had not even received the courtesy of a routine reply.

10. On the pleading of Job Corps officials, the district judge withheld sentence on Jones and placed him on probation for 2 years with the condition that he serve 4 months in jail and then return to the Job Corps.

Law of the jungle

The obvious result of this case is that enrollees at Mountain Home Job Corps Camp believe the law of the jungle prevails and that even officials of the U.S. Government countenance assault with a deadly weapon.

Job Corps officials should be called to account for this episode. Do they believe they are teaching the young men at the Mountain Home Camp constructive values by their actions in this case? What justification do they have for hiring an attorney with Federal taxpayers' money, especially when Idaho law requires that indigent defendants be furnished counsel by the State? Why do Job Corps officials want Jones back in the Job Corps under these circumstances? Do they plan to put him back in a position of leadership and authority over his fellow Job Corps men?

Faulty philosophy

This case, in capsule, demonstrates two damaging and dangerous things about the way the Job Corps program is now being administered.

First, the screening of enrollees is so incredibly haphazard that officials don't even know when enrollees are on parole for commission of major felonies.

Second, the philosophy of Job Corps officials is so ridiculously soft and confused that they will excuse almost any behavior by an enrollee, even when it jeopardizes the chance of other enrollees to succeed.

The case of Paul Dennis Jones in Idaho is not an isolated one. It is typical of official policy in the Job Corps. This kind of approach in handling tough young men who have committed serious crimes permeates the entire administration of Job Corps camps. It can be fatal to the program unless it is reversed by direct and immediate action.

Two dropouts from Camp Kilmer recently declared that they would not have enrolled in the Job Corps if they had known what it was like. One of them commented, "Many youths sent to court for a minor crime were given a choice between the Job Corps and reform school." A common statement among enrollees is, "If I go back, the judge will put me in jail." Another enrollee said, "The dormitories are ruled by gangs."

Is it any wonder that Job Corps dormitories are often ruled by gangs when authorities deal so foolishly with felony crimes? Job Corps policy provides specifically:

"No dismissals from Job Corps can be made by centers without getting prior approval from Job Corps headquarters * * *. Under no circumstances, explicit or implicit, should a resignation be asked for or the opportunity to resign offered."

Realism needed

The Job Corps concept is sound, but it can't be administered successfully by administrators who coddle and encourage law-breakers and gang leaders. Unless we start getting some realism into the Job Corps program, the American people will rise in indignation and probably sweep out the good potential with the bad performance. That would be tragic for the many youngsters who can be helped by a good Job Corps program, as well as for our society as a whole.

[From the Office of Congressman Charles E. Goodell, House of Representatives, Feb. 10, 1966]

DELIVERED ON THE FLOOR OF THE HOUSE OF REPRESENTATIVES

MR. GOODELL. Mr. Speaker, on Monday of this week my colleague, the gentleman from Minnesota [Mr. Quile], and I addressed this House with reference to problems in the administration of the Job Corps, as illustrated especially by a case in Mountain Home, Idaho. Although two of our colleagues, the gentleman from Idaho, Congressman Compton White, and the gentleman from Florida, Sam Gibbons, have adroitly answered with a smokescreen, both of these gentlemen and the Job Corps have admitted the truth of the important facts we presented. I regret that they chose to conceal these admissions amidst a rain of ill-conceived and unfounded charges that the gentleman from Minnesota [Mr. Quile], and I are misrepresenting an isolated case to undermine the Job Corps. I will not reply in kind because I have great respect for my colleagues. Let me simply say that the gentleman from Minnesota [Mr. Quile] and I were proposing the Job Corps concept before either of these worthy gentlemen were in Congress and we have consistently advocated the merits of a sensible Job Corps program.

NOT AN ISOLATED CASE

I shall recount later in my remarks the specific admissions camouflaged by these gentlemen, but let me first deal with their charge that the Mountain Home incident is an isolated case. Far from it. I shall cite today only a few of the large number of cases from all over the country.

CAMP GARY, TEX.

Last July, three Job Corps enrollees in Camp Gary, were charged with shooting two Air Force policemen. Having been booked for assault with intent to murder, they were returned to regular duty in the camp. Job Corps officials hired three separate lawyers to defend the enrollees and the case has not yet come to trial due to delays and "absence of key witnesses."

CAMP BRECKENRIDGE

In August last year a Job Corps man on leave in Billings, Mont., was charged with shooting at a policeman and wounding a woman in a Billings bar. Job Corps officials not only posted a \$2,500 bond and are paying for an attorney, they have flown the enrollee and a security guard back and forth from Camp Breckenridge, Ky., to Billings at least twice and perhaps more. The case has still not come to trial and the corpsman remains an enrollee in Camp Breckenridge. The apparent estimate of cost in this case is a minimum of \$1,000 to the taxpayers and perhaps a great deal more. Senator Lee Metcalf, Democrat, of Montana, was quoted as saying:

"The idea of the Job Corps in my opinion is a great idea, but this incident is wrong and really burns me up."

The Senator continues: "These dropouts and malcontents are being coddled and complimented for their derogatory behavior."

KINGSFORD, TENN.

In December a warrant was issued in Kingsford, Tenn., against two young men

for allegedly bludgeoning two victims with a lead pipe. They left the town that morning for two Illinois Job Corps camps before the warrant could be served.

Mr. Speaker, I could go on and on with examples of this nature. Job Corps camps are, and should be, for hard-core youngsters, many of whom have had brushes with the law. They need sympathetic understanding. They also need to learn discipline and social values such as respect for law and order. The present policy of Job Corps officials too often undermines this whole purpose.

MOUNTAIN HOME, IDAHO

In the Mountain Home case, my two colleagues and the Job Corps have now openly admitted the following devastating facts:

First. An enrollee named Paul Dennis Jones did attack a fellow corpsman with a deadly weapon in a Job Corps dormitory.

Second. Jones was a three-time felony loser, including conviction for attempted murder.

Third. Job Corps screening procedures are so haphazard that they had no idea of Jones' previous record when they took him in the Job Corps.

Fourth. Jones was in a capacity of leadership in the Mountain Home Camp, serving as dormitory leader, wing leader, and squad leader.

Fifth. The Job Corps does not deny that the victim of the assault was drummed out of the Job Corps by friends of Jones.

Sixth. The Job Corps did pay for an attorney and apparently for psychiatric treatment. A maximum of \$50 of this cost may be deducted from the enrollee's readjustment allowance, the rest to be paid from Job Corps funds.

Seventh. Job Corps officials from Washington did telegraph the court that they would accept Jones back in the Job Corps. This was done at the time of sentencing by the court, when the full probation report showing his previous convictions was certainly available. Job Corps officials blithely claim that even at that time, when they agreed to accept Jones back, they knew nothing of his previous felony record.

Eighth. The Job Corps still has no procedure for screening applicants with felony records so that they can conform to parole and probation requirements.

Mr. Speaker, the latter point raises one of the silliest of the answers apparently given to my colleague, the gentleman from Florida [Mr. Gibbons] by Job Corps officials. I quote my colleague:

"There is no national file of parolees or juvenile offenders; and there is no way, except for a prohibitively costly security check, in which every facet of an applicant's life can be checked."

I would inform my colleague and the Job Corps that every State maintains records of parolees and probationers in a bureau of identification. In addition, if applicants were fingerprinted, as every inductee in the military service is fingerprinted, felony records could be checked overnight with the FBI. This is done constantly by sheriffs and police officials in our smallest communities around the country.

Mr. Speaker, when the Job Corps takes an applicant who has a felony record, they should know about it. The Job Corps has a direct responsibility to work out provisions so that they are not a party to removing parolees and probationers from States, thereby violating State law. I am informed that the Council of State Governments has been unsuccessfully trying to work out this matter with the Job Corps. It should be done immediately. The cases the gentleman from Minnesota [Mr. Quile] and I have cited are but a few of the many that have occurred in the Job Corps. They are not isolated instances. They are established policy of the Job Corps.

I am aggrieved that our two colleagues chose to slash back blindly and personally when we brought the Mountain Home case to the attention of the House. Our statements were based solidly on facts compiled by the attorney general of Idaho, Mr. Allan Shepard, and a large number of other officials in Idaho, including the prosecuting attorney, Mr. Fred Kennedy, who told me he had reviewed the attorney general's memo and approved it. As I stated to the House on Tuesday, the prosecuting attorney wanted it made clear that Job Corps officials cooperated with him fully after he refused to return Jones to the Mountain Home Camp for administrative action.

I include at this point in the Record the full memorandum of facts given to us by Idaho officials, along with an excerpt from bulletin No. 66-40 of the Job Corps, relating to legal services for corpsmen in Job Corps conservation centers:

"DECEMBER 31, 1965.

"This memorandum is written at the combined suggestions of certain persons who attended a meeting recently in the office of Mr. Sylvan Jeppesen, U.S. attorney. In attendance were Mr. Fred Kennedy, prosecuting attorney for Elmore County, Mr. L. E. Clapp, warden of the Idaho State Penitentiary, Mr. Mark Maxwell, vice chairman of the board of corrections, Mr. Al Roard, parole and probation officer, Mr. Bill Lesh, of the Employment Security Agency, Mr. Allen G. Shepard, attorney general of the State of Idaho, and his two assistants.

"Mr. Jeppesen stated that he had been requested by Senator Church to attend said meeting, which was called primarily at the instance of Mr. Kennedy and Mr. Clapp.

"The discussion involved a recent criminal incident at the Job Corps Camp at Mountain Home, Idaho. It was the consensus of those present at the meeting that the entire congressional delegation should be informed both as to the circumstances and the thinking of the group regarding corrective action which should be taken.

"On or about November 15, 1965, a vicious fight took place in one of the dormitories of the Job Corps Camp at Mountain Home. Said assault allegedly took place as a result of Truley Tillman, a corpsman, playing a radio in a manner disturbing to the other occupants of the dormitory. The dormitory leader, one Paul Dennis Jones, brutally beat Truley Tillman about the head and face. While sitting astride the prone body of Tillman, Jones produced a knife and slashed Tillman about the face and hands, and then plunged the knife into the abdomen of Tillman, inflicting a wound approximately 2½ inches in depth.

"The matter was reported almost immediately to Mr. Kennedy as county prosecutor. Because of the question of Federal enclave, the Federal Bureau of Investigation had been called. An FBI investigator was dispatched to the scene that night, interrogated Jones and obtained from him a statement admitting participation in the assault. Mr. Kennedy was approached that night by officials of the Job Corps, who attempted to convince Mr. Kennedy that there should be no criminal proceedings filed against Jones and he should be released to the Corps for administrative action. No person in the Job Corps camp, either corpsman or official, would sign the criminal complaint against Jones for assault with a deadly weapon, and Mr. Kennedy was, therefore, required to sign the complaint himself.

"It was necessary to issue subpoenas and require attendance of Job Corps witnesses in court. The Job Corps officials, through their Washington, D.C., office, hired Mr. Robert Rowett, an attorney at Mountain Home, to represent the accused at Federal expense.

"At the hearing held therein, Jones entered a plea of guilty to assault with a deadly weapon, and as is usual in such cases,

the district judge deferred imposing sentence pending presentence investigation.

"At the hearing for sentencing, officials from the Job Corps camp were present. A telegram from the Job Corps headquarters in Washington, D.C., was submitted to the court, which requested that the judge place Jones on probation and affirmatively stated that if said Jones were placed on probation by the court he would be accepted by the Job Corps and returned to the Job Corps camp.

"In the course of the presentence investigation, it was determined that Jones is a three-time loser on felony charges, having been convicted and served sentences in California State correctional institutions. The criminal record of Jones can be summarized as follows: At the age of 16, he attempted to kill two persons by firing nine shots from a revolver. He was admitted to the California Fort Springs Boy's Camp. In 1962 he was convicted of auto theft and received a jail sentence and 3 years probation. Later in 1962, he was convicted of auto theft and sentenced to an additional 2 years probation. In 1963, he was adjudged a parole violator, convicted of another auto theft and sentenced to the Soledad Correctional Institution. In 1964, he was paroled and on September 8, 1965, was arrested for driving with a revoked or suspended driver's license, and served a total of 25 days in jail.

"At the time of his induction into the Job Corps, he was, and still remains a parolee of California correctional system. Idaho, as are all States, is a member of the interstate compact on parole and probations. Under the terms of said compact, each State agrees that it will not permit one of its parolees or probationers to move to another State's jurisdiction without, in advance, informing the receiving State of such desire and making arrangements for the supervision of such parolee or probationer by the receiving State during the balance of parole or probationer's time. No such notification was received by the State of Idaho, or its board of corrections from either the State of California or the Job Corps. We were informed that said Jones, while at the Job Corps camp, was made a supervisor of other corpsmen in three capacities: Dormitory leader, wing leader, and squad leader which would indicate he had rather close supervision of other corpsmen.

"Mr. Kennedy has further stated that he has received practically no cooperation from fellow Job Corps men witnesses in investigating or processing the defendant for what is obviously a serious crime in the felony category. This, in spite of the fact that the defendant was a three-time convicted felon and but for extremely fortunate circumstances, his latest victim would have died.

"One of the eyewitnesses to the assault, another corpsman, called by Mr. Kennedy to testify under oath, refused to state that he had seen the assault with the knife, although standing within 3 feet of the scene. Mr. Kennedy states that he is convinced that this witness is guilty of outright perjury. The victim of the assault was so mistreated and threatened by friends of Jones that he has now resigned from the Job Corps and has left the State of Idaho.

"Jones was recently brought before the Third District Court in Boise for sentencing, at which time Job Corps' officials and his lawyer, Mr. Rowett, also appeared. The district judge, Hon. J. Ray Durtsch, withheld sentence on Jones and placed him on probation for 2 years, with the condition that he serve 4 months in jail, and then return to the Job Corps. A further condition was that he receive psychiatric treatment.

"I am sure I reflect the consensus of the group in stating that the concept of the Job Corps and the philosophy which led to its establishment is laudable in every respect. Such provides an opportunity for underprivileged youth to be trained for work and ob-

tain necessary education. We think it is obvious that a group of young people in the 16 to 21 age bracket, most of whom are lacking in education and in the opportunity to compete in our society, are perhaps the most highly impressionable group of persons who could be assembled. Many of them have already had minor brushes with the law. I cannot think of a greater tragedy than having such a group of young people exposed to what is obviously a vicious and mentally disturbed person. To compound the problem, such a person was placed in a position of authority and responsibility over these same highly impressionable corpsmen.

"We feel from this incident can be drawn the obvious conclusion that the screening process of the Job Corps is at times, at least, a complete failure. We are informed that the officials at the local Job Corps camp are unable to, or have not determined how many if any, of their corpsmen are on a present active status of parole or probation from other States. The State board of corrections is reasonably positive that such situations exist and in conformance with the interstate compact, are desirous of being informed of the existence of parolees and probationers from other States who are presently residing within Idaho. We feel this is particularly necessary since we are informed that the Job Corps has no interest in the supervision of parolees or probationers.

"We also feel it pertinent to point out that the officials of the State of Idaho concerned with supervising probationers and parolees have had very fine cooperation with the armed services regarding such supervisory problems.

"It is also the consensus of the group that the basic concept of a Job Corps, as announced to the public at large, was not to provide rehabilitation institutions for criminals. The public acceptance of the Job Corps locations was, we felt, based on the asserted purpose of the Job Corps as providing training and education for underprivileged young people who deserved an opportunity.

"From my own personal standpoint, and while I may not reflect the consensus of the group, I must state that I am highly shocked and indignant at the use of Federal moneys to furnish legal counsel, ball, psychiatric evaluation and treatment, etc., to an accused, regardless of whether he be a Federal employee, State employee, or whatever.

"As you know, our system of criminal justice in the State of Idaho, for many years has required the appointment of legal counsel for indigent defendants and the reports of our supreme court are replete with opinions stating that the failure to fully and fairly advise an accused of his right to legal counsel, and to furnish such counsel, constitutes the deprivation of constitutional rights. I seriously question the existence of any statutory authorization for such expenditure of Federal funds. Such certainly has never been the case in regard to armed services personnel and I can see no difference between the furnishing of counsel to a job corpsman, Federal employee, and the furnishing of legal counsel to a mailman, a U.S. attorney, an elevator operator in a post office building or a U.S. Senator, any one of whom could be charged with murder or an attempted murder.

"We sincerely believe that these matters demand your attention and investigation, if the Job Corps is to continue to have the public confidence and carry out the very laudable program for which it was designed.

"I should add that Mr. Kennedy some time ago, wrote to the Director of the program, Mr. Sargent Shriver, relative to the problems discussed herein, and has not, as yet, received the courtesy of a reply.

"ALLAN G. SHEPARD,

"Attorney General, State of Idaho.

EXCERPTS FROM THE OFFICE OF ECONOMIC OPPORTUNITY BULLETIN NO. 66-40

"It is Job Corps policy to provide legal services to corpsmen faced with criminal proceedings. The Job Corps is intensely interested in protection of the rights of corpsmen at all times from the moment they are en route to Job Corps conservation centers for initial assignments until they are discharged.

"Attorney's fees shall be deducted from the corpsman's readjustment allowance at a rate of \$5 per hour for time expended in a judicial proceeding and \$3 per hour for time expended in office consultation and preparation. The total amount thus deducted from the corpsman's readjustment allowance shall not exceed \$50 in any case. The difference between the corpsman's contribution to his legal defense payments and the actual fees of the attorney will be paid by Job Corps up to the limits of the Criminal Justice Act of 1964. Reasonably necessary expenses incurred by the attorney in handling the case will be reimbursed by the Job Corps, but will not be charged to the corpsman.

"When a corpsman is faced with criminal proceedings, the center director should retain an attorney to represent him.

"Provide the corpsman with the opportunity to select an attorney of his choice, and inform the corpsman that fees will be deducted from his readjustment allowance at the rate of \$5 per hour for time expended in a judicial proceeding and \$3 per hour for time expended in office consultation and preparation, up to the \$50 limit. If the corpsman refuses an attorney on this basis, the center director should attempt to have an attorney supplied by a local legal service organization or appointed by the court. In any case where a corpsman is faced with criminal proceedings, the center director should immediately notify Job Corps Operations Center by teletype."

Our concern for the future of the Job Corps and the safety of its enrollees mounts as tales of Job Corps terror increase. We are outraged to read the following newspaper account of what, sadly, appears to be the prevailing life of a corpsman.

[From the Leader, Corning, N.Y., May 9, 1966]

JOB CORPS MAN'S LETTER TO SISTER DIFFERS FROM ONE TO HIS MOTHER

(By Cliff Towner)

Statements made by a Job Corps man in a letter to his mother about how well he liked the Job Corps and how well he was being treated, apparently was merely an attempt on his part to allay his mother's fears.

Several weeks ago the Leader carried excerpts of a letter from Job Corps man, Ronald James Winchell, stationed at Fort Custer, Battle Creek, Mich., to his mother, Mrs. Muriel Snyder, of Beaver Dams, rural delivery 2.

At that time, the 19-year-old corpsman spoke of the good food and how it was "just like living at home."

Winchell also told his mother he hadn't "had a bit of trouble getting along with the fellows here at all."

However, this week, his mother brought to the Leader office another letter, one he recently wrote to his sister, Mrs. C. D. Jones, Jr., of 163 East Market Street, Corning, in which an entirely different story is outlined.

INJURY CONFIRMED

William Gifford, a member of Congressman Charles E. Goodell's staff in Washington, D.C., told the Leader today that he had confirmed Corpsman Winchell's finger injury.

Gifford said he put through two calls to Fort Custer and spoke to the doctor who said the records showed Winchell had reported to the dispensary on April 23 with a fractured left ring finger.

Camp officials said they did not know how the injury was received.

When Gifford put through the second call, the doctor said he had examined Winchell again and had ordered X-rays taken of the injured finger.

The letter, published with Mrs. Snyder's permission, follows:

"Well, I guess its about time I write you two a letter, wouldn't you say? Well, first of all I'll tell you what's really going on up here.

"Friday night I got into a fight and almost broke my collarbone. I got thrown face first into one of the beams in the room and boy, did it ever hurt.

"I thought for sure that I broke it, but it feels all right now, thank God. After my finger, that's all I'd need.

"I've just about broken my finger a couple of times over again, but Saturday night really did it. I got in another fight and I had to use my left hand. I thought that really did it because I couldn't move it for the rest of the night.

"It's not easy fighting with one hand but I'm sure as hell going to fight back, no matter what happens.

"I don't think I'll ever be able to use that hand like I should. It just starts to heal up and then I have to use it to defend myself. Just about every night there's guys getting jumped and beat up just for the hell of it. Race riots don't help either, if you know what I mean.

"Sunday night one of the foreman's cars were set afire by corpsmen. They haven't found out [who] did it yet, but when they do I guess its 5 years for [whoever] did do it. A can of lighter fluid was found by the car. It burnt the insides all to hell.

"Some guys go to the show at night and most of the time some of them end up in the dispensary cut up, most of the time.

"About a month after I got here at Custer I had the first chance to [experience] having a knife pulled on me. It happened coming back to the camp from Battle Creek on the bus. I didn't have much to say about it at the time or I wouldn't be writing anybody anything.

"I didn't want to tell Mom any of this because you know how she would react. I'm telling you and Clive this because I think you'll understand what's happening.

"I found out that over 40 percent of all the guys that come in Job Corps leave because of what I'm telling you now. They're in for a few weeks and that's all it takes.

"Now, for instance, I'm sitting on my bed writing in a notebook. In the back of the binder I've got a [razor] blade stuck where no one can see it. Just waiting for someone to come fooling around. I don't mean by the kind of fooling around we did home. Its all together different. The blade does the trick just by showing it to your [opponent]. Well this isn't half of it, but I'll stop now."

Mrs. Snyder hasn't heard from her son for more than 2 weeks and expressed her concern for his safety after reading the above. Congressman Charles E. Goodell has been asked to investigate.

CONTINUATION OF TEXT

Recent disturbances at the Rodman Job Corps Center, located on the outskirts of New Bedford, Mass., we feel, emphasize the need for careful screening of enrollees and more adequate security protection at the Job Corps centers:

TERROR IN THE STREETS

For several months, residents of the south end of New Bedford, Mass., have complained to civil and Job Corps center authorities that the discipline and control of enrollees at the Rodman Men's Job Corps Center was extremely lax. A near riot at the center late last summer and several instances of violence at the center and in New Bedford during re-

cent weeks resulted in a nervous and tense situation in New Bedford.

The following was reported by members of the New Bedford Police Department:

"On Saturday night, May 21, 1966, a crowd of approximately 150 Job Corpsmen gathered at about 10 p.m. and began a march to free a fellow Corps man who had been arrested earlier in the day and charged with wielding a knife. Two single-manned New Bedford Police cars attempted to intercept the crowd who were armed with pipes, bedposts, umbrella sticks, and stones. For nearly 2 hours, the mob terrorized the neighbors who resided in south New Bedford near the Job Corps center. It was reported some of the New Bedford citizens sat in their bedroom windows armed with shotguns and .22 caliber rifles. Men were afraid to leave their homes to report to work for the night shift. Job Corps men rapped on houses with clubs and looked in the windows of residents' homes.

"Approximately 35 police from 2 shifts reported to the emergency. The Job Corps men were persuaded to return to the center about midnight. They continued to shout obscenities at the police and hurl rocks at the patrol cars. One policeman reported a shot fired at the patrol car from behind the center fence. A Molotov cocktail-type bomb was recovered by the police, together with a variety of clubs, pipes, and umbrella sticks.

"In the absence of security and in view of the limited police personnel, many considered New Bedford fortunate that there were no physical injuries reported and a minimum of property damage. The police who reported to the scene first feared they would not be able to handle the emergency.

"The New Bedford, Mass., City Council acted swiftly. At a special meeting Monday, May 23, the following resolution was passed by unanimous vote of the council:

"NEW BEDFORD CITY COUNCIL

"Whereas it is quite apparent that Job Corps facilities have no place in urban communities, particularly one the size of New Bedford, since such cities are unable because of a lack of manpower, both police and fire, to deal with resulting problems; and

"Whereas despite the fact that we are unqualifiedly in agreement that the basic idea is meritorious, experience shows that improper location detract from the chosen goals; and

"Whereas the people living in the south end of New Bedford have had their peace of mind shattered and they have been put into a state of fear that is alien to this staid New England seaport; and

"Whereas the populace, with few exceptions, demand that the center be moved away from New Bedford immediately; and

"Whereas the city is actually menaced by hordes of undisciplined youths and it will not be long before it is reduced to a state of hysteria; and

"Whereas President Lyndon Johnson should be advised of this defect in his system of living laboratories: Therefore be it

"Resolved, That the President of the United States be and he is hereby respectfully implored to close down the Rodman Job Corps and to move its facilities to a rural area away from this city; and be it further

"Resolved, That a copy hereof be mailed as evidence of our sentiments to President Johnson.

"Rollcall vote of the New Bedford City Council: 11 yeas; no nays; vote recorded unanimous."

Based on these and other authoritative accounts of the way in which Job Corps camps are being administered, we would concur with a Federal judge who recently returned a 17-year-old Job Corps trainee to a Federal correctional institution for juve-

niles rather than return him to the Job Corps, because as he expressed it,

"I'm concerned about the discipline at the Job Corps. We are dealing with a sensitive situation and if we let this sort of thing go on (marihuana at the center) we don't know to what proportions it might grow. I think the National Training School will provide a better atmosphere for you."

We cannot allow such atrocities to continue. We insist that arrest records of all Job Corps applicants be checked and that practical and reasonable disciplinary measures be imposed at the camps. The Republican views on this subject are in complete agreement with those of the Democratic leader in the Senate as expressed by him on the Senate floor on Wednesday, April 27, 1966. Senator Mansfield's comments are set out in the following Republican poverty memo.

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 22, May 2, 1966]

SENATOR MANSFIELD ON THE JOB CORPS

Republicans proposed experimental Job Corps camps 3 years before the poverty program. We believe in the concept, but we do not believe in the Job Corps program we have today.

Every time we advance specific criticism, the broken record response from poverty officials and their spokesmen in Congress is, "Oh, that's an isolated case and they are just trying to destroy the Job Corps program."

They ignore the almost endless evidence of poor administration, protection rackets, Corps men forced to live with pipes under their pillows, lack of discipline in camps, and lack of planning for jobs outside of the camp—these conditions seem to prevail across the country.

In the past we have exposed serious faults in the selection and screening of corpsmen, but the mass-production psychology prevails. Earlier this year, we cited the case of a Montana corpsman who shot a lady in a Billings bar. Thereafter, he was not only retained in Camp Breckinridge, Ky., but flown with a guard back and forth from Kentucky to Montana several times at taxpayers' expense to attend court proceedings in Billings.

This is not a partisan issue. At the time this incident occurred, Senator Lee Metcalf, Democrat, of Montana, said, "The idea of the Job Corps in my opinion is a great idea but this incident is wrong and really burns me up. These dropouts and malcontents are being coddled and complimented for their derogatory behavior."

We had hoped our protests and warnings would be the end of this continuing story of shortsighted administration. Now the Democratic leader in the Senate, Senator Mansfield, of Montana, has revealed that this regrettable story continues. Here are Senator Mansfield's own words spoken from the Senate floor on Wednesday, April 27, 1966:

"Mr. President, one of the major programs within the administration's antipoverty program is the Job Corps. It is my understanding that the program is designed to take youngsters from unfortunate surroundings and expose them to education, training, and guidance, preparing them for a more worthwhile role in our society. The program takes these people from their home environment and places them in camps throughout the country. There are now three Job Corps camps in my State of Montana.

"The basic idea of the Job Corps is fine, but I have become somewhat concerned about its implementation, the screening process used in filling the camps and overall inadequacies in the administration of the pro-

gram. First of all, it seems to me that everyone was in too big a hurry to get the first camps operating, too little time was given to the screening of Job Corps applicants. There is a need to be more selective. There are many who can be helped and who are willing to be helped. These camps should be limited to those who have given some indication that they want to be helped and are willing to try. It was not my intention to support the establishment of three reformatories in my State. There have, as yet, been no major incidents at any of the Montana camps.

"I do not like admonishing the Job Corps but an incident has occurred in Montana which illustrates my cause for concern. Some months ago a juvenile in Billings with a most unfortunate background was selected for the Job Corps. However, before he could be transported to his camp in the Midwest, he was involved in a barroom brawl and shot a patron. His defense was immediately taken over by the Job Corps officials, he was then taken to the camp and returned to Billings, when required by the courts. He was given better counseling, care, and attention than the average individual. Within the past week or so he escaped from camp with a colleague, stole a car and in Indiana was involved in a car accident taking the lives of two people and hospitalizing others in critical condition including himself.

"I am well aware that there can be bad apples in every program, but it seems to me that there is something wrong. Perhaps it is a matter of lack of know-how and inefficiency on the part of the administrative Job Corps personnel involved. They and those enrolled in the program should have been more selective in the very beginning. Certainly a man with a criminal charge against him should be kept under very close surveillance. Also there is a grave question as to any value this program might be to a person of this nature. The individual involved was given treatment and protection above and beyond that allowed the average citizen, only to have it thrown back at us with more criminal action.

"I do not like speaking in this vein, but I cannot stress too strongly the need for a more careful selection of Job Corps men and an insistence upon efficient and capable administrative and guidance personnel."

It is time Congress imposed some sensible standards on Job Corps administration. Our opportunity crusade, offered as a complete substitute for the war on poverty, in the form of H.R. 13378, would impose careful screening and enrollment procedures.

CONTINUATION OF TEXT

The desire of OEO for dramatic results could well cause another serious problem at the expense of corpsmen. As tales of Job Corps terror rise, enrollees drop out and new camps open at rising expense, a critical shortage of potential enrollees has developed. How has OEO responded to this problem? They have launched a series of hasty recruitment campaigns, the implications of which are described in the following Republican poverty memo.

WHO IS THE "WRONG-WAY CORRIGAN" AT OEO?

The Job Corps has been under fire for its superficial and inadequate testing, evaluation, and screening of applicants. It is the conviction of many of us that, at an average cost in excess of \$9,120 per enrollee, assignment to a Job Corps camp should be based upon careful professional evaluation.

While constructive critics have been urging Job Corps officials to tighten up recruitment procedures, Job Corps officials have launched a series of new and experimental procedures that might well be called blind man's bluff.

All of the recruitment gimmicks have the

purpose of speeding up the processing time and funneling applicants into Job Corps camps on a crash basis. One experiment, designed to enroll roughly 3,700 applicants, has been the waiver of the Medical examination of applicants between April 14 and May 7.

As one recruitment announcement advertised, those who apply prior to May 7 "will not need a physical examination if they are in good health." How does OEO intend to determine an applicant's health unless he has been examined by a physician?

Other recruitment programs guarantee that Job Corps applicants will be sent to a camp within 24 hours after signing up, 3 days after signing up, 5 days after signing up, or 10 days after signing up. Whether the process takes 24 hours or 10 days seems to be determined by the area of the country the applicant comes from.

How are these high-powered public relations devices going to improve the haphazard screening procedures that have caused so many problems in Job Corps camps? How are criminal records to be determined and analyzed for proper applicant assignment? How are epidemics of communicable diseases to be avoided at Job Corps centers? Why the assembly-line, supermarket approach at this stage?

Poverty officials earlier indicated they had 152,000 applicants for the Job Corps and couldn't take care of them all. The 435,000 "I'd Abner" comic books, designed to stimulate Job Corps applications, are gathering dust in a warehouse at taxpayer's expense. One of the reasons given for shelving the comic book approach was a backlog of Job Corps applicants. With a backlog of applicants, OEO launches a series of all-out recruitment programs. The poverty question of the day is, "Who is the 'Wrong Way Corrigan' at OEO?"

THE SPUTTERING JOB CORPS

The results of the hasty launching of the Job Corps programs show a number of centers are shifting management. During recent weeks, the Office of Economic Opportunity announced sponsors at the following will be replaced: St. Petersburg (Fla.) Women's Job Corps Center; Camp Atterbury Job Corps Center, Edinburg, Ind.; and Camp Breckinridge Job Corps Center, Morganfield, Ky.

In St. Petersburg, Fla., the Pinellas County School Board has voted not to renew its contract when it expires July 31, 1966. The following Republican poverty memo relates the sequence of events leading to OEO's decision to abandon St. Petersburg when the current contract expires:

[Republican Members Poverty Subcommittee, Republican Poverty Memo No. 25, May 13, 1966]

ROCKING CHAIR VERSUS ROCK AND ROLL OR COMMUNITY RELATION ATROCITIES IN ST. PETERSBURG, FLA.

A first requirement is successful operation of a Job Corps center is good community relations. In St. Petersburg, Fla., Job Corps officials have acted out a textbook version of how not to promote good community relations. In April 1965 they opened a Women's Job Corps Center in the Hotel Huntington in a quiet area surrounded by residential dwellings for retired people. The rental of the Hotel Huntington for 18 months totaled more than its appraised value. Community resistance and resentment were overwhelming. At the time, an OEO spokesman, referring to Women's Job Corps centers, said, "The St. Petersburg Center is the first. If any mistakes have been made, the responsibility is mine and I will learn from them."

After 1 year, OEO had graduated 42 enrollees from the St. Petersburg Center at a cost of \$1,646,601, averaging \$39,205 per grad-

uate. The monthly cost of the St. Petersburg facilities is by far the highest of any Women's Job Corps Center in the country.

Training and classroom facilities were spread over four separate locations in St. Petersburg, and the Pinellas County School Board, the Center's sponsor, has been locked in continuous struggle and controversy with OEO, causing them now to terminate their contract.

Having blundered so disastrously in their selection of the Huntington site and in promoting good community relations in this first Job Corps operation, OEO has now demonstrated how they have learned from past mistakes. On May 4, with great gusto, OEO announced the Center will be moved to the old luxury Soreno Hotel under a 14-month contract for \$3.1 million. Amazed local officials lost no time in reacting. On May 10, the St. Petersburg City Council passed an ordinance precluding the use of the Soreno Hotel for a Job Corps Center. On May 11, the school board refused to extend the current contract for use of school facilities. Protests rose from every corner, including community businessmen and planners who found the Job Corps location in direct contradiction of redevelopment and rehabilitation plans for that area of the city. The Governor has indicated he will try to veto the project.

It would appear that Job Corps officials have leaped from the frying pan into the fire, and they owe Congress and the people of St. Petersburg some explanations:

(1) Did any community officials agree to the Soreno Hotel location before it was announced?

(2) Could the dreamers at OEO come up with any location that would cause more community disruption in St. Petersburg?

(3) What possible basis did they have for selecting a community like St. Petersburg for a Job Corps site in the first place?

(4) What accounts for the apparent obsession at OEO to rejuvenate old hotels in unsuitable locations?

(5) Under present policies can they hold out any hope to the American taxpayers that they will ever get their cost per Job Corps graduate down to as low as \$20,000, without counting dropouts as graduates?

We are particularly affronted by Job Corps bungling because of our longtime sponsorship of the Job Corps approach. Three years before the war on poverty, we proposed experimental skill centers for young people who need to be liberated from their immediate environment in order to respond to educational training. The Education and Labor Committee this week has rejected summarily a whole series of Republican amendments to tighten up Job Corps procedures and to counter the mass production psychology that still seems to prevail at OEO.

Our 100-page "Opportunity Crusade," as a complete substitute for the poverty war, would require proper planning, consultation with local officials, and sensible economic management. It would direct Job Corps officials by specific provision of law to "stimulate formations of indigenous community activity in areas surrounding Job Corps centers to provide a friendly and adequate reception of enrollees in community life."

CONTINUATION OF TEXT

When OEO announced the change of sponsor on May 4, 1966, a spokesman stated the Pinellas County School Board decided not to seek renewal of its contract because of the administrative burden. On May 13, 1966, Sargent Shriver, OEO's Director, announced the Job Corps was being removed from St. Petersburg, Fla., because of the hostility shown to the Job Corps Center and the enrollees.

At Camp Atterbury, Ind., OEO has decided not to renew the Job Corps contract with Midwest Education Foundation, Inc. West-

inghouse Electric Co. was scheduled to take over the operation on June 1, 1966. Critics of the Atterbury program termed it a "sad, sad failure."

On March 10, 1966, OEO announced the Breckinridge (Ky.), Job Corps Center would be run by General Precision Equipment, Inc. A spokesman for OEO said the contract would not be renewed because the Center operation was too much of an administrative burden for Southern Illinois University.

On March 8, 1966, at the hearings before the Ad Hoc Subcommittee on the War on Poverty, Sargent Shriver, OEO's Director, testified steps had been undertaken to change the contractor at Breckinridge. He acknowledged there were 624 corpsmen, although the contract called for 2,000, and 569 staff members in the Center. It difficult to explain a situation like Breckinridge when thousands of applicants are waiting to fill Job Corps slots.

It is apparent the Job Corps program is floundering. It is the Republican view that OEO has had ample opportunity to demonstrate its ability to administer a productive, worthwhile Job Corps. In the opinion of the minority, OEO has failed more noticeably in this area than in any other single anti-poverty program.

WORK TRAINING?

Republicans recognize the vast potential of a Neighborhood Youth Corps program to deal with the acute, widespread problem of school dropouts and the tremendous waste of manpower resulting from the idleness of large numbers of our youths.

A soundly conceived, properly administered Neighborhood Youth Corps would do much to alleviate the problem of training youths for meaningful employment and prepare them for productive futures. To date, there is little evidence the Neighborhood Youth Corps program has accomplished these objectives. On the contrary, newspaper accounts report endless examples of dishonesty, kickbacks, political patronage, enrollment of fictitious persons, displacement of the elderly by Neighborhood Youth Corps enrollees, and gross disregard of eligibility standards.

It is a common complaint of enrollees that their "training" consists of streetsweeping, picking up park litter, leaf raking and other forms of meaningless employment. The failure of this "work training" program, as it was originally designated, and since forgotten, is pointed up by the complaint of one young corpsman: "When the money is spent and the program is ended we'll be right back where we were before the Neighborhood Youth Corps."

We feel that the Neighborhood Youth Corps program has failed to accomplish its objective of providing useful work experience and enabling impoverished to resume their education for the following reasons:

1. The failure of OEO to communicate with local sponsors in regard to eligibility standards and criteria resulted in substantial numbers of ineligible enrollees in the program thus depriving the very needy and hard-core poor of participation.

2. A lack of attention to administration and inspection of programs has permitted corruption, scandals, and abuses to occur.

3. Failure to include private industry in the program has severely limited the occupations available and has provided little opportunity to train youths in skills required for productive and permanent jobs.

The following are some nationwide illustrations of what has happened in the Neighborhood Youth Corps program:

[From Republican Members, Poverty Subcommittee, Republican Poverty Memo, No. 1, Tuesday, Mar. 15, 1966]

CHICAGO, ILL.

Hearings are now underway on the poverty program.

Last week, Mr. Shriver testified rather superficially on a variety of issues. Among other things, in his prepared testimony, he made the incredible statement that, "Since last summer fewer than 50 ineligibles have been discovered in the Neighborhood Youth Corps." The very next day, Secretary Wirtz contradicted Mr. Shriver by admitting that at least 5,000 to 6,000 enrollees in the Neighborhood Youth Corps have been found ineligible and dropped since last summer; 1,700 were dropped in Chicago alone since January 1. Now they are saying that these are welfare cases, barely exceeding the strict poverty standards. Well, a quick spot check of widely dispersed records in Chicago gives quite a different picture. Although arbitrary handling of the hearings prevented me from questioning Mr. Shriver on these, here are some samples. I have removed the names of the enrollees to spare them embarrassment; however, they are available to officials who may be interested:

Male enrollee—17, family of four, father head of household, income \$11,000 a year.

Male enrollee—19, family of five, father head of household, income \$10,200 a year.

Female enrollee—19, family of two (housewife with no children), husband head of household, income \$5,000-plus a year.

Female enrollee—18, family of three (an only child), father and mother both work, earn jointly \$150 per week.

Female enrollee—20, family of three (an only child), father head of household, income \$7,500 a year.

Male enrollee—17, family of six, father head of household, income \$7,000-plus a year.

Male enrollee—19, family of five, grandfather head of household, income \$7,000-plus a year.

Male enrollee—18, family of six, father and mother both work, earn jointly \$500 a month.

Male enrollee—20, family of five, father head of household, income \$5,400 a year.

This is the program supposed to help poor youngsters who are school dropouts or likely dropouts for reasons of poverty. Obviously, a full investigation would reveal many times more than Mr. Shriver's 50 ineligibles in Chicago alone. And no wonder. Last November the public relations representative for the Chicago poverty program stated, "We don't know what the families of kids make. No straight flat figure on what an applicant family should make has been set. We have no statistics on incomes of the families of the kids in the Corps. We assume that, when we receive a name from the Illinois State Employment Service, the candidate named is qualified."

At that time, the executive director of the Chicago program was quoted as follows: "It is absolutely correct that, until today, no means test was given in recruiting."

Almost one-quarter of the total enrollees in Neighborhood Youth Corps in Chicago had to be dropped because they exceeded the income requirement. At the same time, the poverty director in Chicago admits that there are at least 35,000, and others estimate up to 60,000, young people between the ages of 16 and 22 in Chicago who fully meet the poverty standards for Neighborhood Youth Corps but weren't given a chance.

These are not isolated cases; they prevail all over the country. In addition to the 1,700 dropped in Chicago, Mr. Jack Howard, Director of the Neighborhood Youth Corps, admitted that about 2,000 in New York City and at least 1,000 in Los Angeles were ineligible. That is close to 5,000 ineligibles from 3 cities alone.

In the next few days, we will discuss other serious violations in the poverty program in Chicago. In the meanwhile, let me emphasize that the Quie-Goodell opportunity crusade would correct these deficiencies and put 50,000 youngsters into productive jobs in private enterprise through a new Industry Youth Corps.

BOSTON, MASS.

In November 1965, the Boston (Mass.) Traveler discovered and exposed thefts, employment of ineligibles and other irregularities in Boston's Neighborhood Youth Corps projects. The thefts perpetrated by falsified payrolls and forged checks were in the summer work program for Boston's youths. According to the Boston Traveler, November 30, 1965, additional payroll thefts of \$2,000 were uncovered along with fresh evidence that city hall henchmen were picking off plum jobs in the program.

On December 3, 1965, the Washington Post reported the Labor Department was holding up \$1.5 million in a pending renewal grant to the Neighborhood Youth Corps in Boston.

On November 29, 1965, the board of directors, Action for Boston Community Development, Inc., the community action agency which ran Boston's Neighborhood Youth Corps program, accepted the resignation of the president, Charles I. Schottland.

On December 29, 1965, the Boston Herald reported Joseph S. Slavet, executive director, ABCD, resigned and Arnold L. Schuchter, deputy director, was fired by unanimous vote of the board of directors.

In March 1966, Mr. Schuchter advised an investigator of the ad hoc Subcommittee on the War on Poverty that he was working for the Office of Economic Opportunity on a consultant basis.

The March 3, 1966, edition of the Boston (Mass.) Record American reported the FBI, OEO, and the U.S. Labor Department were investigating new evidence of financial irregularities involving youths employed in ABCD's summer programs. It was reported an ABCD official admitted the agency had been unable to locate some 200 youths listed as employees and for whom W-2 income tax forms had been issued. Some youths had complained they received W-2 forms showing more income than they actually received.

By letter dated May 16, 1966, J. Edgar Hoover, Director, Federal Bureau of Investigation, advised Congressman Charles E. Goodell the FBI had completed an investigation of allegations of payroll irregularities in connection with ABCD's program and that prosecutive action with regard to six potential subjects, five employees and one enrollee of the program, is presently under consideration by the U.S. attorney, Boston, Mass.

MEMPHIS, TENN.

In June 1965, 20 youths who made a weekly salary of \$31.25 participating in the Neighborhood Youth Corps project were forced to "kick back" \$25 each from their salaries for the hiring of an unauthorized supervisor. One mother said her 16-year-old son came home almost in tears because the supervisor had been worrying him about the money.

CHATTANOOGA, TENN.

In April of this year, the Federal Bureau of Investigation instituted an investigation of the Neighborhood Youth Corps program on the basis of complaints from three enrollees who complained they never received and hadn't earned five checks issued in their names for a total of \$460.

RHODE ISLAND

Irregularities in eight Neighborhood Youth Corps projects in Rhode Island were disclosed in the fall of 1965.

In Cranston, 42 of 248 enrollees were ineligible; in Newport, 47 ineligibles of 370; in North Providence, 47 of 80; in Jamestown, 36 of 75; in Johnston, 39 of 91; in Central Falls, 52 ineligibles; in Burrville the program was suspended because of "poor administrative practices"; and in Warwick, personnel allegedly working full time for the Neighborhood Youth Corps continued in their municipal jobs—the salaries for those jobs were then paid from Neighborhood Youth Corps funds.

Providence, R.I., newspapers reported the following:

In the Jamestown project the average income of the families of enrollees was \$6,000 to \$7,000 and seven enrollees were paid to give sailing lessons.

In the Johnston program 10 of the youths were college students and the parents of 73 owned at least 58 homes and 113 motor vehicles.

In the Cranston program, 3 parents were making over \$9,500 a year and 10 parents were in the \$5,300-\$6,300 range. Some of the city councilmen were allowed from 5 to 10 referrals each.

In the Newport-Middletown program, eight were students in college and the director of the program, at \$8,000 a year, was the mayor of the city.

KANSAS CITY, KANS.

In October 1965, wide-scale discrepancies in the Kansas City, Kans., Neighborhood Youth Corps program resulted in the city refunding \$7,122.27.

The Kansas City Times, October 29, 1965, reported the investigation was precipitated by Noel Newsom, a discharged assistant counselor, who charged that politics was responsible for the hiring of many youths.

More than 70 youths in the program came from families whose income was higher than the criterion for the poverty program.

According to Charles W. Peasinger, Jr., OEO investigator, among those given jobs in the program were a youth who drove a 1965 Thunderbird to classes at the University of Kansas, a girl whose father owned both a service station and a liquor store, and the stepson of Joseph G. Poigner, chairman of the Wyandotte County Democratic Party.

NEW YORK, N.Y.

In November 1965, a Neighborhood Youth Corps directive ordering that Federal low-income eligibility standards be observed caused New York City to drop about 2,000 of 5,000 youths from its program.

LOS ANGELES, CALIF.

In January 1966, approximately 2,000 youths were removed from Neighborhood Youth Corps jobs because they did not meet the Federal income criteria.

PASADENA, TEX.

On April 25, 1966, the Houston Post reported the city of Pasadena, Tex., sponsored Neighborhood Youth Corps project for 80 boys and 10 girls was "one of the worst fiascoes in the history of the Neighborhood Youth Corps in Texas."

The Pasadena project was not started until July 20, 12 days after the Neighborhood Youth Corps published the poverty level standards.

"We had no definite guidelines from the Federal Government as to who should be enrolled," the Houston Post quoted Mayor Doyal.

"We didn't understand the Youth Corps to be strictly a poor-folks program," said the chairman of the selection committee. "Our determination of who should be picked first was not strictly on the basis of poverty. We felt there could be kinds of poverty other than material poverty, that perhaps some needed jobs for spiritual or other reasons."

In many cases, the corpsmen's parents said their children's participation was not because of economic need. Most parents said they did not understand the program was for helping only the poor.

One 17-year-old was the son of working parents, his mother a city of Pasadena secretary and his father an operator for a big chemical company, both working. The mother was Mayor Doyal's secretary for about a month soon after he took office in May 1965, but she said she pulled no strings to get her son in the corps.

The Houston Post reported John Ray Harrison, director of the Youth Corps project, and a member of the Texas House of Representatives, is a former law partner of Mayor Doyal. Doyal said he hired Harrison as director, at \$180 a week paid from Federal funds, because he could find nobody else appropriate for the job at that time. Harrison is a former youth counselor for the Pasadena police and schools. He resigned as Youth Corps director September 25, before the program ended.

Harrison "did us a favor" in taking the job, Doyal said.

How much of a favor was not fully apparent until after the Post reporter began checking into the project on February 3.

Baker said that about February 8, Harrison brought back the W-2 tax withholding form he had received from the city and asked that the city stop payment on the checks totaling \$1,552.34 (after taxes) he had received back at the time of his Youth Corps service.

Harrison, now a candidate for the State senate, later said he had never intended to cash the checks "because I didn't want to get myself in a political box."

It just so happened that he asked the city to stop payment on them in February, months after he received them, "because that was just when the W-2 forms came out, and I wasn't going to pay taxes on them," he said.

LA GRANGE, TEX.

The April 26, 1966 edition of the Houston, Tex. Post reported 71 of 186 enrollees in the La Grange, Tex., Neighborhood Youth Corps project in November 1966, because their family income exceeded the family income standards.

BELLEVUE, NEBR.

The October 29, 1965, edition of the Des Moines, Iowa, Register contained details of the cancellation of the Neighborhood Youth Corps project in Bellevue, Nebr., after investigators reported 90 percent of the youths enrolled were not from low-income families.

It was reported that, in an interview, the Youth Corps investigator said that only 10 of 153 youths in the program came from families with less than \$4,000 a year income. He said 82 of the youths reported their families earned in excess of \$6,000 a year and it was obvious that many of the youths were from families with more than \$10,000 income. He said the parents included several Air Force colonels and engineers.

The Bellevue project started in March 1965 and was canceled in May of that year, officials said.

WILMINGTON, DEL.

In the summer of 1965, the Wilmington News-Journal investigated the Wilmington, Del., Neighborhood Youth Corps project and discovered that:

At least 18 boys in the corps—about a fifth of the total—were close relatives of employees on the public payroll or Government officials.

At least 15 of those are relatives of Wilmington city employees or officials.

Other enrollees among the 89 youths resided in the so-called "better" neighborhoods.

JOHNSTOWN, PA.

In December 1965, investigators of the Subcommittee on the War on Poverty reported four elderly charwomen had been displaced by Neighborhood Youth Corps youths at the Cambria County War Memorial, Johnstown, Pa., during the period June to November 1965. One of the elderly ladies was the sole support of her family which included a 21-year-old retarded child.

CARLINVILLE, ILL.

On October 22, 1965, Hon. Paul Findley, in his remarks on the floor of the House, referred to the October 12 issue of the Wall Street Journal as follows:

POLITICAL IMPRINT ON YOUTH CORPS

(By Jerry Landauer)

CARLINVILLE, ILL.—When Sargent Shriver's antipoverty program descended on southern Illinois one Friday afternoon, certain town-folk in Macoupin County could hardly contain their joy. "I thought it was too good to be true for a thing like that just to drop in on us," recalls Walter Vesper, a Democratic ward leader who makes his living checking eggs and produce for the State department of agriculture.

In Staunton, Mr. Vesper and several more Democratic colleagues unhesitatingly enlisted as local lieutenants in the national antipoverty crusade. With an efficiency that big-city machines might envy, the small-town politicians worked the phones that weekend. By 9 o'clock Monday morning more than a score of young men and women aged 16 to 21 were lined up outside the city clerk's office and by late afternoon close to 40 had signed up for the Neighborhood Youth Corps.

"Not one Republican family around here knew anything about it until after the kids were enrolled," says Roy France, former mayor and voluntary supervisor of the Staunton NYC project, who later quit in disgust. "I'd say probably not more than five kids were really poor. While the wealthy kids were working, many who didn't have decent clothes to go to town in came to me crying. It was a rotten, corrupt political deal."

Here at the county seat, the joy generated by the NYC matched the cheers it received in Staunton. Skipping church on Sunday, Carlinville's five Democratic precinct leaders gathered around the council table in city hall to deliberate. In meetings convened for 10 a.m., 2 p.m., 5:30 p.m., and 8 p.m., the leaders lined up enrollees. "By Sunday night we had 27 boys and 10 girls," Mayor Howard Heinz recalls.

Lanky Mayor Heinz, a furniture dealer, hadn't even been aware that Macoupin County would participate in the Youth Corps part of the poverty program until an emissary appeared in his store at 5 p.m. the previous Friday to tell him. "It was a purely Federal expenditure going down the hatch anyway, so I took it," the mayor explains.

"The kids were supposed to start work Monday morning. I asked, 'How can we organize this thing so fast?' and this fellow said not to worry. That had been taken care of, he told me." Next day Carlinville's Democratic chief called to suggest the Sunday meetings.

GUIDELINES NOT CONSULTED

But though Carlinville's Democrats organized the Corps without help from county or State welfare agencies (the county public aid director wasn't even asked to provide a list of potential enrollees) and without consulting Washington's selection guidelines, the youth project rolled along fairly well for a time.

The youngsters helped stack books at the library, supervised children in the park, cleaned up parts of the city cemetery, pulled grass from sidewalk cracks, and cut away underbrush near the lake. They were paid \$40 for a 32-hour week.

Some problems did crop up. One boy who terrorized other brush cutters with a machete-like knife had to be removed for psychiatric examination. John Dun, veteran Democratic leader, of the third ward, tried to fire a second boy whose parents he believed might be Republicans.

Nonetheless, many town-folk say that, to some extent, at least, Washington's goal of providing useful work experience for needy kids was met. Naturally Democratic politicians lead what chorus of praise is heard for the Corps' accomplishments.

"These kids did things that have never been done in this town before," asserts Robert (Sonny) Albertine, one of the five precinct leaders who attended the Sunday selection sessions. Mr. Albertine, who draws

\$748 monthly as chief plumber at the state-house in Springfield, a post to which he was appointed by the secretary of state, particularly resents complaints that his 17-year-old stepson was among the youths who found work in the Neighborhood Youth Corps.

"He comes from a broken home, don't he?" Sonny demands. "Believe me, that kid came home from work with blisters on his hands. Anyway, to the victors goes the spoils, you know what I mean?"

A VOLLEY OF PROTEST LETTERS

The appearance of the stepson's name on the list of recruits published by one of the town's two weekly newspapers was among the events that inflamed the critics. Others wondered how a girl member of the Corps could afford to drive her playground supervisor job in a sporty red convertible (a gift from her grandfather). Charles F. Wolf, a bacteriologist, began firing off a volley of protest letters to Washington; there, the Labor Department operates the NYC under Sargent Shriver's generalship.

Mr. Wolf's complaints drew a rather prompt response. Sargent Shriver's headquarters dispatched an inspector, and within a few days 83 corpsmen in the county were dropped as ineligible. But that still left Macoupin holding 186 of the 900 jobs filled in all Illinois beyond Chicago. "We didn't fool around down here," brags County Democratic Leader Edgar Fuess, recalling that of the first 600 jobs, Macoupin hogged half. Mr. Fuess is on the State payroll as a truck weight checker.

Spokesmen for the Illinois Farmers Union, the statewide project sponsor, say politics infiltrated the Youth Corps as a byproduct of well-intentioned haste to get going. The thing did get away from us," concedes Ray Watson, Farmers Union president. "But as soon as we found something wrong we got cracking."

Critics, however, pointing to the Farmers Union's close ties with Illinois Democrats, question the wisdom of delegating responsibility for any part of the antipoverty program to organizations which are necessarily involved in local or State politics.

Democratic Boss Fuess, for example, is a Farmers Union member. He readily concedes that the group's county president asked him to help organize the Youth Corps. "Naturally I helped all I could."

Right now the local Democrats are waiting hopefully for more Federal money to finance a followup project of part-time work for youngsters who otherwise couldn't stay in school. Few politicians who greeted the Youth Corps with signup pencils seemed chastened.

"There was only one mistake in the whole business," concludes Carlinville's Sonny Albertine, "that was when Washington paid attention to a bunch of gripers."

CONTINUATION OF TEXT

COMMUNITY ACTION—A HOMETOWN FIGHT

Republicans view the community action program as the most confused, mismanaged, and ineffective effort of the entire war-on-poverty program. An early pamphlet published by the Office of Economic Opportunity, entitled "Community Action—A Hometown Fight," turned out to be ironically true. During the year of 1965, community action programs across the country were bogged down in a variety of perplexing situations, including problems of composition of boards of directors, power structure versus the poor, lack of involvement of the poor at all levels, fiscal irresponsibility and chicanery, and generally clogged communication lines between OEO and the various community action programs.

Very early in the program, it was apparent to all that the first beneficiaries of the war on poverty were to be those serving in the upper echelons of the community action

staffs. Social workers, schoolteachers, welfare administrators, and political favorites vaulted into war-on-poverty programs at handsome salaries ranging from \$10,000 to \$27,500 per year while the poor stood by, stunned by developments in a program supposedly designed for them.

The newspapers carried daily accounts of programs mired in struggles between community power structures and the poor for control of programs and poverty funds.

Numerous scandals were reported in community action programs involving fiscal dishonesty, waste, mismanagement, and abuse of funds.

Community leaders and clergymen, who for years had worked with and for the poor, watched with increasing surprise and anger at the course the war on poverty was taking. Civil rights leaders, almost without exception, noted the antipoverty community action programs were not "reaching the poor."

Republicans believe the community action program has failed to achieve noticeable reduction of the problems of the poor and that it has failed in the following areas:

Involvement of the poor

The language "maximum feasible participation" of the poor in the Economic Opportunity Act has resulted in mass confusion and a multitude of interpretations. Some communities interpreted this provision to mean the poor should be represented on policymaking boards at all levels, while other communities felt it meant the poor should be hired simply as agents for policies decreed by the existing political and economic power structures.

For months, funds were held up for community action programs in the following cities, notable among numerous examples, because the boards of directors did not include sufficient representation of the poor:

Los Angeles, Calif.
Cleveland, Ohio.
Memphis, Tenn.
San Antonio, Tex.
St. Louis, Mo.
Atlanta, Ga.
Albany, N.Y.
Mobile, Ala.

As programs approach the end of their second year, the political power structures in Chicago, Ill., and Oakland, Calif., continue to designate those to serve on policy boards and the community action agency heads persist in their view that the poor need not participate at the policy-making level. In Chicago, the director of the community action agency and the original Executive Committee were appointed by the mayor. The director, in turn, appointed the various neighborhood centers' directors and they chose their advisory councils and representatives to the executive committee.

As recently as March of this year, headquarters of the community action agency's council in Oakland, Calif., elected from impoverished areas of the city, walked out on the council. They charged that the Oakland program neither represented nor served the poor in Oakland. They wired the Director of the Office of Economic Opportunity, calling for an investigation and threatened to set up a rival independent antipoverty program.

Why does OEO insist on formulas of representation for community action programs in some cities and let other cities like Oakland and Chicago blatantly dodge compliance?

For the past 2 years, Republicans on the ad hoc Subcommittee on the War on Poverty have offered amendments to the Economic Opportunity Act which would assure adequate representation of the poor on local community action boards. The vital element in converting the antipoverty program into something different than another tired, welfare-dole approach is genuine involvement of the poor. The poor in urban

areas are restless and angry. As the great expectations of the ballyhooed Economic Opportunity Act are increasingly frustrated, the poor are going to become more cynical and negative in their actions.

The Republicans feel that, without genuine representation of, and participation by, the poor, the antipoverty program will fail. We feel sincere involvement of the poor can accomplish the following:

1. It can help motivate the average poor person to help himself out of the rut of poverty.

2. It can teach people to be responsible by giving them responsibility.

3. It can help meet the desperate need for a two-way communication between the poor and the rest of society across the smug curtain of tradition and rigid welfarism. No one knows the problems of the poor better than the poor themselves.

4. Having their own people at the policy level, and an organization down through target area boards to neighborhood groups, will bring a glimmer of hope to the poor that they can escape the sea of cynicism and corruption that has surrounded them in the past.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1966

5. New ideas and new approaches will come from the poor themselves. As one individual put it, "We've gone to seed behind the gimmee-gimnee."

6. It can provide a self-help alternative to the welfare dole approach which is no more popular with the poor than it is with the average taxpayer. One woman with 9 children, who is served by 16 different welfare agencies, puts it this way: "My life consists of investigators constantly knocking on my door, filling out blanks and going around town from one agency to another for little or nothing."

7. It can reduce the diversion of funds, meant for poor people, into patronage and profit for political machines.

Community action agency staff salaries

The following are some examples of the extravagance and diversion of antipoverty funds involved in community action salaries: According to the President's 1967 budget, 1,032 community action workers will be paid \$10,000 or more from Federal funds.

In New Haven, Conn., the executive director of the community action program (Community Progress, Inc.) receives an annual salary of \$25,000 a year. The mayor of New Haven's annual salary is \$18,000.

In Washington, D.C., the Executive Director of the United Planning Organization (UPO), receives \$25,000 a year. This exceeds the salary of many responsible Government agency heads. The Deputy Director of United Planning Organization in April 1965, resigned a \$12,400 a year District of Columbia post to accept \$23,000 a year with UPO. There are 97 persons on the UPO payroll earning \$10,000 a year or more.

In Newark, N.J., the executive director of the United Community Corp., although not a resident of New Jersey (resides in New York City), receives \$24,000 a year. This circumstance has been of much concern to the mayor of Newark whose annual salary is \$25,000, and members of the city council whose salaries are less than the executive director's.

The executive director, Action for Boston Community Development (ABCD), received \$27,500 a year while running a program which late in 1965 was the subject of nationwide publicity alleging political corruption, misuse of funds, fiscal irresponsibility and ineligible participation in the Neighborhood Youth Corps. The executive director of the Boston, Mass., program resigned under fire on December 29, 1965.

In the State of West Virginia, the heart of Appalachia where poverty abounds, taxpayers and poor alike complain antipoverty salaries

are excessive. The West Virginia school system complains that many of their teachers, of which there is a shortage, have been attracted to antipoverty program jobs because of higher salaries. The executive director of the Charleston, W. Va., community action program and the coordinator of the same program receive annual salaries of \$18,000. This figure exceeds the salaries of a majority of those elected to the State cabinet board of public works and department heads appointed by the Governor. Following are some examples:

State treasurer	\$17,500
Commissioner of agriculture	17,000
Secretary of state	17,000
Commissioner of motor vehicles	12,000
Commissioner of natural resources	15,000
State mines director	14,000
State personnel director	10,000
State police superintendent	13,000
Adjutant general	8,000

The director of Harlem's community action agency, Haryou-Act, Inc., received \$25,000 a year. Thirty-seven people on the Haryou payroll earned more than \$10,000 a year.

The May 21 edition of the New York Amsterdam News reported 81 percent of all money received by Haryou from the Federal Government is allocated to salaries.

In October 1965, an official in the Los Angeles city school system was paid \$75 a day for 28 days (a total of \$2,100) by the Los Angeles community action agency, during a period when this official was being paid full time and, in fact, claimed overtime from the Los Angeles city school funds.

Fiscal irregularities and scandals

Despite claims the war on poverty is free from fiscal dishonesty and "the overblown myths of so-called scandals saturating the program will be laid to rest once and for all," the following are some examples of scandals that have shocked the American taxpayers who rely on the fiscal integrity of Government agencies and have never been laid to rest by any public explanation of the full facts:

Boston, Mass.

Late in 1965, scandals developed in the Action for Boston Community Development, Inc. (ABCD) program in Boston, Mass.

The director of the program resigned under pressure in December 1965. The deputy director of ABCD was fired. Subsequently, he was hired as a consultant for the Office of Economic Opportunity in Washington, D.C.

Prosecutive action with regard to five ABCD employees is presently under consideration by the U.S. attorney, Boston, Mass.

Haryou-Act

In September 1965, irregularities in the fiscal management of the Haryou-Act program (Harlem's community action agency) were noted.

Investigators of the Ad Hoc Subcommittee on the War on Poverty noted there was more than \$600,000 of Haryou-Act's funds which could not be accounted for by supporting invoices.

The Haryou-Act situation has been under investigation since September 1965, by the district attorney's office, New York City.

The May 21, 1966, edition of the New York Amsterdam News reported the following regarding Haryou-Act:

During the months of June, July, and August, 1965, Haryou-Act paid \$300,000 to a detective agency for protection. This cost has been cut to \$25,000 per month since that time.

Haryou-Act leased a summer camp in Westchester County, N.Y., last year. The agency made a downpayment on the lease of \$15,000. But before anybody from Haryou-Act moved in and took charge, the camp caught fire and burned. Haryou-Act had not taken out any

insurance on the place. Now, although it never used the camp for 1 day, the owner of the camp is suing Haryou-Act for \$24,000 in addition to the \$15,000 already paid him.

During the last year, Haryou-Act made a deal with the Urban League in which the Urban League would conduct a beautification program with Haryou-Act money. Part of this program involved the planting of trees. The Urban League issued a subcontract to a tree firm in which it agreed to pay the tree firm \$15,000 to plant the trees. No report has even been made as to how many trees were planted or where they were planted.

Car rentals

During July and August of last year, Haryou-Act leased six cars and two station wagons from a small travel agency at \$90 a week plus gas for each car. The travel agency, however, reportedly rented the cars from the Hertz U-Drive-It firm for \$65 a week, something which Haryou-Act could have easily done and saved money.

But in addition to that a member of the travel agency, which leased the cars to Haryou, was reportedly placed on the Haryou payroll at \$175 a week as a "consultant."

Hana

The Harlem Neighborhood Association (Hana) was a prime contractor for the summer program of 1965 and was supposed to carry out the development of vest pocket parks for Harlem.

Hana's contract called for 15 vest pocket parks. Only three were completed and no one seems to know how much money was spent or why only three parks were completed.

Toys

Haryou bought \$40,000 worth of "creative" toys from a well-known toy manufacturer but these toys have never been used and have been stored in a warehouse for more than a year with Haryou paying high storage fees on them.

Newspaper

Haryou decided to have a newspaper. It published one edition of a small paper. It paid a printer \$10,000 for that one edition.

Cleaning service

At one time Haryou reportedly was paying \$350 per week for cleaning services—that is, for people to dust off the desks and tidy up the offices. It is reported that most of the people on the payroll for this operation were relatives of widely known Haryou official, no longer with the agency.

Black arts

It was originally expected that the cost of the black arts program would be \$40,000. The actual cost exceeded \$100,000.

A second black arts contract was with the Urban League of New York City. This contract reportedly made provisions to give black arts \$23,000 worth of building material which had been assigned to the league.

Suncoast Progress, Inc., Florida

In March 1966, the director of Suncoast Progress, Inc., a Community Action agency serving four Florida counties, was ousted because of complications resulting with a personal bankruptcy proceedings. Subsequently, allegations were received that Suncoast Progress, Inc., had experienced a shortage of approximately \$8,000. The Federal Bureau of Investigation is currently conducting investigations to resolve this matter.

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 8, Mar. 24, 1966]

"I DON'T SEE ANYTHING WRONG WITH HATING * * *

Less than a week after Poverty Director Sargent Shriver told Representative Adam C. Powell's Poverty Subcommittee that funding Harlem's Black Arts Theater was a mistake, Washington's antipoverty agency wel-

comed with open arms the theater's controversial leader, Playright LeRoi Jones.

Jones, whose federally sponsored workshop in Harlem produced dramas that Shriver called "vile racist plays in the language of the gutter unfit for youngsters in the audience," was brought to Washington by the United Planning Organization and a neighborhood arts committee to narrate a 3-day music festival for youngsters at Cardoza High School March 18-20.

The festival, named the "Three Days of Soul," is the second in a planned series of cultural programs being offered by the Cardoza Area Arts Committee in cooperation with three centers of the United Planning Organization, Washington's antipoverty agency.

Jones came under sharp criticism last summer for producing "hate white" plays with the aid of Federal money. The Black Arts Theater received \$40,000 in funds from OEO. Jones, responding to criticism that the program preached racism, said, "I don't see anything wrong with hating white people."

Shriver admitted OEO goofed when it gave funds to the project without checking into its purposes. "The facts are no Federal dollars should have gone to Black Arts in the first place," Shriver testified last week. "It was a mistake. I acknowledge it. And as a result, we tightened up on the review of subcontracts under Community Action grants."

We think the taxpayers would like to know why poverty money continues to be used to sponsor people like LeRoi Jones. Festivals of this type may serve a useful purpose but should we really cloak a "vile racist" with the dignity of Federal sponsorship? Mr. Speaker, we strenuously object and wish to express my indignation that OEO has insisted on making the same mistake all over again on LeRoi Jones.

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 15, Apr. 6, 1966]

ALICE IN BLUNDERLAND: BIRCHERS, FRATERNITY BROTHERS AND LEFTWINGERS REPRESENTING THE POOR

"The doorbell rang on February 23 at the Sigma Pi House, in the 'fraternity row' district east of San Jose State College, and was answered by one of the brothers, 19-year-old Garth Steen."

So began another incredible episode in the war on poverty. The caller was a poverty canvasser assigned to get the poor out for a meeting that night. Although Steen's family income was in five figures, he had heard about the poverty war and attended the meeting. Lo and behold, Alice in Blunderland style, poverty officials had managed to interest three people to attend a meeting to select three representatives of the poor. Young Steen returned to Sigma Pi House that night a duly-elected representative of the poor for a 3-year term.

Congressman Charles S. Gubser has informed the Congress that the Santa Clara County Economic Opportunity Commission is suffering the torments of all others who have been forced to struggle in the torture machine of the poverty administration structure.

Last December, a John Birch Society section leader, Ray Gurries, was elected a representative of the poor in Santa Clara County. According to a local investigator, the community action board "is shot through with leftwingers—people who are not run-of-the-mill liberals but hard nosed activists of every leftist cause that has come along over the past half dozen years."

The local San Jose Mercury, one of the largest newspapers of southern California, describes the poverty board in these terms: "It is a jerry-built structure, erected on shifting political sands, to house a program which has a worthy aim * * *. It is run like a football game with an unlimited substitu-

tion rule, and a change of rules at the end of every quarter."

The experience of Santa Clara County is far from an isolated one. Congress has failed the sincere and dedicated people who wish to fight poverty. We have written a law without meaningful and realistic standards that would avoid community action chaos. What has happened in Santa Clara County is a distortion and perversion of the exciting concept of involving the poor in helping themselves. Many of us warned 2 years ago that this would happen if we didn't rewrite the President's poverty proposal.

We owe our colleague, the distinguished and able Congressman Gubser, a debt of gratitude for calling this matter to our attention. On March 9, Mr. Gubser requested OEO to investigate the situation in Santa Clara County. On March 23 the Deputy Director testified to us in committee that OEO had been on the scene in Santa Clara checking for about 8 days. To date, our colleague has not even had the courtesy of an acknowledgment from OEO of his March 9 request. All of us in the Congress are getting mighty tired of the cavalier attitude of officials at OEO.

The Quele-Goodell opportunity crusade, H.R. 13379, would avoid problems such as have occurred in Santa Clara County. OEO would be required to insist on balanced community action agencies, including true representatives of the poor as well as local officials and private social welfare agencies. The time is long overdue for Congress to launch a real opportunity crusade as a complete substitute for the confusing, controversial and faltering war on poverty.

CONTINUATION OF TEXT INTO THE TROUGH

The one poverty program which has been hailed by all as the most successful program in the war on poverty has been sliding into the same trough of bureaucratic confusion as other poverty programs. Underfunded, the Headstart programs are supposed to be supplemented by funds from title I of the Elementary and Secondary Education Act.

The schools and other Headstart sponsoring agencies have no instructions as to the blend of funds they may request from the Office of Education and the Office of Economic Opportunity. According to Mr. Shriver, when he testified before the committee, the agencies do not exchange application information even though it is available:

"Mr. GOODELL. Do you see that package (elementary and secondary education applications for preschool programs)? This is what the education people file with the Office of Education. Does it come to the poverty offices here?"

"Mr. SHRIVER. It doesn't come directly to us. It goes to the Office of Education, but we have access to all those reports, and we can extract from them the pertinent information. That is where we get such information as I was just presenting."

"Mr. GOODELL. When I was asking questions about this in the field, I found that in most instances there had been no coordination at the local level."

"Mr. SHRIVER. That is probably true, you see, because many of these developments, like this last one I mentioned, are something of very recent origin. I would have to say that it is not more than maybe 60 days."

"Mr. GOODELL. So prior to 60 days, there was no mechanism at all for coordinating?"

"Mr. SHRIVER. No; that is not quite right."

Lack of coordination at the national level causes unspeakable confusion at the local level. The sad plight of community sponsors tearing their hair in an effort to provide educational opportunities for their underprivileged children has been documented in countless newspaper stories. Some of the incidents were the subject of a Republican poverty memo and a speech delivered to the House by Congressman Quele:

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 10, Mar. 28, 1966]

WE JUST DON'T KNOW IF IT'S WORTH IT

Mr. Speaker, those are the words of an angry school superintendent who has been trying for 13 months to get a year-round Headstart program approved by poverty officials for Waterloo, Iowa. I place in the Record today the detailed account of similar frustrations in six other communities which have been baffled, besieged, and befuddled by poverty bureaucracy.

Having sponsored Headstart 3 years before the poverty program, my colleagues, Mr. Goodell, Mr. Bell, and I, are dismayed that this program, described by Mr. Shriver as his best, has been so crippled by fuddle-headed administration in Washington. Here are the highlights, or low lights if you will, of a typical case history, repeated with gory variations in other cited communities:

1. *Waterloo, Iowa.*—Application for \$43,600 for a year-round preschool project was made by the Waterloo school system on February 24, 1965. This was 4 months after appropriations were made available for preschool programs by the Congress. Having heard nothing on their year-round application, Waterloo officials applied for, and successfully carried out, a \$15,000 summer Headstart project. On August 7, 1965, they resubmitted an application for their year-round project to the Office of Economic Opportunity. In September, they were asked by Michael C. Moore, OEO area coordinator, for additional information which was sent. In late September, they received a notice signed by Theodore Berry, OEO Community Action Director, dated August 23, telling them they should allow 60 days for approval of Headstart applications. In October, 8 months after their original application, they received a form notice from Dr. Julius Richmond, Director of Headstart, to submit their Headstart pre-planning form, which had never been received or heard of prior to then. On November 23 they were told by C. Edwin Gilmour, Director of the Iowa OEO, to apply through the new Elementary and Secondary Education Act. One week later they were notified by the OEO Regional Office that their application for poverty Headstart funds will be processed as "rapidly as possible." On December 22, they were asked by Gilmour to withdraw their Headstart application because it could be better taken care of under the Elementary and Secondary Education Act.

On January 3 they were notified once again by the regional office that their application for poverty Headstart funds had been received and would be processed as "rapidly as possible." One week later they were notified that they had applied for Headstart on the wrong forms and would have to fill out new 32-page forms. On January 26 they received a memo from the Department of Health, Education, and Welfare admonishing them that the opportunity offered under Headstart "is too precious to allow it to slip away." Finally, on February 7, Waterloo officials were notified by Gilmour to come to a meeting to talk about a new summer Headstart program. When asked the status of their year-round Headstart application, Waterloo School Superintendent replied, "Your guess is as good as mine * * *. We're getting to the point where we don't know if it is worth it."

If this sounds like something out of George Orwell's "1984," I suppose someone might sardonically comment that at the present pace it looks like it might be 1984 before Waterloo gets Headstart funds out of poverty officials.

2. *Laramie County, Wyo.*—Immediately after successful completion of a summer Headstart program, Laramie officials began preparations for a year-round program. They plunged into what they termed a "maze of bureaucratic involvement," including telephone commitments subsequently reversed,

attempts to dictate local salaries, and filing and refiling of forms. By February 1966, the local school had spent \$1,500 in staff time, phone calls, and other expenses. School Superintendent Chester R. Ingils bitterly assailed the redtape, autocratic attitude of OEO officials, and announced abandonment of any plans for a year-round Headstart for this year.

3. *Port Huron, Mich.*—Having meticulously completed a mountain of reports on their summer Headstart program, Port Huron officials were notified that their forms were literally filled with fatal errors. School Superintendent Gerald S. DeGrow called OEO in Washington and was told that reports from all over the country had been misinterpreted because of inexperience in the report-receiving staff at OEO and the whole thing was a "hopeless mess." The superintendent was informed that OEO had notified all school districts in the country that they had goofed in their reports in order to get the schools to file new reports, giving Uncle Sam's hired nephews another chance at them.

Tearing his hair, Dr. DeGrow asked the man in Washington, "Who shall I have to call to get this straightened out, LBJ?" Whereupon he was told, "That wouldn't do much good because he probably got one of the letters too."

I am placing in the Record today similar incredible accounts of life in the bureaucratic poverty jungle as experienced by officials from: Salina, Kans.; Minnesota; Denver, Colo.; and North Tonawanda, N.Y.

Mr. Speaker, Sargent Shriver has described Headstart as his most successful program. We agree, but it appears the success was in spite of, not because of, OEO officials. Our opportunity crusade would transfer Headstart into the Office of Education to be administered through State and local school systems in conjunction with local community action boards. This action should be taken immediately to insure that Headstart gets the management and administration it deserves in the year ahead.

Is it any wonder that with examples such as these at OEO, multiplied hundreds and hundreds of times, we describe OEO as a "fuddle factory." Mr. Speaker, it is time for a change.

CONTINUATION OF TEXT

Another example of the harassment to which local school people are subjected is documented in the following Republican poverty memo:

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 12, Mar. 30, 1966]

HEADSTART APPLICANTS AND SELECTIVE SERVICE

School Superintendent Maurice Friot of North Tonawanda, N.Y., after 5 months of being force-fed on the bitter gall of Washington bureaucracy, commented on the administration of the Headstart program:

"* * * the harassing and foot dragging to which we were subjected was in part a delaying action in order to get the finances straightened out.

"If we had been told in the beginning how much money was going to be made available to us, we could have submitted a proposal which would require that amount of money and saved both ourselves and the Office of Economic Opportunity a lot of trouble.

"It appears to me that people who must make decisions with respect to these programs are very inexperienced.

"Some of the questions we were asked by persons in the New York City Office of Economic Opportunity were ludicrous.

"After we had been put through a long struggle and been subjected to a minute examination with respect to our proposal, it was maddening, and I can use no other word, to have our people attend the training session and find there were people there who

had been funded who had not made arrangements for transportation * * * teachers * * * teachers' aids * * * [and] who did not know where they were going to house their programs and so on."

North Tonawanda told poverty officials in August 1965, they wanted to begin a year-round Headstart program in October 1965. At their own expense they hired a director, selected children, teachers, and arranged for facilities. *They never even received application forms until late November.* They were then told there was no prospect of getting funds until March 15. As the school superintendent put it, "March 15 is a little late to start a full-year program."

SELECTIVE SERVICE REJECTION OF HEADSTART APPLICANTS

After North Tonawanda officials submitted 31-page application forms, Poverty bureaucrats got on the phone. As the school superintendent described it, "We were asked to indicate the number of men who had been rejected for selective service from which we were drawing Headstart candidates. I can theorize as to what the relationship between this inquiry and Headstart might be but it did seem a little unnecessary."

Having stirred things up in Washington, North Tonawanda officials were asked by the regional poverty officials to expedite submission of the additional information requested. When told that it was a little difficult to expedite selective service information about rejected applicants, the person from the New York poverty office said, "Oh, we didn't mean for you to go all that trouble." Other non-essential requested information was then waived.

As advocates of preschool programs 3 years before the poverty war, we are disgusted at the senseless harassment that seems to have become an inseparable part of Headstart administration. On Monday, March 28, Mr. Quie, on page 6523 of the Congressional Record, recounted six case histories of Headstart administration that would qualify for lead billing in a bureaucratic sideshow. Countless other examples are available. It is a tribute to the basic merit of preschool training that its glories still shine through the bureaucratic fog.

The Quie-Goodell opportunity crusade would put Headstart under the Office of Education to be coordinated with other education programs without OEO meddling. It would unplug the channels of communication to allow for the effective implementation of worthy programs.

CONTINUATION OF TEXT

ANOTHER PROGRAM FOR THE "NOT SO POOR"

Headstart, like Neighborhood Youth Corps, has suffered from shifting eligibility criteria. Local confusion about standards and delayed funding have resulted in several notable instances where a high percentage of advantaged children, far over the 15 percent proposed quota, were included in the program. The Chicago program is the most notable instance and was the subject of a poverty memo:

[From Republican Members Poverty Subcommittee, Republican Poverty, Memo No. 6, Mar. 22, 1966]

CHICAGO HEADSTART FOR THE NOT SO POOR

Operation Headstart, fashioned along the lines of a proposal offered by Representatives Albert H. Quie, Republican, of Minnesota, and Charles E. Goodell, Republican, of New York, back in 1961, is supposed to help preschoolers from poor families.

Out in Chicago, however, our investigation shows that the poverty program is doing a little bit more by giving a "headstart" to the not so poor, Republican Representative Goodell lamented.

Officials there admit that 27½ percent of the 23,804 children in the program are from

families whose standards exceed the "poverty" level. Our investigation also shows they don't even know the family incomes for another 20 percent of the children.

This means another 5,000 children from truly disadvantaged homes could have been helped if the poverty warriors had stuck to their own guidelines. The Quile-Goodell proposal for an "Opportunity Crusade" would require adherence to strict poverty standards, meanwhile tripling the funds available.

How can Chicago justify the fact that more than one-fourth of their children in Headstart were above poverty standards? How can the Office of Economic Opportunity in Washington justify the clear violation of their guidelines? When I visited Chicago recently, I was told that Washington ordered Chicago poverty officials to expand in 10 days Headstart from 4,000 to 24,000. I was also informed that very little solicitation was done in several hard-core poverty areas because teachers were afraid to enter those sections of the city.

Seven urban progress centers are in operation by the Chicago Committee on Urban Opportunity. One center showed 41.1 percent of enrollees over the income requirement, one showed 31.8 percent in excess, one 28.3 in excess; and outside of the urban centers, 36.8 percent reported income over requirements.

Thousands of impoverished youngsters were overlooked by Headstart recruiters in their frantic efforts to build impressive statistics. And these youngsters, children of hardcore poverty victims, are precisely the ones for whom this program was developed.

We cannot continue careless neglect of such a good concept as Headstart. We certainly cannot justify to the thousands of children unable to participate in Chicago's Headstart program the spending of Federal poverty money for those who are not poor.

The Quile-Goodell "Opportunity Crusade" offers a way out of the wasteland of bureaucratic confusion and callousness that has marked OEO's administration of the Headstart program.

What is more disturbing to us is that the former Assistant Director of OEO, Mr. Boutin, denied before the Education and Labor Committee that the situation existed even though it later developed that he had the report of the Chicago program in his file.

"Mr. BOUTIN. I can only say of your figures as to lack of eligibility of some of the Headstart enrollees that the first time I had ever heard or seen any figures that looked anything like that was your statement appearing in the Congressional Record.

"Mr. GOODELL. That is a shocking statement. I will give you the official report of the Chicago Poverty Board in which they cite these figures."

"Certainly you have seen these figures, probably buried in some file somewhere, but this is their official report. They openly admit that 27.5 percent of the youngsters participating in Headstart last summer were not within the poverty standards. They openly admit that for 20 percent of those participating they have no income figures. I would be glad to show you their mimeographed report and make it available to you so you can have some knowledge about what is going on in these programs.

"You shock me when you say it is the first time you ever heard of it.

"Mr. BOUTIN. It is the first time. I had not heard those figures before. I would like to ask the chairman if I may call on Juli Sugarman, who with Dr. Richmond, runs the Headstart program and knows perhaps as much about it as anyone in the Nation.

"Mr. SUGARMAN. Mr. Chairman, I have not seen the specific report to which you refer but we do have information which was gathered from our own reports on the situation in Chicago.

"Essentially the figure of 27 percent which you are citing refers to families who have an income of over \$5,000 per year. It is not, how-

ever, correlated with the size of the family so it is impossible to determine on the surface whether in fact these families would—

"Mr. GOODELL. Last summer did you have a poverty standard for the Headstart program?"

"Mr. SUGARMAN. Yes; we did.

"Mr. GOODELL. What was that standard?"

"Mr. SUGARMAN. Originally it was \$3,000.

"Mr. GOODELL. That is what they were supposed to apply last summer?"

"Mr. SUGARMAN. That is correct.

"Mr. GOODELL. And they violated that requirement. Their official report shows 27.5 percent were above that standard which supposedly OEO was enforcing. Is that not correct?"

"Mr. SUGARMAN. I believe their official report shows 27.5 percent over \$5,000.

"Mr. GOODELL. That is worse. If you want to argue with me, I will accept your figure. If you want to argue it was 27.5 percent over \$5,000 instead of \$3,000. I think it was the poverty standard that you set that they were referring to."

FOLLOW THE LEADER

The report that we have presented is on the operation of the Economic Opportunity administration. Evidence cited to this point alone would be enough to convict Mr. Shriver's bureaucracy of slipshod practices. Chaos and confusion at the national level is reflected at the community level. Direction for the conduct of the war on poverty is supposed to be given in Washington. And, so it is, with too many disappointing results.

Program directors and workers in the field who draw high salaries are merely following the example set for them by palace guards at the Office of Economic Opportunity who long ago discovered that "the big money is in poverty." In a speech before the House, Congressman William H. Ayres revealed why so little of the "poverty money" is actually reaching the poor:

"THE BIG MONEY IS IN POVERTY

(March 30, 1966)

"Mr. Speaker, 2 years ago, in March of 1964, Mr. Sargent Shriver appeared before our Committee on Education and Labor to argue for approval of President Johnson's 'war on poverty.' He told us:

"It is also a prudent program. It is financially prudent * * *. It is prudently planned in that every dollar allocated will be spent to help the poor. There will be no leakage. There is no contemplated huge new bureaucracy * * *. I think that most people in the executive branch would state that I am not one who likes a lot of bureaucracy."

"Mr. Speaker, I wish to report a fantastic leakage in funds intended to help the poor—a leakage of funds to a huge new bureaucracy. According to President Johnson's 1967 budget, it will take 6,484 permanent Federal employees to run Mr. Shriver's burgeoning bureaucracy—a poverty empire costing \$53,489,000 in salaries alone.

"The word has gotten around among civil servants in Washington that 'the big money is in poverty.' Few know how big it is.

"1,557 permanent Federal poverty employees will make \$10,619 or more; another 1,032 'Community Action workers' will be paid \$10,000 or more from Federal funds; an undetermined number of contract employees in 15 privately run Job Corps establishments will be paid over \$10,000.

"We have over 200,000 gallant men in South Vietnam, but we can be sure that there aren't as many as 2,500 drawing \$10,000 a year—the basic pay of an Army colonel with over 14 years' service. The poverty warrior-bureaucrats include at least 25 individuals who will be paid more than the base pay of General Westmoreland himself.

"Astronaut Neil A. Armstrong, who with Lt. Col. David R. Scott heroically flew our most recent and most dangerous space mission, is a Federal civil servant grade GS-16.

His job is one of incredible difficulty and danger, for which only a handful of men in the whole world are qualified. Yet 25 of Mr. Shriver's high-flying bureaucrats are budgeted for GS-16 positions; and 36 others are budgeted for even higher pay grades. Mr. Speaker, who would think that OEO had any jobs more demanding and difficult than that of Astronaut Armstrong?

"Mr. Speaker, there are 2,350 permanent Federal employees budgeted for the Washington and regional offices of the Office of Economic Opportunity. This is the high-salaried palace guard of the poverty czar. Nearly half—1,006—of this elite force will get \$10,619 or more; at least 521 will be paid over \$14,600; at least 54 will get over \$19,600; 24 get over \$25,000; and 6 will get between \$26,000 (the pay of the U.S. Commissioner of Education) and \$30,000.

"Mr. Speaker, is it any wonder so little gets done at the Office of Economic Opportunity? They have so many chiefs and so few Indians. They have more GS-15's than they have GS-9's; more GS-14's than GS-4's; more GS-13's than GS-7's, and exactly as many GS-16's at a base pay of \$19,619 as they have GS-2's at a base pay of \$3,814. The total salary bill for this palace guard next year will be \$21,739,000.

"Outside this inner circle at poverty headquarters there are 4,134 other permanent Federal employees budgeted at \$31,750,000. They are to do the hard work farmed out to other Federal agencies, such as running the Job Corps camps, the Neighborhood Youth Corps, the adult education program, agricultural loans, and so forth. Only 551 of these unfortunates will be paid over \$10,600 a year, of which at least 112 will get over \$14,600. However, these 4,134 positions, listed in the budget under 'Allocation accounts' do not include those who are paid by private contractors to run 15 of the 97 Job Corps establishments.

"Incidentally, administration costs in the Job Corps are so high that the annual cost per enrollee now runs above \$9,000, enough to send two boys to Harvard. Even the budgeted cost next year is \$7,880 per enrollee.

"But, Mr. Speaker, not all the high salaries in poverty are accounted for by permanent Federal employees or employees of private contractors working on a cost-plus-fixed-fee basis. Federal funds also pay for the salaries of employees of local antipoverty agencies, and 1,032 of these employees now make \$10,000 or more a year, of which 200 make \$15,000 or more per year.

"On the basis of the exact information available, I estimate—and this can only be an educated guess—that nearly 3,000 individuals are paid \$10,000 a year or more from Federal antipoverty funds.

"We don't know how many, if any, poor people have been helped to get out of poverty by Mr. Shriver's high-priced agents, but it is pretty obvious that thousands of employees have been kept out of poverty. Among these undoubtedly are many dedicated and able people, but we know all too well that the ranks also include a plentitude of political hacks.

"Mr. Speaker, this is a scandal. It is nothing less than a scandal. And it is a scandal that Mr. Sargent Shriver defended before the Education and Labor Committee with the bland boast that his organization was only one-fiftieth the size of the Department of Health, Education, and Welfare.

"So I compared one part of HEW—the U.S. Office of Education—with the Office of Economic Opportunity. Here is the record on that.

"The Office of Education is budgeted for \$3.478 billion in fiscal 1967, compared to \$1.724 billion for the Office of Economic Opportunity, yet OEO will need only 2,861 permanent employees (hardly more than Shriver's 'palace guard') compared with OEO's 6,484 permanent employees.

"If the U.S. Office of Education were administered like the Office of Economic Opportunity, it would require 12,968 employees to spend its \$3.478 billion, or 4½ times the number it has budgeted.

"The comparison in high-paying jobs in these two agencies is also interesting. Five individuals in OEO are paid more than the U.S. Commissioner of Education, who gets \$26,000. In the grades GS-15 through GS-18, where the pay ranges from \$17,055 to \$25,382, the comparison looks like this:

GS grade	Salaries	OEO	OE
15	\$17,055 to \$22,365	249	125
16	\$19,619 to \$25,043	25	33
17	\$22,217 to \$25,325	17	10
18	\$25,382	13	3
	Above \$25,382	6	1
Total		310	172

"All but 37 of OEO's highest paid jobs are in Mr. Shriver's own 'Palace Guard' headquarters staff of 2,350 permanent employees. These other 37 jobs with starting pay of \$17,055 or more are scattered among the 4,134 permanent employees in other Federal agencies which are running such programs as the Job Corps, Neighborhood Youth Corps, adult basic education, agricultural loans, etc.

"I have made a chart showing the number of highest paid officials among the permanent Federal employees budgeted in fiscal 1967 for the Office of Economic Opportunity programs. It is broken down to show positions in the 2,350-strong 'Palace Guard' which makes up Mr. Shriver's own administrative staff, and positions in the force of 4,134 assigned to handle major segments of the \$1.7 billion program in other Federal agencies.

"POSITIONS BUDGETED FOR OEO IN FISCAL 1967

GS grade	Salaries	OEO programs run by other Federal agencies	OEO "Palace Guard"
	Above \$25,382	6	0
18	\$25,382	12	1
17	\$22,217 to \$25,325	16	1
16	\$19,619 to \$25,043	20	5
15	\$17,055 to \$22,365	219	30
14	\$14,680 to \$19,252	248	75
13	\$12,510 to \$16,245	230	173
12	\$10,619 to \$13,931	255	266
Total		1,006	551
Grand total for OEO programs		1,557	

"In conclusion, Mr. Speaker, I am reminded of some cogent remarks of my own chairman of the Education and Labor Committee, our colleague, Adam C. Powell. He understands the true needs of impoverished citizens better than most. On January 21 of this year in a speech in Harlem he said:

"We do not need any more experimental or demonstration projects in Harlem. All we need are jobs. That's all. Jobs."

"Chairman Powell did not mean jobs for bureaucrats or jobs for politicians, but jobs for poor people. On March 8, in opening the hearings on the Economic Opportunity Act, Chairman Powell pointed out that there are 97 people in the local Washington, D.C., poverty agency (UPO) paid over \$10,000 a year with Federal funds, and observed:

"Congress appropriated this money to help the poor, not create a monolith of extravagantly paid functionaries."

"Mr. Speaker, I concur with these remarks of Chairman Powell. But despite the attempt by our committee to investigate the Office of Economic Opportunity, this administrative monstrosity goes its merry way. How far it goes and how wild it plans to become in hiring 'extravagantly paid functionaries' is laid

out in black and white—or in red ink—in the President's budget for fiscal year 1967.

"In view of the facts I have presented here today, I renew my plea to the House to take action on my resolution, House Resolution 670, for a bipartisan select committee, appointed by yourself, to investigate the conduct of the 'war on poverty.'

"As I have pointed out before, if we do not take remedial action the entire antipoverty program is going to become so discredited, and be so ineffective, as to create massive disillusionment among citizens trapped in poverty. There is still time to avoid this tragedy."

A lack of communication between the Federal departments and agencies results in sputtering communications between Federal and local agencies. The situation is made more acute by the personnel merry-go-round at OEO. With the recent resignation of Mr. Christopher Weeks, only one of the original palace guard is still standing by Mr. Shriver.

There is a high turnover rate from top to bottom. The most notable examples are Mr. Bernard Boutin, who held the high post of Deputy Director for only 7 months and Mr. Hal Marlowe, Director of Congressional Relations, who was with the agency for only 3 months. Is it any wonder that OEO can't keep track of its programs or that local community action people cry in frustration, "Every time we call OEO we talk to someone new and have to explain our program all over again."

"TRUTH IS FUNNIER THAN FICTION"

We have referred to the Office of Economic Opportunity as a "fuddle factory" and a "Disneyland of bureaucratic confusion." Our descriptions have been borne out by the following incidents documented in Republican memos:

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 18, Apr. 22, 1966]

LI'L ABNER COMES TO WASHINGTON—AND STAYS—OR WHAT'S NEW IN DOGPATCH?

OEO has gone from the sublime to the ridiculous. The war on poverty now has a comic book stockpile.

In 1965, OEO officials were scratching their heads over how to mass produce Job Corps recruits. Like a Mammy Yokum vision, inspiration struck—have one of America's most popular and creative comic strip artists, Al Capp, produce a comic book to promote the Job Corps. By June 1965, 501,000 copies of "Li'l Abner and the Creatures from Drop-Outer Space" were ready. With typical fuddle factory fanfare, OEO Information Chief Holmes Brown announced the book donated by Al Capp was valued by OEO at between \$150,000 and \$200,000. OEO personnel were thrilled and excited over Capp's creative contribution. Printing costs were \$25,000. Cards were included in the books to be mailed by applicants to the Job Corps.

Then the winds began to change at OEO. Rumor has it that a highly placed psychologist at OEO felt that distribution of books with cards enclosed amounted to pressuring youths into Job Corps enrollment. Some sages at OEO felt the story portrayed in the comic book was controversial and characters did not fit OEO's image. Besides, how were they going to code, screen and mail to employment offices all the card applications? Nobody in the "Great Dogpatch on the Potomac," OEO, had thought of that before they printed half a million books.

Since July 1965, 435,000 Li'l Abner comic books have been gathering dust in Washington warehouses at a cost of \$125 a month. We are long-time admirers of Li'l Abner and the genius of his creator, but we think even Dogpatch's Senator Phoghorn would demand some answers. Why does OEO continue to stockpile laughs while the taxpayer and the poor cry?

Some years ago the beloved Will Rogers remarked that every time Congress made a joke it was a law, and every time it made a law it was a joke. "It ain't amoozin,' it's confoozin'."

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 17, Apr. 21, 1966]

ISN'T THERE A DANVILLE SOMEWHERE THAT WANTS POVERTY MONEY?—TWO DOWN—FOUR TO GO

Overzealous Federal poverty officials at OEO apparently crave a community called Danville in the United States that needs poverty money. A month ago, OEO pressed Danville, Ind., a community of 3,287, to set up a community action board to receive and administer poverty funds. Local citizens resisted, causing Senator Birch Bayh to inquire of OEO, "Why Danville?"

The reply came back to Senator Bayh that Danville, Ind., needed a community action program because they had 1,339 families with annual incomes under \$1,000 and 1,979 families receiving aid to dependent children (ADC). On this basis, continued OEO officials, who could deny Danville help? Pressing the matter further, an OEO official visited Danville and to his consternation discovered that their poverty statistics didn't match Danville, Ind. Quickly recovering, regional poverty officials answered, "Those figures are for Danville, Ill.—an understandable mistake."

The only difficulty came when it developed that the poverty figures were not for Danville, Ill., either. At this point, I suppose OEO officials said: "There must be a Danville that fits our pattern of poverty." Sadly, however, a check of the population division of the Census Bureau indicated there were only six Danvilles in the country and none of them fitted the poverty profile prepared by OEO.

Perhaps the news media could now, as a public service, assist Federal poverty officials, who dearly wish to help a Danville, by running (apropos of Peter Pan) the following nationwide ad: "Isn't there someone out there, from a Danville somewhere, who believes?"

[From Republican Members Poverty Subcommittee, Republican Poverty Memo No. 2, Mar. 16, 1966]

CIRCUITOUS ROUTE

We who believe in the concept of helping the poor find their way out of the debris of despair are dismayed by the lavish spending and waste that have blocked the effectiveness of the present war on poverty. It is especially disheartening to see the great potential that lies within the antipoverty concept spend itself in needless bureaucratic confusion.

The time for this senseless spending to cease is long past. The administration's war on poverty is no longer in its infancy and the time for target practice is over. The program should be zeroed in and hitting its mark. But, unfortunately this does not appear to be the case. Proponents of the administration's war on poverty would have us believe that the waste and abuses have stopped. They have not stopped, and they should not have occurred in the first place. But we must be realistic. We must face facts. And the facts are that these incidents did occur—and at great expense to the weary taxpayer—and we must now do something to correct these wrongs before a great idea dies for want of proper guidance and implementation.

I respectfully relate the case of the Job Corps enrollee who was enlisted at his home in Wisconsin and assigned to a Job Corps center only 90 miles away from his hometown.

Under these circumstances there appeared to be no problem, save the minor one of transporting the enrollee the 90 miles to his assigned Job Corps center. But not so. The

wheels of bureaucracy began to grind and here is what came out at the end:

Before reaching his destination, the enrollee's travels spanned 2 days and more than 400 miles. He had to be put up for the night and fed two meals, changed planes three times, took a bus ride and ultimately a car ride; all paid for with Federal funds.

The trip from Rhinelander, Wis., to Clam Lake Job Corps Center could have been much quicker and cheaper (\$35) by taxicab, as the Job Corps was advised by its recruiting agency, the Wisconsin State Employment Service. The final touch of irony was that a free ride could have been secured for the enrollee with a Forest Service radio operator who travels daily from Rhinelander to Park Falls, Wis., which is very near Clam Lake.

The director of the Clam Lake Job Corps Center admitted that the route was a bit "circuitous." Here's the "circuitous" 2-day itinerary of the enrollee for February 4-5, 1966:

February 4:
11:20 a.m., departed Rhinelander, Wis. via North Central Airlines.

12:53 p.m., arrived Duluth, Minn.
1:10 p.m., departed Duluth, Minn.
1:55 p.m., arrived Minneapolis, Minn.

The enrollee spent the night in Minneapolis, where housed at a YMCA and given meal tickets by the Job Corps.

February 5:
1:00 p.m., departed Minneapolis, Minn., via Zephyr Bus Lines.

5:25 p.m., arrived in Cable, Wis., where he was met by a car from Clam Lake Job Corps Center.

The young Job Corps enrollee traveled a total distance of 245 miles by air; 160 miles by bus; and a short distance by car to reach his final destination, which, before he got caught up in the Job Corps planned travel program, was only 90 miles away from his

home. We feel that examples such as this case cannot help but raise serious fears that the Job Corps is long on planning and short on action and results.

We are not critics of this administration's war on poverty by choice but rather by conscience. Republicans have long supported the concept of training young men in an environment away from home if such is needed. As far back as 1961, we offered legislation built on this concept of the Job Corps.

Let us call to the attention of our colleagues on both sides of the aisle that the Quie-Goodell opportunity crusade is structured solely for the purpose of offering more effective implementation of sound antipoverty ideas. I strongly feel that this bill would correct the bureaucratic confusion and poor planning that is presently clogging the machinery of the war on poverty.

These stories, which read like the "Perils of Pauline" would be funny if they weren't so tragically true.

It is apparent that the war on poverty will never succeed if directed by such a slipshod agency.

CONTINUATION OF TEXT
THE EASY ANSWER

Confronted by an ever-increasing mountain of evidence of their blunders, Office of Economic Opportunity officials, and their apologists, continue to "Polly Parrot" their familiar chant: "You've got to expect to make mistakes with a new program."

We contend that the crippling mistakes which OEO has been making will continue. They will continue, and increase, unless major revisions are made in the Economic Opportunity Act. For the past 2 years, we have seen the predictions of our 1964 "minority views" unhappily borne out.

In 1964, we stated that an administra-

tive philosophy which does not define any meaningful role for State or local governments will cause dissension at the community level. We warned that absolute absence of sensible recruitment and disciplinary procedures would lead to racial imbalance and the types of Job Corps terror that we have observed.

These, and other problems which we foresaw, could have been avoided by writing guidelines and directives into the Economic Opportunity Act. Yet, the Democrats are content to let the Office of Economic Opportunity stumble into another year of operations without the restraint of congressional directives. We cannot endorse such irresponsibility.

Patchwork, piecemeal amendments to the Economic Opportunity Act will not be able to correct the legislative inadequacies which trigger the continuous scandals. In order to launch an honest, effective attack on poverty, an entirely new law should be enacted to provide careful guidelines and priorities for the operation of a program to develop human resources. For this reason Republicans have introduced the opportunity crusade.

OPPORTUNITY CRUSADE

This bill proposes to unite local, State, and Federal governments with private industry to launch a comprehensive program of training, education, and motivation for the impoverished. An effective attack on poverty will not be possible as the exclusive function of the Federal Government. All resources must be dedicated to the cause.

By involving all segments of our economy in an opportunity crusade, \$1.98 billion will be committed to the program, of which only \$1.4 billion will be Federal funds. This is contrasted to the \$1.75 billion program, all Federal funds, that will be operated by the 100 percent Federal war on poverty.

COMPARATIVE PROPOSED EXPENDITURES OF OPPORTUNITY CRUSADE AND THE WAR ON POVERTY
[In millions of dollars]

Program	Opportunity crusade commitment ¹	Opportunity crusade authorization	Committee proposal	Administration proposal	Program	Opportunity crusade commitment ¹	Opportunity crusade authorization	Committee proposal	Administration proposal
Total.....	2,434	1,462	1,754.5	1,745	Earmarked community action programs.....			130.5	121
Job Corps.....	170	170	200	228	Employment service.....	25	25		
(Skill).....		(80)			(Skill surveys).....	(5)	(5)		
(Conservation).....		(40)			(Automation).....	(20)	(20)		
(Military career).....		(50)			VISTA.....	25	25	31	26
Neighborhood Youth Corps.....	382	225	496	300	Headstart.....	644		352	327
(Industry Youth Corps).....	(150)	(50)			(Regular).....	(444)			
(Summer Youth Corps).....	(106)	(80)			(Bonus).....	(200)			
(In-school).....	(80)	(60)			Adult basic education.....	44	40	26.5	30
(Out-of-school).....	(46)	(35)			Rural loans and migrants.....	55	55	57	65
Community Action.....	867	700	323	466	Small business incentives.....	12	12	4.5	5
(Urban CAP).....	(360)	(324)			Work experience.....	200	200	119	160
(Bonus).....	(108)	(54)			Administration.....	10	10	15	17
(Rural CAP).....	(307)	(276)							
(Bonus).....	(92)	(46)							

¹ Federal, State, local, and private funds.

It is not enough to simply commit money and talent to a program and then abandon it to operate on a hit-or-miss basis. Freedom to operate imaginative, locally initiated programs should be provided within a framework of administrative guidelines. Standards must be established to prevent the bungling, wrangling, and constant intrusion of Federal bureaucrats in local programs.

The following are the main features of the opportunity crusade:

1. *Job Corps*.—A revised and redirected type of Job Corps program is established in the Department of Labor to be administered under with the Manpower Development and Training Act. The new Job Corps would select those qualified youths who require a change of family or community environment

to respond to training and for whom no other feasible and more economical program is available.

Three distinct types of training centers would be established to meet the needs of enrollees:

A. *Skill centers* operating in cooperation with industry to provide vocational training for more advanced enrollees.

B. *Conservation centers* providing training in basic education and "conservation" vocations.

C. *Military career centers* giving those enrollees who volunteer the kind of training that will equip them for a career in military service for which they would not otherwise be qualified.

Intelligent evaluation of applicants would

include the determination of parole and probationary obligations. Standards of conduct would be established, including the granting to the Job Corps Director the power to dismiss and discipline enrollees who breach standards of conduct.

Counseling services are planned that would provide the service of developing job opportunities and effective transition of Job Corps enrollees to further training programs or employment.

2. *Neighborhood Youth Corps*.—A Neighborhood Youth Corps program will be established in the Department of Labor to be administered once again under the manpower, development, and training programs.

Enrollees in the program may only be those youths whose family incomes meet

a standard of poverty established by the Secretary or whose families are on welfare.

Two types of programs would be established to meet the special needs of enrollees.

A. An *in-school* program is designed to provide employment for those youths who are in the need of remunerative employment to resume or continue their education. This program would be run by a public or a private, nonprofit agency.

B. An *Industry Youth Corps* is established for those youths who, it has been determined, cannot profit from further regular academic training. Enrollees in this program would be employed by private, profitmaking enterprises while receiving personally oriented vocational training. Two-thirds of the wages of the enrollee would be paid by the employer and one-third paid by the Labor Department, thus enabling many more youths to participate at less public expense.

3. *Community Action program*.—The Community Action program has the most exciting potential as a total commitment to combat poverty. To allow the potential to be fulfilled, the bill sets out basic criteria for the selection and qualification of community action boards. The criteria would prevent the divisive conflict that has marked Community Action in the past by allowing total involvement of all individuals and groups in meaningful communication to plan and implement programs.

The unique and distinctive needs of rural areas would be met by special provisions for the establishment of Community Action programs in those areas. Recognizing the present inequity in the distribution of Community Action funds, which has resulted in the rural areas being terribly underfunded, criteria would be established reserving separate funds that may only be used for rural areas.

Fiscal controls would be established by the requirement for preaudits, audit controls, and salary limitations.

4. *State bonus plan*.—Present poverty programs have almost completely ignored the important contribution that can be made by State in combating poverty. For this purpose, we have established provisions to have the States join as partners with the Federal Government in Community Action programs under the Opportunity Crusade.

5. *Headstart*.—As the original sponsors of a preschool program, Republicans are incensed to see this program, the most successful of all the poverty programs, become entangled in bureaucratic confusion and deprived of necessary funds. To put Headstart on the proper tracks, we advocate that the program be transferred to the Office of Education to be run under the Elementary and Secondary Education Act. Thus, Headstart applications would be given preference for full funding. It is estimated that this would double the amount of money for Headstart available under the Democratic amendment.

6. *Adult basic education*.—This program would be transferred, by the Opportunity Crusade, to the Office of Education. The emphasis would be directed to programs of functional education in the basic subjects of the English language and mathematics. Neighborhood programs specifically adapted to the customs and practices of the residents would be encouraged.

7. *Rural loans and migrant programs*.—Authority for the loan and migrant programs would be granted to the Secretary of Agriculture to be administered by the Farmers Home Administration. Loan provisions for low-income rural families would be liberalized.

Special programs would be operated for migrant laborers to develop their skills for permanent employment, and to provide minimum standards of housing, transportation and other conditions.

8. *Small business loans and incentives*.—This program would be under the authority of, and operated by, the Small Business Ad-

ministration. Funds are provided specifically for this title to prevent a repetition of the starvation of small business as in the past year when the program was brought to a disappointing halt by a lack of funds.

9. *Work experience*.—The Department of Health, Education, and Welfare will have sole authority and responsibility for the week experience program. HEW is particularly equipped to administer this program which is designed to train adults inured to the perpetual cycle of public assistance and welfare to become self-supporting and capable of sustaining themselves and/or their families.

10. *Employment service automation*.—The employment service would be automated to provide high-speed, reliable joining of individuals with jobs.

11. *Job survey*.—The Labor Department would institute a long-overdue national skill survey to pinpoint the thousands of skilled job categories for which qualified applicants cannot be found.

MORE IS NEEDED

There are two other provisions which Republicans urge be adopted for a true opportunity crusade. First, we urge the adoption of the Republican Human Investment Act under which employers will receive up to a 7-percent tax credit for money spent to train and employ people with low skills. It is time that tax incentives be given to help people, not just build machines.

The original opportunity crusade bill that was introduced contained a provision that would remove all income restrictions on eligibility criteria for social security benefits. The elderly and retired, who can be accurately characterized as the "forgotten poor," would then be permitted and encouraged to work and obtain a livable income without loss of social security benefits.

In accordance with House rules, we were obligated to remove the social security provision from our bill as it does not fall under our committee's jurisdiction. However, we strongly urge that the Ways and Means Committee, promptly consider these vital measures.

CONSENSUS CAMOUFLAGES DISAGREEMENTS

The frantic rush of the Democrats to produce amendments that reflect a consensus, camouflaging their serious disagreements, has resulted in a bill that has left the poverty program more vulnerable to chaos, abuse, and abysmal failure than ever before. In response to many criticisms and constructive proposals made by Republicans over the past 2 years, some committee Democrats finally imposed a few long overdue amendments.

However, there is still little that has been done to structure a program that will produce meaningful results. No attempt has been made to establish selection criteria for Job Corps enrollees. No attempt has been made to alleviate community dissension by developing criteria for community action boards. No attempt has been made to provide meaningful work experience or insist upon basic education for Neighborhood Youth Corps enrollees. No attempt has been made to eliminate the overlap and bureaucratic confusion developing in Headstart. The omissions are endless.

What has been done?

The Job Corps, which has rapidly expanded both in size and in problems, has finally been restricted by a provision that the number of centers may not be expanded beyond present contract commitments and a ceiling of 45,000 enrollees has been imposed. This size limitation gives Job Corps officials a belated opportunity to evaluate their experiences. However, Congress has neglected its obligations to redirect this program along realistic lines.

Democrats won't provide adequate standards

In a party-line vote, Democrats turned down Republican amendments to—

(1) Establish procedures for evaluation of Job Corps enrollees to identify youths with criminal records and insure adequate provisions to cope with their problems in Job Corps camps without major disruptions; and

(2) Give authority to Job Corps camp directors to enforce standards of conduct and department with disciplinary powers, including the power to dismiss enrollees when necessary to preserve the opportunities of others.

Other Republican amendments to the Job Corps that were summarily rejected by the majority were:

(1) A limitation of salaries of Job Corps staff to no more than a 20-percent increase over their previous salaries without specific approval of the Director;

(2) Provisions for job counseling and intensive testing on admission and at least 3 months prior to anticipated graduation of Job Corps enrollees;

(3) Establishment of community advisory groups to provide appropriate job opportunities or training for Job Corps graduates; and

(4) Establishment of military career centers for young men unable to pass physical or mental tests for military service.

One step forward and two steps back

After unrelenting pressure by Republicans, committee members, for the first time in the 2-year life of the program, established enrollee eligibility criteria for the Neighborhood Youth Corps. We are relieved to see the adoption of an amendment which hopefully will prevent further instances of truly needy youngsters being displaced in the programs by affluent youngsters from politically prominent families.

Although eligibility criteria have been developed, nothing else has been done to provide meaningful training for Neighborhood Youth Corps enrollees. A Democratic amendment was adopted that ostensibly allows enrollees to receive training in profit-making organizations. As Republicans first proposed an industry youth corps, we favor a program that provides productive jobs and training for young people in private industry but we cannot possibly accept the amendment adopted in committee.

Carefully evaluated, the Democratic amendment does not fulfill the need of enrollees for vocational training. At best, the program adopted will completely overlap the on-the-job training provisions of the Manpower, Development, and Training Act. The worst feature is that absolutely no criteria are established for training, selection of enrollees, or qualification of sponsors. We shudder to think of a repetition of the abuses which have developed because of an absence of guidelines in other war on poverty programs.

In addition to rejecting the Republican amendment for a carefully structured industry youth corps, Democrats refused to accept our amendments that would have revised the Neighborhood Youth Corps to provide separate out-of-school and in-school programs with careful standards for each.

HEADLONG RETREAT

Responding to the criticism of Community Action programs and fearing the undisciplined child they have fostered, the majority of the Democrats on our committee have united to subtly undermine Community Action. Condemning the original concept as a failure and inoperable, they have sponsored a series of amendments that reduce the Community Action program to rigid prepackaged programs that will deal with individual problems of poverty in the isolation of the poverty ghettos.

The amendment which dictates that 20 percent of Community Action funds must be granted to "independently funded Community Action programs which are carried on in communities in which there is being carried on concurrently a Community Action

program" completely undermines the concept of the program. The true concept is to combine all the resources in a community to fight poverty and to initiate a dialog between various elements of a community for effective use of the resources.

There seems to be general agreement that too many Community Action boards are unrepresentative. Instead of moving directly to meet this problem, the Democrats have been satisfied to leave the Community Action boards largely unrepresentative and then simply fund a variety of private programs that not only will be uncoordinated with the overall community effort but, in many instances, will contradict or undermine existing programs.

Under certain circumstances private funding may serve a useful purpose. Congress should define such circumstances. The present Democratic proposal requiring 20 percent of Community Action funds to be spent on independent programs is an invitation to every dissident group to bypass and ignore efforts at community coordination.

Judging by timid and shortsighted policies of OEO administrators in recent months, very few truly independent and representative groups will be funded under this allocation, where they are most needed. The end result will be an escalation of uncoordinated confusion without significant encouragement to the very groups most in need of help.

The Big "If"

Republicans sponsored amendments to give guidance to communities on the matter of representation on, and selection of, a Community Action board. Our amendments would have allowed total involvement of all representative segments of the community and particularly guarantee meaningful representation of the poor on policymaking boards. These amendments would have provided a life-giving spark to the potential of Community Action. The majority rejected all such amendments.

In their stead, they adopted a meaningless amendment that states, in a roundabout way, provides that if a Community Action board member represents a target area he must be a resident of that area.

Note the important "IF." The amendment does not state that the Community Action board must have such representatives.

The open-ended neighborhood adult corps

It appears that the Democrats on our committee are obsessed with the need for producing headline-grabbing programs without specific guidelines or standards. This is the very tendency that produced present poverty scandals. They passed a general authorization and leave it to administrators to define how the objectives will be accomplished.

After 2 years, our Democratic colleagues have been forced to recognize the glaring deficiencies in the poverty program that they chose to deny in the original election year debate of 1964. Now, in another election year, they are launching a new massive program for adults modeled after the Neighborhood Youth Corps. It bodes well to produce the new "great scandals of 1967."

It is hard to imagine a more loosely drawn, ill-defined proposal than the open-ended neighborhood adult corps that will provide public service jobs for the jobless. No criteria for enrollment is given other than the adult be unemployed. Once again, the Democrats adopted the easy, superficial, short-run palliative: "Let the Government hire them directly even though they may have to do meaningless and unproductive work."

It is time that we recognize that the poor want productive jobs for which they can qualify. They need training, often in the most basic skills. Yet, provision for occupational training and basic education is not required. Considering the present boom economy and the plethora of jobs going begging, it would seem that virtually all of the

employable unemployed will need training to "enhance their prospects for normal employment."

In the present Neighborhood Youth Corps, as we have already noted, only 10 percent of enrollees receive training. Will 90 percent of the neighborhood adult corps enrollees be similarly neglected?

Loss of talent

Democrats on our committee were obviously irked by the numerous examples of Community Action board members lobbying for funds to be given to their own pet projects. Accordingly, they adopted a last-minute, ill-considered amendment barring any grants to private agencies which have a member of their board of directors or an executive officer serving on a Community Action board or as an employee of a Community Action agency.

The intent is obviously to require all employees or board members of private organizations receiving Community Action funds to resign from Community Action organizations. The full ramifications of this action are difficult to assess. Apparently employees or board members of innumerable private social welfare agencies would be ineligible to serve on Community Action agency boards or be employees of those agencies.

One of the primary objectives of a Community Action board is to enlist the talent and experience of those organizations and people who have been fighting poverty for years. Are citizens who have been serving diligently on Family Services, United Fund, Boys Clubs, YWCA's and similar organizations to be barred from Community Action service in the future?

Danger signals

Danger signals have been flashing in Headstart from the outset. A basically sound program has been subjected to unbelievable chaos in its administration. It has been successful in spite of rather than cause of, poverty officials. The biggest problem has been that both education and poverty money is available to fund Headstart programs. Where do local school systems apply for funds? How much education money must they blend with poverty money in funding Headstart? Conflicting, ever-changing standards have imposed a burden of redtape on many local school officials. Specific examples of this, all too characteristic, have been cited elsewhere in this report.

Headstart should be administered by a single Federal agency with clear and simple guidelines. Republican efforts to transfer the Headstart program to the Office of Education, where all efforts could be unified and where the program could be fully funded, were defeated.

The burden on the budget would be relieved by transferring Headstart to the jurisdiction of the ESE Act because the necessary funds have already been appropriated. Why, then, when Sargent Shriver testified before our committee that only half the eligible 5-year-olds are able to be included in the OEO program, do the Democratic members refuse to allow Headstart to be funded to the greatest extent possible?

No protection provided

The poor often are in need of small emergency loans and find themselves victims of unscrupulous loan sharks who charge usurious interest rates. Such loan activities can and should be controlled at local and State levels. The democratic answer to the problem is a vaguely defined authority for the Director to make direct loans up to a maximum of \$300 at a 2 percent per annum rate of interest; \$8 million is authorized for this purpose.

This loan provision was hastily slapped into the bill without consultation with experts on the Banking and Currency Com-

mittee or elsewhere. No testimony was ever received recommending such a proposal, nor specifying how it could be effectively administered. After intensive study and careful draftsmanship, it is quite possible a workable program could be devised to meet this need. A slap-dash \$8 million proposal, such as this, holds little promise to the poor to meet their needs in this area.

Adult basic education

Basic education is a primary need for many of the poor. The Opportunity Crusade appropriates more money for basic education than is provided under the present bill. In addition, it would require that the needed basic training or education be provided to Neighborhood Youth Corps enrollees and participants in other poverty programs where appropriate.

More warning signals ignored

Despite the testimony that we referred to earlier on the critical shortage of funds and lack of coordination between SBA and OEO, no substantive changes were made to title IV. No guidelines were given for inter-agency cooperation.

Amendments sponsored by Republicans, and unanimously rejected by the majority, would have transferred full authority for the program to the Small Business Administration and appropriated funds to SBA for exclusive use in this program.

Disruptive transfer

The recipients of aid and training under the work experience program are in the view of the minority the crux of the poverty group. These are the people who for three or four generations, in times of prosperity as well as depression, have remained totally dependent on welfare for subsistence. For a substantial number of them, welfare is a way of life. Welfare checks, food stamps, medical care, and hospitalization provide a sense of security in the welfare status. They are fully aware that these benefits will be lost when they accept employment. The task of motivating some welfare recipients to seek gainful employment is a difficult one. In addition to this factor, it is in this group that we find the highest incidence of inability to read or write, illegitimate children, and a lack of initiative and ambition.

The Department of Health, Education, and Welfare has been dealing with these people for decades. Welfare administrators know them and their problems. We feel there is much to be desired in the performance of HEW with regard to training individuals and placing them in jobs. That is why the Republicans proposed an amendment, arbitrarily rejected, that HEW be given full authority for the program which it now operates.

Committee Democrats passed an amendment that will transfer authority for the training aspects of the program to the Department of Labor, leave supportive services to be provided by HEW and controlling authority in OEO. Such a three-ring circus, in our view, will compound confusion. The transfer of the work experience job training to the Department of Labor is foolish. Our viewpoint is supported by comments from Mr. Raymond Hilliard and Mr. L. L. Vincent:

TITLE V

On May 3, 1966, Mr. Raymond Hilliard, director of public aid for Cook County, Ill., advised that legislation to place the work experience program (title V) under the Labor Department would be most unfortunate for the following reasons:

1. The Department of Labor has had no experience whatever with what are now the hard-core poor people who by reason of inability to read or psychological disturbances or by family brokenness, by all things that could be said are hard-core slum living. Welfare administrators and personnel live

with these people. The Department of Labor from top to bottom has never seen them. The Department of Labor in the past has preferred to pass them by as if they didn't exist.

2. The people enrolled in title V programs are, for the most part, those in no way qualified for jobs. This is an area of preparation for preparation for jobs. If the program is transferred to the Department of Labor, it would be handled similar to MDTA. "The day MDTA can do what the Department of Welfare is doing under title V, I will be glad to give it to them," Mr. Hilliard said.

3. "Title V is just really beginning to get rolling and show. I would be worried about Labor . . . I would be more worried about Labor than with it at OEO. I think the title V program in Chicago would grind to a halt and I am not sure it would ever get organized," Mr. Hilliard said. He pointed out a change from HEW would involve a process of going through the same problem of getting acquainted with the people and chasing all of the likely sounding but fruitless approaches.

4. Mr. Hilliard stated the relationship of his Department with HEW has been eminently satisfactory, with one big exception. The one exception has to do with a multitude of forms, most of which he feels are unnecessary. He felt it would be a great help if HEW would concentrate on some simplification of reporting.

On May 3, 1966, Mr. Charles Lewis, executive secretary to Mr. L. L. Vincent, commissioner, Department of Welfare, State of West Virginia, who served as a spokesman for Mr. Vincent, advised Mr. Vincent would be opposed to legislation transferring the work experience program (title V) to the Department of Labor. It was the informal opinion of Mr. Vincent the move would not be feasible for the following reasons:

1. The Department of Labor in the past has shown no particular interest in the people who are in the title V program and have no record of finding these people jobs.

2. The Department of Labor's training programs adhere to groups with educational levels higher than the people in the title V program.

3. The Department of Labor has tried programs with this particular group without very much success.

4. HEW has spent the last year setting up title V programs nationwide and a transfer at this time might well lead to administrative chaos.

Open admission

Since the Economic Opportunity Act was passed in 1964, Republicans have documented the fact that the war on poverty was conceived and operated substantially for partisan political purposes. To curb political abuses, Republican urged that Hatch Act provisions applying to title I be extended to all sections of the act.

Chairman Powell even opened the 1965 poverty hearings with the charge that the poverty program contained "giant fiestas of political patronage." Nonetheless, House turned down Republican amendments to provide Hatch Act coverage. The majority was either unwilling to stop these intolerable abuses or to admit to them.

This year, the Democratic committee members finally admitted the truth of our charges by adopting an amendment to have the Hatch Act cover all war on poverty activities.

As supporters of a similar amendment, we welcome this long-delayed action. Its enforcement in practice is another thing which we shall watch closely.

COMMITMENT TO A REALISTIC PROGRAM

It should be the finding of Congress that, in spite of the impressive historical record of this Nation in offering unrivaled opportunities for advancement to our citizens, much remains to be done. Artificial barriers

and indigenous backgrounds too often inhibit the full development of individual potential. It is not enough, however, simply to launch a program with compelling and persuasive objectives. A realistic program to help restore dignity and hope to those who are unable to sustain themselves in modern society is our urgent imperative. A program which merely raises expectations and administrative salaries without meaningful results fails to meet the dynamic requirements of our society. Those citizens who are to be served by government programs must have a significant role in helping themselves. Expenditures by government to do things to beneficiaries, rather than in partnership with beneficiaries, is a miscarriage of the true congressional purpose of dignifying human lives.

[Excerpted from Republican Research Report No. 1—Series A, Republican National Committee, June 2, 1966]

DISILLUSIONED DEMOCRATS

Some of President Johnson's and Sargent Shriver's fellow Democrats, holding to the old "if you can't say something nice" adage, have remained silent regarding the abuses of the War on Poverty. Others have been shocked into criticizing the abortive efforts of Administration poverty fighters.

"Job Corps dropouts and malcontents are being coddled and complimented for their derogatory behavior," said Senator Lee Metcalf, Democrat of Montana.

"New York City has had a disastrous experience thus far in the poverty program," said Congressman James Scheuer, Democrat of New York City.

"We must try to elevate other programs now mired in the swamp of mediocrity, such as Camp Kilmer; Phoenix, Arizona; Los Angeles and Washington, D.C.," said Chairman Adam Clayton Powell.

"There is a riot and a runaway of ineffective programs proliferating all over New York City, but not an effective attack upon the basic problem of poverty," said Congressman Hugh Carey, Democrat of New York City.

"The rural areas . . . are going to get lost in the shuffle, and have already been lost in the shuffle," said Congressman Carl Perkins, Democrat of Kentucky.

"I can certainly say that with respect to Los Angeles, and to Title II, the program is in an awful mess, and unless something is done about it, further disorders can be expected," said Congressman Augustus Hawkins, Democrat of Los Angeles.

"The fact is that a lot of bleeding-heart PHD's and professional poor people have succeeded in superimposing themselves on what are supposed to be action programs and are converting them into grandiose sociological studies and anti-social protest movements," said Democratic Congressman Hugh Carey.

The staff has done "a lousy job" getting ready for hearings and "so a good portion of our staff was fired over the holidays," said Congressman William Ford of Michigan, with reference to Adam Clayton Powell's \$200,000 "investigation of the War on Poverty."

Senator Walter F. Mondale (D.-Minn.) speaking of difficulty in getting programs funded—

"There was nothing in writing. No guidelines for expenses were established. It is no surprise that Minnesotans working for anti-poverty are often frustrated.

"We have a right to written, understandable rules," Mondale said, "and officials must assume there is some local wisdom."

Senator Vance Hartke (D.-Ind.): "I question the continuation of poverty programs, such as the youth camps. There are too many unanswered questions about operations at centers such as Camp Atterbury and Camp Breckinridge.

Democratic Congressman Augustus Hawkins of California speaking in Los Angeles: "The community development program as adopted by Congress is not functioning as it was set up. What is being done to this program is a crime."

Democratic Congressman Robert E. Sweeney of Cleveland described the Job Corps as a ". . . fantastically expensive failure." "It is costing taxpayers \$11,252 a year per enrollee. I believe this money can be better used by the Office of Education, the Department of Labor and the military education channels."

Senator Albert Gore (D.-Tenn.): "The Office of Economic Opportunity is a grossly disorganized affair and while I hope some order will be brought out of current chaos, I become more doubtful daily."

Mr. AYRES. Mr. Speaker, I spoke at the candidates' school last year, and I suggested to all of the candidates that they get a copy of this and they read it very carefully and when they got home they should explain it to their constituency. Well, apparently, many of them did because this was a major issue in the campaign where Republicans picked up 48 seats.

Now you are asking me to reverse that position overnight because there has been a change in administration. I personally have not received any direct request from the President that I should reverse my position. Furthermore, the present administrator has reversed his position. In fact, Mr. Speaker, I would ask unanimous consent to insert in the RECORD a speech given by the gentleman from Illinois (Mr. Rumsfeld) on August 1, 1966, which starts out:

MR. RUMSFELD. Mr. Speaker, I am introducing in the House today a bill, the Opportunity Crusade Act of 1966, which is designed to combine the efforts of government at all levels with private efforts to provide jobs, training, and education for the disadvantaged.

After 2 years of the war on poverty, many serious deficiencies are apparent. The refusal of the majority on the House Education and Labor Committee to hold full and constructively critical hearings on the proposed amendments to the war on poverty recently prompted the House Rules Committee to take the unprecedented action of admitting the majority in a report adopted 14 to 1.

The approach of the Opportunity Crusade, as developed by our colleagues, the gentleman from Minnesota [Mr. QUINN] and the gentleman from New York [Mr. GOODELL] is to unite local, State, and Federal governments with private efforts in launching a comprehensive program of training, education, and motivation for the poor. By involving all segments of our economy, \$2.4 billion will be committed to the program of which only \$1.4 billion will be Federal funds. This is in contrast to the \$1.75 billion program, all Federal funds, that is planned by the Federal war on poverty.

I believe the following features of the bill I introduce today will result in a more effective and productive program against poverty:

First. The Office of Economic Opportunity will be stripped of all its present programs except Community Action and VISTA. All training programs will be coordinated under the Manpower Development and Training Act of the Labor Department; the education programs, including Headstart, will be administered by experts in the Office of Education; the work experience program, which embraces a variety of psychological and sociological problems as well as employment problems, will be administered by the experts in HEW; the small business loan program will be administered by the experts in the

Small Business Administration; and the Farmers Home Administration loan program will be administered by the experts in Agriculture.

Second. Opportunity Crusade, which will cost the Federal Government \$300 million less, will double the funds available for Headstart and place more emphasis on State and local responsibility.

Third. The Job Corps program, which has suffered from severe criticism across the country because of excessive expenditures, maladministration and uncoordinated, unrealistic implementation, will be completely revamped. This bill provides for a more intelligent evaluation and screening of applicants; coordination with existing manpower and vocational programs; more effective security and discipline in the camps; the dismissal of enrollees convicted of felonies; and a \$5,000 restriction on the annual cost per enrollee.

Fourth. New camps will be set up under the Secretary of Defense to equip for military service on a volunteer basis young men from poverty backgrounds who cannot meet selective service standards.

Fifth. Community Action funds will be more than doubled; at least one-third true representation of the poor on policy-making boards will be required; and continued flexibility of local programs will be assured by eliminating earmarked and restrictive funding.

Sixth. The bill provides for a new Industry Youth Corps where private employers will be given a realistic incentive to hire untrained young people between 16 and 22 with one-third of their wages paid while they undergo on-the-job training for meaningful permanent employment.

Seventh. The bill avoids the arbitrary and rigid \$12,500 ceiling on salaries in the committee bill, recognizing direction of some of the urban programs would justify larger salaries. Instead, Opportunity Crusade would require approval by the Director of any salary increase in excess of 20 per cent over previous salary.

Eighth. Careful administrative guidelines are written into all programs under the Opportunity Crusade to eliminate the confusion, delay, and frustration which have plagued the war on poverty.

Ninth. The employment service would be automated to provide high-speed, reliable joining of individuals with jobs.

Tenth. The Labor Department would institute a national skill survey to pinpoint the thousands of skilled job categories for which qualified applicants cannot be found, as recently recommended by a bipartisan Joint Economic Committee report.

Eleventh. The Opportunity Crusade will enlist the State and local governments as partners with the Federal Government. It provides realistic incentives for private employers and individuals to join the public agencies in an all-out effort to provide education, jobs, better housing and dignity for the poor. It will require true involvement of the poor.

Twelfth. The elderly and retired, who can be accurately characterized as the "forgotten poor," will be permitted to work and obtain a livable income without loss of social security benefits.

Mr. Speaker, I support the goals of the war on poverty. But I, like many millions of Americans, have been deeply saddened and disappointed in the performance of the administration in running this program. The excesses and failures of the program are well known. The administration has been high on its promises but low on performance. It has been tragically self-defeating to build up the hopes and anticipation of the poor with a program which could not—or did not—satisfy those hopes. I believe the Opportunity Crusade will correct many of the deficiencies of the war on poverty, at the same time

making the program a truly representative one, and reducing the cost to the taxpayers.

In 1964, I favored an approach to problems of poverty as sponsored by my able colleague, the gentleman from New Jersey, the Hon. PETER H. B. FRELINGHUYSEN. I voted for a motion to recommit so that the Frelinghuysen bill might be substituted for the administration's war on poverty package, but the motion to recommit failed, and H.R. 11050—the Human Resources Development Act—was thus pushed aside. I did not favor the administration bill. I agreed with its goals but, as many, I could see then the difficulties which were to be encountered unless the Frelinghuysen bill was substituted. Now the Congress has an opportunity to correct this action, thanks to the efforts of Congressman QUIE of Minnesota, and GOODELL, of New York.

I urge Members to examine carefully the merits of the Opportunity Crusade.

In fact, the only strong statement, stronger than some of the others is the 11th point in which he said:

The Opportunity Crusade will enlist the State and local governments as partners with the Federal Government.

Then in 1968 my instructions to the minority of the House Committee on Education and Labor were to compile a booklet with all of the poverty memos which include over 100, explaining in detail many of the happenings throughout the country in connection with the poverty program.

This is one thing every Republican—every incumbent and every candidate got and this is what I said then to them:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 21, 1968.

DEAR CANDIDATE: This series of Republican Poverty Memos has been prepared recently under the direction of Republican Members of the House Education and Labor Committee. These memos are an objective report of serious shortcomings of the War on Poverty; a summary of some of the excesses, abuses and maladministrations in anti-poverty programs at all levels; and synopses of Republican positions and attempts to pass corrective legislation during the past two years.

Included in this folder is an analysis of Office of Economic Opportunity funds for Fiscal 1968.

I hope this material will be helpful to you during your discussion of poverty and related issues. Should questions arise regarding specific anti-poverty matters in your district, please call on me or my colleagues on the Committee.

With best personal regards and wishes for a successful campaign, I am

Sincerely yours,
WILLIAM H. AYRES.

[Vol. II No. 11, June 1968]

INVOLVEMENT OF THE STATES IN THE
WAR ON POVERTY

Since the beginning of the War on Poverty there has been almost no voice for state officials regarding the operation of programs within their states. The entire extent of OEO's dealings with the states has been limited to contracts for the operation of "Technical Assistance" offices. This includes no consultation with or consideration of the opinions or desires of the State OEO Directors in approval or funding of grants, with all local community action agencies or grantees dealing directly with the program officials in the Regional OEO offices. Our contacts with various State OEO Directors have reinforced our conviction that these men for the most part have a great deal of knowledge to offer regarding the needs of their states

and suggestions as to the best implementation of funds, and could perform a valuable function in the complex task of attempting to reduce conditions of poverty in vast numbers of areas.

In protest against OEO's almost complete exclusion of their participation in decision making within their states, State Technical Assistance Directors (State OEO Directors) held a conference in Washington, D.C., last August at which a position paper was drawn up and signed by all but two members present. Two main suggestions on this position paper were:

That the State agencies should be permitted to submit an annual state plan for expenditure of funds in concert with the Federal, regional and local OEO, and consultation between state and regional or national OEO should take place before funds are granted or approved in any state.

State Technical Assistance (STA's) should be included in OEO's checkpoint procedures relating to all OEO programs and that the STA's be involved with the OEO regional and community action agencies in developing evaluation procedures.

Much of the testimony at the 1967 hearings and numerous letters and comments from STA Directors agree the present state role must be expanded. In addition they criticized the OEO's irrational funding procedures, taking no effort to either provide an equitable distribution of the money to the poor over the state or to concentrate it in the areas of greatest need.

Joseph P. Dyer, then Director of the State of Connecticut Office of Economic Opportunity, testified before our Committee:

"I urge you to consider thoughtfully the strengthening of the state's hands in this attempt to eliminate poverty; I urge you to make true the words of President Johnson, who, in a directive to the former Governor of Florida, Faris Bryant, his present director of the Office of Emergency Planning, said this: 'To the fullest practical extent I want you to take steps to afford representatives of the Chief Executives of state and local government the opportunity to advise and consult in the development and execution of programs which directly affect the conduct of state and local affairs.' The present OEO operation is far afield of the President's directive. For example, no contact was made with any Connecticut state official regarding the allocation of Connecticut's share of the \$75 million in special money this Congress appropriated in May for special summer programs. Our state was accorded \$235,000 in five locations. This same allocation, in our opinion, to a large number of localities might have more properly attained the ends you seek."

Mr. Dyer followed: "We had no say either as to which cities in Connecticut should be given special funds. It is my personal opinion that if we had been consulted, we might have distributed the same amount of money to a larger number of communities than the way it was distributed."

Mr. Robert Neal Smith, Wisconsin State OEO Director, regarding the need for greater state involvement:

"Generally speaking, over the past several years the regional Office of Economic Opportunity has exercised its own judgments by and large regarding any local CAP or single-purpose agency request. All too often the Governor's office is informed of a program that is being seriously considered or certain amendments to the contract or revisions in the proposals have been made, and we are then at the last moment via this telephone call expected to pass judgment almost immediately and approve the project application."

In letters and public statements various state officials have complained:

One state director, on the problem of co-

ordination of various programs within the state: "The linkage between community action programs and work programs is tenuous at best especially in the rural areas. The Office of Economic Opportunity has to be given muscle to effectively coordinate these programs with its own. Likewise, the state officials should be a critical point for this function, and it should be spelled out in the law."

E. R. Rankin, Jr., Director, North Carolina Department of Administration: "Federal antipoverty programs are usually prepared without any knowledge of the Governor and are submitted for the approval or disapproval of the Governor after public announcement in Washington that the OEO has approved the grant, or other Federal assistance."

Further concerned with the lack of coordination with the states, Mr. Rankin stated: "The well-known OEO policy of ignoring and bypassing existing state and local governmental agencies has certainly not assisted in North Carolina's efforts to improve poverty and poverty conditions. And any long-term improvement in local community conditions must involve the existing agencies and local leadership in these agencies."

Another State director notes the nearly complete exclusion of the state from proposal review and the lack of program evaluation by OEO: "Presently, a proposal, when submitted by the CAA to the regional office, is reviewed by a regional analyst, who has the authority to add or delete from the component. This practice in almost all cases goes on without consultation with the STA. The local community, thus sensing that the ultimate responsibility for the success of their proposal rests with a regional analyst, turns to the regional office for assistance. In all too many instances the analyst encourages the local community to obviate the STA. This dual service leads inevitably to confusion and mistrust."

"At present, the evaluation of funded programs is not required. Thus, proposals are refunded without a knowledge on the part of the reviewer if the program was effective and meaningful to the lives of the disadvantaged. It is conceivable that good money is supporting ineffective programs."

We have proposed in the Opportunity Crusade the greater participation of the states in the administration of various programs throughout the bill; a greatly increased role in the administration of Job Corps Centers within their states as well as the eventual phasing of these centers into the state systems of vocational education; the implementation of the In-School NYC program through the state educational agencies and a state plan; the establishment of a broadly representative state commission for the Headstart and Early Years Programs to plan and allocate the funds and to approve projects to be funded within the state; a Community Action state bonus plan, and a Headstart state bonus plan which will enable the states to receive funds over and above their general allocations under these programs, which they will match equally with state funds, and to develop supplemental plans under which they could further assist programs which are not being adequately assisted under the general allocations for community action and Headstart.

In addition, the greatest need and our major redirection to involve the states is in the area of Community Action. Our proposal authorizes each state to set up a state commission through which community action funds will be channeled into the state, and which would be responsible for: Identifying the poverty problems within the state; comprehensive planning, including the determination of state priorities and policies to eliminate poverty within the state; the development of a state plan of action to be submitted to the Director which shall review and evaluate and make funding recommendations concerning the funding of each community action agency, consulting with and provid-

ing assistance, including technical assistance, to community action agencies and qualified substitute agencies and assisting them in the preparation and administration of annual plans, training of personnel, coordinating programs and making maximum use of their public and private resources, as well as other acts of coordination and cooperation with the Director to accomplish the most effective use of poverty funds within each state.

In a letter to Congressman Albert H. Quie, Governor Harold LeVander, Governor of Minnesota, included these comments on the subject:

"Actually, here in Minnesota, the Governor's Office of Economic Opportunity is the 'Governor's' in name only. The State OEO office 'dangles' haplessly between the local CAP councils and the regional office, doing housekeeping chores, providing routine assistance to CAP councils, with no real authority to act. As Governor, I have neither control nor authority over the programs once they are operational.

"There is great need to strengthen the state's position in administration of the programs and in allocation of funds. Ideally, handled by a designated state office responsible to the Governor.

"Under present administrative procedures, the regional office in Chicago now handles the function of funding and approving programs completely bypassing the state office. It certainly would be desirable to amend the act and/or regulations to allow funds for administration and programs to be granted directly to the states."

Other Governors have pointed out the need for a greater state role:

Governor Walter J. Hickel, Governor of Alaska, said: "A coordinating council at the state level would help in determining areas of need so that appropriate priority could be given to those areas and programs which are most vital and for which provision has not been made by the present 'shot-gun' method."

"Because it is likely that maximum mileage is not being realized from allocated funds, I urge that states be given a strong voice in planning and evaluation of local projects. It is inconsistent with good government that a project, regardless of its quality, be refunded simply because it has previously been funded. I further suggest that the state office be given the option of dispensing projected unused allocated funds to critical need."

Governor Robert B. Docking of Kansas stated: "I think that . . . the Technical Assistance Office . . . can make a real contribution. Their philosophy of coordination and cooperation, as well as trying to move with some dispatch to get things done, would lend itself to the development of a social planning concept for the state."

Governor Daniel Evans of Washington stated: "I do . . . recommend that national and regional OEO administration move rapidly to provide greater involvement of, and consequently participative responses from state governments that are sincere in their desire to eradicate poverty. In the determination of basic policy and program guidelines, there should be a significantly improved opportunity for participation from the local and state levels."

Late Governor Lurleen B. Wallace of Alabama said: "There has not been the effective state participation called for in this section. However, it is even more clearly apparent that the Office of Economic Opportunity has displayed little enthusiasm for making the states true partners in the planning, development and administration of the effort. The same is true of the Department of Labor in its administration of programs under Title IB and Title II. I feel that all projects to be carried out, in whole or in part, within a state should be within overall plans which have been drawn with participation by, and

received the concurrence of, the state. Alternatively, all such projects should be submitted to the Governor in accordance with procedures similar to those now provided in Section 209 of the Act."

Former Governor Otto Kerner of Illinois: "The area of coordination of federal programs deserves some attention. Due to the regional, rather than state administrative authority over most OEO funds, coordination becomes extremely difficult since local agencies 'bypass' the state with applications for federal funds."

In announcing the intention of various Republican Members to push for a role for the states in the poverty program, leading House Republican spokesmen on poverty said:

"There is a clear and present need for comprehensive social planning at the state level. Today every state has a state Office of Economic Opportunity. These offices are funded at a minimal level, although charged with the major task of energizing local communities to organize local poverty programs. They serve the additional role of coordinating technical assistance on a statewide basis in support of local programs."

"A major defect in the present system is exclusion of the states from planning and continuing evaluation of programs. There is no statewide determination of priorities."

"There must be meaningful partnership among all levels of government and all segments of the private sector if economic opportunity is to become a reality for all Americans. The present law must be restructured to fill the existing void left by systematic exclusion of the states. The state governments can mobilize vast, untapped resources on a statewide basis. They are, moreover, eager to assume their rightful role."

All Republican amendments which included provisions previously described for the increased involvement of the states in various poverty programs were rejected.

[Vol. II No. 13, June 1968]

HAS THE WAR ON POVERTY BEEN A SUCCESS?

"It might have been better to not have had the OEO, than to have promised so much and not fulfilled it"—(Hyman Bookbinder, recently resigned Asst. Dir. of OEO).

"The Federal Government's War on Poverty was tardy and has taken on all the aspects of the first Battle of Bull Run"—(Kenneth G. Neigh, General Secretary of the United Presbyterian Church's Board of National Missions).

The anti-poverty money is "going everywhere except to those who need help"—(Former Texas Governor Allan Shivers, President of the U.S. Chamber of Commerce).

"One contributing factor to the recent civil disorder is that loudly touted expectations for the war on poverty have not come to pass. The people who made grandiose promises about abolishing poverty rapidly knew, or should have known, that with the tools at hand it would not be done. Frustrated expectations can be very inflammatory"—(David R. Hunter, Executive Director of the Stern Family Fund, New York City).

The War on Poverty—"lots of caviar, but no beans"—(Senator Joseph Montoya [D-N.M.]).

"It's time to put an end to these giveaway programs like the War on Poverty anyway"—(Congressman Joe Pool [D-Texas]).

Described the Johnson Administration's poverty program as "one of the most unfortunate frauds ever perpetrated on poor people in this country"—(Dr. Eugene Callender, Executive Director of the New York Urban League).

"The Federal poverty program has turned out to be one of the biggest hoaxes ever perpetrated upon the citizens of the Great Society"—(Executive Committee of the Rhode Island Chapter of the National Association of Social Workers).

Accused the OEO of "perpetrating a fraud on the poor" and called the present setup a "sophisticated form of paternalism"—(Wesley L. Scott, Director of Milwaukee Urban League).

"Despite years of promises, billions of dollars in aid, and valiant efforts by a melange of poverty fighters, the 'war on poverty' remains nothing but a catchy phrase to most ghetto dwellers in the United States"—(John Dillin, Staff writer of the Christian Science Monitor).

"There is a poverty program but it never could be considered a war . . . People are leaving the program in great numbers, the administration has cut back and Johnson did nothing to defend the program . . . It was sold to the people as a panacea. They were led to really believe there was a war that was going to change their lives"—(Haynes Johnson, Pulitzer Prize-winning Journalist, Washington Star).

"If I were to put my finger on a single issue that was related to our riot, I can assure that the rioting to a great degree was brought about by Federal promises as regularly publicized in all the news media that failed to match Federal performance. Again I say it is a question of 'nitpicking' and it would try the patience of Job"—(A. V. Sorensen, Mayor, Omaha, Nebraska).

"The poor have been overpromised and oversold, but the poverty program has been underproductive and underachieving. . . . Despite the findings of the Kerner Commission history will show that the poor reacted to the failures of the Great Society programs because they were overpromised and underdelivered. . . . To sum it up, the War on Poverty served to polarize the white community: The theory of hostility and conflict—equally repugnant to most Negroes as well as Whites—fanned the flames of racism and set back race relations a quarter of a century"—(Mayor William F. Walsh, Syracuse, New York).

"The Office of Economic Opportunity is not welcome in St. Petersburg. Sorry about that"—(Mayor Don Jones, St. Petersburg, Florida).

The national poverty program contributed to last summer's racial riots by building false hopes and thereby accentuating the frustrations of the Negro community. The program has done nothing to rescue the Negro from "the black box" in which he finds himself—(Dr. Nathan Wright, Jr., Episcopal Minister and Black Power advocate).

The War on Poverty has failed to develop anything more than an erratic series of skirmishes. . . . The War on Poverty has been a piecemeal effort which is far from successful—(William H. Robinson, Director of Chicago and Cook County's public aid program).

"Power grabbers and politicians appear to be using Federal antipoverty money to create a 'competitive educational system' that would bring them political advantage"—(Former Washington, D.C., School Superintendent Carl F. Hansen).

"Our Federal poverty program is surely the most costly imposture ever foisted on a trusting people . . . a great fraud which can never do what it pretends to do"—(General Thomas Lane, Washington, D.C.).

"The war on poverty has been first in promises, first in politics, first in press releases, and last in performance"—(Richard M. Nixon).

"One way to describe the war on poverty is that President Johnson has \$3 billion to fight poverty and the poor people have nothing to fight back with. . . . We are worse off than we ever were before"—(Professor Arthur Pearl, Ph.D., University of Oregon).

"It wasn't a war on poverty, it was a war on the fringes of poverty"—(Gregory R. Farrell, Assistant Commissioner of Community Affairs and Director of the State OEO, New Jersey).

CONGRESSIONAL POLLS

Polls of Members of Congress of their constituents during the 90th Session reflect widespread dissatisfaction with the War on Poverty:

Rep. Charlotte T. Reid (R-Ill.): "Do you think that the majority of the war on poverty programs have been effective?" Yes, 10 percent; no, 84 percent; no answer, 6 percent.

Rep. Delbert L. Latta (R-Ohio): "Do you believe the administration's poverty program is making progress toward the elimination of poverty?" Yes, 11 percent; no, 89 percent.

Rep. Edward Hutchinson (R-Mich.): "The various war on poverty programs have been in effect for nearly 2 years. Thus far, do you think they have been successful in moving toward the ultimate goal of improving the lot of the poor?" Yes, 11.73 percent; no, 82.40 percent; no answer, 5.87 percent.

Rep. Henry P. Smith (R-N.Y.): "On balance, do you believe the administration's war on poverty has been successful?" Yes, 12.4 percent; no, 79.9 percent; no opinion, 7.7 percent.

Rep. Rallsback (R-Ill.): "Do you think the war on poverty has been (a) very successful, 2 percent; (b) slightly successful, 31.5 percent; (c) unsuccessful, 64.5 percent; no answer, 2 percent.

Rep. Dave Martin (R-Neb.): "We are spending this year \$1,500 million on the war on poverty. Do you feel this program has been successful?" Yes, 4.8 percent; no 84 percent; undecided, 11.2 percent.

Rep. John M. Ashbrook (R-Ohio): "Do you believe the \$2 billion war on poverty has been successful?" Yes, 7 percent; no, 89 percent.

Rep. O. C. Fisher (D-Texas): "Do you feel the war on poverty has been worth the money?" Yes, 6 percent; no, 87.5 percent.

Rep. John J. Duncan (R-Tenn.): "Do you think we should continue our spending on the war on poverty?" Yes, 25 percent; no, 69 percent; no opinion, 6 percent.

Rep. Dan Kuykendall (R-Tenn.): "Do you think the war on poverty has been worth the cost?" Yes, 5.7 percent; no, 94.3 percent.

Rep. William L. Scott (R-Va.): "Should Government spending be cut? If so, what areas? Poverty programs?" Yes, 80 percent; no, 20 percent.

Rep. Charles E. Bennett (D-Fla.): "Should your Congressman vote to continue the poverty program under present circumstances?" Yes, 12 percent; no, 85 percent.

Rep. William L. Hungate (D-Mo.): "Do you think the poverty program is worthy of being continued?" Yes, 20 percent; no, 75 percent; no opinion, 5 percent.

Rep. Samuel L. Devine (R-Ohio): "Do you favor continuation of Great Society war on poverty?" Yes, 18 percent; no, 80 percent; no opinion, 2 percent.

Rep. Charles E. Chamberlain (R-Mich.): "How do you rate the war on poverty as a whole?" Good, 5 percent; fair, 19 percent; poor, 63 percent; blank, 13 percent.

Rep. Jerome L. Waldie (D-Calif.): "This year's budget proposes to spend \$1.9 billion on this program (poverty), about the cost of 3 weeks of the Vietnam war. Do you believe (a) We should abolish the entire war on poverty: yes, 36 percent; no, 56 percent; undecided, 8 percent; (b) We should transfer proven programs from the Office of Economic Opportunity to regular Federal agencies, e.g., Operation Headstart to HEW, not thereby reducing expenditures, but perhaps increasing efficiency?" Yes, 79 percent; no, 9 percent; undecided, 12 percent; (c) Do you believe we should materially reduce the War on Poverty program?" Yes, 49 percent; no, 41 percent; undecided, 10 percent.

Rep. Tim Carter (R-Ky.): (Should we) "Continue the war on poverty, especially the 'Happy Pappy' program?" Yes, 36.8 percent; no, 53.7 percent; undecided, 9.3 percent;

"Keep VISTA and Appalachian volunteers?" Yes, 30.6 percent; no, 52.4 percent; undecided, 16.9 percent.

Rep. Donald Rumsfeld (R-Ill.): "Do you favor an expansion of the Headstart program?" Yes, 50 percent; no, 38 percent; no answer, 12 percent.

Rep. George Bush (R-Texas): "What should we do about the war on poverty?" (a) Increase expenditures, 3 percent; (b) Reorganize program to make it more responsive to local needs, 52 percent; (c) Eliminate program, 45 percent.

Rep. James V. Smith (R-Okla.): (a) "Do you think the Federal anti-poverty program has been successful in your area?" Yes, 5 percent; no, 91 percent; no opinion, 4 percent. (b) "Are the poor people in your community better off because of the Federal Poverty Program?" Yes, 6 percent; No, 89 percent; No opinion, 5 percent. (c) "Are you satisfied with the Headstart program as it is being run by the OEO?" Yes, 9 percent; No, 83 percent; No opinion, 8 percent. (d) "Would you favor transferring Headstart to the U.S. Office of Education?" Yes, 64 percent; No, 20 percent; no opinion, 16 percent. (e) "Would you prefer an Industry Youth Corps (ages 16 to 22) where youths are trained for jobs in and by industry, rather than the current Neighborhood Youth Corps whose employees are generally employed in state, community and nonprofit related projects?" Yes, 83 percent; No, 10 percent; No opinion, 7 percent. (f) "Would you favor converting the Job Corps Training Program to a Community Vocational Training Center Program?" Yes, 73 percent; No, 16 percent; No opinion, 11 percent. (g) "Do you believe the \$4 billion appropriated to date for anti-poverty programs has been well spent?" Yes, 4 percent; No, 94 percent; No opinion, 2 percent.

Rep. Paul G. Rogers (D-Fla.): "Do you favor the current War on Poverty?" Yes, 23 percent; No, 73.4 percent; No opinion, 3.6 percent.

Rep. Roger H. Zion (R-Ind.): "Do you think the poverty program has been effective in eliminating the cause of poverty?" Yes, 7 percent; No, 85 percent; No opinion, 8 percent.

Rep. Fred Schwengel (R-Iowa): "Do you think the War on Poverty has been successful in helping poor people?" Yes, 14.8 percent; No, 77.8 percent; No opinion, 7.4 percent.

Rep. Edward G. Blester, Jr. (R-Pa.): (a) "Of the several War on Poverty programs, the 2 which have received most comment have been the 'Headstart' programs and the Job Corps: Do you favor maintaining 'Headstart' at its present rate?" Yes, 42 percent; No, 39 percent; No opinion, 19 percent; (b) "Do you favor increasing funds for this program?" Yes, 27 percent; No, 55 percent; No opinion, 18 percent. (c) "Do you believe that 'Headstart' should be transferred from the Office of Economic Opportunity to the Office of Education?" Yes, 47 percent; No, 29 percent; No opinion, 24 percent. (d) "Do you favor continuation of the Job Corps?" Yes, 53 percent; No, 34 percent; No opinion, 13 percent.

Rep. M. G. Snyder (R-Ky.): "Do you believe that the War on Poverty is worth the cost?" Yes, 11.4 percent; No, 85 percent; No reply, 3.6 percent.

Rep. Robert J. Corbett (R-Pa.): "Would you vote for increased funds to fight the War on Poverty?" Yes, 27 percent; No, 73 percent.

Rep. James T. Broyhill (R-N.C.): "Should funds for the anti-poverty program be increased?" Yes, 8.4 percent; No, 83.6 percent; Undecided, 5.3 percent.

Rep. Garry Brown (R-Mich.): "With respect to the following programs, would you: Headstart—Increase funding 58.9 percent, reduce funding 41.1 percent; Neighborhood Youth Corps—Increase funding 59.6 percent, reduce funding 40.4 percent; Job Corps—Increase funding 40 percent, reduce funding 60 percent; VISTA—Increase funding 41 per-

cent, reduce funding 59 percent; Community Action Program—increase funding 48.8 percent, reduce funding 51.2 percent."

Rep. John Kyl (R-Iowa): "Do you think the present Federal poverty program expenditures are—too much 71 percent; not enough 10 percent; about right 19 percent."

Rep. William O. Cowger (R-Ky): "Do you think the War on Poverty has been worth the cost?" Yes, 19 percent; No, 81 percent.

Rep. Bill Brock's (R-Tenn.) survey purports to find that 91 percent of the Third District constituents he interviewed felt the poverty war was not worth the money being spent on it.

[Vol. II No. 14, June 1968]

OEO ADMINISTRATION

Congresswoman Edith Green (D-Ore.) of the House Education and Labor Committee made the understatement of the year last fall when she said:

"It would seem to me from the discussions that have been going on for the last two or three weeks in the Committee in Executive Session that there is not an overwhelming amount of confidence in the Office of Economic Opportunity as the one and best agency in the Federal Government . . . to review and coordinate all other programs."

This view is shared by those having knowledge of the War on Poverty at all levels.

At the Federal level, Congressman Phil M. Landrum (D-Ga.) said: "I still feel strongly that the so-called poverty program is sound in concept and designed to go after these problems on a long range basis of education and training. But I am saddened that the administration of the program has been so poorly carried out and that so many bad judgments have been made." Mr. Landrum even said he thought there "was stupidity right here in Washington in Sargent Shriver's office."

At the State level, Mr. Joseph Dyer, while Director of the Connecticut State OEO commented: "At the present time Community Action Boards receive no direct instructions from OEO, have no motivating guidelines, are spoon fed the information they do get from paid staff members and most of the board members have no knowledge it is their responsibility to be a multivoice."

At the local level, Mr. Don Flanders of the Fond du Lac, Wis., Economic Opportunity Committee, Inc., testified the annual report of that Committee related: "The most serious problem of our office is, has always been and no doubt will continue to be, the erratically managed and administration of the Office of Economic Opportunity. The concept of economic opportunity that human resources cannot be wasted, that the local community must gear itself to meet the needs of the poor on a continuing basis in America, these are ideas that must be implemented. But the execution of these concepts get bogged down in constantly changing guidelines and congressional ups and downs in response to to criticism."

Outside the agency, Mr. Blue Carstenson representing the National Farmers Union, stated: "We have not been happy with some of the administration and policies of OEO. Most of this Committee is aware of our feelings and of the examples of these problems. We can share the views of many of you for the need for improving these policies and practices."

Even inside the OEO itself, Dr. Ralph Phelps, upon resigning as Director of the Southeast Regional Office of OEO in February 1968, said: "I am leaving because I am thoroughly disgusted with the administrative monstrosity called the Office of Economic Opportunity, and I do not have the ability to straighten out this mess. I had the responsibility, but not the authority. When I was sent down, I was told I would be the Shriver for the Southeast Region. However, this was not true, because in attempting to

clean house and remove individuals from positions in which they were vegetating, I first had to get concurrence on hiring and firing from all positions, in community action, GS-13 and above, from Ted Berry. I also had to get concurrence on program funding and administrative decisions.

"As an individual who owns nothing in this world except a reputation of integrity, I will not be held accountable for something not being done. I believe that the War on Poverty is necessary, but if we are ever going to help the poor the bureaucratic, administrative mess must be straightened out."

In addition, Mr. Phelps compared his job to a hen trying to hatch a bunch of door knobs, and added: "If a government bureaucracy is the hope of the world, then the world is without hope."

Members of Congress are continually having their requests for information ignored for months on end or never answered, while at the same time being flooded with literature extolling the OEO programs. Congressman James H. Quillen (R-Tenn.) commented on the floor last November: "I wired you three months ago on a matter and you have refused to answer my wire and you have refused to return my telephone calls."

Congressman Robert H. Michel said on the floor of the House last November: "Last Spring before our appropriations hearings, I requested cost figures on the individual Job Corps Centers. We received only the royal runaround for over two months and to this date have never received the figures we requested."

Those Congressmen who are required to have any substantial contact with OEO on matters of importance, only come away with a feeling of frustration:

Congressman Albert H. Quie took the floor of the House last Spring to say:

"For over 18 months I have been attempting, without much success, to get certain vital information from the Office of Economic Opportunity and its Director, Mr. R. Sargent Shriver." Inserting into the Record a series of letters and one telegram, he continued: "The opening letter is dated January 12, 1967, to which no reply was received. On March 2, 1967, I again wrote to Mr. Shriver. A third letter was sent on April 6, 1967. I waited until April 13, 1967, at which time I sent a telegram to Mr. Shriver which contained this phrase: 'Unless you advise me to the contrary, staff investigators, House Education and Labor Committee, will be at your office, nine a.m., Monday, April 17, 1967, to commence four-weeks investigation at OEO Headquarters.' The telegram, at last, galvanized Mr. Shriver into an answer. . . . Mr. Speaker, it would appear to me that OEO already has enough problems without compounding them by refusing to answer a reasonable request from a Member of Congress."

Congressman James Hanley (D-N.Y.) took the floor of the House last year and gained the sympathy of every Member of the House when he said: "In my 3 years in Congress, I have witnessed mountains of bureaucratic indecisions and gobbledygook. I have seen bureaucratic vacillation that would have shaken less stable governments; I have been the recipient of conflicting reports which might drive some men onto a diet of sarsaparilla and strychnine, but never in my congressional tenure, Mr. Speaker, have I seen a more blundering mishmash of indecision than that served up to me by OEO during the last month."

"I used to think in my greener days, that the semicomical portrayal of bureaucratic operations was something one only read about in the columns of crusading journalists—but now I have become a believer. During the last month either I or a member of my staff has talked with just about every warm body in the OEO establishment. I have pled, cajoled, begged, demanded, and otherwise sought some decision out of that adminis-

trative monstrosity only to have my pleading, cajoling, begging, and demands fall on deaf ears. I have been plugged into more telephone connections at OEO than any operator on their switchboard. It seems to me that the only decision anyone down there is capable of making is that someone else is making the decisions.

"Mr. Speaker, I suggest the Congress order a carload of medals for buckpassing struck and then direct that the carload be delivered en masse to the Office of Economic Opportunity."

The OEO's inability to coordinate its programs with other agencies or to fulfill its role as a coordinator of all anti-poverty programs, is criticized:

Former Governor Otto Kerner of Illinois: "It is apparently difficult for the federal staff to maintain the close community contact necessary or to work in close coordination with other federal agencies in order to quickly review programs and distribute funds . . . work and employment programs under the Nelson Amendment were held up for months due to the apparent inability of OEO and the U.S. Department of Labor to work out mutual national guidelines for effectuating the transfer of the program to Labor."

Oran K. Gragson, Mayor, City of Las Vegas: "One of the major problems still appears to be the lack of coordination between various agencies responsible for the program, particularly the Office of Economic Opportunity and the Labor Department. Also there are a number of agencies which appear to be working in the same general area, at least in Clark County."

Richard O. Evans, Chairman, Board of Supervisors, Mayville, N.Y., complained of "Lack of coordination on the part of all agencies dealing with social services from the Federal level on down to the local communities, even between separate departments in OEO itself."

Various officials at all levels have complained of OEO administration:

Fred D. Hauser, Chairman, Board of Commissioners, Winston-Salem, N.C.: "OEO pressures the local agency to spend all of its money, fearing that Congress will argue unspent funds indicate over-appropriation. This pressure affects planning too; programs functioning in new areas and growing at their own rate need planning and readjustment without the pressure to exhaust funds for the sake of using up the budget."

E. W. Eller, Mayor, Asheville, N.C.: ". . . difficulties and delays occurred in establishing the antipoverty program here, largely because of the shifting policies and procedures of the OEO. . . . The Corporation's Board of Directors sought constantly to meet the requirements of the OEO, but it was extremely difficult at times to determine what these requirements were. . . . Excessive attention has been devoted to bylaws of The Corporation. Almost every meeting of the Board of Directors of the Corporation required some change in bylaws to meet the newest requirements of the Office of Economic Opportunity. . . ."

"Immediate attention should be given to simplifying and reducing the guideline requirements and paper work involved in operation of poverty programs."

Congressman Roger H. Zion (R-Ind.) commented in the Congressional Record last fall: "I have had letters and phone calls from distressed men and women who are called upon to operate programs at a local level, while strange policy decisions in Washington and Chicago are delaying operating funds. Vouchers are lost, checks mismailed, applications disappear."

One poverty official wrote to Congressman Zion: "There is so much confusion in the national and regional OEO offices that very little of the money ever filters down to where it can be used for the people. Power-hungry officials at the top are too busy empire-build-

ing to provide us with a program down here that we can responsibly execute."

Another poverty official wrote Mr. Zion: "I don't really care how they want us to do our work. I'll just be glad when they stop making directional changes long enough to let us get something done down here."

One State Technical Assistance Director commented: "Probably the most important difficulty results from exasperating and seemingly arbitrary actions by national and regional OEO in the realm of policies and procedures."

Dr. Lew Stommel, in charge of federal projects for the Santa Clara, Calif., Unified School District, announced last October that their district might drop out of the Headstart program because of teacher harassment by OEO officials and a torrent of administrative directives. Waving a sheaf of papers—almost 1,000 pages—he complained to his board of "an unbelievable number of administrative directives and questionable expectations coming from OEO in Washington."

Many expressed concern with the operations carried on in the Regional Offices specifically.

One Governor stated: "Our State Coordinator feels that Regional Field personnel are a weak link in the operational chain. Inexperience, immaturity and the desire to impose personal policy on communities seem to be characteristics that cause unnecessary problems."

Former Governor Otto Kerner, Illinois, said: "Continual turn-over of federal regional personnel, many of whom have little or no knowledge of our state, have resulted in no end of confusion due to the regional need to 'retrain' new people and the fluctuating policies which seem to change with each new person placed in the regional structure."

Perhaps the testimony of Mrs. Shirley Tanenbaum, Director of the Frederick County, Md., Community Action Program, more clearly details the situation in the regional offices: "... upon presenting this program package to OEO, we began a long series of negotiations which if it were not so serious could be called a comedy of errors. The day after presenting our proposals to regional office, the program analyst for my county resigned. . . . Since then I have had six program analysts. Every time I have had to go through these programs again, explaining and describing once again. This particular process went on for about a year. . . . Never was I told that the program was bad. The proposals were not rejects. They simply never were funded. . . ."

Richard O. Evans, Chairman, Board of Supervisors, Chautauqua County, Mayville, N.Y., was critical of everything: "Inability of the personnel in the Regional Office to understand the problems in a rural county. . . . too much redtape involved in processing programs. . . . too much control in the Regional Office. . . . too much time required by the regional office in approving programs. . . . too much time required in funding programs. . . . too much time wasted in the local office fulfilling technical requirements of a minor nature required by the regional office. . . . Inability of the local staff to learn from OEO of available funds administered by OEO and inability to establish a certainty in available funds for projects. . . . Inability to learn of basic 'allowables' in program writing before the initial writing of the program requiring revision which result in delay."

"Your Office of Economic Opportunity is amorphous. Even those of us who believe most deeply in what you are trying to accomplish are dismayed by this quality." (Senator Jacob K. Javits, (R-N.Y.))

"The Office of Economic Opportunity in its War on Poverty has refused in many instances to help alleviate poverty. . . . that in one instance they have set up their own power structure in a dictator-type of situation not subject to the vote of the citizens,

but answerable only to the OEO staff in Washington. . . . Instead of taking steps to help poor people become employable, OEO workers, sent in by OEO, channeled their energies toward types of agitation which serve only to cause bitterness, viciousness, distrust of local, state and federal government and the preaching of class hatred, which was unknown in this area prior to OEO. . . . To OEO, progress is civil disturbances, marches on Frankfort and Washington." (Glenn Westbrook, Chairman of the Administrative Advisory Committee of the Cumberland Valley Opportunity Council, Kentucky)

"The Office of Economic Opportunity is a grossly disorganized affair, and while I hope some order will be brought out of current chaos, I become more doubtful daily." (Senator Albert Gore, D-Tenn.)

Several studies confirm the shortcomings in the regional office operation. A study by McKinsey & Co., Inc., in April, 1967, entitled "Strengthening the Organization and Process of the CAP Regional Offices," thoroughly reviewed the operation of the regional offices and contained the following major conclusions:

"Headquarters imposes an excessive number of information demands on the regional offices. . . . We identified several examples of inquiries from two or more headquarters offices about the same problem on the same day. . . . (one) underlying cause: A lack of understanding on the part of headquarters personnel of the role headquarters is to play in the management process, and an unwillingness to function within the boundaries of that role.

"The regional offices frequently receive detailed direction from a multitude of headquarters personnel. . . . This problem grows out of a lack of understanding at headquarters of line authority and of the functional and advisory authorities of the various staff units.

"The lack of adequate headquarters discipline is a problem to the regional offices because if the excessive information requests that have been imposed, the management improvement projects that have been launched but have not been completed, and the needed actions that were delayed when decisions were not properly coordinated or when unauthorized persons intervened.

"CAP critically needs to be able to apportion work and assign responsibilities in a logical manner so that each person fulfills his responsibilities without drifting into another's area of responsibility.

"However, CAP has been hampered by an excessively high turnover in personnel that has undermined efforts to develop a fully experienced and effective staff. The magnitude of this problem is indicated by the following findings:

(a) The rate of turnover among regional analysts has been 52 percent per year. The average length of service for analysts is only 10.6 months.

(b) Every top-level position at CAP headquarters and at OEO, with the exception of the Director of OEO, has had at least two occupants during the past 2½ years, some positions have had three or four occupants.

"Some of the reasons for this situation. . . . Low morale and general dissatisfaction were mentioned frequently in five of the seven regional offices.

"Regional analysts are frustrated by the confusion, time demands, and lack of support under which they must work. . . . Indicated substantial frustration due to the 'confused paperwork maze' in which they must function. . . . The average analyst spends only 2.2 days per month in the field, and some have never visited their grantees."

HIGH HANDED OEO

Recently the OEO attempted to force Governor Stanley Hathaway of Wyoming to compromise his values and accept program

standards and monetary dispersement with which he did not agree, simply for the sake of OEO's administrative convenience. When Community Action of Laramie Co., Inc., of Cheyenne submitted a Conduct and Administration proposal along with a neighborhood center program in one package and later followed with single packages for Headstart and Legal Aid programs, all programs were reviewed and the Governor approved three and vetoed the neighborhood center component. OEO advised that the approval of the three programs had no effect under the law and claimed the Governor had to approve or veto all four programs in a package.

Mr. Charles Newton of the State Technical Assistance Office said: "After reviewing the program package, a letter concerning the objections of Governor Hathaway and this office was directed to the Kansas City Regional Office under date of Dec. 22, 1967. . . . we felt that the Regional Office would certainly discuss the matter with us in light of our objections. We, however, received no response other than a letter which indicated that they thought it was a bit late. . . . no effort was made by Kansas City to revise the program or discuss it in detail with us. . . . Later in a series of discussions, Kansas City officials who saw the proposed center tended to vindicate our position. . . . admitted they had received our Dec. 22, 1967, letter but did not give it the thought they should have and didn't think the Governor was serious about vetoing, and, if he was, they wondered why I didn't call them. I saw no reason for a telephone call to explain my previous letter."

Following the Governor's action, OEO officials were in Cheyenne, but no effort was made to seek a conference with Governor Hathaway; instead an OEO regional official appeared on TV, and stated that the "Governor didn't understand the program." He added that "economy was the reason for OEO's move. . . . If he (Hathaway) were to veto the one program, it would force the local agency to resubmit its package request and leave out that one. It would cause total disruption of the programs and a time delay."

Governor Hathaway, State Technical Assistance officials and the Attorney General of Wyoming disagreed with OEO's position that the Governor's Veto provision in the Economic Opportunity Act limited him to vetoing program packages, but gave him the right to veto any "project or other activity." Mr. Newton concluded, "In today's operation, the Governor has to have the right to veto a component and to say otherwise is to defeat, dilute and negate the Governor's veto power."

CRASH PROGRAMING

A major complaint of OEO's administration is their "crash" approach to programing followed up by excessive delays in funding. It is difficult to say which approach does more damage to effective programing, but both seriously hamper the effectiveness of the large majority of OEO programs.

Zane Meckler, Regional Manager of OEO's San Francisco Office, indicated his disapproval of "crash" administration when he said: "The crash program approach to several recent Federal projects has caught my office on the wrong foot, too. We are exceedingly embarrassed by last-minute release of funds, which we know will cause nothing but havoc. Programs which allow local agencies only a few weeks or days to organize local projects and apply for funds have obvious drawbacks."

Oran K. Gragson, Mayor of Las Vegas, Nevada, said: "The Economic Opportunity Board is operating several summer youth programs for ages 17 through 25. However, the program is operating on a crash basis since funds have just become available so that there has not been sufficient time to do any planning or recruiting. The same situation existed last year. As a result, it was too late to have any great impact on the area's youth."

Mr. James Gleason, Chairman, County Commissioner, Portland, Oreg.: "The most crucial need for neighborhood youth programs for youngsters both in and out of school is during the summer months. . . Unfortunately, comprehensive and objective programs are difficult to develop and implement when the amount of money to be available is unknown until May, and then a detailed program must be submitted for approval before any implementation can begin. Any such program must be conceived and put together on a crash basis, risking the possibility that the desired and possible objectives will not be accomplished."

Henry J. Baker, Mayor, City of Rapid City, South Dakota, said: ". . . quite often the Community Action Program here receives a 'hurry up' notification of available funds for one of the above programs. However, only a few days are given to write a program and submit it for approval. As an example, in a program for 'Emergency Loans to Low-Income Families' dated in Theodore Berry's office May 17, 1967, notice was received in Rapid City on June 5, 1967. Deadline to be received in Washington, D.C., was June 10, 1967, and it had to be submitted via the regional office at Kansas City, Mo.

"Another example was, 'Summer Recreation Program' Fund availability dated May 8th in Mr. Berry's office; was received in Rapid City on June 5th. Completed program deadline was to be received in Washington, D.C., June 12, again via the regional office in Kansas City, Mo.

"It is most exasperating, and as you can readily see, almost impossible for our CAP office to coordinate the existing agencies and involve resident participation in order to draw up realistic and meaningful programs and with budgets and be able to meet the deadlines within one week, which includes a weekend, or in one case, within 5 days."

DELAY, AND MORE DELAYS

Delays in funding, if not more damaging, are definitely more frustrating to the local agencies:

Mel Ravitz, Councilman, City of Detroit, said: "One demoralizing problem we have experienced has been the agonizing slowness of the Federal machinery. We were not informed until last April 24 that funding due to run out on April 30 had been renewed. That word came from Congressman John D. Dingell. Official word from the OEO came on May 2. Such uncertainty is frustrating for all connected with the anti-poverty effort at the local level. On the same point, it is difficult to plan effective programs on a seven-month basis. Something must be done to speed up the movement of locally proposed programs through the OEO pipeline to Washington and back."

Governor Claude R. Kirk, Jr., of Florida agrees: "Another great problem is the consistent pattern of inexcusable delays in refunding of programs. Many of the community action agencies have operated programs using monies not appropriated for that purpose for several months before OEO approval."

Fred J. Tonnemacher, President, Richland County Board of Commissioners, Richland County, Mansfield, Ohio, said: "It is still too long a waiting period from program application to program funding. Take our local application for family planning made in August and the community is still awaiting funds in middle of June almost eleven months later. Too many times the local community is not notified of reasons for these delays, which can prove embarrassing at the local level."

One poverty director wrote to Congressman Roger H. Zion (R-Ind.): "Sometimes I get so angry, I want to explode. We're waiting for money to start our program—we have hired persons and have begun to train them to supervise our program. All we need is money . . . so instead of money, we get

telegrams, and these aren't properly addressed . . . I could certainly tell you what I think of the way these programs are run from the top—redtape and mixups. I'm disgusted."

HEADSTART DELAYS

The Headstart program, particularly, has been plagued with last minute funding frustrations and constantly changing policies as well as problems of dual funding by two agencies.

The Director of the Detroit Headstart program in the Summer of 1966 lamented: "We were funded on Friday and had to open 400 classes for 6,210 children on the following Monday. This made innumerable problems concerning personnel, recruiting, and equipment. We could not officially hire aides, doctors, and so forth, until we were sure that the funds were available."

Officials of the Hayward Unified School District, Hayward, Calif., said their program "may be dumped because of a Federal redtape snarl." Their application for a year-round program was submitted in April 1966, and five months later, one-half week before the program was to have begun, officials received word that the regional OEO had reviewed the application and made changes. Superintendent William Cuninghame blamed officials at San Francisco Regional Office for not keeping them informed of changes in guidelines and said, "Frankly I am getting completely disenchanted with the redtape we've been fighting for the past few months with that office."

In late May of 1967, when all programs should be organized and ready to begin their summer Headstart programs, numerous officials were complaining over last minute changes and no funds. At this time the Christian County School System, Christian County, Ky., announced it would "pull out of the Headstart program this summer unless Federal funds are approved by tomorrow." Dr. Guy S. Potts of the Fayette County, Ky., School System announced on May 20 their school system had dropped the 1967 summer Headstart program citing funding problems, late notification by the Federal Government and "bureaucratic bungling" as reasons.

An evaluation of Summer 1966 Headstart projects of Lake County, Indiana, by Drs. Harold A. Gram and Leon J. Tolle of Valparaiso University, outlines the problems of that program. Briefly, the evaluators found plans and proposals were submitted to the regional office about March 18; however, the regional office did not respond until June 7, the date the program was to have begun. On that day, OEO regional personnel began making corrections and revisions were "communicated to the delegate agencies on June 14, 1966, (and) were apparently made without any communication or coordination with Lake County OEO or the delegate agencies. Furthermore, they were neither consistent or logical." First funds were not made available until June 27, 1966.

The effect of this timing and lack of coordination in the planning stages had two general results:

First, it created an atmosphere of confusion, frustration, and uncertainty which was not really overcome in some districts until the program was under way if at all. This atmosphere lowered morale in the Headstart program which obviously depends heavily on enthusiasm and commitment of its participating people. The damage caused by this poor administration of planning was diminishing fortunately by the presence of dedicated and experienced personnel who were able to tolerate and to some extent overcome the confusion.

Second, the delays and intransigence in early planning phases caused delays and ineffectiveness in subordinate plans, notably in recruiting and orientation of personnel, in purchasing and procurement of supplies, and

in the establishment of effective policies and control procedures at the county and district levels.

The study attributes the poor planning to three conditions: "ineffective and inexperienced personnel in regional OEO; a lack of clear, comprehensive directives and guidelines at any level; and understaffing and personnel turnover at the county OEO office."

The evaluators were likewise critical of the lack of policy formulation and commented that "after 1 year's experience, a greater maturity and stability than was found should be expected." They commented specifically that "policy was lacking on personnel qualifications and records; on child-family eligibility; on type, limits and tolerance on budget expenditures; on required program content; on closed-down and on followup policies."

They go on to say "perhaps more important, however, was the lack of clarity and conciseness which burdens most of the OEO literature. Important directives and guidelines are buried in masses of fancy rhetoric and vocabulary. The result is frequent oversight and misunderstanding of what is to be done."

Regarding assistance from the regional offices, "the Lake County OEO Office relied materially on five area coordinators . . . it was clearly apparent that they did relatively little for Headstart. Several of them were barely aware of the program and had not visited it while it was in progress."

Among Dr. Gram's and Dr. Tolle's conclusions were the points that "formulation with OEO policy must achieve greater consistency and stability. This is especially true with regional OEO levels where ex post facto policy formulation must be avoided."

REDTAPE AND BUNGLING

Regarding OEO's administration, Congressman Sam Gibbons (D-Fla.) floor manager of the poverty bill in 1965 and 1966, said last fall:

"One of the problems we had is this has been the greatest paperhanging operation I have ever seen. If we require more plans, all we are doing is providing a bonanza for the people writing plans. We have so many now we can't read them all and the people carrying them out can't read them all."

Without a doubt OEO administration is bogged down in redtape, massive paper work, and just general confusion. Although serious to those who are involved and must depend upon OEO for funds and instruction, much of their bungling is quite comical:

James Popeo, head of the Worcester, Mass., Community Action Council, advised it took 60 pounds of neatly folded papers to submit its application for \$1,138,000. Staff members had spent more than five months completing the tedious job and Mr. Popeo said the 60 pounds of paper represented only about one-third of the full weight of the entire effort in paper work.

In Detroit, Michigan, as of last October 1967 \$60,000 worth of dental equipment purchased through the Federal poverty program, still lay in unopened crates a year after its delivery. Dr. T. Aden Cockburn, director of health services for the poor in Detroit, said the equipment remained unpacked and unused because the Federal Government failed to follow up with the funds to install it, or hire dentists and technicians to operate it.

For over two years, the Indianapolis, Ind., poverty agency had been sending the Chicago Regional OEO reams of paper—stacks of reports, budgets, proposals, requests and communiques. In October 1967, William F. Stafford, CAAP executive director, received word from Chicago that the Indianapolis file was "lost," halting the processing of proposals and probably requiring a lot of duplication. Stafford said, "It sounds impossible, doesn't it?"

OEO's Federal Information Exchange System yearly prepares a "Summary of Federal Programs," an accounting of Federal programs available in each state and grants made to each county. The Federal summary for fiscal 1966 should receive some sort of prize for containing more errors than any other Government publication in the history of our country. When Congressmen began checking into the grants shown for counties within their districts, the mathematical errors began piling up. Rep. Robert C. McEwen (R-N.Y.) discovered that NASA had been credited with spending \$5.3 million in rural Franklin County, N.Y., while there is no NASA project in that county; however, Rep. McEwen did locate two NASA grants totalling \$1.3 million in St. Lawrence County which were not shown. Rep. Ancher Nelsen (R-Minn.) checked into a reported NASA expenditure of more than \$2.8 million and found the figure should have been \$981,000. Rep. Rogers C. B. Morton (R-Md.) noted five NASA expenditures listed for his district and that each was erroneously reported.

Rep. John N. Erlenborn (R. Ill.) reported the errors noted in his district in a release entitled "OEO Wrong 7 Out of 7 Times in DuPage County." After requesting verifications of the OEO figures from seven Federal agencies or departments, Mr. Erlenborn said: "Every report I received varied from the total the OEO had reported for DuPage County, Illinois. . . ." Mr. Erlenborn's corrected version varied from the OEO total by nearly \$1.5 million, and included corrections totalling more than \$2.1 million. Mr. Erlenborn commented: "When a so-called financial report is wrong seven times out of seven, Congress ought to do more than shake its head. I stress it is downright silly to have OEO do Federal aid bookkeeping when the agency can't even keep its own books in order."

DISPROPORTIONATE FUNDING

Conclusive proof that OEO has an irrational and unrealistic approach to funding programs and program categories has been received by the Congress throughout the past year. Evidence indicates "favored" cities who got there first or who have the most influence received the bulk of the funds available.

The following examples illustrate the disparity:

(1) States with approximately the same number of poor residents, according to OEO's own figures, received the following amounts from community action funds:

State	Poor population, 1965	Total community action funds, fiscal year 1967
Illinois	1,281,000	\$39,394,000
Alabama	1,217,400	17,534,000
Pennsylvania	1,666,100	36,080,000
North Carolina	1,591,300	20,034,000
Louisiana	1,128,600	15,885,000
Mississippi	1,039,200	38,289,000
New Jersey	596,000	26,367,000
Wisconsin	537,800	8,922,000

(2) Further examples show that some states with larger poor population than others received disproportionate allocations:

State	Poor population, 1965	Total community action funds, fiscal year 1967
Massachusetts	539,000	\$19,748,000
Minnesota	571,900	10,417,000
Washington (State)	351,700	12,470,000
Kansas	371,100	4,208,000
District of Columbia	142,600	12,361,000
South Carolina	929,700	10,760,000

¹ South Carolina has 6 times as many poor people as the District of Columbia.

(3) In fiscal year 1967 California with 1,948,700 poor population received \$31,285

million in "versatile" CAP funds, while the states of Alabama, Alaska, Colorado, Delaware, Idaho, Hawaii, Indiana, Kansas, Maine, Montana, Nebraska, Nevada, New Hampshire, N. Dakota, Oregon, Rhode Island, Tennessee, S. Dakota, Utah, Vermont, Wisconsin and Wyoming, with a combined poor population of 6,240,600 received a combined total in "versatile" funds of \$31.266 million.

(4) The State of Mississippi, with a poor population of 1,039,200 received at least \$29.793 million for full-year Headstart programs in fiscal year 1967 or over 10 percent of all OEO money spent nationwide last year for this category. The states of Texas, Georgia, Virginia, Michigan, Tennessee, Illinois, with a combined poor population of 8,572,400 received a combined total in full-year Headstart funds of \$29.626 million.

The allocation figures for the major cities reveal not only the disproportionate funding procedure, but also that funds are not programmed to reach the bulk of the poor. The major cities repeatedly complain that they do not receive enough money from the Federal Government; this may be so. However, of the Federal funds available for social programs, most appear to go to them.

The following OEO figures for major cities illustrate conclusively that OEO practices *Rural Discrimination*:

	Poor population, 1960	Total community action funds, fiscal year 1967
Illinois	1,281,000	\$39,394,000
Chicago	513,328	28,676,000
Cook County		2,312,000
Remainder of Illinois	767,672	8,406,000
Michigan	1,077,000	29,197,000
Detroit	433,051	16,084,000
Wayne County		884,000
Remainder of Michigan	644,049	11,229,000
New York	2,054,900	78,439,000
New York City	1,245,162	43,999,000
Boroughs		12,239,000
Remainder of New York	809,738	22,201,000
California	1,948,700	83,558,000
Los Angeles	771,547	2,893,000
Los Angeles County		29,909,000
Remainder of California	1,177,153	50,766,000

Nebraska State Technical Assistance Director Samuel J. Corneliuss protested in February of this year that Nebraska was not getting its fair share of Federal funds for Headstart. Federal records for 1965 and 1966 show that Nebraska ranked last among the 50 states in summer Headstart money received; however, the state ranks 35th in the number of eligible children. Under the 1968 allocations for summer Headstart, Nebraska is getting about 4.5 percent of the money to be spent in the 11-state area in the Kansas City region, while having about 8.5 percent of the eligible population in this region.

PUBLIC RELATIONS

The only area in which OEO appears to be administratively proficient is the area of public relations. With a massive public relations budget, OEO constantly is in the process of printing beautiful brochures and tons of press releases. OEO constantly woos the press and whenever articles are written which are favorable to OEO they are reproduced en masse and sent to Members of Congress as well as a mailing list of unknown length. In an article entitled "Maximum Feasible Publicity" by Irwin Knoll and Jules Witcover, they note: "In the Johnson Administration's War on Poverty, nobody—not even the poor—gets more attention from Sargent Shriver's GHQ than does the combat correspondent. Except for the Pentagon, where more than

200 government publicists labor to explain or obscure details of the Administration's other war, no federal command post puts greater emphasis and energy into psychological warfare for and against the press."

Rep. Robert H. Michel (R-Ill.) stated on the floor of the House last fall:

"Every time an article appears in one of my district papers favorable to one of the poverty programs in our area, 'Sarge' Shriver kindly sits down immediately and writes me a letter enclosing a copy of the article. He also manages to keep me informed on how our two Senators from Illinois vote on OEO programs. I often wonder if OEO has an employee assigned to following the news from my 18th District of Illinois. It might even be that they have someone assigned to each of us. With a public relations budget like theirs, this is quite possible."

Senator Frank J. Lausche of Ohio took the floor of the Senate to tell about a letter from a citizen of Findlay, Ohio, complaining about being flooded with unrequested mail from Office of Economic Opportunity. The letter read in part:

"Now, just how I got on their mailing list, I do not know, but other doctors in this area also tell me that their offices are being flooded with this literature."

"I read . . . that this Government poverty measure is short on funds due to the fact that Congress is in a wrangle about the amount of appropriation. If the OEO is that short of money, then just why am I being flooded with this literature?"

"I don't object if my income tax is raised another 10% for the Viet Nam war or for purposes of controlling inflation, but I do object vigorously to my tax money being blithely wasted in this manner."

Enclosed with this letter were three OEO "News Summary of the War on Poverty," and one news release. In addition, four six to 31-page documents supporting various OEO programs, some of which contained material which Mr. Lausche questioned: "A great deal of political rhetoric surrounds the suggestion of disbanding the agency for the poor, but stripped clean, the proposal is that America should once again turn its back on one-fifth of the American community."

Mr. Lausche commented: "The argument may be sound, but what right does the administrator have to use public funds to propagandize a program that is being debated and controverted on the floor of the Senate of the United States?"

EFFECTS OF OVERSELLING

When Sargent Shriver was booed off the stage and out of the hall by angry delegates to a Citizens Crusade Against Poverty convention, the Washington Post noted in an editorial that Shriver "was hearing from the people who have taken literally every word of every official pronouncement. These true believers now consider themselves betrayed, for the performance turns out to be less splendid than the promise."

Haynes Johnson, Pulitzer Prize winning writer for the Washington Star, said: "The program has suffered from too much and too effective salesmanship. As a consequence, it is, in part, a captive of its own promises."

Lawrence K. Roos, Supervisor, Clayton, Mo., said: "Too often new programs are announced with great flourish from Washington without any knowledge of the potential longevity of the program or the long term ability of the local communities to support their share of the cost of the program on a continuing basis. Frequently, Federal assistance for these programs is cut back at a later date and the local officials of the areas affected are called upon to explain the cutback to a disappointed public."

Mayor John H. Reading of Oakland, Calif., said: "Quit making promises if you can't fulfill them," and went on to blame some Federal programs for causing city troubles.

LOBBYING

A serious matter of criminal lobbying was brought to the attention of Minority Leader Gerald R. Ford by Mayor Wallace Johnson of Berkeley, Calif., prior to action on the poverty legislation last fall, and was later substantiated by other mayors. In a letter to Rep. Ford, the Mayor said:

"Today, long distance collect from Washington, an assistant of Sargent Shriver, Lewis Ritter, telephoned me to secure my commendation of the OEO program. He went on to explain that, with the approval of Mayor Neal S. Blaisdell, of Honolulu, he was calling the Republican mayors of this country to solicit their support of OEO. If I were favorably disposed to append my name to a petition or statement in support of OEO, Mr. Ritter explained, he would send me a copy of the text of such a statement.

"I asked him what was the general content of the statement. He responded that it included the thought that the OEO program in the local communities was working well and effectively, and that furthermore I, as a Republican mayor, endorsed it. I promptly advised this man that I was not enthusiastic about the OEO program, and could see no evidence that it was attaining its objectives.

"My purpose in writing to you is to tell you that as a citizen, a public servant, and a fellow Republican, I resent Sargent Shriver and his aides using public funds and facilities to, in effect, lobby among local Republican officials in an effort to put pressure on Gerald Ford and Everett Dirksen. Mr. Ritter quite candidly stated that the purpose of his endeavor was to prepare a message endorsed by a large number of Republican mayors, and then to confront you with it. . . . Here is a flagrant example of staff lobbying against legislators. You can count on my full cooperation to help correct this abuse."

The efforts of Mr. Ritter did result in a telegram signed by 22 Republican mayors being sent to Minority Leaders Everett Dirksen and Gerald Ford urging the minority leaders "to encourage Members of Congress to support the OEO budget so that these dynamic and imaginative programs may be carried on in a successful manner."

Pursuant to the above action, Congressman Charles E. Goodell (R-N.Y.) responded with a press release reminding OEO of the criminal lobbying law in which he said:

"Information has come to me from several Republican mayors that they resented pressure from OEO officials to whom they must apply for funds. All mayors of major cities in this country face fiscal problems and they want as much Federal money to come to their cities as is possible, however poorly written and poorly administered the Federal laws may be. They acknowledge that they do not have information about suggested improvements or redirection of the war on poverty. When they are called or contacted by mail, the context inevitably is: 'You want us to make money available to your community, now you do something for us. Urge congressional leadership to expand the war on poverty and to carry it on in its present form.'

"This is a very serious matter. Letters are going out from OEO every day and wires are burning with OEO employees urging public officials, labor unions, business groups, and other organizations to bring pressure to bear on Members of Congress. Unfortunately, these people being solicited are getting only one side of the story. They are told: 'Members of Congress are trying to kill the poverty war. If you want to save it and keep getting some money in your community, go to work on your Congressman.' They are not told about the Opportunity Crusade or other proposals to improve and redirect the program."

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EFFECTIVENESS OF COMMUNITY ACTION PROGRAMS

"Administrative and fiscal irregularities . . . fiscal mismanagement . . . irresponsible administration . . . insufficient development . . . hostility between the two counties . . . lack of local participation . . . factionalism and representation failures . . . cost effectiveness and limited funds . . . excessive administrative costs . . . uneconomical size . . . lack of fiscal control."

These are not the declarations of irate taxpayers, conservative Southerners or critical newsmen, but the rationale cited by the Office of Economic Opportunity (OEO) itself for terminating 13 of its own programs.

This listing was received by the House Education and Labor Committee from OEO in response to a request for reasons why the programs were closed. Although the 13 programs which were terminated on a final basis represent a combined funding level of less than \$1.5 million, the act of closing and the subsequent elucidation tend to substantiate what the public has suspected about the poverty programs, for years.

Further criteria given by OEO for closing these programs included:

"Restrictive and mal-administered personnel practices . . . failure (of the local agency) to abide by its own by-laws . . . after a year of operation and an expenditure of \$62,000, nothing substantial has been accomplished in the area of community action . . . lack of leadership on the part of the board and the staff . . . meaningful involvement of the poor has been marginal to non-existent . . . failure to develop any meaningful, fundable programs during 18 months of operation . . . representatives of the poor have not been selected by the residents of the areas and members of the groups the CAP is intended to serve . . . inadequate fiscal control . . . poor board-staff relations . . . lack of professional ability to produce a workable application . . . failure to comply with special conditions adequately . . . poor administrative relationships with delegate agencies and other Federal agencies."

The most interesting aspect of the review of program terminations made by OEO is that not one major city or program is listed among them. In spite of the findings of OEO's own inspection offices, GAO reports, Congressional investigations, state investigations, charges by governors, OEO workers and the poor themselves, it appears from newspaper reports and other documentation available that most OEO programs which are still in operation today have many of the same characteristics. Yet little action or attempts to terminate or upgrade them appear to be in the offing.

"I have just about reached the conclusion that the Community Action programs are hopeless. So much local responsibility is required for them, and there is so little judgment in what they do. . . . One group of extremists has wanted to use Community Action for civil rights, another for politics." (Congressman Phil M. Landrum (D-Georgia) August, 1967.)

"Perhaps the most general statement to be made about Community Action is that clear evidence of effective work in this phase of center programming is simply not to be found. What does appear . . . is a potpourri of rather fitful actions which are often ill-timed and unplanned." (Description and Evaluation of Neighborhood Centers, Kirschner Associates).

"It (community action) has not worked in many communities of America, and I tell you that in many communities it has been a catastrophic flop . . ." (Rep. Roman Pucinski, D-Ill., House Education and Labor Committee.)

Several studies have been conducted to

determine the effectiveness of CAP programs in general and the results of these are available to us:

DR. KENNETH CLARK STUDY

Under the auspices of the Stern Family Fund, Dr. Kenneth Clark, conducted a thorough study of the community action programs in New York City, Boston, New Haven, Chicago, Cleveland, Los Angeles, Minneapolis, Newark, Syracuse, San Francisco, Washington, D.C. and Paterson, New Jersey, as well as exploratory research into the programs of 53 other communities. Pending the publication of the full study, he presented a brief on his findings to the Senate Subcommittee on Employment, Manpower and Poverty last summer. In his statement he noted:

"It is discouraging to report our findings that most programs studied were—at least in the first two years of their work—either partly or wholly ineffective in terms of (criteria he felt characterized an effective community action agency)."

"Most programs were not directed to community action at all, but to traditional social service welfare benevolence alleviating some of the conditions of poverty but not addressing themselves to the abolition of poverty itself."

He concluded ". . . Federal financed community action programs have so far not resulted in many observable changes in the predicament of the poor and indeed that the programs generally are likely to reinforce the dependency and the powerlessness of the poor. In no case has effectiveness of program or change in the conditions of the poor been applied as a criterion for Federal support."

KIRSCHNER STUDY

A study by Kirschner Associates, conducted for the Office of Economic Opportunity, was the first national evaluation of the neighborhood centers—a key feature of anti-poverty activity in most cities. The report, prepared after inspection of 20 centers and interviews with more than 500 officials and poor people across the country, contained very revealing findings, some of which are:

"Most of the poor have no involvement whatsoever in the anti-poverty outposts."

"Success is very small in terms of the total number of persons to be reached, the quality of these contacts and the extent to which hard-core poor are being drawn into center operations."

Many of the centers suffer from "internal disorganization and lack of adequately trained staff". . . . All centers in small communities are "utterly devoid of anything resembling collective action" to change conditions.

Most of the centers have been unable to combine two "mutually incompatible" tasks—mobilizing the poor to demand social change while assembling traditional employment, education, health, welfare and recreation services under one roof.

The centers have given help and fresh hope to some of the ablest of the poor. But those worst off "appear to be almost completely uninvolved as active participants in center programs."

Employment and other agencies have extended and improved their work through the centers, but "the result has not yet been an effective integration of effort to solve the problem of neighborhood poverty."

The report says there is "confusion at all levels" over whether the neighborhood units should stress social services or social action. "It is extremely rare to find both aggressive community action and well executed service programs within the same center," the reporter says.

"Where community action is emphasized, a good deal of effort has been expended for what appear to be relatively minor results in the way of resident participation."

The Kirschner group also found that 46 percent of those who used the centers said they got nothing from them; while 15 percent obtained jobs and 30 percent obtained various services.

NEW HAVEN, CONN.

In January, 1968, the results of Congressman Robert Gialmo's (D-Conn.) investigation of the New Haven Community Action Agency, Community Progress, Inc., long considered OEO's model program, shattered the illusion that this program was effectively assisting the poor. Despite grants totaling \$18 million during the last four years, for a city with a population of only 140,000, Rep. Gialmo said "In New Haven, the so-called model city, conditions are worse than ever, and the rate of unemployment among Negroes is higher than before."

In February of 1967 a report on the effectiveness of the NEC's (Neighborhood Employment Centers) was prepared by a member of the CPI staff and states in part:

"Job seeking applicants are given the 'run around' and asked to return time and time again."

"Applicants receive an indifferent reception at the NECS."

"The NEC staff is unwilling to tailor programs and placements to the needs of individuals, but attempts to fit individuals into existing programs and placements without serious consideration of the applicant's particular needs."

"Job placement at the NECS has been a haphazard process."

"NEC staffs have become preoccupied with the statistical measurements of success."

"The majority of direct job placements do not represent any increase in pay, skill level, or chance for advancement over the jobs the applicants held before coming to the NEC. In the majority of cases, it is clear that the CPI placement did little or nothing to change the pattern of drifting from one unsatisfactory job to another."

Regarding job placement figures, Congressman Gialmo said "There have been 3,544 placements in training and 4,127 job placements for a total of 7,671. According to information obtained by us, the cumulative figure of 7,671 does not represent individuals because some of the 3,544 persons who have received training are counted again in the job placements total (4,127) when they are placed in jobs upon completion of the training program."

WHAT HAPPENED TO LOCAL INITIATIVE?

"Too often we are told by the OEO what to plan, in fact, given the plan and told to sign here."

"The long arm of Washington is reaching in with funds and telling us what to do."

"The key to the success of such programs is that they be geared to specific needs and that we maintain the local concept."

These are the comments of community action directors across the country in response to OEO's policy to passing out canned programs and allocating all monies to such prepackaged programs leaving no funds for any innovative and unique programs which may be designed and developed at the community level. It is noted that original purpose of the Community Action program states "Because community needs and resources differ widely, considerable latitude is allowed in the development and conduction of a community action program."

William R. Carter, Jr., administrator of the Ramsey County (St. Paul) Minn., community action agency based his resignation on "changes taking place in the program planning and execution. . . . What was at the start an effort on the local level to develop various programs and techniques is becoming a situation of having imposed on us non-local concepts, programs, techniques, methods and relationships.

Paul Carpino, director of the War on Poverty in Missoula and Mineral Counties, Montana, complained the local agencies get "canned programs from Washington, and said local agencies should have more to say in determining how local programs are to be run, rather than getting prepackaged, pre-planned programs from 2,000 miles away."

Many state and local officials have likewise complained that prepackaged programs are not going to win the war on poverty:

Mayor Joseph M. Barr of Pittsburgh, Pa., "Program priorities must be determined by local committees, not at the Federal level; the local committees can best appraise their programs. I need hardly mention that this is the heart of the Community Act program."

Mayor Roy B. Martin, Jr., of Norfolk, Va.: "the tendency of more control at the Washington level and the concurrent decrease in latitude at the local level is the most alarming development in the program . . . its lack of greater success is due to lack of funds and lack of permissive authority from Washington to more fully utilize local initiative in determining the use of these funds so as to best meet local needs."

John E. (Jack) Van Well, Chairman, Board of County Commissioners, Waterville, Washington: "According to the act, local groups are supposed to determine local needs, but we have found that many of our programs in this area have been forced on us by pressure from the higher echelons of OEO."

Henry B. Hunter, Chairman, Southeastern Tidewater Opportunity Project, Norfolk, Virginia: "Unless the cities themselves through their community action agencies insist upon latitude within the legislation to continue to originate programs, we will find this entire concept of self-improvement through local action changed into one more Federally regulated operation."

H. B. Hilderbrand, Chairman, Board of Commissioners, Dallas, Oregon: "There is a need for less restrictions on the types of projects at the national level because problems are so varied by locality."

Mayor E. W. Eller, Asheville, North Carolina: "The Office of Economic Opportunity has not demonstrated genuine commitment to the concept of local initiative. Projects devised by the Opportunity Corp. have repeatedly been ignored while OEO forced the Corporation into projects devised in Washington. . . . National programs and policies to fight poverty should originate where the people and the problems are. Only in this way, can anything approaching 'creative federalism' become a reality."

Fred D. Hauser, Chairman, Board of Commissioners, Winston-Salem, N.C.: "OEO has not recognized the value of both national and local goals. Local goals further considerably the success of a local program, while OEO has implemented its program with only national goals in mind."

Governor Otto Kerner, Illinois: "Although the Economic Opportunity Act was initially designed to allow states and communities to set priorities, earmarking of funds at the national level and guidelines imposed on our communities by the Great Lakes Regional Office of Economic Opportunity have all but totally excluded local and state agencies from the actual determination of program priorities. We suggest a stronger voice for the state and local agencies in setting priorities, allocating funds, and a general change of attitude at the regional level as it concerns the ability of our people to determine their own needs and how these needs should be met."

Governor Daniel J. Evans, Washington: "If there is any obstacle to the continued success of the program it is present in a tendency to fall back and entrench in historic bureaucratic patterns for the sake of survival. Such entrenchment shows itself in a gradual deterioration of local determination

and an increase in nationally devised categorical programs and earmarking of funds coupled with a failure to allow the reasonable development of innovative local demonstration programs."

Governor Harold LeVander of Minnesota: "There is need for more imaginative programs keyed to local needs. With funding approval centered in a regional office by people who have no familiarity with an area or its problems, it becomes almost impossible to get acceptance of a special, imaginative program that is different than the standard; This in itself, defeats the purpose of the community action concept and results in the sameness of programs throughout the State."

LACK OF COORDINATION

Lack of coordination and cooperation of the community action agencies with existing agencies conducting programs aiding the poor and the local governmental agencies has been as a possible major reason why CAP programs have not been effective.

Before the House Education and Labor Committee in June 1967, Whitney M. Young, head of the Urban League, stated:

The attitude of the local CAP agency toward local existing agencies is also a factor frequently cited by the Urban League executives as an obstacle to greater achievement in the War on Poverty. CAP programs are very often seen as shutting out existing agencies and refusing to delegate programs to them. In some instances, CAP duplicates what existing agencies do, rather than buttressing independent efforts. There is a feeling, particularly in smaller communities that the CAP program does not encourage participation by other community agencies.

Joseph Dyer, former director of the Connecticut State OEO, testified:

We have been dismayed concerning the failure of Community Action groups to coordinate and cooperate with hundreds of volunteer groups in our state.

To attempt to fight poverty by ignoring the efforts of the many thousands of volunteers associated with church groups, youth groups, fraternal and civil organizations and the business sector has proved to be the greatest weakness of current Community Action in Connecticut. Proper use of volunteers will reduce costs and greatly enhance the spirit of dedication of paid staff members.

In a study for the U.S. Senate Subcommittee on Employment, Manpower and Poverty, Marshall Kaplan, a San Francisco economic and planning consultant, says:

Even if the local war on poverty had all the money in the world, they themselves could still not make a dent in needs of the poor without help from existing agencies.

The report criticized tension between the central office and target area boards jealous of their prerogatives:

Such tension is mostly responsible for the lack of a sorely needed program evaluation system.

According to an article in the October 10, 1967, issue the Des Moines, Iowa Register:

Local poverty officials are under federal pressure to improve working relationships with other agencies in the community.

Donald McKenzie, executive director, told the Executive Committee of the Polk County Community Action Council:

When we started out we were a knight in shining armor coming to slay all the dragons. Now we are becoming another agency that has to fit in with the other agencies. We are getting away from the period of reckless abandon and into more co-operation.

OEO's position has been to discourage coordination with and use of, existing agencies in carrying out poverty programs. One comment along this line comes from Mr. Harry F. Brentlinger, President of the Board of Commissioners, Terre Haute, Indiana:

"We have a consumer education and family living program in this County with the Vigo County Extension Service, as delegate

agency. We are well pleased with the results we are getting, but we are experiencing difficulties with OEO representatives due to the fact that Extension Service is an established agency in the field and they would like for us to set up a how program with new people for this program. We feel that we should take advantage of the opportunity we have by making use of this agency and its trained personnel."

Interested and concerned citizens in a variety of positions and representatives of organizations have expressed their dissatisfaction at the progress in Community Action Programs:

Sacramento, California: Bill Conwell, President of the Washington Residents Anti-poverty Council, returned their October operating funds in the amount of \$4,645.56 to Sargent Shriver, then Director of the OEO, as a protest, being tired of seeing anti-poverty funds "wasted". He said anti-poverty programs in Sacramento were not reaching the poor and that his organization was being forced by the Sacramento Area Economic Opportunity Council to conduct meaningless programs.

Harlem, New York City, New York: Dr. Kenneth Marshall, one of the architects of HARYOU and now President of Metropolitan Applied Research Center, New York, said on February 20, 1968:

"After four years and \$20 million, the Haryou program is a dismal failure—nothing went right, and all of the money you poured into Haryou projects has left the community with no lasting projects." In setting up the Harlem program, he said, not enough consideration was given to "how this country is really run politically and economically." As a result "The very poverty program put out in the name of the poor has been captured by the well-to-do."

Washington, D.C.: Mrs. Agnes T. Marks, Coordinator, Legion of Mothers, said:

"Our organization is vitally concerned with helping the poor. Through these last three or four years of experience, we have seen millions of dollars being poured into the 'war on poverty' here in D.C. Over this period of time we have seen very little trickle down into the areas where it is so desperately needed."

New York, New York: Rep. Hugh Carey (D-N.Y.) noted "There is a riot and a runaway of ineffective programs proliferating all over the city, but not an effective attack upon the basic problem of poverty."

Rep. James Scheuer (d-N.Y.) also noted "New York City has had a disastrous experience thus far in the poverty program."

Cincinnati, Ohio: Rev. William Sicking, Cincinnati poverty war member, said during hearings on that city's program, "I have found very few programs encouraged and approved by the CAC that attack the problem of poverty at home plate. It seems to me that the CAC—approved neighborhood services tend to promise more than can be produced. Grass roots poor people laugh at the anti-poverty program."

"CAC? Never heard of it, they say. Those who have heard of it call them 'big shots' who are telling us to raise ourselves by our own bootstraps, only we don't have any boots."

"And: 'If it weren't for us poor people, those guys wouldn't have a job and be pulling down those fancy salaries.'"

Phoenix, Arizona: A survey conducted by the Arizona Republic found that: "Most people in the target area are completely unaware of a poverty war. . . . Those who have been touched one way or another by the dozens of programs in operation there generally are not touched enough to cause any significant changes in their social or economic statuses. . . . at the poverty level there is considerable animosity expressed against 'Anglos' who have, on the one hand, encouraged them to work for their own betterment but, on the other hand, have failed to deliver the goods that will help them up the ladder."

San Antonio, Texas: County Commissioner A. J. Floch declared the anti-poverty program as a whole is "a complete joke and a waste of the taxpayers' money."

Chicago, Illinois: Alderman Jack Sperling said "It just seems to keep growing and growing, but nobody outside of the CCUO (Chicago Committee on Urban Opportunity) office knows what's going on. The efficiency of the poverty program is in doubt because of the whole obscurity of what they are doing."

Milwaukee, Wisconsin: The director of an inner city development project commented: "The project is doing many fine things. But the root causes of poverty—we're not scratching the surface."

Denver, Colorado: John J. Herrera, board chairman of SER (Service, Employment Re-development) wrote to Michael C. Moore, Denver Opportunity, Inc., "It is not so much the \$20,000, that we have asked in our last three proposals since December of 1966, but the principle of not being able to negotiate with you, so powerful, way up in your ivory tower." "We don't feel that Moore is working with our people. We haven't had the communications we feel we should get," said Herrera.

Columbus, Ohio: Monsignor Hugh Murphy, a leader in Joint Organization for Inner-City Needs (JOIN) took CMACAO (Columbus Metropolitan Community Action Organization) to task for "senseless duplication of already existing programs." He stated, "Aside from the one obvious benefit of providing for the CMACAO staff, the poor in Columbus find little evidence of any effective anti-poverty program."

Laredo, Texas: A program analyst from the OEO Austin Regional Office stated that regional OEO had determined "the poor are not getting their money's worth."

Brownsville, Tennessee: B. W. Cobb, County Judge in Brownsville, said: "I do not wish to be critical, but must observe that the program originally designed to aid the poor and underprivileged in this locality has, in my opinion, been a miserable failure."

Atlanta, Georgia: The Atlanta Metropolitan Grass Roots Council, composed of representatives from predominantly Negro civic organizations in the city, labeled Economic Opportunity Atlanta's poverty program in Vine City "a complete failure." Rev. Clyde Williams, president of the Council, said some residents were angry "because the millions of dollars poverty program failed to meet their needs," and said the council planned "to contact proper authorities requesting that further funds be withheld until a thorough investigation is made of the poverty program."

Fort Worth, Texas: Labor Leader J. W. Sifford, who represents the Central Labor Council on the CAP Committee, said "I can't say the program has done anything, except that it has given the leadership of the poverty areas the feeling that there is hope."

Chattanooga, Tennessee: Rev. J. Love Edwards, a director of HELP, a local organization for assisting persons in need, was highly critical of the local anti-poverty program "for spending millions and giving only promises." He said the local agency had spent \$2 million "but what good has it done and where has it all gone?" He said CAP had spent about \$50,000 to aid 130 families while "we (HELP) have helped 130 families and spent less than \$300 doing it."

Toledo, Ohio: The fourth member to leave the East Toledo Neighborhood Opportunity Center in a month, Harold Salverda, upon his resignation as director of the Center, said the center's present annual budget is more than \$100,000, but the accomplishments of the center were less than they should have been. "I know I'm going to sound like a real sorehead, but I think the question needs to be asked: Are we really helping the poor?"

The President of the Board of Trustees of the Economic Opportunity Planning Asso-

ciation of Toledo, Richard C. Heymann, Jr., promptly responded "The East Toledo Center has been a fiasco from the day we opened it." This after \$200,000 and two years of perpetual turmoil, internal feuding and bickering.

Saginaw, Michigan: Mayor Henry G. Marsh said: "Saginaw has been a colossal failure in the war on poverty" and blamed "frustrating experiences" with the Chicago office handling requests from the CAC.

Macomb County, Michigan: Councilman Willard D. Back said "I'm not happy with the job done during the past 15 months that MAP has been in operation. I don't think we're upgrading our poor under the present program. I maintain that the program is not doing anything in the county to break the unemployment cycle, and that means it hasn't been doing its job."

Jackson, Michigan: Charles D. Montgomery, when he resigned as chairman of the OEO's board of directors, said "For the money we have spent we haven't done much of a job. . . . The OEO has done more harm here than good. We have had unique opportunities to help the poor, but we have muffed them."

St. Petersburg, Florida: "The OEO is not welcome in St. Petersburg. Sorry about that," said Mayor Don Jones. "The programs are frequently staffed by people not cognizant of the particular problems of the community. . . . I think St. Petersburg has the ability to meet the problem better than OEO."

Birmingham, Alabama: Daniel S. Oliver, president of the Alabama State Federation of Civic League, Inc., leading a group of about 15 Negroes, met with the Mayor and City Council members and charged that anti-poverty efforts in Birmingham are not reaching down to the people who most need the help. Mr. Oliver said money in the Jefferson Co. Committee for Economic Opportunity goes through so many channels that, by the time it reaches the people who need it most, there's not much left. He also said "There is no communication with low income people."

Ravenna, Kentucky: Robert Barker, Publisher of the Irvine Times in Irvine, Ky., commented: "We have an OEO office in Ravenna, with a highly paid staff, but nobody seems to understand what they are trying to do. At least, the results of their efforts are not visible. If the program should be eliminated here, this office would not be missed. Most people feel that the program is useless."

Eastchester, New York: A survey by the Westchester Council of Social Agencies revealed that "The local war on poverty (Eastchester) is backed strongly by the majority of the poor but there appears to be little understanding of what is being attacked and what the programs are trying to do, especially in areas of employment, legal services and racial bias. Very few of those interviewed associated anti-poverty programs with providing help with basic problems of employment, housing and legal rights."

Letcher, Leslie, Knott and Perry Counties, Ky. Edward Safford, director of the OEO community action program in these counties, asked answered his question: "Who's winning the war on poverty? The local Establishment—the middle class. . . . All we're doing for the poor is making their poverty more bearable."

Studies of programs in various communities have questioned the effectiveness of these programs:

Hayward, California: An analysis by the interim director of the Eder Area Economic Opportunity Organization, Gerald O. Breithaupt, said that program has been characterized by "constant bickering. . . . lack of knowledge, inadequate administration, empire building (and) visions of undue importance. . . . It has created a monster that can neither devour the causes of poverty nor force the community to deal with its own problems."

Indianapolis, Indiana: An evaluation report of the local CAAP program charge that the program is:

"Uncertain about its goals. Falls to be democratic. Has board and staff members who are confused in their attitudes and uninformed about the program. Has an executive director in whom many have lost confidence."—"Noting that the report is 'direct and sometimes harsh,' in its evaluation of the program the firm added, 'To be less than candid would hardly be a service to those residents of Indianapolis who live in poverty.' CAAP does possess the 'imagination, the capacity and the commitment' to develop effective community action in the poverty was, the report said."

Wayne County, Michigan: Paul Masseron, who directed a report on the Wayne County OEO by Urban Research Coordinators, Inc., said the report was not optimistic. "Serious problems have existed at every step of the development of the Wayne County OEO program."

Louisville, Ky.: A report prepared by the University of Louisville Urban Studies Center concerning Louisville's program stated: "About 45,000 of Louisville's 70,000 poor have been involved in the local poverty war, but very few of them have been raised from poverty as a result of the program."

San Francisco, California: An audit of the San Francisco program found the following deficiencies:

"No clear delineation of the nature of work and responsibility to be carried out by each entity.

"Serious separation of authority from responsibility, resulting in organizational diffusion, indecision and interference with coordination and control.

"Lack of coordinated programs covering personnel and financial management and administrative procedures and services.

"Lack of adequate performance measurement techniques and related program reviews, including staffing criteria and other cost analysis."

A separate study of that city's poverty program revealed: "There are wasteful practices, duplicated efforts, and a lack of coordination, leadership and financial control in San Francisco's war on poverty. . . Hundreds of public and private agencies, most staffed with earnest men and women, attack the multiple problems on their own—ignoring the existence of the others."

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WHERE DOES THE MONEY GO?

"The bureaucracy and redtape they have set up is unbelievable. Too much money is going for administration." (Ellis P. Murphy, Director of Welfare, Los Angeles County, Calif.)

"We continue to feel that too much of the funds are being spent on administration. There appears to be more money spent for people working on the administration of projects than is being spent to assist those directly in need. I understand the ratio is about two-thirds for administration to one-third for direct assistance." (James Cookson, Executive Director, Community Action Agency, Stockton, California)

"We feel that the pay for the EOA people has been cut out of proportion with similar jobs paid by private industry. . . The program seems to have too many people in a supervisory capacity administering these jobs with no more applicants than they have been working with." (Eugene McCombs, Chairman, Board of Rowan Co. Commissioners, Salisbury, N.C.)

"Federal funds should be thrown into the existing government structure like the board of education and the board of health. Instead we build new superstructures with directors getting \$22,000. Some of the salaries are fantastic." (Tom Whelan, Mayor of Jersey City, N.J.)

"Poverty administration is a mess. . . More money is being spent at the top for salaries than gets down to the poor people." (Kenneth Hahn, Supervisor, Los Angeles County, California)

"It is my opinion that most of our trouble is centered around administration. . . Too much money is spent in hiring directors at Area, District, Regional and National levels with all the personnel and office expense at each level. . . We feel strongly that less government money should be appropriated for administration." (John M. Thomas, Chairman, County Board, LaCrosse, Wisc.)

"I have always believed that the programs as presently administered and conceived by the OEO are a boondoggle and a tragic waste of the taxpayers' money. The local organization has been typical of this waste. It would appear that a large percentage of the local funds are spent for administration." (Ron Schwab, Mayor of Fairbury, Nebraska.)

ADMINISTRATIVE COSTS

The 1967 Amendments to the Economic Opportunity Act read in part, "No financial assistance shall be extended under this title in any case in which the Director determines that the costs of developing and administering all of the programs assisted under this title carried on by or under the supervision of any community action agency exceed 15 per centum of the total costs, including non-Federal contributions to such costs, of such programs."

In spite of the law, the Omaha, Nebraska, WORLD-HERALD (12/3/67) reported that "the bulk of the 1968 budget (for Greater Omaha Community Action, Inc.) 81 percent would go for salaries and fringe benefits for 23 employees."

A breakdown on annual costs for administrative expenses for the following cities, which included agencies' administration costs minus salaries of nonprofessional poor people and specific program-related costs, was provided by OEO. Those general administration costs included ranged from almost \$5,000,000 for Los Angeles and \$2.1 million for New York to \$300,000 for Washington, D.C. Among the eyebrow raising expenditures listed in the breakdown are:

Los Angeles:	
Administrative personnel.....	\$3, 673, 928
Travel Expenses (regional office is in San Francisco).....	105, 322
Telephone expenses.....	85, 351
Consumables	188, 827

New York City:	
Administrative personnel.....	1, 340, 526
Telephone expenses (compared with \$1,564 in Washington, D.C.; \$2,154 in Philadelphia; \$5,000 in Cleveland and St. Louis) (regional office in New York City).....	102, 884

Chicago:	
Administrative personnel.....	1, 305, 362
Equipment	189, 862
Telephone expenses (regional office in Chicago).....	30, 800

A General Accounting Office study conducted at the request of Rep. Tim Lee Carter (R-Ky.) of a program within his district revealed that only "about \$295,000 of the \$1.1 million expended for the program was in the nature of direct benefits to the poor. Travel over this period of time by council employees amounted to more than \$97,000, almost one-third of the amount of funds that supposedly went directly to the poor."

COMMUNITY PROGRESS, INC., NEW HAVEN, CONN.

Late last year, Rep. Robert N. Giaimo (D-Conn.), a staff member and two professional investigators conducted a thorough investigation of the New Haven anti-poverty program, the results of which revealed excessive administrative costs in several areas.

Rep. Giaimo said: "The costs for this program appear excessive and seem to be directed toward the agency and its employees rather than the poor." Among the excessive administrative expenditures noted by Rep. Giaimo were:

From September 1963 to June 1967, \$231,909 were spent on "public relations" with \$67,199 being spent last year alone.

The fringe benefits provided by CPI to its employees (\$275,808) indicate they are far in excess of those normally provided to Federal Government employees. As detailed in the report, most benefits are provided by CPI and the employees do not pay their fair share: CPI pays the entire cost of Workman's Compensation, Connecticut Blue Cross and Connecticut Medical Services for all employees, as well as "Executive Accident Insurance" for all employees earning over \$10,000 a year. CPI pays two-thirds of the cost of Group Life Insurance.

CPI employees may elect to participate in a pension plan contributing from 5 to 10 percent of their earnings which is matched by CPI in the amount of 10 percent of their income and placed in a tax-deferred, fixed annuity account. During FY 67 CPI costs for this plan alone amounted to \$140,716. (Under this plan the Executive Director can put 5 percent or \$1,500 of his annual salary into the funds but CPI will automatically contribute \$3000. After 3 years, if the Director resigns, he may withdraw \$13,500 from the fund and make \$9,000 over his \$4,500 investment, 200 percent guaranteed return.)

All CPI employees earning over \$10,000 per year receive 28 days vacation per year. It is noted Federal Government employees must put in 15 years of service before they receive the maximum of 26 days a year.

Travel Expenses—"In FY 1966 (10 months) travel expenses amounted to \$90,510. . . Many travel expense reports for out of town travel lacked hotel and transportation receipts." (If travel were reimbursed at the rate of 10¢ per mile, it would be possible to make over 300 coast-to-coast trips for \$90,510.)

Telephone Costs—"During the period January through August, 1966, telephone costs totalled \$35,806 or an average of about \$4,475 per month. During the period September 1966 through September 1967, these costs totalled \$59,991 or an average of about \$4,615 per month." (\$60,000 is the equivalent of 60,000 three-minute calls to Washington or 120,000 3-minute calls to New York City.)

FRINGE BENEFITS

Republicans have charged the Office of Economic Opportunity with financial mismanagement. Poor people have claimed that the money spent by OEO never reaches them. Some indication as to why this happens can be found in the allocation of fringe benefit money by OEO to cover the costs of employees in OEO funded programs.

In response to an inquiry by Congressman William A. Steiger (R-Wisc.) as to what criteria or guidelines are used by OEO analysts to approve fringe benefit requests, OEO stated: "Each item of a grantee's proposed budget, including employee benefits, is subject to examination and question by OEO analysts. All analysts are expected to use sound judgment in assuring that the approved items in the budget are reasonable and proper."—"OEO approval or disapproval of a fringe benefit plan is based on its comparability with fringe benefit plans in other local public or private, nonprofit agencies. The amount requested may be adjusted based on its reasonableness as compared to local practices." From this answer and reports of former OEO analysts, it is safe to assume that there is no national standard or criteria for allocating fringe benefits and for that matter allocating any other funds, other than individual "judgment."

Last year, the New Haven anti-poverty agency (CPI) spent \$275,808 for fringe benefits alone. Employees did not contribute a

proportionate share of their incomes to derive these benefits as normally required in governmental agencies. The figure of \$275,808 was considered shocking at the time, but when compared to the amounts approved for employee fringe benefits in such major cities as Detroit and New York it appears that excessive expenditures for employees fringe benefits occur in other cities as well.

Last year OEO provided New York City 22.3 percent and Detroit 21.5 percent of their total employee budgets for fringe benefits alone. Translated into terms of dollars and cents, fringe benefit costs received by Detroit for OEO-related programs totalled \$2,999,582.

The excessive fringe benefit figures, when compared with those appropriated to other major cities such as Chicago (7.2%–10.0%), St. Louis (7.4%) and Baltimore (7.7%), once again illustrate OEO's mismanagement ability. Furthermore, it appears that OEO is involved in duplicate funding by granting funds to cover the cost of Social Security and employee retirement programs. In almost all governmental agencies an employee is covered by one or the other, not both.

EXCESSIVE SALARIES

In March of this year, salary figures for the St. Louis Human Development Corporation revealed that 86 employees on that payroll were receiving \$10,000 or more a year; two years ago only 24 persons on these payrolls were receiving as much as \$10,000 a year. Two years ago there were 154 poverty workers; now there are about 750, necessitating an increase during the two years of \$3.2 million in salaries alone.

The Blackstone Valley anti-poverty agency in their application for a Federal grant in February 1967 allotted 86 percent of the total budget for salaries.

OEO furnished information to the House Appropriation Committee this spring reflecting the salaries and personnel costs for the program year for the 10 largest cities in the country:

In Chicago, Illinois, \$21.4 million was allocated for salaries and fringe benefits, paid to a staff of 5,398, of which almost 3,000 are not poor. Chicago, at the same time, has 257 employed at the salary rate of over \$10,000 a year.

The New York City anti-poverty program's salaries totalled \$35.3 million for a staff of 5,512, of which approximately 2,700 are not poor. At the same time, there are 592, over one-tenth of the total staff, receiving more than \$10,000 a year.

The Los Angeles, California, anti-poverty program expends \$21.6 million on salaries for 3,630 employees, of which 296 are receiving over \$10,000 a year.

MORE GENERALS THAN SOLDIERS

A review of the President's budget request for the OEO for fiscal 1969 reveals that one out of every 14 authorized permanent positions is paid more than \$18,000 per year. It is also noted that OEO has more authorized GS-15's, at base pay of \$18,404 than GS-3's; more GS-14's at base pay of \$15,841 than GS-6's; and more GS-13's at base pay of \$13,507 than GS-4's.

AND THE POOR REMAIN POOR!

Willow Village, Michigan, received an OEO grant of \$188,252 for a self-help program for 4,500 residents. The township supervisor protested that there was not a home in the town over 10 years old, and the homes had an average value of \$12,000. No one could be found who was unemployed.

A \$75,000 grant was made in Missouri to teach poor folks how to spend their money. For that sum, 22 persons were to be taught how to spend money and they, in turn, are expected to go back to their communities to teach others. The Lamar DAILY DEMOCRAT questions the value of taking money lessons "from a government that never stays

within its budget, and is notorious for its waste and extravagance all over the world."

A \$17,000 program of "war games" was conducted in Heath, Massachusetts, in which 30 youths from Harlem were treated to combat uniforms, and instructed in combat procedures and war games during a camping experience at Camp Miracle.

In Dayton, Ohio, washing machines purchased and installed with OEO funds were sitting idle while children were coming to school in dirty clothes because there "wasn't enough money to pay for supervisors," according to an OEO coordinator. Cost for supervision last year was approximately \$400.

In Liberty, Mississippi, \$18,000 worth of elegant textbooks are gathering dust on shelves and storerooms of Operation Headstart schools. The textbooks contain subject matter a college freshman might find hard to handle; among the books "The Sound of Poetry" containing works of Carl Sandburg, Vachel Lindsay and other poets frequently studied in high school.

At the Clinton Job Corps Center, in August of last year, girls were being taken to fashionable restaurants for dinner at Job Corps expense as part of their learning experience. The Director said the practice had been going on for about six months and was "just a part of the trip phase of our training."

The United Community Corporation of Newark held a weekend retreat at the Goldman Hotel in West Orange, New Jersey, that cost the taxpayers about \$2,500. Included in the package was a floor show.

GAO investigation of Parks Job Corps Center revealed that the Center (sponsored by Litton Systems, Inc.) had purchased \$347,000 worth of so-called instructional materials from Litton Instructional Materials upon the recommendation of another Litton division, the learning resources department. Unfortunately, the books were of little use as they dealt with the atomic theory, the laws of relativity, and trigonometry.

The OEO financed a \$376,000 program through the Iowa Civil Rights Commission to establish a domestic student exchange program. Instead of the expected 150 participants, only 15 were placed, at a cost per participant of \$25,066 for a one-semester project.

This spring, when Congress was being blamed for the closing of 16 Job Corps Centers, it was brought to Rep. William A. Steiger's (R-Wisc.) attention that the Blackwell Center at Laona, Wisc., had ordered "cultured Park Kentucky Bluegrass" in an amount equivalent to the cost of one enrollee at the Center for one year. Rep. Steiger said, "I understand that OEO wants to teach lawn maintenance to the enrollees—I don't understand, however, why they can't do what most Americans do, namely use grass seed rather than cultured sod." The Department of Agriculture notified the Congressman shortly thereafter that the contract bid for the cultured sod was cancelled.

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MISMANAGEMENT AND MISUSE OF FUNDS

"If I wanted to sack this program I could load the record with the excess and the waste and the mismanagement, if you will, the nepotism that has been practiced in some of these agencies . . . I would be a vandal in this regard and damage beyond all repair the image of community action agencies which have expended millions of dollars not for the benefit of the poor but to set up hierarchies of staff and clerical personnel, travel, and all sorts of designs and features which were never, never contemplated in the passage of this legislation." (Rep. Hugh Carey (D-N.Y.), member of the House Education and Labor Committee.)

Despite amendments to the Economic Opportunity Act requiring regular audits of anti-poverty programs, fiscal irregularities of alarming proportions continue to be uncovered in a variety of anti-poverty programs during the past year:

DETROIT, MICH.

"One of the most serious frauds one can commit upon the poor is to promise something you do not or cannot deliver. The receipts and disbursements for 1965–1966 or 1966–1967 fiscal years reveal the same picture. There is so little money left for the poor after salaries and fixed overhead that one can no longer refer to this fact as an irregularity—one must call it what it is—a fraud."

This was the first conclusion of a Special State Legislature Committee which investigated the Detroit, Michigan, Anti-Poverty Program for six months during the period 1966–67. The Committee reported the following:

The investigation revealed shocking abuses of public funds and self interests.

Large sums of money were used to create an immense spoils system.

Expenditures of \$3,863,925 were questioned by the Committee.

A real estate corporation with which the Mayor of the City of Detroit was formerly associated purchased a building which was leased to the city's Poverty Program at a rental so high that the purchase price of the building (\$180,000) would be fully paid for within two and one half years.

Excessive travel and expenses paid by anti-poverty functionaries including trips to Hawaii, Las Vegas, Phoenix, one hundred and twenty-nine trips to Washington, D.C. and seventy to Chicago, Illinois.

After anti-poverty officials purchased \$80,000 worth of dental equipment in 1966 only four patients were treated up to the end of December, 1967.

On the job training payments continued to go to employees for workers who had dropped out of the program.

LOS ANGELES, CALIF.

In October, 1967, Project Job Power, a small summer job program operated by the Westminster Neighborhood Association, a Watts anti-poverty agency, had its anti-poverty funds suspended while "serious discrepancies" in financial records, suspected check forgeries and kickbacks from employed youths were being investigated by the Los Angeles District Attorney's office.

SUFFOLK COUNTY, N.Y.

In October, 1967, an Amityville, N.Y., neighborhood opportunity center employee was arrested and charged with having pocketed more than \$5,000 by filing false reports on former Neighborhood Youth Corps workers.

According to a district attorney's report, the anti-poverty employee had filed almost 100 false time reports for Youth Corpsmen. When the checks were received at the Center, the employee cashed them by forging the Corpsmen's signatures. Investigators estimated up to 99 checks amounting to \$5,500 were involved.

Curiously, the anti-poverty warrior involved had been fired a year before from the Suffolk County, N.Y., Neighborhood Youth Corps for having recruited 60 ineligible youths and for suspected irregularities in connection with check forgers.

BROOKLYN, N.Y.

In August of this year, the director of the older teenagers summer program, an East New York anti-poverty program, was arrested and charged with demanding and accepting kickbacks from anti-poverty employees who did no work.

SYRACUSE, N.Y.

In October of last year, funds for crusade for opportunity, the Syracuse anti-poverty

agency, were cut off when auditors received unsatisfactory explanations for \$200,000 to \$300,000 in war on poverty spending. Among the expenditures questioned in the audit of the Crusade for Opportunity program in Syracuse, N.Y., in September, 1967, were:

\$48 for parking tickets.
\$436 for 750 live trout, for a fishing trip.
\$698 to a travel agency for trips by the staff—no details given.

\$600 paid to a printer for special copies of a local newspaper featuring an article on the organization.

NEWARK, N.J.

In September 1967, it was reported that Federal investigators were unable to account for an undetermined amount of money expended by the United Community Corp., Newark's community action agency. Interestingly, the UCC director accused the Office of Economic Opportunity of failing to monitor the funds of UCC.

BRONX, N.Y.

In March of last year, a Bronx, N.Y., minister was indicted for stealing over \$20,000 in anti-poverty funds. The minister, director of a summer anti-poverty project, who was accused of demanding and accepting kickbacks, had been paying himself \$200 a week; his father \$150 a week, his mother \$100 a week; and his sister \$175 a week. This director paid out a total of \$3,125 in salaries to himself and family over a 5-week period.

SHEVEPORT, LA.

In September, 1967, an audit of the Community Action Program of Caddo and Bossier Parishes, Inc., La., disclosed \$101,016 in costs were termed "questionable." The audit disclosed the following:

1. Personnel files were not kept by the agency during the period of the audit.
2. Inadequate accounting and safeguarding of funds.
3. Inadequate documentation of payroll costs and property.
4. Failure to use prescribed contracts for consultant and professional services.
5. Failure to keep time and attendance records for some employees.

Among the questionable costs, the audit said there were no time and attendance reports or other acceptable documentation for \$43,422. Payments totaling \$1,096 were paid to 55 vendors for "maintenance of equipment allowances" without supporting invoices and the auditors found that the in kind totals reported by the agency were inaccurate because nine classrooms included were not used.

NORFOLK, VA.

In September 1967, the FBI in Norfolk, Va., commenced an investigation of shortages of about \$10,000 in war on poverty funds of the Southeastern Tidewater Opportunity Project—STOP—in Norfolk, Va. The director of the Headstart program involved had refused to turn over his books for audit for several weeks prior to his resignation.

NEW YORK CITY

In August 1967, it was announced that the New York City controller's office would again look into the tangled fiscal operations of Haryou-Act. A previous report found Haryou-Act owed the Federal Government \$199,732 plus interest in unpaid withholding taxes, and that \$600,764 was owed to commercial creditors.

CHILD DEVELOPMENT GROUP OF MISSISSIPPI—
CDGM

On September 22, 1967, Senator James O. Eastland said that it had been discovered "that the Child Development Group of Mississippi has more than a half million dollars in expenditures which they cannot account for." The OEO, which had funded CDGM with more than \$13 million, admitted they "were challenging more than \$500,000

of CDGM's expenditures for their current grant." An OEO spokesman said that more than \$200,000 of CDGM's travel expenses were being challenged. According to OEO, the decision by OEO in January 1967, to refund CDGM following an earlier discovery of unaccountable expenditures was based on agreement by the Presbyterian Church to underwrite any future shortages; therefore, the Presbyterian Board of National Missions would assume full responsibility for any disallowances of expenditures which might be discovered by public auditors.

SAN FRANCISCO, CALIF.

In December, 1966, Federal auditors questioned expenditures totaling \$48,151 in the San Francisco anti-poverty program, which included:

More than 600 "inadequately explained" telephone calls totaling \$1,760 to cities across the country;

Unauthorized cross country flights by personnel;

Pay raises exceeding the government limitations;

Purchase of office furniture at prices totaling over \$10,000 over what it could have been purchased from GSA;

Salary payments of \$6,212 to employees of the Western Addition target area staff while they were engaged in civil rights activity.

The Federal auditors made recommendations to tighten the Economic Opportunity Council's organizational structure, accounting system and internal controls, all of which were unsatisfactory for maintenance of adequate, accurate financial records."

NEW YORK, N.Y.

In May, 1967, it was discovered that the district attorneys of four boroughs of New York were preparing charges of payroll padding, using fictitious names, using names of people eligible for jobs but never employed, stealing petty cash, and "burying records which would have shown the theft" against the Neighborhood Youth Corps program in New York City, which received \$13.1 million in federal funds alone last year, as well as state and local funds.

Checks were written for nonexistent people and applicants who had supplied pertinent information about themselves and were never notified for employment; thereafter these checks were snatched, forged and cashed. In one Negro neighborhood, probers found a list of fictitious Chinese names to whom checks were mailed. "There were no Chinese families anywhere in the area," one source said.

An initial audit revealed almost \$500,000 had been stolen, and one source said although the investigation is "not nearly completed, it looks as though the final amount stolen will run well into the millions."

FORT DODGE, IOWA

Mrs. Mary Thompson, office manager of the anti-poverty agency and a former inmate at the women's reformatory at Rockwell City, Ia., was charged in January, 1968, with embezzlement of program funds estimated between \$5,000 and \$6,000. The director advised Mrs. Thompson duped him into signing blank checks which she then made payable to herself.

A subsequent audit of the books indicated faulty bookkeeping and accounting that went beyond Mrs. Thompson's embezzlement. Questioned items of \$1,606 in cash and \$1,260 "in kind receipts" could not be supported by documents.

HOUSTON, TEX.

On December 12, 1967, the Office of Economic Opportunity ordered the anti-poverty agency to justify the expenditure of \$270,000 of funds by Houston-Harris County Economic Opportunity Organization, almost one tenth of its \$2.8 million budget for fiscal 1967. \$114,244 listed as volunteer services in the summer 1966 Headstart program was

unsupported by time and attendance records or other data. \$19,640 spent on consumable supplies were not supported by a schedule of specific items. Salaries paid to employees in excess of \$15,000 were improperly claimed as in-kind contribution.

GAO investigations in several large cities anti-poverty programs reveal mismanagement and fraud of a less spectacular variety, but one we fear is very prevalent among CAP agencies.

CHICAGO, ILL.

GAO made a partial review of the programs of the Chicago Committee on Urban Opportunity, which received \$31.1 million for the period covered in the review. Two serious defects noted by GAO were in the counting of participants and the local share:

1. "Participation was measured by the number of contacts with individuals and families coming to the center or the number of contacts outside the center and each contact was counted and reported to OEO regardless of whether the same or a different individual or family was contacted . . . centers counted persons visiting delegate agencies housed in the center and the delegate agencies also counted and reported these contacts to OEO (resulting in some duplication) . . ."

Of 10,392 participants for June, 1966, "A sampling of that showed a count of 2,892 participants represented 499 individuals who participated in education and manpower classes and a social welfare activity." "In addition, 2,577 of the 2,892 participants attended delegate agency activity located in the UPC. This count included 411 individuals . . . solely because they came into the center and represented traffic into the UPC rather than persons actually served . . . the delegate agencies also counted these persons and reported their counts to CCUO for inclusion in . . . reports to OEO."

2. "CCUO reported non-federal contributions of about \$2.1 million for the period from December 1964 through March 31, 1966, against the requirement of about \$1.1 million. Our examination of about \$1.7 million of the total reported showed that about \$1.3 million was of questionable allowability. If the \$1.3 million were to be disallowed by OEO, the CCUO contribution would be deficient by about \$300,000.

Contribution were claimed 1) \$752,316 for activities (urban renewal) which were not directly related to CAP; 2) \$192,192 claimed based on projected figure for a program while \$73,930 was actually spent, resulting in an over-charge of \$118,262; 3) \$168,210 expenditures for required maintenance of effort which could not be allowed; and 4) \$1,296 for an item of service inadvertently claimed twice, as well as other questionable claims.

In addition GAO noted:

"Assignment and utilization of program representatives (in an adult employment program) were not adequately monitored, and consequently they were assigned to nonproductive, make-work projects or otherwise not used for the purposes for which they were employed."

"One delegate agency procured consultant services for \$22,794 without executing formal contracts. Although the agency did have a written statement for a portion of the services to be rendered, the statement was unsigned and did not provide for the method of payment or for the maintenance of records by the consultant firm."

Accounting areas of needed improvement: failure to require documentation of travel expenses; discrepancies between CAP expenditures as reported to CCUO and as reported in agencies' records; failure to record non-Federal contribution; and lack of time records.

LOS ANGELES, CALIF.

A GAO investigation into the administration of the Economic and Youth Opportuni-

ties Agency of Greater Los Angeles, emphasizing planning of programs and utilization and control of funds, noted the following problems:

"The OEO directly and through its contract with EYOA was reimbursing the Los Angeles Unified School District . . . for about \$265,000 more than the allowable indirect costs incurred. . . . Also OEO and EYOA were accepting in the claim of City Schools as the nonfederal share of program costs, approximately \$132,000 more than the indirect costs incurred."

"Brought to light certain problems relating to the recording of contributions and the reasonableness of valuation for contributed space and of claims and indirect costs. These problems prevented us from determining whether the community is, in fact, complying with the legislative requirement for nonfederal contributions."

"The budgets submitted by EYOA and approved by OEO for certain component programs contained unrealistically high estimates of funds needed. The analyses of these budgets by OEO apparently were not made in sufficient depth to detect the overestimated requirements for funds."

"EYOA accounting was basically inadequate in that there were not prescribed accounting policies and procedures and the accounting function was understaffed and lacked professional leadership."

DETROIT, MICH.

After the GAO audit was released on the city-run poverty program in Detroit, which had been funded by OEO to the tune of \$50,000,000, Mayor Cavanaugh was quick to comment "no fraud and no mismanagement" had been uncovered.

1. Vast duplication of administrative cost and effort—"In many cases the Board and the Archdiocese (delegate agency) carried out the same programs, each had its own administrative staff for each program with resultant duplication of administrative effort and cost."

2. Participant information inaccurate and misleading—"MCHRD could not furnish records in support of 7,539 participants shown in the report for the Great cities project . . . advised by the Board the figures had been furnished to MCHRD orally . . . Board reports indicated that there had been about 4,000 fewer participants than had been reported to OEO in the June report."

"The 18,900 participants reported in June included 15,000 nonadults and 3,900 adults. Board records show however that only 2,479 nonadults were enrolled in the projects in June rather than the 15,000 reported."

"We examined into whether the number reported (18,900) represented a realistic estimate of the number who participated during the period March 26 through April 29, 1966. Our review indicated that the number of participants reported to MCHRD had been overstated by 4,043."

3. Rental of classrooms was charged for days on which room had not been used in the program, resulting in an unreasonable claim for the nonfederal share—

"A tentative nonfederal share claim amounting to \$777,570; of which \$724,820 was for schoolroom rental and \$52,650 was for janitorial services. On the basis of our review of the claim for \$342,160 of the \$724,820 valuation for room rental, we believe that about \$71,855 would be a more reasonable estimate of the rental value of the rooms."

4. The Board was charging room rental to the CAP for a full month regardless of the frequency with which the room had been used.—

"The Board's claim for classroom rental space for the period October, 1966 to April, 1967 amounted to \$714,740 whereas daily rate of \$5 for the days on which some use was made of a room (29,570 room days . . .) the claim would amount to only \$147,850."

[Vol. II, No. 19, June 1968]

POLITICAL ACTIVITIES

"There is no activity in which the community action programs have engaged which has been more damaging from a public relations point of view and from a public opinion point of view than participation in political activity, whether it be partisan or non-partisan." (Robert Taft, Jr. [R-Ohio] House Debate on Economic Opportunity Act 11/15/67.)

DURHAM, N.C.

In 1967 in Durham, N.C., there was extensive political activity on the part of anti-poverty employees. In a staff report of the House Education and Labor Committee dated June 19, 1967, the following facts were reported:

During the period January-March, Operation Breakthrough (anti-poverty agency) neighborhood workers reviewed voter registration books in the Office of the Durham Board of Elections and copied registration lists.

On three dates in April, 1967, Operation Breakthrough employees, using the agency's automobiles, transported several hundred citizens to Durham polling places for the purpose of registration.

On April 29, 1967, Operation Breakthrough employees, using personally owned vehicles, transported Durham citizens to the polls during the municipal primary election.

On May 13, 1967, Operation Breakthrough employees, using personally owned vehicles, transported Durham citizens to the polls during the municipal general election.

The Secretary to the Directors, Operation Breakthrough, advised she had distributed cards soliciting votes for candidate for Alderman Mrs. R. O. Everett on May 13, 1967. (Mrs. R. O. Everett, the successful candidate for alderman, is the mother of Mr. Robinson Everett, Counsel for Operation Breakthrough.)

Mr. G. Fred Steele, Jr., candidate for Congress in 1966, described election day activity of Operation Breakthrough employees: ". . . at all precincts that are predominantly Negro or racially mixed, people were stationed with 'checkoff' voter lists. Drivers would bring voters to the polling places in vehicles displaying signs reading 'Vote today—use this car.' The voters would then enter the polling places. After voting, they would be driven away in the same cars. These cars were observed following the same procedure throughout the day. Printed lists of recommended candidates were seen in the vehicles and also were seen in the hands of voters as they entered the polling places. Some of the drivers of the described cars were identified as staff members of Operation Breakthrough. Others were identified as students of nearby universities. Some of the students stated that they were driving at the request of Operation Breakthrough staff members."

Congressman James Gardner of N.C. noted in a speech on the floor: "The final results of the Durham registration drive by Operation Breakthrough in five target precincts shows that those candidates supported by the Operation Breakthrough campaign received a majority of 10 to 1 and 20 to 1, but lost the election by 9 to 6."

PHILADELPHIA, PA.

The Committee to Investigate the Philadelphia Anti-Poverty Action Commission (PAAC) (anti-poverty agency), Philadelphia, Pa., in a position paper drawn up earlier this year made the following charges of political activity by that anti-poverty agency:

On November 1, 1967, four days before the mayoralty election, 40,000 copies of a letter were printed and duplicated at the central office of PAAC and employees of the Community Action Council offices were instructed to distribute them. This letter from Samuel

L. Evans, Vice Chairman of the Board of the PAAC, extolled the virtues of Mayor James H. Tate and denounced his opponent, Arlen Specter, for allegedly attacking the poverty program.

During the primary election in 1967, paid staff employees of all Community Action Councils were assigned to every polling place in their respective areas with the specific assignment to instruct all potential voters to vote "yes" on a bond issue.

On October 24, 1967, all employees of PAAC and its delegate agencies were instructed to be, and were in fact, on hand (during working hours for which they were paid) for the appearance of Vice President Hubert Humphrey when he came to Philadelphia to make a campaign speech for Mayor Tate.

Mr. Pat Stanton, one of the Mayor's representatives on PAAC, was named as the Mayor's campaign manager for the 1967 mayoralty election.

A top official in the agency did not deny his role and boasted: "You don't have to worry if I'm in politics or not. There's no doubt about that. I'm voting for Tate and asking everybody in Philadelphia to vote for Tate."

NEWARK, N.J.

According to the city's Mayor, Hugh Adonizio, the \$6 million anti-poverty agency, United Community Corporation, is a haven for defeated political candidates and aspirants to public office.

Voter registration

In January 1968 the OEO in Austin, Texas, said voter registration during the hours of 8 a.m. to 5 p.m. constituted illegal use of poverty funds. Employees then began working on their own time to register voters in Fort Worth, the goal being 4,075 indigent voters registered by the January 31st deadline.

In San Antonio, Texas, Federal anti-poverty funds financed a voter registration campaign organized by Rev. John Yanta, who directs San Antonio's Neighborhood Youth Corps. Rev. Yanta frankly admitted that the newly registered voters would take their orders from the Bexar County Liberal Coalition. "Which is worse, not to ever vote or to have your vote controlled?" he asked. "The Liberal Democrats may be the only politicians interested in those people." Not all persons signed up are U.S. citizens, however. At least 68 Mexican nationals were induced to register, according to Bexar Co. Assessor-Collector Charles G. Davis, and he believes a state law has been violated.

Senator Hugh Scott criticized the OEO for spending \$3,000 on voter registration drives in six heavily Democratic wards in Reading and Berks Counties in Pennsylvania. "I am especially disappointed that your office should choose to spend funds in this highly questionable manner while other programs applications in Pennsylvania go unfunded," Scott wrote Sargent Shriver, OEO Director.

An investigation of the General Accounting Office revealed that in Palm Beach County, Fla., in the Fall of 1966, two anti-poverty workers serving as voting registrars and conducting "on the spot" registration of migrant workers, signed up 686 voters, 680 of whom registered Democrat.

Early last year in Houston, Texas, anti-poverty workers signed up thousands of Harris County residents in a voter registration drive. When four of the poverty warriors failed to meet their quotas, they resorted to apartment house lists, trailer camp directories, and name plates on mailboxes, filled out registration forms and within days had more than met their quotas. A subsequent \$25,000 investigation of voter registration in Houston revealed that an estimated 8,000 were phony.

In September 1967 Senator Everett Dirksen criticized plans by the Lake County (Gary, Ind.) anti-poverty agency to conduct

a voter registration drive. "I know of no precedent for such activity by an agency using public funds . . . and this could set a dangerous one," said Senator Dirksen. He said voter registration by Federal poverty war workers on a national scale could become a potent political weapon in the hands of the administration and noted: "Though they may say it will be non-partisan, the politics of the person doing the field work is bound to creep in."

In Atlanta, Ga., in October 1967, Rev. C. A. Samples, President of the Northwest Community Civic Forum, protested the fact that Economic Opportunity Atlanta in Atlanta is ignoring the needs of the poor and is giving preference to organizing a political machine. In a statement Rev. Samples said:

"The (7 Neighborhood Service Centers) Centers under his (John Calhoun, NSC Coordinator) operation have all become voter registration headquarters. Receptionists have been sworn in. When you enter for service, you can register first, and business later. The community organizers are setting up block organizations with block chairmen. These CO's are paid with federal money and work night and day in the target communities. They are requested by their administrative superiors to work on Saturdays and Sundays. Of course they cooperate. If they don't, well they are phased out.

"There are many volunteer civic groups who for years have encouraged voting. But they are pushed aside by this well-heeled CAP and the wheeling-dealing center coordinator Mr. Calhoun. Registering voters for the past 12 months has taken precedent over every other project Economic Opportunity Atlanta, Inc., has, to the detriment of her 1,000's of target area inhabitants. I sincerely believe voting is an inherent right. But also it has no more business being financed with federal funds than the relationship of Church and State. If the CAP does not get out of the political business and down to the social action and education business that it was designed and funded for, then it needs to go out of business."

In Venice, California, in December 1967, the Headquarters of Project Action, funded for \$18,000 by the Economic Youth Opportunities Agency of Los Angeles, California, was scheduled to be the scene of a voter registration party to climax a day-long drive in Venice to register voters. In addition Ernest Jefferson, the program director for Project Action, was listed in handbills as a speaker at a Peace and Freedom rally at another location.

In Springfield, Massachusetts, six VISTA volunteers conducted an intensive four-week voter registration drive in August 1967.

Voter registration activities have been carried on in Omaha, Nebraska; Worcester, Mass.; Rochester, N.Y.; Columbus, Ohio; and Lafayette and Alexandria, La., as well as numerous other locations across the country, apparently with OEO's blessings until the 1967 amendments to the Economic Opportunity Act prohibited such action. Now they are pointing out that such activity constitutes illegal use of government funds and may not be done between 8 a.m. and 5 p.m.

[Vol. II, No. 8, June 1968]

REDIRECTION OF CAP—II (RESTRICTION OF CERTAIN ACTIVITIES)

POLITICAL ACTIVITIES

Partisan and nonpartisan political activities on the part of anti-poverty workers involving use of Federal funds in various cities around the country have been the cause of major concern. Such activities in New Haven, Connecticut; Cincinnati, Ohio; Philadelphia, Pennsylvania; Gary, Indiana; and Durham, North Carolina, in pre-election efforts on behalf of candidates for local posts, partisan and nonpartisan, using time and equipment paid for by the Federal Government is improper to say the least.

Congressman James G. Gardner of North Carolina and a staff investigator of the House Education and Labor Committee checked out alleged political activities in Durham, North Carolina, and found conclusively that anti-poverty personnel, using Federal funds and facilities, during January-May, 1967, became thoroughly involved in the Durham municipal elections. Voter registration lists were reviewed, registration drives conducted, voters transported to and from the polls, and votes solicited by anti-poverty workers.

Upon complaining of these activities to OEO Director, Sargent Shriver, and John Macy, Chairman of the Civil Service Commission, Congressman Gardner was informed that there was no violation of the law because the elections were nonpartisan.

This situation pointed up a clear need for new legislative language which would preclude any further activities of this nature in nonpartisan elections. Therefore, WE PROPOSED and Congressman Gardner offered an amendment on the floor of the House which would prevent the use of program funds, property or services, or the employment or assignment of personnel for any partisan or nonpartisan political activity or any activity associated with a candidate or contending faction or group, in any election for public or party office, or any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election.

This language was adopted on the floor as an amendment to the Economic Opportunity Act and carried through to enactment into law. However accompanying language was written into the Conference Report which indicates it is the intent of Congress to limit the use of funds provided by the act and does not apply to any activities carried on with funds not provided under the authority of the act; similarly, officials and personnel of agencies are subject to the limitations only as to that portion of their time for which they receive compensation from the act. (It is noted that election day is usually considered a legal holiday.)

VOTER REGISTRATION

Intermingled with the above political activities in various places, and apparently a commonly-occurring and highly-acceptable activity in the sight of OEO, is the participation of anti-poverty workers in voter registration activities. Such activity, on the surface, appears to be a sufficiently worthwhile effort in which anti-poverty workers could participate and help the poor. However, a few instances brought to light highly potential political possibilities such as in Durham where three months of full working time on the part of employees was spent in copying voter registration books, copying registration lists and other political data; and such as in Palm Beach County, Florida, where GAO investigators reported that anti-poverty workers serving as voting registrars and conducting "on-the-spot" registration of migrant workers, signed up 686 voters, 680 of whom registered Democrat.

Last year in Houston, Texas, anti-poverty workers signed up thousands of Harris County residents in a voter registration drive. When four of the poverty warriors failed to meet their quotas, they resorted to apartment house lists, trailer camp directories, and nameplates on mailboxes, filled out registration forms, and within days had more than met their quotas. A subsequent \$25,000 investigation of voter registration in Houston revealed that an estimated 3,000 were phony.

We proposed language which would prevent the use of program funds, provision of property or services, or employment or assignment of personnel in any voter registration activity. This provision was adopted in the House and enacted into law; however, it is likewise subject to the provision in the Conference Report limiting its effect only to funds authorized by the act and time of

officials and personnel for which they are being paid by funds from the act.

CIVIL DISTURBANCES

In the wake of the riots of the Summer of 1967 it was brought to public attention that actions and statements on the part of anti-poverty workers in various places were considered inflammatory and may have been partially responsible for the eruptions which occurred thereafter. An investigation by Staff investigators of the House Education and Labor Committee in Newark, New Jersey, resulted in a thoroughly documented report linking anti-poverty workers, black power groups and so-called New Leftists to a series of incidents culminating in the Newark riots last summer.

At approximately the same time, a letter came to light from the Mayor of Houston, Texas, to OEO Director Sargent Shriver, questioning OEO's position on whether local anti-poverty employees should encourage and promote conflict with local government when remedies through mediation and negotiation have not been exhausted. (The Mayor cited a series of incidents which resulted in abrasive relations between the Community Action Agency and Houston City officials and included substantial violence and community disruption.)

Language which was placed in the Economic Opportunity Act the previous year by Congressman Joel Broyhill of Virginia was not applicable to these and other similar situations as it only prevented funds from going to any one convicted of activities which tend to incite, promote, encourage, or carry on a riot, etc. We proposed and Congressman Gardner offered an amendment on the floor which precluded the use of program funds, the provision of property or services, or the employment or assignment of personnel in any activity which tends to incite, promote, encourage, coerce, or carry on a riot or other civil disturbance in violation of any federal, state or local law; which facilitates the incitement, promotion, encouragement, coercion or carrying on of such riot or civil disturbance; or which assists, encourages, or instructs any person to commit or be involved in such riot or civil disturbance.

This provision was adopted in the House as written; but substitute language was inserted in the conference between the House and Senate which merely prohibited any individual employed or assigned by any agency assisted under this act pursuant to or during performance of services in connection with any program or activity conducted or assisted under this act, to plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting or civil disturbance.

NEED FOR RESPONSIBLE INSPECTIONS AND INVESTIGATIONS OF ANTI-POVERTY PROGRAMS

Scandals have plagued a number of War on Poverty projects across the country since the beginning of the program. The news media has exposed countless incidents of payroll padding, fraud, waste, mismanagement, frivolous programs, excessive expenditures, and other irregularities. Far too little effort was made to insure that public funds were being spent prudently.

In fiscal 1967 the Office of Economic Opportunity allocated less than \$1 million (.6% of its budget) for investigations and inspections. The inspection staff was hard pressed to respond to emergency assignments. Because of the low priority assigned to inspections at OEO, no regular systematic reviews of programs have been made. Until sufficient attention is given to systematic monitoring of projects it can be expected that "free wheeling" will prevail and mismanagement will recur.

In addition to the freedom from discipline that War on Poverty programs enjoy within the Executive Branch, events during the past

year support the charge that Democratic Members of Congress have attempted "to sweep under the rug" the inadequacies and maladministration of the poverty program. Republican Members of the House Education and Labor Committee, responding to requests from local authorities and responsible private citizens, have had the following requests for investigations denied by the Chairman:

Charges of payoffs on Federal and state levels to guarantee or expedite job training grants in Oakland and Sacramento, California. (October 1967)

Survey of anti-poverty programs in six cities (Indianapolis, Miami, San Francisco, Cleveland, Pittsburgh, and Philadelphia). (February 1968)

Review of the Detroit, Michigan, program based upon revelations of the State Legislature's disclosures of irregularities. (February 1968)

Review on-the-job training contracts in the State of Iowa. A state auditor's report reflected that \$4,518 had been funneled into the Iowa Department of Public Safety for a Federally-funded training program that existed only on paper. (April 1968)

Investigate Neighborhood Youth Corps programs in New York City where newspapers reported charges of payroll padding and diversion of funds that "will run into millions." (May 1968)

Review numerous charges that personnel of the Philadelphia, Pennsylvania, community action agency have been used as political instruments by the mayor and top city officials. (May 1968)

In his May 10, 1968, letter to the Chairman of the Committee concerning the Neighborhood Youth Corps scandal, Rep. William H. Ayres (R-Ohio) summed it up:

"It seems clear that, until we require systematic oversight of these Federally funded programs, we can expect irresponsible handling of money by those entrusted with the administration of the program."

[Vol. II, No. 12, June 1968]

INVESTIGATION AND EVALUATION BY THE COMPTROLLER GENERAL

During Senate debate on the 1967 amendments to the Economic Opportunity Act, Senator Winston Prouty (R-Vt.) offered an amendment which directed the Comptroller General of the United States and the General Accounting Office to make an investigation into the programs and activities financed by the Economic Opportunity Act in order to determine:

"(1) the efficiency of the administration of such programs and activities of the Office of Economic Opportunity and the local public and private agencies carrying out such programs and activities; and

"(2) the extent to which such programs and activities achieved the objectives set forth in the relevant part or title of the Economic Opportunity Act of 1964 authorizing such programs or activities."

A comparable amendment was offered by Congressman John Dellenback (R-Ore.) in the House. Both amendments were agreed to by the respective bodies. The resulting legislation required GAO to submit interim reports and a final report to Congress no later than December 1, 1968.

As that portion of the amendment providing "not in excess of \$2 million" to GAO with which to carry out this evaluation and investigation was stricken in conference committee on the bill and no special money was provided to GAO to carry out an extensive investigation, the resulting review and evaluation is being limited to a sampling of programs.

Mr. Elmer B. Staats, Comptroller General furnished the Chairman of the House Education and Labor Committee with their preliminary plans for the investigation which included the examination of nine Job Corps

centers; the examination of Community Action, Neighborhood Youth Corps and Work Experience programs in four large cities (Chicago, Los Angeles, Detroit and St. Louis), four medium-sized cities (Gary, Ind., Phoenix, Ariz., Grand Rapids, Michigan, and Kansas City, Mo.) and three rural areas (three counties in Minnesota; 4 counties in Missouri and two counties in Arizona including an Indian tribe). Their review of the VISTA program is to cover two training contracts and review of field operations at selected community action and Job Corps sites where VISTA's are assigned.

It was through Republican initiative that the General Accounting Office was instructed to enter this field. Because of the Republican belief that federal funds should be spent wisely and for the purpose for which they are intended we intend to watch closely the GAO investigation and report.

[Vol. II No. 10, June 1968]

WHAT WAR ON RURAL POVERTY?

With the ever-increasing focus of attention on the problems of the urban slums, the conditions of poverty in the rural areas of America continue to be neglected. Numerous studies and hearings have been conducted in the recent past into this problem and all have found that conditions are very serious but little is being done to alleviate it. It is known that 43 per cent of the Nation's poor live in the rural areas.

When the War on Poverty began, the large urban areas with their experience in seeking government funds were able to organize and move quickly, and thus these programs used up a lion's share of the available funds. Over three years later, we find almost every rural county with "concentrated poverty" covered by a community action agency, and ready, willing and asking for funds for their programs. A glance at the record shows that in fiscal 1966 only 15 per cent of all poverty funds went to rural areas; and in fiscal 1967 Mr. Shriver testified that 33 per cent of their funds went to the rural areas. OEO's proposals would have allotted only 35 per cent of the fiscal 1968 appropriation for rural use, based upon the request for \$2,060,000 which they did not get. With the funding maintained at the 1967 level and the Presidential reallocation in funds to adult work training programs for the urban slums, it is highly unlikely that the rural areas retained even as high a percentage as in 1967. Of 680,000 youngsters in Headstart classes last summer only 169,000 lived in rural areas. To date, OEO job programs have trained 243,000, but only 49,000 were from rural communities. Its legal assistance program has reached 225,000 poor clients but only 41,000 were rural. A study into funding of various states and cities reveals that Chicago and surrounding Cook County, Illinois, with a poor population of 513,328 received total Community Action funds for FY 67 of \$30,988,000, almost the same amount received (\$31,366,000) by the combined states of Indiana, Arkansas, Maine, Kansas, Nebraska and North Dakota with a combined poor population of 2,444,300, almost five times greater than Cook County.

It is apparent OEO will not increase the funding of programs in rural areas until such time as Congress appropriates an amount sufficient to carry on the urban programs at least at their present level and still have enough left over for the rural areas. Another reason is given by Dr. James Bonnen, an economist at Michigan State University, recently on the President's Council of Economic Advisers:

"An administrator of national programs is under the gun to get the biggest bang for the buck. So he doesn't operate in areas where he encounters the highest cost per unit of program output. In other words, there is a concentration of poor in the cities while the rural poor are dotted here and there over thousands of square miles. It takes more

money and effort to even reach them, much less help them."

In view of the fact that OEO is not likely to increase the funding of programs in rural areas unless Congress requires it to do so, we offered an amendment which would have required the Director to ascertain the percentage of impoverished residents of rural areas to the impoverished residents of the nation and to take appropriate action to assure that the percentage of funds expended in rural areas (in title II) is proportionate to the incidence of poverty in such areas as compared with the incidence of poverty in the nation as a whole. (In the Opportunity Crusade WE PROPOSED a definite division of CAP funds into two parts, one to be used only for rural poor and one to be used only for urban poor.)

Congressman William J. Scherle, (R-Iowa) in offering this amendment, said: "Members of Congress representing urban areas may assume that my amendment would be against the best interest of the metropolitan areas. However, the facts are plain for all to see that the rural poor of today will be the urban poor of tomorrow unless we take immediate steps to see that they are provided with meaningful education and job opportunities. While there are probably many ways to achieve this result I believe that an earmarking proposal is the best approach."

Mr. Scherle's position is supported by Mr. Lowell H. Watts, of Colorado's Extension Committee on Organization and Policy, who testified before the House Agriculture Committee:

"Rural communities do not have a professional talent to enable them to compete effectively with metropolitan regions for Federal assistance. Specific earmarking of funds to be used in rural areas would protect the interests of rural Americans and equalize Federal assistance."

State OEO directors, Community Action agency directors, and various groups concerned with the rural poor strongly oppose this inequity in funding and some testified before the House Education and Labor Committee this summer:

Mrs. Shirley Tannenbaum, director of the Frederick, Md., Community Action Agency, said that: "In the mid-Atlantic region the rural areas with smaller and less skilled staffs must compete with such cities as Philadelphia, Pittsburgh, Baltimore, and Washington. The result is that there is not much left to be distributed to rural Community Action Programs."

Mr. Blue Carstenson, speaking for the National Farmers Union testified: "Most War on poverty programs of the Federal Government with few exceptions do not give equitable attention to the problem of poverty in rural areas where nearly half of the poverty exists. Farmers Union is deeply disappointed in the failure of Community Action Programs to reach rural poverty with quality programs and with an equitable share of programs. Those Community Action Agencies in rural America have been inadequately supported, inadequately aided with good technical assistance and often misdirected despite the voluntary efforts of tens of thousands of persons."

This touches upon another problem OEO has experienced in connection with programs for the rural poor—that of developing properly oriented programs which will strike at the heart of the problems of the rural poor.

Governor Dan Evans of Washington has said, "The depth and scope of rural poverty is often recognized but too frequently the programs devised tend to direct themselves only to urban areas. Major efforts should be made to honor requests for assistance to innovative rural programs, particularly in the field of manpower development, even though they may not be as politically attractive as urban programs."

Mitchell Ginsberg, President of the National Association of Social Workers, testified: "It is important that the delivery of services in the rural area be approached in an innovative way and not automatically patterned after the approaches in urban areas. This will call for a substantial assistance from skilled planning personnel working, of course, in close cooperation with representatives of people within the area and emphasizes the importance of a significant investment of technical assistance, including effective coordination of the activities of State technical assistance representatives, regional OEO personnel, and consultants from the rural services division of OEO."

A report on a study of the poverty programs in the Southeast region of the country, submitted to the Senate Subcommittee on Manpower, Employment and Poverty by the Institute of Government, University of Georgia, in May, 1967, concluded:

"Programs for rural areas need strengthening at all levels including the national level. Planning on the national level is needed to help rural areas bring service, training, and improvement into these areas so that it will be economically possible and personally satisfying for individuals to remain in rural sections, towns and small cities. Agriculture cannot sustain the unskilled who cannot meet the competition of better wages and facilities which metropolitan areas seem to provide. Many interviewed felt that this requires the same concerted effort that is being directed toward urban and metropolitan community planning and that it would benefit the urban community which is having to meet increasingly the needs of those who have to move to the city in order to survive."

It is clearly indicated that the solutions to rural poverty problems, which must be properly oriented if they are to be effective, need the full time attention and direction of a portion of the staff at the OEO. To provide his attention and direction *we proposed* the creation of an Assistant Director for Community Action in Rural Areas, to devote his entire effort to perfecting programs which will provide meaningful solutions to the special problems of rural poverty, and be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the rural poor are so expended.

Congressman Albert H. Quie's amendment to create an Assistant Directorship was adopted by the Committee and enacted into law. Legislation offered in committee and on the floor of the House to earmark a percentage of Community Action Programs funds for rural programs was rejected.

[Vol. II, No. 21, June 1968]

DEVIATION OF FUNDS—LABOR UNION ACTIVITY

"Labor union organization is a proper activity, but it should not be financed by the Federal taxpayers," stated Congressman Charles Gubser (R-Calif.) on the floor of the House last fall when he offered an amendment to prohibit such activities on the part of people and projects funded by Federal anti-poverty money. At Congressman Gubser's request, the General Accounting Office had just completed an investigation and filed a report entitled "Report on Investigation of Alleged Use of Federal Funds in Support of Labor Union Activities by the California Center for Community Development Under Grants by the Office of Economic Opportunity and the Department of Health, Education and Welfare." This GAO report verified the grantee financed by OEO and HEW had utilized funds in support of labor union and related activity. In a letter to Congressman Gubser, Elmer Staats, Comptroller General of the United States, stated the General Accounting Office will ask the OEO to seek restitution of these funds from its grantee.

Among the findings of the GAO report in regard to the California Self-Help Service Corps Program (a CCUD training program) were:

Certain of the materials distributed to the trainees were concerned with unionizing and certain of the guest speakers were affiliated with unions;

Several CSHSC staff members apparently had been associated with the National Farm Workers Association prior to the start of the CSHSC program.

Trainees selected by one of the CSHSC field supervisors Manuel Chavez (cousin of Cesar Chavez) were described in CCD's reports as "people who had been organizing farm workers with him or who would be trained to do so."

Found evidence that one of the field supervisors and at least six trainees had been involved in what may be considered as union or related activities while participating in the federally funded program.

Daily activity reports for six trainees indicate such union activity as "Went to Almaden vineyards with Lalo Martinez to get members for the union."

"Went to San Jose to picket at Macy's store because they are selling Perelli-Minetti liquor."

"House meeting in Castroville with 12 farm workers. Helped Lalo Martinez organize."

"I went out to collect the union dues."

"Plan strategic move against city of Bakersfield."

The minimum Federal funds received by one of the above trainees during his time in program was \$2,400 in stipends and \$1,004.91 for travel, while the maximum received was \$3,200 in stipends and \$979.14 for travel.

The GAO report noted other controversial activity being carried on under the CSHSC program—that of organizing welfare recipients. GAO referred to a special report prepared by the 1966 Stanislaus County Grand Jury which described activities of the Welfare Rights Organization (organized by a CSHSC field supervisor and 4 CSHSC trainees) in August, 1966, as "What appeared to be an organized program of harassment" toward the Welfare Department.

The Grand Jury's opinion of the CSHSC program concluded that the problem of Federal funds supporting this type of program may be more far-reaching and stated, in part,

"We are concerned that two situations are being created by these programs. One is that the federal government is financing groups to undermine the operation of state and local governments. The other is that the Federal government is now apparently in the position of financing groups which are fighting each other."

Mr. Walter Person, former Director of the Community Action Commission of Stanislaus County, California, upon his resignation of this post, stated:

"When the Office of Economic Opportunity on a national level supports the work of a group such as the California Center for Community Development in this county, it is working directly against its announced goal of community mobilization and coordination. This organization by its own statements uses conflict-oriented community organization methods as one of its tools. If the goal is to produce social and class conflict . . . the net result will be paralysis . . . I cannot continue to work in a program in which there is approval at the Washington level of projects which use tax money to support conflict-oriented community organization."

Belle Glade, Fla.

Pursuant to a request by Congressman Paul Rogers in early 1967 GAO conducted an investigation of alleged participation in political and union activities by employees

of the Community Action Fund, Inc., and the American Friends Service Committee—organizations conducting programs for migrant workers in Florida with grant funds provided by the Office of Economic Opportunity. In a letter dated May 19, 1967, Elmer Staats, Comptroller General of the United States, stated that on the basis of their review,

"It appears that certain employees of these grantees engaged in what may be considered political and union activities and that Federal funds were used to reimburse some of those employees for certain travel expenses incurred while carrying out such activities."

Among the details of this report, investigators noted:

"We interviewed three persons who said that they had attended meetings of crew leaders in March or April, 1966, at which CAF and AFSC employees and representatives of the AFL-CIO were attempting to organize a union of crew leaders and migrant workers."

A UAWA (union) newsletter dated April 25, 1966, listed Bill Johnson, CAF, and Hank Mayer, AFSC, as Editors and Roscoe Webb, CAF, as special consultant to UAWA, and was put out by Johnson and Mayer.

A former CAF accountant, advised that on June 18, 1966, he attended a dinner meeting in a Tampa Hotel between officials of CAF and AFL-CIO at which there was a discussion of AFL-CIO plans to organize 10,000 migrant workers by July 4, 1966, and the role of CAF to furnish information to union organizers as to where migrant workers could be located.

At a meeting of crew leaders held in the union hall in Belle Glade before a rally on December 11, 1966, Roscoe Webb and William Johnson, CAF, were in attendance and Webb presided up until the point of taking a vote to affiliate with the United Farm Workers Organizing Committee; thereafter both Webb and Johnson spoke to the crew leaders in support of the union.

Now we come to 1969. A message came to the Congress, and it was my understanding that there was going to be a 1-year extension of the program, and during that 1 year what changes could be made would be made.

Then that 1-year proposal was implemented by, as you will recall, Mr. Speaker, a transfer of the Job Corps to the Labor Department and the Headstart program to HEW, which left the balance of the funds at the disposal of the new Administrator of OEO.

Then shortly thereafter a 2-year extension was requested without crippling amendments.

Mr. Speaker, that word "crippling" is the whole key to this. What may be crippling to me would not be crippling to the gentleman from California (Mr. GUBSER), and what may be crippling to the gentleman from Illinois (Mr. ANDERSON), would not be crippling to me. What might be a crippling amendment to an operation in the home town of the gentleman from Connecticut, New Haven, might not be crippling to my community of Akron.

We have found that the Administrator, our former colleague—and I want to say in all fairness that this "old school tie" stuff can go only so far. In a letter to Mr. ANDERSON, he suggested that anything we do to change this legislation today is crippling yet he was for the same things 2 years ago. It is just that simple.

Where does that leave us? The Senate

has passed a bill providing a 2-year extension, but they added an amendment known as the Murphy amendment. I have received more comment and more questions from my colleagues regarding, What does the substitute do to the Murphy amendment? Well, not being an attorney, naturally we sought the counsel of those who are experts. We have great counsel on our committee. Mr. Radcliffe worked on the proposal. He conferred with the gentleman from Virginia (Mr. Poff), and you will see in the substitute a proposal that is satisfactory to what I term my lawyers, Mr. Radcliffe and the gentleman from Virginia (Mr. Poff).

Mr. GIALMO, who is a great lawyer in his own right, reviewed it. He was in accord with what we were doing.

In the final analysis we must face up to the fact that no poverty bill has ever been written on this floor—and that is where most of them have been written—that was ever enacted into law in its entirety. I sat for hours and hours when Sargent Shriver was Director in conference fighting, fussing, fuming, trying to get a bill out of conference. And when we came back to this House, the votes were not always very big. In fact, the last time a bill was considered in this House—you might refresh your memories—a motion to recommit offered by myself reducing the funds back to what the chairman of the Appropriations Committee had said he would accept, \$1,600,000,000, passed this House 221 to 190. I think that was about what the sentiment was today on the substitute.

I would not try to think for the chairman of our committee, but I feel there was a possibility in his mind that perhaps a similar vote might have occurred.

We must have a vehicle to go to conference with, if the poverty program is going to continue. We also need a vehicle that will deal effectively, in my judgment, with the Murphy amendment.

Considering the present Ambassador to France, I do not believe the present Administrator ought to be too worried. That is a good stepping stone for other jobs. Mr. Shriver is over there in Paris now. It is a great tribute to him, doing a fine job there.

I do not believe we have to be too concerned about personalities in this. The one thing we must be concerned about is, what kind of a vehicle are we going to take to conference? That is what the Administrator should be concerned about.

I honestly feel that way. Dedicated as he was to this House when he was here, had he sat through those conferences he would see that it is their end wherein is what he wants in a program. That is where it rests, because the Murphy amendment is now in the Senate bill. If we want to hit the Murphy amendment head-on here, and go to conference without that being in context, that is up to someone other than myself.

I am not for the Murphy amendment. I spent hours with counsel trying to work out something that would be satisfactory.

I know there are those on the floor this afternoon who have grave doubts about the amendment, but still in principle want someone to have the authority

to stop the harassment that is going on in the legal services program throughout this country.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from California.

Mr. GUBSER. I should like to say to the gentleman that because of my intense interest in this subject of legal services I have prepared several amendments, after intensive study, which I believe are not meat ax amendments. They do not violate the principle of legal services, a principle which I strongly favor. I believe that is one of the most important parts of the poverty program.

But these amendments would inject into the legal services program some element of control and give us further assurance that the intention of the Congress when it passed the legal services program will be complied with.

I believe we must admit that this is one of the most controversial aspects of the poverty program across the entire Nation. We hear repeated charges that legal assistance attorneys are soliciting cases, that they are using their positions to harass private citizens and organizations, that because they are tax subsidized they are filling innumerable appeals on the same point of law, that when general demurrers are sustained in several instances they appeal because there is no cost to the person they are representing. We have heard allegations that the activities of the legal services program are conducted to complement union organizing activity. And in some cases it has even been said that the purpose is to foment revolution.

With all this attitude sweeping the entire country, we must admit that the time has come when we must place reasonable and legitimate curbs against the legal services program.

Mr. Speaker, I ask unanimous consent that I be allowed to insert in the Record the text of three amendments, and I will explain the first one and insert an explanation of the other two following my explanation of amendment No. 1.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The amendments are as follows:

AMENDMENT No. 1 TO H.R. 12321 OFFERED BY MR. GUBSER

LIMITATION ON LEGAL SERVICES PROGRAM

SEC. 502. Section 222(a)(3) of the Economic Opportunity Act of 1964 is amended by striking out "counseling, education, and other appropriate services" and inserting in lieu thereof "legal counseling, education in legal matters, and other appropriate legal services".

AMENDMENT No. 2 TO H.R. 12321 OFFERED BY MR. GUBSER

Page 15, after line 20, insert the following: "APPLICABILITY OF CANONS OF ETHICS IN LEGAL SERVICES PROGRAMS

"SEC. 502. (a) The second sentence of section 222(a)(3) of the Economic Opportunity Act of 1964 is amended by inserting '(A)' after 'assures' and by inserting before the period at the end thereof the following: ', and (B) that the Canons of Professional Ethics promulgated by the American Bar Association will be complied with'.

"(b) Section 222(a)(3) of such Act is further amended by adding at the end thereof the following: 'The Director of the Administrative Office of the United States Courts shall receive any complaints or allegations which may be made concerning the conduct of programs under the second sentence of this paragraph. The Director of such Office shall make an annual summary of such complaints or allegations, which shall be objective in character and without evaluation or comment. Such summaries shall be available upon request to a committee of the Senate or House of Representatives, and shall, at least once each year, be submitted to the Senate and House of Representatives.'"

And renumber the sections which follow accordingly.

AMENDMENT No 3 TO H.R. 12321 OFFERED BY MR. GUBSER

Page 15, after line 20, insert the following: "LIMITATION ON CERTAIN ACTIVITIES RELATED TO LEGAL SERVICES PROGRAMS

"SEC. 502. The fourth sentence of section 222(a)(3) of the Economic Opportunity Act of 1964 is amended by inserting '(A)' after 'this part) shall be utilized' and by inserting before the period at the end thereof the following: ', or (B) for any activity not directly related to the provision of services referred to in the first sentence of this paragraph to or on behalf of specific clients, including activities designed to promote or discourage the activities of labor organizations'."

And renumber the sections which follow accordingly.

Mr. GUBSER. Briefly—and this will not take more than a minute—I should like to point out something in the basic law which is the subject matter of what I call my amendment No. 1. The basic law says, and I quote:

"A Legal Services" program to further the cause of justice among persons living in poverty by mobilizing the assistance of lawyers and legal institutions and by providing legal advice, legal representation, counseling, education, and other appropriate services.

I call the attention of the House to the fact that the word "legal" is missing from the last three phrases and that the previous use of the word "legal" in the first two phrases does not modify this situation because it is separated from the other phrases by a comma. Now, my amendment would insert the word "legal" into each of these phrases, because that is what we are supposed to be doing; namely, providing legal services. It is this very broad mandate of counseling, education, and other appropriate services which is giving the color of credibility to a distinct misuse of the legal services program and which is responsible for much of the complaint we are receiving today. My amendment would tighten this up and confine it to actual legal services even though they may be education on legal matters or other appropriate legal services. I think that amendment is well justified, and I sincerely hope that that can be worked into the substitute. If it is not, it is my intention to offer it when this is brought before the House as an amendment to the substitute. If it should fail, then I intend to offer it as an amendment to the bill.

Mr. Speaker, I insert at this point in the Record an explanation of my amendment No. 2 and amendment No. 3, which completes all three of them.

I thank the gentleman for yielding and

sincerely hope I can have the support of the House in these amendments.

AMENDMENT No. 2

In addition to the present requirement that projects involving legal advice and representation be conducted "in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession" the amendment would spell out a further requirement "that the Canons of Professional Ethics promulgated by the American Bar Association will be complied with".

In addition, this amendment would provide a mechanism whereby an aggrieved citizen who believes that legal services lawyers are violating the above mentioned Canons could register his complaint with the Administrative Office of the United States Courts. It further provides that the Director of such office shall make an annual summary of complaints or allegations without evaluation, comment, or investigation and make the summaries available to the Congress.

PURPOSE OF THE AMENDMENT

This would further spell out guidelines for proper conduct of attorneys rendering legal services and would clearly cover widespread present allegations that these attorneys are soliciting cases.

Secondly, it would give an aggrieved citizen a specific place to register his complaint which is outside the bureaucratic channel of the Office of Economic Opportunity. This should improve the ethics of legal services rendered because attorneys would know that complaints could be brought to the attention of someone outside the Office of Economic Opportunity.

There is precedent for such a function being performed by the Administrative Officer of the United States Courts. Under the Safe Streets Act, he is required to summarize allegations and complaints and convey his summary to the Congress.

AMENDMENT No. 3

This would add another restriction on the expenditure of local service funds and prevent them from being used for any activity not directly related to the provision of services referred to in the first sentence of this paragraph to or on behalf of specific clients, including activities designed to promote or discourage the activities of labor organizations.

PURPOSE OF THE AMENDMENT

There are widespread complaints that legal services are being used to promote causes which are not related to representation of specific clients. This amendment would clarify the law in this respect. It is important to note, however, that this restriction is not intended to prevent so-called "class actions" as long as they are brought by or on behalf of a specific client or group of clients.

Mr. AYRES. Mr. Speaker, I will say to the gentleman that the very thing he has brought up here is one of the reasons why it was so difficult to get the bill even in mimeograph form earlier, because this is one of the most controversial points that we had to consider, in view of the fact that it had not been considered in the House or in the committee. Having seen the gentleman's amendments and having had our counsel and the gentleman from Virginia (Mr. POFF), look them over, I think in principle they can be worked into the substitute.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. ANDERSON of Illinois. The gentleman in the well has referred several

times to a letter this afternoon that I received from the Director of the Office of Economic Opportunity. I am sure that letter came to me, I want to indicate, in my capacity as chairman, because the Director realized that we were meeting this morning at 10 o'clock to have a discussion of this legislation. He certainly did not intend to bypass the gentleman from Ohio or the gentleman from Minnesota or any other members of that committee, whom he holds in great regard and has great affection for.

Let me say that some of the frustration he envisioned in that letter I shared in that we did not have the precise language. We had a summary, I believe, yesterday in a policy committee meeting, but we did not have the precise language. I am informed that the Director had it, but I believe he was not certain at the time he wrote this letter that he had the precise language which was agreed upon for the substitute. I would hope in the time that now ensues between today and the time that the House again considers this bill, as I hope we will, that all of us in a spirit of good humor and compromise can look very carefully at the various provisions. As I listened to the very excellent address by the gentlewoman from Oregon (Mrs. GREEN), frankly there are many things there that would be unacceptable to the Director, although I am not in a position to quote him. The pilot program for the aged, which she suggested, these grants to the families of the military who may be in need and some of those things, as well as a better evaluation I am sure we can all agree on. The one great fear has been, I am sure, that under the third stage as recommended in the substitute that you would turn over these programs so completely to the States. Let us be frank about it. There are some States in the country where the programs are operated primarily for certain minority groups and, as a result, there might be a tendency on the part of some Governors to try to exercise a Murphy-like veto, if I can use that expression, not only over the legal services program but over the entire community action program.

And, that is what we are trying to avoid. I am sure that the gentleman in the well has no intention of advocating anything that would have that destructive effect on that program. And yet they have used their legitimate fears that we will entertain any additional changes and I am sure that the gentleman from Ohio and the gentlewoman from Oregon are most sincere and concerned about the poor and have shown their interest in these problems. But I think it has been very unfortunate that the normal process of considering these matters was not afforded and again, I do not want to speak critically against those who felt that the better part of wisdom was to follow this procedure, but it has been made difficult to get the kind of a meeting of the minds I would like to see on this problem so that we can get an extension of this program and continue our efforts to do something toward meeting the problems of this country.

Mr. AYRES. I appreciate the gentleman's observation.

Of course, meetings were held and at-

tempts were made to work out amendments that would be acceptable. But it was impossible to get enough give to satisfy the commitments and the statements that had been made by a good 90 percent of the Members on our side and a large number on the other side. Of course, one of the things we are trying to help the Administrator do is to clean house. One of the reasons why the gentleman from Minnesota was so reluctant to even suggest what ideas he had was because of the manner of operation within the OEO.

Mr. Speaker, I would like to put in the RECORD an article written by Rowland Evans and Robert Novak entitled "Circulation of Unofficial OEO Book Adds to Rumsfeld's Reform Problem." He does have a reform problem and unless he gets our substitute he is going to continue to have it.

CIRCULATION OF UNOFFICIAL OEO BOOK ADDS TO RUMSFELD'S REFORM PROBLEM

(By Rowland Evans and Robert Novak)

Without the knowledge and against the wishes of their Nixon-appointed superiors, poverty program bureaucrats have drafted and distributed a manual listing demonstrations, economic boycotts and, ultimately, violence as legitimate weapons of the poor.

The manual, which despite lack of official sanction is now circulating through the network of local community action groups, merely puts in writing what is reality in the field. Regional officials of the Office of Economic Opportunity have been prodding local community action leaders—many of them public-spirited, middle-class professional men—to stir up the poor in revolt against the establishment. The fact that this violates the clear orders of Donald Rumsfeld, OEO's new director, has proved no inhibition.

Thus, the 37-year-old Rumsfeld, who surrendered a safe congressional seat from Illinois to run the government's most battle scarred program, has collided with a permanent political fact of life: The difficulty of a presidential appointee to enforce his wishes on an entrenched bureaucracy. What makes OEO different is that many of its bureaucrats feel their function is less to generate jobs for the poor than to promote social revolution.

This revolutionary bent, more than any other cause, is what has contributed to the poverty program's loss of public support since 1964. In his effort to clear the bomb-throwers out of OEO policymaking posts, Rumsfeld has been stymied by Civil Service regulations and unbreakable written contracts with non government consultants.

The provocative manual is a direct result of Rumsfeld's inability to completely clean house. Completed this summer by a mixed group of OEO employees and contract consultants, a draft copy of "A Trainer's Manual for Community Action Agency Boards" last month was mailed around the country to several local community action groups for comment. Although this draft was widely reproduced and distributed in poverty program channels, Rumsfeld had not even heard about it until we informed him.

What he has now seen runs almost directly contrary to his stated policy of opposition to high-pressure tactics by the poor. Says the manual: "The power strategies that community organization (sic) may apply to make their presence known and felt are: (1) vote power; (2) numbers power; (3) dollar power; and (4) threat power."

In discussing "vote power," the manual suggests community programs review "the positions of elected officials" in guiding the vote of the poor—directly conflicting with OEO's congressional mandate.

The manual's analysis of "dollar power"

carries a hint of even stronger pressure: "It (dollar power) can be significant in the very ability to withdraw dollars; therefore, boycotts and strikes can both act as dollar levers for the application of power by a community organization."

Where the manual has lifted most eyebrows, however, is its declaration that "the ultimate threat power is the riot"—a clear threat of blackmail. While asserting that rioting is illegal, the manual adds that community action board members should "recognize the threat power of rioting as a very real power and possibility."

The manual dovetails with repeated urgings by OEO regional officials that community action leaders mobilize the poor in direct action—an activity which has spawned complaints both to Rumsfeld and congressional offices.

One Midwestern congressman sympathetic to the poverty program last week received a complaint from a community action chairman in his district that a regional OEO official in Chicago "has been subtly prodding us into organizing the poor to conduct marches, picketing, boycotts, and demonstrations." Simultaneously, a Negro community action leader from Arkansas got word to his congressman that two white OEO officials from Texas had recommended getting poor Negroes into the streets as demonstrators.

Such reports do not help the OEO renewal bill now languishing in the House Labor Committee. They add fuel to demands by Rep. Edith Green of Oregon that state governments be granted greater control over antipoverty efforts, a move that would eviscerate the poverty program in the opinion of both Rumsfeld and its congressional backers.

Can you imagine, Mr. Speaker, being the director of an organization and having people within your employment, presumably loyal to and working for the program circulating a book here which is almost 1½ inches thick entitled "Board Trainers Manual"? This was to go to all of the regional administrators.

I will just take one paragraph which really scares one. What was going out under the Administrator's name unbeknown to him, otherwise I know he would never have authorized this:

Threat Power. The ultimate threat power is the riot. This is clearly against the public law, the national standards of conduct and the rules of OEO; and it is most destructive to the citizens most in need. But it is important that Board members recognize the threat power of rioting as a very real power and possibility. The Board's ability to act effectively and meaningfully in behalf of the poverty constituency will, to a very real extent, determine whether or not their constituency applies threat power (a decision over which the Board has little or no control). Certain Board members because of their own sentiments, may try to negate the application of vote, numbers or dollar power, but to do so makes more possible the community application of riot power.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Oregon.

Mrs. GREEN of Oregon. Mr. Speaker, I would like to make one correction that I made in the Committee on Rules. I happen to know the person who worked on this report, and in talking with him my administrative assistant advised me that he tried to get that chapter, that chapter was not in the work that he had

done. He disagreed with it. He tried to get it out of that manual. And I am advised that this manual was redone in the OEO office, with employees in the OEO, and not by the individual who had the original delegation of authority to put one together for a training manual, which is, I think, interesting and frankly something for Mr. Rumsfeld to look into.

I might say at the same time that I think Mr. Rumsfeld has a terrible job down there to try to straighten out all of the things that are wrong. And I suspect that a lot of the people who have made mistakes in the past are the same ones who are continuing, and continuing to make the same kind of mistakes. And if this manual indeed represents the views of the people in the OEO office, then I think there ought to be real concern about what is happening.

Mr. AYRES. I agree with the gentleman from Oregon. Of course, the manner in which this came out made it very difficult to determine just what had transpired because the date on it is the latter part of August.

Mr. GIAIMO. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I would like to commend the gentleman from Ohio and the gentleman from Oregon on what they have been trying to do for many years; that is, to have something effective in the field of poverty under the jurisdiction of the OEO by restructuring the program into an effective vehicle for helping the poor, a purpose which I would suggest it has not done thus far.

Mr. Speaker, I believe that the committee has come into this Chamber with poor grace today by asking for withdrawal of the legislation on the basis that they have not seen the substitute or the amendments.

I would remind the committee that they themselves have brought substitutes and amendments here in this Chamber in the past, in other fields and in other areas of legislation where there was very little notice.

I would also remind the committee that many of us—and I am not a member of the committee, although I did serve on it for 4 years—have been interested in this legislation for many years. We are aware of the fact that the committee—at least a majority of members—has been in no hurry all year long to bring the legislation to the floor. They have preferred, rather, to go the route of operating under a continuing resolution which, as we all know, will terminate with the sine die adjournment. At this late date, 3 weeks from Christmas Eve, there is not sufficient time to get this legislation enacted in this Chamber and then, as the gentleman from Ohio has said, to give us a vehicle with which to go to conference.

I think the committee is shortsighted in thinking that they can bring before this Chamber legislation dealing with OEO without any suggestions of changes or remedies, and, in fact, to ask that we adopt the suggestions of the committee that we merely extend this act for 2 years.

This, in effect, would be to give the OEO a vote of confidence. Certainly it is beyond me how anyone can ask the Members of this body or the American people to give the OEO a vote of confidence, for they do not deserve one. Surely the authorizing legislation must be scrutinized, must be changed, and must be restructured. The House must work its will.

Mr. Speaker, again I want to commend the gentleman for the substitute which he has, and in which others have joined with him. I think they are rendering a constructive service today.

Mr. AYRES. Mr. Speaker, I certainly thank the gentleman for his observations.

Mr. Speaker, at this point I ask unanimous consent to insert in the RECORD the substitute bill, bipartisan bill on behalf of the gentlewoman from Oregon (Mrs. GREEN), the gentleman from Minnesota (Mr. QUIE), and the gentleman from Connecticut (Mr. GIAIMO), and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. PUCINSKI. Mr. Speaker, reserving the right to object—

The SPEAKER pro tempore. Will the gentleman from Ohio yield to the gentleman from Illinois?

Mr. PUCINSKI. Mr. Speaker, I am reserving the right to object. The gentleman has asked for a unanimous-consent request.

The SPEAKER pro tempore. Does the gentleman from Ohio yield to the gentleman from Illinois?

Mr. AYRES. I yield because the gentleman from Illinois is asking to reserve the right to object.

Mr. PUCINSKI. I reserve the right to object. The gentleman asked for a unanimous-consent request, and I reserve my objections.

The SPEAKER pro tempore. Does the gentleman from Illinois object to the unanimous-consent request?

Mr. PUCINSKI. Mr. Speaker, I have reserved the right to object so I can ask the gentleman a question. Is it the gentleman's intention to yield some time for some questions on this bill after unanimous consent is granted?

Mr. AYRES. I will say to my good friend, the gentleman from Illinois, on the actual discussion of the bill you have plenty of time and the gentleman from Minnesota I am certain would be very glad to yield for that purpose.

Mr. PUCINSKI. Mr. Speaker, I merely want to ask the gentleman in the well whether it is his intention to yield for some questions from the gentleman in the well after the unanimous consent is granted.

Mr. AYRES. I had promised the gentleman from Iowa the balance of my time, but I feel confident, and if the gentleman from Minnesota would care to comment, I am certain he will have that opportunity.

Mr. PUCINSKI. Mr. Speaker, further reserving the right to object, it occurs to me, Mr. Speaker, that the purpose of this discussion today, and I welcome this discussion, was to try to clarify this very complicated bill that the gentleman has

introduced with his colleagues. Now for the first time, I have seen this legislation. It is 16 pages long and very complex. While I do not want to object, obviously I believe this document should be in the RECORD and we should have an opportunity to study it and all interested parties should have an opportunity to study it. It would be my hope that the gentleman from Ohio would submit to some questions from this side on the intent and purpose of this bill.

I assure the gentleman it is not my intention to object to his unanimous-consent request, but I am trying in this manner to convey to him that I would like to ask him some questions about his bill.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman.

Mr. QUIE. I have a special order after the gentleman from Ohio and if the gentleman from Iowa should use up the remainder of the gentleman from Ohio's time, I will assure the gentleman from Illinois that I will yield to him so he can ask me or the gentleman from Ohio or the gentleman from Connecticut or the gentleman from Oregon any questions he wants to ask.

Mr. PUCINSKI. With all due respect to the gentleman whom I hold in the highest respect, the gentleman in the well now, Mr. AYRES of Ohio, is the ranking minority member on our committee, and I presume he speaks with a certain degree of authority not only in his own behalf, but certainly for the administration.

So with all due respect to him and all the other speakers, I am merely requesting that the gentleman yield to this side for some questions because I would like to have an authoritative voice, the ranking minority member, answer some of these questions.

Mr. AYRES. I will say to the gentleman that I will be here the rest of the afternoon.

Mr. PUCINSKI. Will the gentleman yield now after I withdraw my reservation of objection?

Mr. AYRES. I will say to the gentleman, if the gentleman does not want it in the RECORD, then he can object.

Mr. PUCINSKI. Well, I do want it in the RECORD.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois (Mr. AYRES)?

There was no objection.

The matter referred to is as follows:

H.R. —

A bill to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to provide an effective mechanism for the affirmative participation of State and local government in such programs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Opportunity Act Amendments of 1969."

TITLE I—EXTENSION OF AUTHORIZATION

SEC. 101. For the purpose of carrying out programs under the Economic Opportunity Act of 1964, there is hereby authorized to be appropriated \$2,048,000,000 for each of the fiscal years ending June 30, 1970, and June 30, 1971.

SEC. 102. Sections 161, 245, 321, 408, 615, and 835 of the Economic Opportunity Act of 1964 are each amended by striking out "1967" and by inserting in lieu thereof "1969." Section 523 of such Act is amended by striking out "June 30, 1968, and the two succeeding fiscal years" and by inserting in lieu thereof "June 30, 1969, and the three succeeding fiscal years".

TITLE II—STATE PARTICIPATION IN ANTI-POVERTY PROGRAMS

SEC. 201. Title II of the Economic Opportunity Act of 1964 is amended by striking out section 231 (relating to "State Agency Assistance") and by inserting at the end of the title a new part, as follows:

"PART E—PARTICIPATION OF STATES

"STATEMENT OF PURPOSE

"SEC. 250. It is the purpose of this part to provide an effective mechanism for the positive involvement of State officers, agencies, and administrative resources in the development, carrying out, and coordination of anti-poverty programs within each State, but only if and to the extent a State exercises the options set forth in this part. Accordingly, no State shall be required to establish a State Economic Opportunity Office described in section 251, or to take the further actions outlined in this part, as a condition for the support of programs under this Act in the State. In the event a State shall not choose to participate in the manner provided in this part, or is unable to satisfy the requirements for such participation set forth in this part, the Director shall continue to support eligible programs and projects in such State. However, the Director shall take every appropriate action to encourage effective State participation under this part in accordance with the finding of the Congress that such participation will strengthen the programs authorized by this Act.

"STATE AGENCY ASSISTANCE

"SEC. 251(a). The Director shall provide financial assistance to the State Economic Opportunity Office (hereinafter referred to as the 'State Office') designated in accordance with State law, to enable such agency—

"(1) to advise the Governor of the State with respect to the policies and programs of the Office of Economic Opportunity and other resources available to combat poverty within the State, and at the request of the Governor to advise and assist him in carrying out his responsibilities under this Act;

"(2) to assist in coordinating State activities related to this title and to title VIII;

"(3) to provide technical assistance to communities and local agencies in developing and carrying out programs under this title and under title VIII;

"(4) to evaluate programs assisted under this title and under title VIII with a view to improving the capacity of their sponsors to fulfill the purposes of this Act and to utilize with maximum efficiency the financial assistance provided;

"(5) to evaluate State poverty-related programs and State administrative procedures and to develop mechanisms for making them more responsive to the needs of the poor;

"(6) to conduct financial audits of programs within the State supported under this title or under title VIII, at such times and in such a manner as to promote responsible financial management of such programs;

"(7) to mobilize and develop available re-

sources at the State level needed to assist anti-poverty measures within the State;

"(8) to encourage the development of career opportunities for the poor within agencies of State government;

"(9) to advise and assist the Director in developing procedures and programs to promote the participation of States and State agencies under this Act; and

"(10) to advise and assist the Director, the Economic Opportunity Council established by section 631 of this Act, and the heads of other Federal agencies, in identifying problems posed by Federal statutory or administrative requirements that operate to impede effective State involvement in or coordination of programs related to this title, and in developing methods or recommendations for overcoming those problems.

"(b) The Director shall take steps as will assure that:

"(1) all applications for assistance under this title and under title VIII within a State are submitted through the State Office, and that the Office is afforded a reasonable opportunity to review such applications before transmitting them to the Director (or to his delegate) with such comments and recommendations as the State may deem appropriate;

"(2) each State Office receives advance notice of the proposed approval of any application for assistance or of the proposed funding in the State of any program, project, or other activity under any other title in this Act, and is afforded a reasonable opportunity to comment upon such proposed approval or funding; and

"(3) Each State Office receives such other information and technical assistance, and is afforded such other opportunities to play an affirmative role in the programs financed under this Act, as may be required to carry out effectively the functions specified in subsection (a).

"(c) (1) Whenever a State Office shall recommend against the approval of an application submitted under subsection (b) (1), such application shall not be approved (or shall not be approved without changes suggested by the State Office) for funding under this title unless the Director shall have made a finding that disapproval of such application would seriously weaken the overall program plan of a local community action agency.

"(2) The Director shall not delegate the responsibility for making the finding required in paragraph (1), and he shall not make such finding without having first afforded the State Office notice and opportunity for a hearing.

"(d) In any grants to or contracts with State agencies, the Director shall give preference to programs or activities which are administered or coordinated by the State Offices established under subsection (a), or which have been developed by and will be carried on with the assistance of those Offices.

"(e) In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this Act.

"STATE ECONOMIC OPPORTUNITY COUNCIL

"SEC. 252(a). Any State which desires to participate in the development and carrying out of a State developmental and coordinating program for rural and urban community action, as provided by section 253, shall establish a State Economic Opportunity Council (hereinafter referred to as the 'State Council'), appointed by the Governor, which shall be broadly representative of the economic,

educational, health, religious, and social services resources of the State and of the public, including persons representative of—

- "(1) urban areas;
- "(2) rural areas;
- "(3) the poor (including representatives both of the urban and rural poor and of racial and ethnic groups in the State which experience a high incidence of poverty);
- "(4) business, industry, and labor;
- "(5) elected municipal officials;
- "(6) elected county officials;
- "(7) Federally-assisted programs, such as Model Cities and manpower training, related to the problems of the poor; and
- "(8) fields of professional competence (including both public and private education) in dealing with the problems of poverty.

"(b) The State Council shall advise the State Office on the development of and policy matters arising in the administration of the State developmental and coordinating programs submitted pursuant to section 253, and shall evaluate the programs, services, and activities assisted under this title and make a public report (at least annually) of the results of such evaluations.

"(c) The State Council shall identify the fundamental causes of poverty and dependence in the State and prepare a long-range program plan (or, as may be appropriate from time to time, revisions of or supplements to such plan) for the elimination of such causes, which plan (1) is prepared in consultation with the State Office, (2) extends over a period of not less than five years, (3) describes present and projected needs of impoverished people in the State in terms of available resources to meet those needs (whether or not assisted under this Act), and (4) sets forth a program of action which, in the judgment of the Council, would assure substantial progress toward achievement of the objectives of the plan.

"(d) From the sums appropriated under the authority of this Act for any fiscal year the Director shall (in accordance with regulations) pay to each State Council an amount equal to the reasonable amounts expended by it in carrying out its functions under this part in such fiscal year, except that the amount available for such purpose shall not exceed \$150,000 and shall not be less than \$50,000.

"STATE DEVELOPMENTAL AND COORDINATION PROGRAMS

"Sec. 253(a). Any State desiring to carry out a developmental and coordination program for urban and rural community action shall submit to the Director (at such time and in such detail as he may specify and containing such information as he may deem necessary) an outline for such a program which—

"(1) has been prepared by the State Office in consultation with the State Council of that State and has been approved by the State Council;

"(2) designates the State Office as the sole agency for administration of the State program, or for supervision of the administration thereof by local community action agencies;

"(3) sets forth in detail the policies and procedures to be followed by the State in the distribution of funds to local community action agencies in the State and for the uses of such funds for the various programs and program components specified in sections 221 and 222, which policies and procedures assure that—

"(A) due consideration will be given to the relative needs of urban and rural areas within the State, and to the needs of various categories of persons living in poverty, in accordance with criteria supplied by the Director; and

"(B) due consideration will be given to periodic evaluations of programs, services, and activities assisted under this title;

"(4) describes how the activities and projects to be carried out under the program are related to the long-range program plan developed by the State Council pursuant to section 251(c) (except that such requirement may be waived during the first year the program is in operation);

"(5) sets forth policies and procedures satisfactory to the Director for approval of applications for assistance under this title and under title VIII submitted by local community action agencies and other qualified applicants, and for the evaluation, review, and monitoring of the program conducted by such applicants (including procedures to assure that such programs conform to the requirements of this Act);

"(6) sets forth procedures designed to improve the coordination of State-administered programs affecting the poor and to achieve at the local level a more effective coordination and concentration of public and private services for disadvantaged individuals and families (including services provided under other Federally-assisted programs such as Model Cities, manpower training and development, services for migrant agricultural workers, welfare services, educational assistance for disadvantaged children or adults, health and medical services and benefits, economic development in depressed areas, and agricultural extension services;

"(7) provides that any community action agency, or other public or private agency which is a qualified applicant for program assistance under this title, dissatisfied with a final action with respect to any application for funds under this title shall be given reasonable notice and opportunity for a hearing by the State Office;

"(8) provides assurances that Federal funds made available under this part will be so used to supplement, and to the extent possible increase the amount of State, local, and private funds that would in the absence of Federal funds be made available for programs supported under this part, and in no case supplant such State, local, and private funds;

"(9) provides assurances satisfactory to the Director that all relevant requirements of this Act shall be complied with, and provides for making such reports in such form and containing such information and affording such access thereto as the Director may reasonably require to carry out his functions under this Act; and

"(10) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to qualified applicants) under this title.

"(b) (1) The Director shall approve a State developmental and coordination program submitted pursuant to subsection (a) when he finds that it complies with the requirements of this part and when he is satisfied that adequate procedures are set forth to insure that the assurances and provisions of such programs will be carried out, and the Director shall not finally disapprove any program submitted under subsection (a), or any modification thereof, without first affording the State Office reasonable notice and opportunity for a hearing.

"(2) The Director shall take such steps as he deems necessary to assure that in the formulation and carrying out of State programs there is close liaison between the State Offices and the Office of Economic Opportunity.

"(3) The Director shall take final action to approve or disapprove a State developmental and coordination program submitted under subsection (a) within ninety days after the date of its submission (or resubmission in the event it should have been withdrawn by the State), and he may not delegate the authority to approve or disapprove such programs to any other person.

"(c) (1) For any fiscal year in which any State has in operation a State developmental and coordination program approved in accordance with this part the Director shall make available to such State for carrying out the approved program the sums allotted to such State for such year under section 225 (a) and (b); *Provided, however*, That in the first year of operation of an approved State program the Director may reserve not more than one-fourth such amount, to assist (in accordance with the provisions of this title) activities and projects in such State which are not funded under the State program, but only if the Director has determined that the failure to support such activities and projects during the period in which he may reserve funds would result in a substantial disruption of efforts directed toward the elimination of poverty in such State.

"(2) The Director shall pay, from the amount available to the State for assistance under this part, to each State the amount required to pay the Federal share of carrying out activities and projects under the approved State program, and for administration of the State program (except that sums paid for State administration shall not exceed five per centum of the amount available to the State for assistance under this title in any fiscal year), and such payments may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"(3) The term "State administration" in paragraph (2) means those costs attributable to the supervision, auditing, coordination, and servicing of activities carried out under this part or to the provision of technical services (including the training of personnel needed to provide such services), and similar costs related to carrying out an approved State program, but shall not include the costs of State operation of a substantive program authorized by this Act.

"(d) (1) Whenever the Director, after reasonable notice and opportunity for hearing to the State Office administering a State program approved under subsection (a), finds that—

"(A) the State program has been so changed that it no longer complies with the provisions of subsection (a), or

"(B) in the administration of the program there is a failure to comply substantially with any such provision, the Director shall notify such State Office that no further payments will be made to the State under this title (or, in his discretion, further payments to the State will be limited to activities under or portions of the State program not affected by such failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Director shall make no further payments to such State under this title (or shall limit payments to activities under or portions of the State program not affected by such failure).

"(2) A State Office which is dissatisfied with a final action of the Director under this subsection or subsection (b) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Director may modify or set aside his action. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive,

but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified finding of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

TITLE III—TECHNICAL AND PERFECTING AMENDMENTS

PART A—AMENDMENTS TO TITLE II ("COMMUNITY ACTION")

COMPOSITION OF COMMUNITY ACTION AGENCIES

SEC. 301. Section 211 of the Economic Opportunity Act of 1964 is amended as follows:

(1) Clause (3) of subsection (b) is amended to read—

"(3) the remainder of the members (which shall consist of not less than one-quarter of the total membership of such board) are appointed by the elected public officials who serve on or have representatives serving on the board, and are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community"; and

(2) the first sentence of subsection (c) is amended to read—

"Where a community action agency places responsibility for major policy determinations with respect to the character, funding, extent, and administration of and budgeting for programs to be carried on in a particular geographic area within the community in a subsidiary board, council, or similar agency, such board, council, or agency shall be broadly representative of such area, and it shall be so constituted as to assure that at least one-third of the members are public officials, appointed by the elected public officials who serve (or appoint representatives to serve) on the board of the community action agency, unless the number of such officials reasonably available or willing to serve is less than one-third of the membership of the subsidiary board."

COSTS OF DEFENDING LAW SUITS

SEC. 302. Section 222(a) of such Act is amended by adding to paragraph (3) (relating to "Legal Services") the following:

"Whenever a lawsuit or other legal action is initiated by a plaintiff or plaintiffs with assistance under this program, and such action results in a verdict or other outcome favorable to the defendant in such lawsuit or other legal action, the court or other board or agency which has jurisdiction of the matter may allow the defendant the costs of the proceedings, including a reasonable attorney's fee, and the United States shall be liable for such costs (to be paid out of funds made available for the Legal Services program) the same as a private person."

AUTHORIZATION OF ALCOHOLIC RECOVERY PROGRAM

SEC. 303. Section 222(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(8) An 'Alcoholic Recovery' program designed to discover and bring about treatment for the disease of alcoholism. Such a program shall be community based, serve the objective of maintaining the family structure as well as recovery of the individual alcoholic, encourage the use of neighborhood facilities and the services of recovered alcoholics as program workers and emphasize

the reentry of alcoholics into society rather than the institutionalization of alcoholics. Such a program shall also emphasize the coordination and full utilization of existing appropriate community services which pertain to the treatment of alcoholism and/or related disorders."

SPECIAL ASSISTANCE TO FAMILIES OF MEMBERS OF ARMED FORCES IN HARDSHIP CASES; PILOT PROJECTS OF ASSISTANCE FOR THE ELDERLY POOR

SEC. 304. Section 232 of such Act is amended by adding at the end thereof the following new subsections:

"(g) The Director shall conduct projects, either directly or through grants or other arrangements, under which funds available under this section will be used to raise the income levels of families of members of the Armed Forces, when such families reside in the United States and through exceptional circumstances have an income level below the poverty level (as determined by the Director), and preference shall be given to cases of greatest hardship. Projects under this subsection shall be developed jointly by the Director and the Secretary of Defense.

"(h) The Director shall also conduct, either directly or through grants or other arrangements, pilot projects under which funds available under this section will be used to raise the income levels of persons over 65 years of age above the poverty level (as determined by the Director), with preference given to cases of exceptional hardship, in order to examine and evaluate systems of income maintenance for the elderly poor as an alternative to welfare assistance."

AUTHORIZATION OF STATE AUDIT

SEC. 305. Section 243 of such Act is amended by adding a new subsection as follows:

"(e) The Director shall take such steps as may be necessary to insure that programs assisted under this title shall be subject to financial audit by appropriate State officials and agencies at the request of such officials and agencies, and he shall direct the governing board of each community action agency to cooperate in carrying out such audits."

PART B—AMENDMENTS TO TITLE VI (ADMINISTRATION)

PROHIBITION OF POLITICAL ACTIVITY STRENGTHENED

SEC. 321. Section 603(a) of the Economic Opportunity Act is amended by striking out "and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this Act (other than part C of title I) shall be deemed to be a State or local agency", and insert in lieu thereof:

"And for purposes of clauses (1), (2), and (3) of section 1502(a) of such title a full-time volunteer under title VIII of this Act or any person who, directly or indirectly, receives from funds appropriated under the authority of this Act an amount which exceeds one-quarter of the total amount such person regularly receives in salary payments (or in consultant fees) shall be deemed to be a State or local officer or employee."

ANTI-RIOT PROVISION STRENGTHENED

SEC. 322. Section 613 of such Act is amended to read as follows:

"SEC. 613. No individual employed or assigned by any community action agency or any other agency assisted under this Act shall (whether or not pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this Act) plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance, and the Director shall take such steps as may be necessary to assure that any individual

who violates this provision is removed from his employment or assignment in programs conducted or assisted under this Act."

PROHIBITIONS ON UPWARD BOUND PROGRAMS

SEC. 323. Section 621 of such Act is amended by inserting "(a)" after "Sec. 621." and by adding at the end thereof the following new subsection:

"(b) The Director shall give full effect to the intent of Congress that 'Upward Bound' programs, however described, shall be administered by the Commissioner of Education, and the Director shall not carry out or fund any program described in section 222(a)(5) (as in effect on June 30, 1969), or any comparable program, whether under the authority of that section or any other section of this Act, and whether or not carried on by or in a school, institution of higher education, penal or correctional institution, or any other agency or institution."

SEC. 324. Title VI of such Act is further amended by adding at the end of Part A the following new subsections:

"EVALUATION OF PROGRAMS OF THE OFFICE OF ECONOMIC OPPORTUNITY

"SEC. 622. (a) The Director shall consult with the Comptroller General before entering into any contract or arrangement with nongovernmental organizations or individuals for the evaluation of programs or projects administered by him under this Act. Where, in the opinion of the Director, evaluation of such programs by persons who are not officers or employees of the Office of Economic Opportunity is desirable, he shall first obtain the recommendations of the Comptroller General with respect to such matters as the scope and methodology of the evaluation and individuals or organizations competent to conduct the evaluation.

"(b) The Comptroller General shall establish and maintain within the General Accounting Office a separate division whose functions shall be to conduct evaluations of programs carried out under this Act. Upon request by the Director, by a committee of the Congress, or to the extent personnel are available, by Members of Congress, the Comptroller General shall (1) conduct studies of existing statutes and regulations governing programs carried on under this Act, (2) review the policies and practices of Federal agencies administering such programs, (3) review the evaluation procedures adopted by such agencies carrying out such programs, (4) initiate evaluation projects of particular programs, and (5) compile data necessary to carry out the preceding functions.

"(c) In carrying out the studies and evaluations herein authorized, the Comptroller General shall give particular attention to the practice of the Office of Economic Opportunity of contracting with private firms and organizations for the provision of a wide range of studies and services (such as personnel recruitment and training, program evaluation, and program administration), and shall report to the Director and to the Congress his findings with respect to the necessity for such contracts and their effectiveness in achieving the objectives of this Act.

"(d) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"PREVENTION OF CONFLICTS OF INTEREST

"SEC. 623. The Director shall issue regulations and take such other steps as may be necessary to assure that the Office of Economic Opportunity (or any other agency utilizing funds appropriated under the authority of this Act) shall not contract with, make a grant to, or enter into any other type of financial arrangement with, any individual who has been an officer or employee of the Office of Economic Opportunity or any other agency of the executive branch of the

United States Government which administers funds appropriated under the authority of this Act (or with a partner of such individual, or with a firm or business organization in which such individual holds a substantial financial interest or in which he serves as an officer), within one year after such employment, for any service or activity (other than reemployment as an officer or employee of a department or agency of the United States Government) in which such person participated personally and substantially as an officer or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise.

"PAYMENT OF DUES PROHIBITED"

"SEC. 624. No funds appropriated under the authority of this Act shall be used for or on behalf of any person, organization, or agency to make any payment in the nature of dues or membership fees in any public or private organization or association.

"NEPOTISM PROHIBITED"

"SEC. 625. No person shall be employed (or continue in employment) with funds appropriated under the authority of this Act in a position (1) over which a member of his immediate family exercises supervisory authority, or (2) while he or a member of his immediate family serves on a board or committee which has authority to order personnel actions affecting such position, or (3) while he or a member of his immediate family serves on a board or committee which, either by rule or practice, regularly nominates, recommends, or screens candidates for the agency or program in which such position is located. For the purposes of this section, a member of an immediate family shall include any of the following persons: husband, wife, father, mother, brother, sister, son, daughter, uncle, aunt, niece, nephew, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law."

**PART C—AMENDMENTS TO TITLE VIII
("VISTA")**

RESTRUCTURING ADMINISTRATION OF PROGRAM

SEC. 331. Section 810(a) of the Economic Opportunity Act of 1964 is amended by striking out that part of the first sentence which precedes the numbered paragraphs and by inserting in lieu thereof the following:

"The Director is authorized to make grants to State and local public agencies to recruit, select, train and assign persons to serve in full-time volunteer programs. Such programs shall be those established by the grantee agency or (upon satisfactory assurance that the work of such volunteers will be supervised by competent individuals) by other public agencies or private nonprofit organizations, which involve the assignment of volunteers to work—"

ASSISTANCE IN LEGAL SERVICES PROGRAMS

SEC. 443. Section 834 of such Act is amended by inserting at the end thereof a new subsection, as follows:

"(f) Persons serving as volunteers under this title shall provide legal services or legal counsel only as a part of a legal services program (and at the request and under the supervision of the directors of such program) supported under sec. 222 (a) 3 of this Act, and shall have been admitted to practice before the courts of the State in which such services are to be performed."

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Iowa (Mr. SCHERLE), a member of the Committee on Education and Labor who has been very active on the poverty program. It was through the gentleman from Iowa that we were able to get a hearing finally after the bill had been reported out of the committee.

That is one of the difficulties we have experienced in the whole operation of this program. We had our hearings after the horse has been stolen, and that is when we come back and lock the barn door. Then we are told by the chairman, "Why, I will be glad to have hearings in any part of the country you want to have them in." The gentleman from Iowa (Mr. SCHERLE) was forceful enough to have the Governor, who is well informed on this program, and the gentleman from Iowa has asked me if I would yield to him to explain some of the things that came out of that hearing.

Mr. Speaker, I yield to the gentleman from Iowa.

Mr. SCHERLE. Mr. Speaker, I thank the Republican leader of the Education and Labor Committee for this opportunity to speak. I would also like to offer my extreme gratitude for the tremendous job done by the extremely knowledgeable gentlewoman from Oregon (Mrs. GREEN). She has contributed a great deal toward this substitute.

The gentleman from Ohio (Mr. AYRES), the gentleman from Minnesota (Mr. QUIE), the gentlewoman from Oregon (Mrs. GREEN), and others from both sides of the aisle have made a great contribution as far as the poor people and the taxpayers of this country are concerned. It is difficult for me to comprehend some of the attacks that usually come when someone tries to modify or offer a constructive mechanism as far as the OEO program is concerned.

With your kind indulgence I would like to read the last paragraph of the Columbus Citizen Journal of Columbus, Ohio:

Of course, every time anyone challenges the OEO, its rabid backers accuse him of picking on the "poor." But a bureaucracy which fritters away much of the money on administrative cost can't be much of a help to the poor. We hope Congress and the Nixon Administration will straighten out this agency, or find a better way of doing something genuinely useful for the people who truly need help.

CONSTRUCTIVE LEGISLATION NEEDED FOR OEO

The House of Representatives will soon debate the proposed war on poverty bill, which would continue the present program without substantial changes for 2 years. The Senate has previously approved a 2-year extension with only one major modification, entitled the Murphy amendment.

The Murphy amendment would grant to Governors the right to pass final judgment on individual OEO-funded legal aid projects within their respective States. The reasoning behind this amendment is that the Governors, as chief executives of their States, should have the final authority to judge whether a program is in the best interest of all the citizens residing within their State, rather than the nonelective bureaucrats in Washington. Although the House Education and Labor Committee did not include this provision in its proposed bill, I intend to offer the amendment on the House floor.

The proposed House bill also differs from the Senate legislation on the spending limitations of the poverty program. The Senate has authorized \$2.05 billion

and \$2.15 billion respectively for the next 2 years. This is about \$400 million more than the present spending level. The House committee has recommended \$2.34 billion for the first year and such sums as necessary for the second year.

This blank check funding provision is an abdication of congressional responsibility. It is one of the reasons that 12 of us, who are members of the House Education and Labor Committee, voted against reporting out of committee these recommendations.

The primary reason however, why the House should not be now considering the OEO bill is that a thorough investigation of the poverty program has not been made. Since the inception of this program in 1965, only one sitting Governor has testified before the Education and Labor Committee, and that was only because of my insistence and after the committee voted out the bill. Yet the role of the States' chief executives will be a major consideration during discussion of the bill on the House floor.

The distinguished Congresswoman, Mrs. GREEN of Oregon, a member of the committee, spoke for many of us when she said:

I cannot think of one single allegation that has been made against the OEO program where there has been a desire on the part of the majority Members to really investigate and find out. That is why this war on poverty is in such trouble.

There exists evidence that the present poverty program administrators do not have the ability to properly manage the program. Testimony from Kentucky Gov. Louie Nunn showed that up to 80 percent of OEO funds earmarked for the emergency food and medical program in Kentucky did not go directly for the purchase of food and medicine. This high delivery cost is in sharp contrast to the administrative cost of the Kentucky public assistance program, which is a little over 7 percent.

The practice of self-evaluation by OEO is equally repugnant. The University of Kentucky was given \$400,000 to study the \$10.5 million Knox County, Ky., war on poverty. According to the testimony before the Education and Labor Committee, "most of this money was wasted." This is not an isolated case. Such wasteful spending is rampant all over the country.

However, I am not raising questions relating only to problems of administration, auditing or program evaluation. There are some fundamental mistakes involved in the design of the antipoverty program. For example, while OEO's own statistics show that a decided preponderance of poor people in America live in rural areas, a heavy preponderance of funding in this program is channeled into urban areas.

Complaints from around the country dictate a real need for a thorough investigation of the OEO. To continue this program at a multibillion-dollar level without major constructive changes would be a hoax—the greatest ever perpetrated against both the taxpayers and the poor of America.

If I had the time this afternoon I could bring to this House Chamber one

entire file drawer full of clippings documenting abuses that have existed throughout the Nation at the expense of the poor people since its inception in 1964. The problem with this program is simply that it tried to run before it could even crawl. At the present time, however, it is running away with the taxpayers' dollars, and the poor, unfortunate people of this country still stand with their hands extended outward, and nothing in them. The most criminal thing we could do as Members of the Congress is to promise things to the poor people, the unfortunate, and the disadvantaged and then not deliver. When 75 percent of all the money that is appropriated for community action programs is used for administrative costs, there is something wrong.

With the substitute I think we could have the type of program that will no longer be intolerable. It will begin to be the type of program which will benefit the poor of this country and not the bureaucrats.

I have been interested in various phases of all the different projects that the OEO consists of today and, believe me, they are numerous. The abuses connected with many of them are 100-fold. Let me give you one prime example of what I am talking about so you will know why we object to some of these programs.

There is a particular county in Kentucky that has 42,000 people. They have a community health project. In this one county they have eight clinics. The appropriation for that county is \$1,104,000. There is a \$90,000 appropriation in that county for a county health program. The doctor who runs this program draws \$18,000 a year as an employee of the county. He also draws, if he were to work full time, approximately \$1,600 a month administering this program. But, sadly enough, he spends only about 1 hour a day, perhaps 2 hours, maybe not even that. Almost \$750,000 of the \$1,104,000 is spent for administrative costs. That is totally reprehensible. It is unimaginable that this amount of money could be spent for administrative costs.

If you were to go through the OEO program coast-to-coast, State-to-State, you would find the same thing. The money has not gone down to the poor people; it has been put into the hands of the administrators, the bureaucrats. We have a new name for them now. We call them the "poverty cats," because this is where the money has gone—to the professional poor and not to the real poor of the Nation. These "cats" lick the cream off the Federal dole.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I think I would agree with the gentleman and the previous speaker. I do not think anyone—at least not I—has ever tried either to conceal or to deny the shortcomings of the program.

On the contrary, I have tried to call attention to the shortcomings.

How does the gentleman, a member of our committee, a member of the Republican Party, justify the action being pro-

posed here today, considering the statement made by Mr. Rumsfeld, the newly appointed Director, who came before our committee and said, "Look, I know there are gross mismanagements in this program, and I am asking you, as members of this committee on both sides, to give me a chance to clean this mess up and then to come before you with an intelligent program which the administration will have an opportunity to think through and present to the Congress."

The bill that we now have before us, whether it is the committee bill which was reported out or whether it is the substitute, would terminate on July 1, 1971, if it were enacted now. This means that we as a committee must begin a new set of hearings regardless of what we do here in the next 2 weeks. Our committee will have to start hearings early in the spring for a continuation of or a revision of or a substitute for or a repeal of the poverty program.

So Mr. Rumsfeld came to us on behalf of the administration and said, "Look, rather than trying to give you some major changes at this time, for which we are not ready, why not go ahead and renew this thing. I am going to have a whole new set of regulations."

Mr. AYRES. Mr. Speaker, I refuse to yield further.

Mr. PUCINSKI. Would the gentleman answer the question? He has no faith in Mr. Rumsfeld, I take it?

The SPEAKER pro tempore. The gentleman from Ohio has declined to yield further.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Iowa.

Mr. SCHERLE. Mr. Speaker, first let me say that the Director, Donald Rumsfeld, for whom we all have a great deal of respect, decided when the time came that this program should continue on a 2-year basis with no change.

The vast majority of Members of this body, as it was shown here today, do not want this program to run for another 2 years without some constructive changes.

I am sure that Mr. Rumsfeld, when he has the opportunity to study the substitute, cannot help but agree that these are all constructive changes, every single one of them.

WHO IS IN CHARGE HERE?

OEO Director Donald Rumsfeld has missed another opportunity to begin asserting his authority over that badly mismanaged agency. A highly controversial "Trainer's Manual for Community Action Agency Boards" was distributed last August to numerous local level administrators by lower echelon bureaucrats without Mr. Rumsfeld's consent, or even his knowledge. When the story was broken by two investigative reporters, the OEO Director was forced to admit that not only did he not have a copy of the manual, he had never even heard of it.

What makes the manual subject to severe criticism is its inclusion of rioting at "the ultimate threat power" for gaining any wanted community action.

Mr. Rumsfeld could have performed a distinct service to the American people and to the image of his agency by a prompt recall of all copies and a public

disavowal of the manual for any purpose whatsoever. Instead, he has chosen, for the second time in recent weeks, to retreat from the issue and abdicate his authority to those farther down the chain of command. Just last month, a hundred United Planning Organization protestors invaded the OEO's main Washington offices demanding restoration of proposed budget cuts. Mr. Rumsfeld locked himself in his office and sent word through an aide that he did not want to talk with the demonstrators. Poverty agency underlings were left to placate the protestors the best they could with no guidance from the office of the Director.

Hiding fearfully behind—figuratively or literally—locked doors, taking no forthright action, does not lend much support to claims of new strength in the leadership at OEO. It does, however, increase the contention of congressional OEO critics that the only way to weed out the misguided activists left over from the previous administration is to abolish the agency completely.

Hopefully, the administration will be able to provide Mr. Rumsfeld with the backbone he needs to be able to control the programs and policies of the agency over which he is nominally the Director.

The gentleman talked about hearings a moment ago. I did everything within my power to have the very hearings he is talking about, because we were promised amendments so far as this bill is concerned. The only type of hearing we had was with one sitting governor, since this program was initiated in 1964, and that is Gov. Louie Nunn of Kentucky. He is the only one who testified, the only one who ever had an opportunity to testify. Governor Nunn was called only because of my insistence and only after the bill was hurriedly voted out of committee. An article from the Daily News follows:

CORRUPTION CHARGED: KENTUCKY ANTI-POVERTY WORK HIT

(By Arlo Wagner, Scripps-Howard Staff Writer)

Kentucky Gov. Louie B. Nunn testified yesterday that the nation's anti-poverty program is riddled by illegal political activity, dictatorial administrators and wasteful spending on the "professional poor."

Even so, after six months, the House Education and Labor Committee authorized \$2.3 billion for anti-poverty programs, \$300 million more than President Nixon wanted.

"If we ever had pork barrel legislation, this is it . . . members of congress have become mainliners," the Republican Governor told the committee, chaired by a Democratic congressman from his state, Carl Perkins, a Democrat.

Gov. Nunn's testimony, which he said was substantiated by a briefcase full of affidavits, came too late to affect the bill which would continue the Office of Economic Opportunity two more years.

Any amendments will have to be added on the floor by the full house membership.

During his four-hour appearance, Gov. Nunn referred to charts and affidavits to charge that:

OEO influence is used to win votes.

Quoting Everett Tharp, of Hazard, Ky., a local member of the community action commission: "The primary purpose is just to get a few jobs for friends and constituents who can help them politically."

Quoting Stanley Swafford, Clay County:

"He told everyone if they'd vote for the right man, everyone would have a job and the right man at that time was Mr. Hubert Humphrey."

OEO administrators from outside Kentucky manage and coerce local members of community action programs to do as they are told.

Threats are made.

"I know they called my office and said if I showed up down there (Bullard County), I'd be killed," Gov. Nunn said and "Gov. (Edgar) Whitcomb (of Indiana) . . . said he'd received threats to his life."

Gov. Nunn said one witness made charges, went home and "a gun, a pistol, was brandished in his face, and he was told that something would happen if he said anything more."

OEO funds are misused and distributed unequally.

Gov. Nunn said 80 per cent of the OEO funds in Kentucky are spent on salaries and administering the anti-poverty programs. In comparison, Kentucky spends 7.2 per cent of its welfare funds on administration, he said.

In Knox County, for instance, \$416,024 in OEO funds were designated for food and emergency care programs, Gov. Nunn said, but only \$36,271 was spent on those items.

Rep. Perkins' district, including 240,000 poor people, receives a disproportionate share, said the Governor. More than \$70 million was spent by OEO there in the first three years, he said.

The plan was that this bill should run for 2 years with the slight changes made in the Committee on Education and Labor, and that is what we were supposed to buy. This Congress, the people of this country, and the poor in particular do not want this type of program for another 2 years. They want the help which the substitute will give them.

The people who drew up that substitute have done a masterful job. For the first time, in my humble opinion, the poor of this Nation will have a chance to be helped.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield further?

Mr. AYRES. I refuse to yield to the gentleman.

PARLIAMENTARY INQUIRY

Mr. PUCINSKI. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Ohio yield for a parliamentary inquiry?

Mr. AYRES. I cannot refuse a parliamentary inquiry, but I ask the gentleman to please confine his request.

Mr. PUCINSKI. Mr. Speaker, what is the required number of Members on the floor to constitute a quorum?

The SPEAKER pro tempore. The gentleman knows the required number of Members to constitute a quorum of the House.

Mr. PUCINSKI. I thank the Chair. Mr. AYRES. Mr. Speaker, I yield further to the gentleman from Iowa.

Mr. SCHERLE. For the benefit of my colleagues I will insert at this point some articles on OEO from my weekly newsletter:

POVERTY SCANDAL IN NEW YORK

Multiple investigations of New York City's \$122 million a year antipoverty program are disclosing chronic corruption and administrative chaos that have already cheated the taxpayers of millions of dollars.

"It's so bad that it will take 10 years to find out what's really been going on inside the

Human Resources Administration," said an assistant district attorney who has spent the last four years studying the superagency.

An exhaustive study by the *New York Times* has found numerous examples of embezzlement, theft, and the disappearance of Social Security payments withheld from thousands of Neighborhood Youth Corps paychecks, but never forwarded to the federal government.

The *Times* editorially stated that ". . . the problems of New York are in many ways those of the Nation, not only because internal corruption is now being investigated in the antipoverty programs of other cities, including Los Angeles and Detroit, but because that corruption could influence the attitude of the new Nixon Administration toward all programs. . . ."

All of this highlights the point which I have been making for some time. The antipoverty programs have not aided the poor but have been centers of corruption. Real programs to assist in a genuine effort to improve living conditions can only be entered into when the current structure is completely revamped.

To this end, it is hoped that the new Administration will carefully consider transferring the viable programs now being conducted by the Office of Economic Opportunity to existing agencies. Only when the poverty bureaucracy is dismantled can we begin to think about real ways to cope with the Nation's problems.

OEO CONSULTANTS?

A carry-over from the Johnson Administration was recently uncovered whereby poor people were hired as consultants to the Office of Economic Opportunity at \$35 a day, plus expenses. Many hard-working non-poor do not get paid that well. The program called for these "instant experts" to serve on OEO's Rural Impact Project in six States. One OEO official said that it is logical to use the poor as consultants "because they are experts on the subject." It seems strange that these "poverty consultants," if they are such experts, have not solved their own poverty problem before now! The new OEO Director, Donald Rumsfeld, terminated this outrageous waste immediately.

FEDERAL MEDDLING IN PHILOSOPHICAL AND ETHICAL STANDARDS

The scandal-ridden New York City antipoverty agency, through its Neighborhood Youth Corps, is reported to be starting three hours a week on-the-job counseling on black and Puerto Rican studies, slum consumer power, and sex education. The federally financed unit intends to pay teenagers \$1.50 an hour to attend session which will be held during their regular 30-hour work week over an 8-week period. The reported purpose of the sessions is for "the kid to see how society works and to turn on kids who have been turned off by education."

The study plan on sex education is reported to say: "We would encourage the teenager to realize that he is growing up in a contraceptive culture—a new phenomenon in sex education." Discussion of prostitution and sexual degeneracy is to be included.

The black history lessons will include material from such radicals as Eldridge Cleaver, Stokely Carmichael, and Malcolm X. No mention is made of the historical role assumed by such Americans of Negro descent as George Washington Carver and Booker T. Washington.

In addition, the counseling session is to include some discussion bordering on promotion of hatred on racial grounds.

This type of fuzzy thinking by the antipoverty bureaucrats is another reason why a full scale investigation of the Poverty Program is necessary before additional funds are appropriated by Congress. I have asked

the Department of Labor for a full report on this latest venture by the Poverty warriors into the field of social revolution. The purpose of the war on poverty is to raise the earning capacities of the underprivileged. The U.S. taxpayer is getting sick and tired of pouring millions into mischief-making programs.

BLACK STUDIES RE-EXAMINED

The Department of Labor has ordered upon my request, through its Manpower Department, that the New York City Neighborhood Youth Corps eliminate "racist" and partisan political material from its black and Puerto Rican studies program. The material is contained in "enrichment packages" used to instruct some 35,000 youths in a federally financed job preparation course being held this summer.

Included in the study guide, which I was able to obtain, were statements and suggested readings by Herbert Aptheker, an avid American Communist theoretician, the late Malcolm X, Elijah Muhammed; Black Panther films, including one showing the fugitive Panther leader Eldridge Cleaver advocating Marxist revolution, and the film, "No Vietnamese Ever Called Me a Nigger."

The black studies package also included a suggestion that selected youngsters and staff be sent to a Negro-only five day seminar in Atlanta, Georgia. The Labor Department has quashed that proposal.

Other features of the program included primers on how to conduct demonstrations and community protests on welfare rights, control of schools and the war in Vietnam. It suggested black holidays, honoring such militants as H. Rap Brown, who is under indictment for inciting to riot.

The Department of Labor admitted "Major portions of this curriculum were found to be narrow in perspective, limited in scope and questionable in nature. The curriculum should be revised by broadening the spectrum of opinion, approach and heroes." I had questioned why no reference was made to the important historical roles of such American Negroes as George Washington Carver and Booker T. Washington.

The Labor Department has also agreed to the need to eliminate "statements or quotations which clearly reflect partisan political positions."

These are prudent decisions on the part of the Labor Department. The function of the Neighborhood Youth Corps is to teach underprivileged youngsters how to obtain and hold a job, and to further their education. Nowhere in the concept of this program or the intent of Congress is there anything about conducting training sessions designed to spread racism and extremism.

FISHING SCHOOL FLOUNDERS

With the average American steeped in a battle against skyrocketing inflation and burdensome taxes, the results of profligate spending, many Americans wonder how goes the War on Poverty. As might be expected, the OEO boondoggles continue to come to light.

Some \$20,000 in federal funds were used to finance a fishing school on the British island of Bimini, a frequent watering spot for Harlem Congressman Adam Clayton Powell. The Caribbean program was staffed by two British fishermen receiving \$100 and \$75 per week, and one American student.

In New Jersey an OEO project has been purchasing pornographic books to allegedly improve the reading skills of the trainees. Taxpayers picked up the \$10,000 tab for such training literature as "The French Art of Love," "Orgy at Madam Dracula's," and "The Nude Wore Black." It appears the purchasing agent found "Wife Swappers" a hot item: the voucher listed a purchase of 25 copies.

While both of these projects have been investigated by the national OEO office, ex-

posure of this federal funding came from outside OEO by newspaper reporters.

These more recent examples of waste by the War on Poverty make it very clear that before Congress renews the Office of Economic Opportunity this year, a thorough investigation should be made.

Mr. SCHERLE. At this time I wish to discuss the so-called Murphy amendment.

This amendment, which was adopted by the other body, would restore final responsibility with respect to the OEO legal services in the hands of the Governors. The amendment would authorize a Governor to determine how best to channel legal service programs into the most proper areas. Under the concept of President Nixon's new federalism, the elected chief executive knows more about the priority of service for his State than the nonelected Washington official. The legal service was set up to provide individual legal assistance to a poor person—not to engage in wholesale legal reform. Whether a specific legal service project is a proper function now rests with a nonelected bureaucrat.

This amendment would only shift that final determination to the chief elected State official.

The OEO Legal Service has clearly overstepped the bounds of its legislative birth—which was to provide individual legal service to the poor in the country.

The Federal funded legal service program has begun to rapidly expand into the so-called law reform area at the expense of the individual legal aid services. For example, suits financed by the war on poverty lawyers have sought to persuade the U.S. district courts in Newark, N.J., and Philadelphia, Pa., to appoint Federal receivers to run the local police department.

The Philadelphia suit also asked to nullify State laws against carrying concealed deadly weapons, sedition, riot, conspiracy, loitering, and obstructing justice.

In Atlantic City, the legal service program is challenging the constitutionality of the New Jersey Narcotics Act and is contesting the State law requiring dope users to register with the police.

In Indianapolis, Ind., the local legal service program distributes several thousand cards in the city's low-income neighborhoods giving advice on "the art of noncooperation" with the police.

Students on OEO-financed fellowships in poverty law at the University of Pennsylvania held the National OEO legal service director captive in his sixth-floor office for 4½ hours. Later these self-styled advocates of law and order were arrested by Washington, D.C., police.

In Detroit, Mich., and virtually every other riot-torn city legal service lawyers have devoted an extraordinary amount of effort defending alleged rioters. The Essex County, N.J., grand jury, after a thorough inquiry into the 1967 Newark riot, said that witnesses "denied in whole or in part having made statements attributed to them" by the local legal service program. A number of the statements taken and finally supplied to the jury by legal services were unsigned. The grand jury concluded that—

During the excitement many of those taking statements from persons involved in the

riots either deliberately or unconsciously distorted these statements and in many ways conducted themselves so as to create in the minds of the public a biased and inaccurate impression of many events connected with the disturbances.

In California a legal service attorney has appeared as counsel to challenge a school district's right to set reasonable rules and regulations for the hair length of boys in high school. How ridiculous can you get?

At the Modesto Junior College a suit was filed in a campus court on behalf of a Mexican-American club protesting a college requirement that its members pay the student body fees of \$8 per semester, as all other authorized student club members must do, in order to be recognized by the school.

Mr. Roy G. Mikaken, president of the college, said:

Those six lawyers in the Modesto area seem to be more interested in "anti" movements against public agencies.

The California Legal Association has also filed a suit against Brawley's city council and board of education to compel the permitting of students to wear brown berets and Brown Beret group insignias and other club markings in the schools.

Although the general rule is that no publicly funded legal assistance service society shall accept fee-producing cases and that such cases shall be referred to private counsel, the California Legal Service has filed a number of such suits while refusing services to the truly eligible. The California Legal Service has on many occasions engaged in the filing of a multiplicity of suits involving the same or similar courses of action. This results in the harassment of individual citizens and agencies. The California program has moved so far down the road toward legal reform that it, as a tax-financed agency, is suing other Federal funded agencies as well as private citizens. At the same time, bona fide California legal aid projects are being closed down because after the funds for legal reform are allotted, not enough is left for basic legal aid projects.

In Waterloo, Iowa, the OEO-funded legal service announced its intent to file suits against State colleges in Iowa which require students to pay parking fines as a condition of continuing as a student. They have also indicated that they intended to "instigate a grassroots organization of ADC mothers to develop political power which could be used to change community attitude."

The St. Louis legal services program has engaged in activities to suit their own sociological theories rather than to provide legal aid in civil cases for the poor. It has defended and counseled local militant groups which have been engaged in disruption and illegal demonstrations in that city.

I commend the St. Louis Globe-Democrat and its reporter, Ruth Ellen Thompson, in particular for their excellent investigation into the St. Louis legal aid program.

In some cases the militant defenders have incomes well above the level that would qualify them as poor.

The unlicensed director of legal serv-

ices, Denison Ray, is currently receiving a \$28,000 salary substantially higher than that now received by a member of the Missouri Supreme Court, the attorney general of Missouri, or the mayor of St. Louis, has been refused permission to appear in Federal Court because he is not a member of that State bar.

Twenty percent of the attorneys on the St. Louis project are not even members of the Missouri State bar. One of the illegal eagles, drawing \$10,000 annually, recently failed his bar examination.

The remaining three nonbar lawyers are receiving between \$11,500 and \$18,000 as staff attorneys.

T. Hartley Pollock, who did much to establish the legal aid program in St. Louis called the present policy of the society "a complete departure from the basis on which the program was organized."

The thrust of this amendment is that the final responsibility of how a legal service project should operate will either be in the hands of an elected State official or remain under the control of a nonelected faceless bureaucrat.

The responsibility of whether the taxpayers should subsidize suits which involve the right of a school board to set reasonable standards of how long a boy's hair should be; or whether a State's narcotic laws are valid; or whether the Federal Government should take over a local police force; or whether a group of militants should be subsidized to attack churches, schools, store owners, or the Government must ultimately rest with some public official.

This amendment simply states that the elected chief executive responsible to the people should be the one allowed to exercise his obligation free from a bureaucratic override.

Public administration will soon come to a standstill in this country if every act of government is subject to a prolonged lawsuit by tax-paid lawyers whose motives often are more political than serving the poor.

Last Saturday in the Des Moines Tribune is an article quoted by Governor Robert Ray, in essence, in opposition to my offer of the Murphy amendment of legal services to the OEO bill. Many insinuations were made insofar as the Governor was concerned about my own position. I called the Governor and said, "Bob, do you know what the Murphy amendment is? Have you even read it?" He said, "No, I have not read it." The Governor should look around his own State as the following editorial from the Waterloo, Iowa, Courier. This is a typical example of what has happened throughout this country insofar as legal services amendment is concerned. People do not know what the Murphy amendment will do.

I call attention to my colleagues of an outstanding letter on the effects of the Murphy amendment by an extremely bright California attorney:

RODI, PETTKER, GALBRAITH & BOND,
Los Angeles, Calif., November 19, 1969.
HON. GEORGE MURPHY,
U.S. Senate, Committee on Labor and Public Welfare, Washington, D.C.

DEAR SENATOR: I am writing you as an attorney regarding your amendment to the Economic Opportunity Act of 1964 as it af-

fects the Legal Services program (S. 3016). I support your amendment and feel that the negative comments it has received from some of my fellow attorneys have not been well founded.

I feel the necessity at this time, as an attorney concerned with the social problems of our day, to set forth my reasons for supporting your amendment.

1. The Murphy amendment will not interfere in any way in the direct and confidential relationship between the legal services lawyer and his indigent clients.

Canon 35 of the Canons of Ethics of the American Bar Association makes it clear that no *lay* agencies should interfere in the relationship of a lawyer and his client. To assert, as some attorneys have, that the Murphy amendment effects a violation of Canon 35 by interposing the Governor of a State in the personal relationship of client and lawyer is not well founded. The Murphy amendment provides that appropriations relating to legal services may, prior to their grant, be vetoed by a State Governor. Prior to the funding of any program, no responsible lawyer in the Legal Services program would or should undertake to represent a client. Until the representation has commenced, there can be no interference in the relationship of lawyer to client. The Governor of a State under this amendment has no power to determine who shall be represented or how the lawyer, having undertaken to represent an indigent, should conduct his representation. The veto only allows the Governor to restrict programs in the categories as the specific contracts or grants are appropriated at the Federal level.

The Governor does not, then, interfere in any way in the personal relationship between the indigent and his Legal Services lawyer.

Furthermore, Canon 6 requires all attorneys to disclose to a client, prior to the taking of any representation, any possible inability he may have undertaking the representation. If funds have not been approved for a certain program, then the responsible Legal Services attorney will not promise to undertake such a representation until there is further approval from the public bodies concerned. Such limitations are inherent in the jurisdictional lines between various programs that legislators must delineate in order to responsibly use funds provided by the people.

2. The Murphy amendment will encourage representation of clients in the situations of greatest need.

The Economic Opportunity Act of 1964 has as its major purpose assistance to the poor. The Legal Services program of the Act was intended to assist the poor who cannot otherwise afford attorneys in the normal ways in which attorneys may be of personal help. Today, however, the Legal Services program, largely because of the lack of any close supervision of the allocation of funds to various programs, has channeled a majority of its attorneys into programs which do not specifically assist the poor who are in need of legal representation. Large causes of constitutional dimension frequently having little direct impact on the poor have been undertaken by Legal Services lawyers. These lawyers and the funding process involved have led the Legal Services program to be suspect, not only amongst lawyers with a concern for fidelity to law, but amongst the poor, who see that they are not receiving the kind of personal help they need. The bulk of Legal Services for persons of all sorts consists of the normal problems of domestic, real estate, contract, and criminal law. It is in these areas that attorneys can be of the most direct help to the poor. By providing a much needed check, the Governors of each State, who are close to the programs being conducted in their State, will encourage more representation in the truly useful areas.

The Legal Services lawyer has a duty to serve the ends of the Economy Opportunity

Act of 1964 and not his own personal political goals, whatever they may be. The Federal Government has sought to fund programs of legal assistance in the areas of help to the indigent. In order for a Legal Services attorney to live up to the implications of Canon 32, and to be faithful to the processes of law, checks such as the Murphy amendment are necessary. Through this amendment the Legal Services lawyer will be encouraged to direct his activities to specifically legal assistance in the areas of greatest personal need. In this way the purposes of the Economic Opportunity Act of 1964 will be promoted.

3. The Murphy amendment will promote high ethical standards among legal services attorneys by providing a check on activities stirring up needless litigation.

Canon 28 of the Canons of Ethics of the American Bar Association provides that it is unprofessional for a lawyer to voluntarily advise to bring a lawsuit or to stir up strife and litigation. The canon points out that such activity is indictable at common law. Often Legal Services attorneys, prompted by the ability of easy access to undefined funds, have taken on large, often nebulous causes and have conveniently found persons to act as plaintiffs. Such politically motivated undertakings have often had little relevance to the cause of providing legal assistance to the poor. They have prompted litigation, often wholly out of line with given standards of constitutional interpretation, and have wasted taxpayers dollars. They have turned the Legal Services program into a special office of nuisance litigation. Such champerty has not only brought the Legal Services program into disrepute but has lessened respect for law and for the legal profession among the poor. The Murphy amendment will directly check such activities.

4. The Murphy amendment will encourage greater public responsibility on the part of the legal services program.

When lawyers work for a public entity, funded by public monies, they have a responsibility to the public providing those funds and permitting their continued public assistance. The Legal Services program can be of great assistance to the poor and thus to our country as a whole. However, when an attorney represents a private client while at the same time working for a public body, he has a dual and difficult responsibility to both the private individual and to the public. Emphasizing only the private relationship and thus the need for personal and confidential relationships fails to recognize the public responsibility of what are essentially public attorneys. Quite properly, Canon 35, relating to intermediaries, only applies to *lay* agencies. A public lawyer's responsibility is defined by public bodies. Congress, the Governors of the States, and the administrative departments in Washington are charged under the Murphy amendment with the duty, as public bodies, to define the Legal Services lawyer's public responsibility. Unless checks and balances are provided to insure that the public responsibility of Legal Services lawyers is maintained, the program as a whole may soon lack public respect to such a degree that the program is completely done away with. Such would be disastrous for the poor in this country.

In conclusion, the Murphy amendment, by imposing the veto of the Governor, will insure public responsibility on the part of Legal Services attorneys and will aid the cause of assisting the poor. The Murphy amendment may rejuvenate the Legal Services program by redirecting it to the needed services of individual poor persons. The private responsibility to a specific client when the representation is undertaken by a Legal Services attorney will in no way be impaired. In such instances Canon 35 simply does not apply by its terms and by its clear purpose.

The preamble to the Canons of Ethics of

the American Bar Association recognizes clearly that the system of justice we develop must at all times maintain public confidence in its dignity and impartiality. The Murphy amendment will serve that end by encouraging attorneys to directly help the poor, by avoiding unnecessary litigation, and by recognizing the public responsibility to the taxpayer of the Legal Services attorney.

With best wishes,

Very truly yours,

DANIEL C. BOND.

[From the Waterloo Daily Courier,
Nov. 28, 1969]

LEGAL AID SUIT SHOULD NOT BE AN
ELECTION TOOL

The American Bar Association and the National Legal Aid and Defender Association, among others, have come out in opposition to the amendment added to the Economic Opportunity Act (OEO) by Sen. George Murphy in the Senate. It provides that the governor of a state may veto any legal aid project in his state. An amendment to the amendment later provides that the President of the United States may override any governor's veto.

Critics have attacked this as eliminating the possibility of class action against government agencies for the alleged benefit of the poor. For example, Legal Aid Services in California brought suit against Gov. Ronald Reagan, attempting to restore a cut in funds for Medicaid.

In a day when the courts considered themselves bound by a strict interpretation of the law and the precedents, most would have welcomed lawsuits to determine if governmental agencies or officials were operating according to law. But many courts, notoriously those in California, are beginning to follow the pattern set by the U.S. Supreme Court and are making the courts institutions for what the judges consider social reform. It was formerly a rule of law that the courts would seldom act against the executive or legislative branches on the ground that they were equally sovereign. That moderate attitude no longer prevails.

Moreover, intensely partisan Democrats in legal aid services are using the weapon of lawsuits to threaten, humiliate, harass and discredit Republican officials whom they will seek to defeat the next decision. This has not occurred in most states but it has occurred in California.

We cannot imagine that governors would use the power granted in the Murphy amendment to veto legitimate lawsuits for the benefit of the poor. After all, the poor can vote and as a result of many antipoverty programs across the country they are voting in greater numbers than in the past.

But public administration will soon come to a standstill in this country if every act of government is subject to a prolonged lawsuit by tax-paid lawyers whose motives often are more political than serving the poor.

The enclosed columns from the Allen-Goldsmith report will outline the general condition around the country. These outstanding investigative reports are highly regarded by Members of Congress on both sides of the aisle:

[From Human Events, Nov. 8, 1969]

WANTS TO AID WIDESPREAD SCANDALS—
SCHERLE SEEKS OPEN HEARINGS ON OEO
FUNDING

(From the Allen-Goldsmith Report)

There is a lot of political dynamite behind Rep. William Scherle's vigorous crusade for more public hearings on the multi-billion-dollar anti-poverty authorization bill.

The tall Iowa Republican rocked the last meeting of the House Education and Labor Committee with his insistent demand, and is prepared to keep on doing that.

How far he will get remains to be seen. The legislation has been pending in the committee for months, and the pressures are strong to report something to the full House—particularly as the Senate has passed a bill.

But Scherle is "loaded for bear" and determined to hold out for more hearings.

Not only does he have a large mass of explosive evidence to back up his charges of extensive corruption, waste, mismanagement and other scandals, but a number of state and local officials are clamoring, he asserts, for the opportunity to testify on that.

With characteristic bluntness, Scherle contends that previous committee hearings were deliberately "loaded" with witnesses favorable to the legislation.

"Without exception," he says, "the hearings were nothing but professional self-serving puffery. The witnesses were merely mouthpieces of the Office of Economic Opportunity. Not a single critical witness was heard, nor given a chance to be heard. Even with my small staff, I have uncovered a great deal of shocking information about OEO throughout the country.

"It is time to get at the bottom of just what is going on in OEO and the scandal-racked, anti-poverty programs it is administering. Yet it is now proposed to wind up the committee's proceedings and report out a bill for a two-year continuance of OEO at the same old multi-billion-dollar funding level. That is outrageous, and I am going to do everything I can to stop it."

A highly significant highlight of Rep. Scherle's mass of evidence is an extraordinary letter from Kentucky's Republican Gov. Louie B. Nunn pleading with him to delay approval of the anti-poverty bill until documentary evidence of numerous abuses can be submitted.

Dated October 14, Nunn's bombshell letter is as follows:

"Disturbing evidence and recent events in connection with the efforts of the Office of Economic Opportunity cause me to respectfully request that you delay action on this program until such time as I can present you documented evidence of failure to follow guidelines established by Congress, waste, unreasonable administrative costs, political activity and program abuse.

"These circumstances have led to general dissatisfaction with the OEO program on the part of federal, state and local officials. Documented proof is being prepared and will be sent to you as soon as possible.

"Certainly, all of us who are in sympathy with the objectives of this program, as designated by the Congress, owe it to the people who need help to examine closely the history and the present course by the Office of Economic Opportunity."

Another blockbuster in Scherle's arsenal is a report from a federal official in a Midwestern state about the head of a community action agency in a small community who is being paid \$15,000 a year—despite the fact he defaulted on a government loan in 1967 on the claim he was bankrupt and had no assets.

Other striking evidence in Scherle's hands include:

Detailed information from a high elected state official about men with criminal records being named to high-salaried community action jobs. This official came to Washington to discuss this matter with OEO Director Donald Rumsfeld, but was unable to see him. After repeated rebuffs at OEO, the state official finally sought out Scherle and told him the shocking story.

One of the community action officials with a criminal record is getting \$21,000 a year.

A voluminous report from New England charging flagrant mismanagement and other abuses in community action programs. This information came from a source with apparent extensive knowledge about this situation.

Additional jolting details about the two-volume, 590-page "Trainer's Manual for Community Action Boards" distributed by OEO last August—without Rumsfeld knowing anything about it. (Rep. Scherle's crackdown on this extraordinary document was recently reported in this column. We disclosed that after making repeated efforts to get Rumsfeld to recall the manual, Scherle gave him 24 hours to act or he would take the matter to the full House. That produced a placatory reply from Rumsfeld that the manual would be revised. How much and when was not indicated by Rumsfeld.)

Scherle has ascertained that D. C. Drohat, head of the Office of Operations over whose signature the manual was published, is being paid \$27,549. Also that the manual contains such incendiary and extremist pronouncements as the following:

Under the sub-title "Power Strategies of Community Organizations," page 125, "The ultimate threat power is the riot."

Under the sub-title "Representatives of the Poor," page 127, "The board member representing the poor has several options. He can 'do his own thing' by venting his frustration on other board members who in his eyes represent the cause of his frustration. . . . If, on the other hand, the poor feel that their representatives 'sold out' or were 'non-representative,' they may very well precipitate a 'long hot summer'."

Under the sub-title "Changing Institutions," page 273, "Institutional changes must be brought about on a broad scale if community action is to fulfill its aim. Alleviating poverty requires changing the practices, the poverty practices, so to speak, of the comfortable and the well-to-do."

Under the sub-title "Parliamentary Tricks," page 349, "Opponents of a proposal might be successful in having the matter tabled or postponed indefinitely simply by raising questions which cannot be answered sufficiently during the meeting. Amendments might be proposed which would substantially change the original idea. Even if an amendment is not accepted, it may confuse supporters who are less than clear about their support of the item."

There are 1,050 community action agencies and organizations throughout the country. Their cost is the largest single item in the OEO budget—\$640 million. For last year, Congress voted \$520 million for this purpose. Since OEO was established, approximately \$1.6 billion has been expended for community action activities.

Daniel Moynihan, special urban affairs adviser to President Nixon, in a report stated flatly that community action programs, although consuming one-third of the funds appropriated for OEO, actually did nothing toward relieving or reducing poverty.

[From the Publishers-Hall Syndicate,
Mar. 17, 1969]

GAO TO PUBLISH STUDY ON POVERTY PROGRAM

(By Robert S. Allen and John A. Goldsmith)

WASHINGTON.—The General Accounting Office is finally about to publish its long delayed top-to-bottom study of the widely controversial multi-billion dollar anti-poverty program—with a major recommendation made by the Republicans in 1967 but brusquely rejected by the Johnson Administration.

This GOP proposal called for the creation of a new agency to be part of the White House staff for the express purpose of coordinating and supervising the government's multifarious operations in behalf of "disadvantaged" people—on whom some \$25 billion in taxpayers' money is spent each year.

The Republicans maintained it was necessary to establish this super planning and "watchdog" agency in order to "eliminate waste and duplication, develop and recom-

mend national policies, and make reports and recommendations to Congress concerning the operation of programs."

Under the GOP plan, the agency would consist of a three-man Council of Economic Opportunity Advisers and a staff, who would function directly under the President and report to him.

The Johnson Administration cold-shouldered the idea, and it was decisively defeated when the Republicans tried to put it through the House.

Now it is slated to surface again as the major recommendation of the voluminous report the General Accounting Office is preparing to publish on its months' long investigation of the Office of Economic Opportunity and the various anti-poverty programs under its jurisdiction.

This exhaustive survey was ordered by Congress last year with the report to be submitted by December 1. But it was unfinished at that time, and GAO got two extensions. The report will consist of a general summary with principal overall recommendations, and around 50 separate studies dealing with individual OEO programs and activities.

Two other leading recommendations are: "The popular Head Start educational program to be shifted from OEO to the Department of Health, Education and Welfare."

"The scandal-racked, costly and dubiously productive Job Corps program to be taken from OEO and put under Labor Department control."

RESURRECTED GOP PLAN

In preparation for the publication of the massive anti-poverty report, Comptroller General Elmer Staats has personally been briefing bipartisan leaders of the congressional committees in charge of OEO legislation.

The lawmakers are being told copies of the study will be in their hands in a few days. In the meanwhile, Staats gave them an outline of its contents.

At the time the Republicans proposed setting up a super "watchdog" agency, they stressed two factors: "A great knowledge gap on all aspects of poverty . . . and no coordinated research and policy effort has ever been undertaken on the scale that is necessary if there is to be any reasonable success in the effort to eliminate poverty."

The GOP noted that in addition to OEO, a number of other major agencies spent huge sums to cope with various aspects of the poverty problem—the Department of Health, Education, and Welfare, Labor Department, Agriculture Department, Department of Housing and Urban Development, Transportation Department, Small Business Administration, Federal Housing Administration and the Economic Development Agency.

The Republicans contended the proposed Council of Economic Opportunity Advisers should be a separate agency under the President to ensure its having a free hand. In a statement, the GOP pointed out:

"We believe it is essential to the effectiveness of the Council that it not be a part of an agency with program responsibility or itself responsible for administration, directly or indirectly, of the anti-poverty program. Only in this way can its freedom of judgment and perspective be preserved intact from a vested interest or outside pressure to continue specific programs or policies regardless of their effectiveness and efficiency."

In their presentation, the Republicans also called attention to the fact that the report of the National Advisory Commission on Civil Disorders strongly urged more coordination and planning in the effort to eliminate poverty. The GOP quoted the following from the Commission's report:

"Some two dozen interagency committees have been established to coordinate two or

more federal aid programs. Departments have been given responsibility to lead others in areas within their particular competence—OEO in the poverty field; HUD in Model Cities. Yet, despite these and other efforts, the federal government has not yet been able to join talent, funds and programs for concentrated impact in the field.

"Few agencies are able to put together a comprehensive package of related programs to meet priority needs.

"There is a clear and compelling requirement for better coordination of federally funded programs, particularly those designed to benefit the residents of the inner city. If essential programs are to be preserved and expanded, this need must be met."

[From the Publishers-Hall Syndicate, May 24, 1969]

RUMSFELD ADVISED TO PUT END TO BIG WASTE

(By Robert S. Allen and John A. Goldsmith)

WASHINGTON.—New anti-poverty director Donald Rumsfeld is being strongly advised by former congressional colleagues to lose no time in putting an end to one big waste of funds.

This is the expenditure of millions of dollars for high-flown but useless studies, surveys, analyses and other evaluations and assessments.

In the nearly five years' existence of the Office of Economic Opportunity, which the former Illinois congressman now heads, his predecessors spent more than \$30 million in anti-poverty money on such projects—with no tangible evidence that any of them were of the slightest consequence in coping with the many and complex problems of poverty.

So far as that difficult and tortuous task is concerned, this large outlay of taxpayers' funds was a total loss.

Bipartisan members of the House Education and Labor Committee, now considering legislation to continue the controversial multi-billion dollar anti-poverty program, want Rumsfeld to crack down hard and fast on such worthless spending. They are warning that unless he does so himself, provisions to that end will be written into the new bill.

They are long overdue. An examination of the voluminous list of 818 pretentious projects shows clearly they are costly boondoggles of one kind or other dished out to certain favored individuals, colleges, concerns and organizations.

Representative Henry Gonzalez, D-Tex., caustically characterizes them as "profiting from the war on poverty."

"When I voted for the Economic Opportunity Act, I believed that I was doing the right thing," he said. "I still believe there is no more urgent national priority than the abolition of poverty in our country. But I have been greatly disturbed by the proliferation of consultants, advisers and numerous other contractors who have attached themselves to the war on poverty.

"There is profit in the war on poverty. That is evident from the large number of consultants and study and survey contractors. There is nothing to show that any of the OEO programs work any better for all the efforts of these so-called experts. On the other hand, there is good reason to believe that many of these contracts should not have been signed. It would have been better if profit had not entered into the war on poverty."

WHO GOT THE MONEY

High on the list of survey "contractors" is Louis Harris & Associates, Inc., national polling organization that received \$808,650 over a two-and-a-half year period for a series of reports on enrollees of the hotly controversial Job Corps.

OEO ordered the last of these Harris studies at a cost of \$274,986 just before the Nixon Administration took office in January of this year.

According to the Harris organization, Job Corps graduates earn more because of this training. This finding was vigorously challenged by Senator Peter Dominick, R-Colo., who cited a voluminous report by the General Accounting Office stating:

"On an overall basis, it appears that the Job Corps has achieved only limited success in fulfilling its primary purposes. . . . On the basis of our studies, it is questionable whether Job Corps training has resulted in substantial economic benefit for those youths who participate in the program.

"We believe that increased employment and earning power can be attributable, for the most part, to the greater employability of youths due to the process of growing up and the higher employment and wage levels."

Large-scale spending of anti-poverty funds for high-flown studies and analyses was begun by OEO in early November 1964, several months after it was established by the Johnson Administration. Then OEO Director Sargent Shriver authorized a \$6,000 project to assess the Job Corps placement service.

Since then, there have been 88 studies and surveys of Job Corps for a total cost of \$8,225,545.

Also since then, OEO has expended more than \$30 million in anti-poverty funds for 818 analyses and reports on every phase of its activities—with no evidence of any consequential effect on them.

Included in these studies are 128 of the Community Action Program for a cost of \$12,777,165; 73 of Head Start for \$5,363,760; and 22 of VISTA for \$903,883.

Another revealing item was the expenditure of \$20,000 for "newspaper clipping service."

Two other big "contractors" are —Westinghouse Learning Corporation that received some \$600,000 for an evaluation of the "school readiness" of Head Start children, which OEO withheld for weeks while it was favorably revised; and Daniel Yankelovich, Inc., that got \$355,300 to make a "study and evaluation of Sections 210 and 211 of the Economic Opportunity Amendment."

In a three-volume report, Yankelovich, Inc., concluded the Amendment had little effect. A member of the House Education and Labor Committee characterized the findings as a "colossal waste of taxpayers' money and time."

Representative William Steiger, R-Wis., a Committee member, has disclosed that in 1967 and 1968, OEO spent \$528,000 for "consultants"—at rates ranging from \$50 to \$100 a day. There is no explanation of the function of these high-priced authorities, nor how and why they were selected.

Three are listed as editors; one in Washington, D.C., another in Virginia, and the third in Carson City, Nev. They were paid \$50 and \$55 a day.

OTHER BIG-MONEY "CONTRACTORS"

Last year, contracts dished out by OEO for a wide range of studies and surveys costing more than \$100,000 including the following:

Tracor, Inc., for "Study and Evaluation of Community Action Program in Austin, Tex.," \$341,308; Educational Testing Service for "Evaluation of Project Head Start," \$498,773; Bank Street College of Education for "Study of Potential Use of Teacher Aids in Community Action Program," \$396,038; University of Pennsylvania for "Study and Evaluation of Community Action Program in Baltimore, Md.," \$432,922; Graduate School, University of Washington for "Analysis and Evaluation of Seattle Community Action Program," \$416,482.

Western Behavioral Sciences Institute for "Study and Evaluation of Community Action Program in San Diego, Calif.," \$374,377; Temple University for "Study of Anemia and Intellectual Functioning of Pre-school and Elementary Children," \$406,388; Boston College for "Study of Demographic and Social

Determinants of Functional Achievements in a Negro Population," \$289,685; Research Foundation of State University of New York for "Study of Change Processes in Buffalo," \$267,063; Kirschner Associates, Inc., for "Evaluation of Parent and Child Centers Program," \$237,120.

Greenleigh Associates, Inc., for "Evaluation of Iowa Comprehensive Alcoholism Program," \$150,000; Louisiana State University for "Evaluation of VISTA Programs," \$124,251; Cooperative League of U.S.A. for "Feasibility Study Related to Low Income Areas," \$162,992; Philco Corporation for "Analysis of Alternative Hypothetical Urban Community Action Programs," \$123,636; UCLA for "Study and Analysis of Riot in Watts Area of Los Angeles," \$165,827; Emory University for "Study and Evaluation of Community Action Program in Atlanta," \$573,477; Barss, Reitzel & Associates for "Evaluation of Community Action Programs," \$341,572.

[From the Publishers-Hall Syndicate, July 5, 1969]

POSSIBLY ANOTHER EXTENSION TO POVERTY PROGRAM

(By Robert S. Allen and John A. Goldsmith)

WASHINGTON.—It is possible that Congress may continue the scandal-scarred multi-billion dollar anti-poverty program for another year—but definitely not in the form being urged by the Administration.

There isn't a chance that will be approved by the House Education and Labor Committee—which has been considering the widely controversial legislation for months.

A strong bloc of Republican and Democratic committeemen are flatly against the Administration's proposal to extend the anti-poverty program for two more years—with no changes of any kind in the first year, while a study is being made to decide what should be done the next year.

The bipartisan opponents are insisting that if the program is renewed, it be limited to one year with major changes.

The inner committee outlook is that this is what will be voted.

Significantly indicative of that is the attitude of two influential members of the committee—Representatives Edith Green, Ore., second-ranking Democrat, and William Scherle, Iowa, leading Republican.

Both not only vigorously favor drastic revision of the Economic Opportunity Act, but are forcefully saying so.

In a blistering exhortation of the Office of Economic Opportunity, which administers the anti-poverty program, Scherle declared, "There is urgent need for constructive changes in the multi-billion-dollar-a-year boondoggle called OEO. I will do my utmost to fight, both in the committee and on the floor of the House, any extension beyond one year and without sweeping changes."

Mrs. Green, after listening to OEO Director Donald Rumsfeld sonorously advocate a two-year renewal with no modifications, exclaimed unbelievably, "You've got to be kidding. You can't mean that seriously. Why, you'll be lucky if you get one year with a complete overhaul."

WHAT'S WRONG WITH IT

At the root of the committee's pronounced bipartisan aversion to OEO is a five-year accumulation of innumerable scandals, waste, gross mismanagement, excessive costs, interminable bungling and very meager results for the billions expended so far.

Citing this long and dismal record, Representative Scherle characterized OEO as a "catastrophic flop unequaled by any other government agency in many years."

"Since its inception in 1964," the outspoken Iowan said, "the Office of Economic Opportunity has spent more than \$7.5 billion, with very little of this immense sum reaching the poor but plenty of it lining the pockets of the self-appointed do-gooders running the program. It would be the height

of folly for Congress to vote another \$2 billion for OEO without a full reorganization."

The Administration's proposal for another study to pinpoint OEO shortcomings was caustically derided by Scherle as futile and repetitious.

"There have been studies galore," he pointed out. "OEO itself has spent some \$30 million on surveys and analyses of every conceivable kind—wholly to no avail. The General Accounting Office, on express congressional orders, made an exhaustive study at a cost of more than \$1 million. Its 188-page report contained numerous constructive recommendations. I know of nothing that has been done about a single one of them."

"To spend more money and time on more of this sort of thing would be ridiculous. What is urgently needed is a top-to-bottom housecleaning forthwith and basic changes in concept and administration."

Two underlying changes advocated by Scherle are:

"Less emphasis on OEO as a social revolutionary agency and more concentration on providing income-producing jobs."

"A more meaningful role for the states in planning and coordinating poverty programs within the states. An overwhelming majority of the governors favor that."

It is Scherle's contention that making the states the central agency responsible for poverty programs would "noticeably upgrade them."

"The bloc-grant approach," he held, "would result in more economical use of government funds and also reduce the vicious in-fighting which is now so prevalent among competing funding groups. There is widespread duplication of government-supported anti-poverty programs. Many are overlapping or jointly funded with the Department of Labor, HEW, HUD and OEO."

"Every unnecessary layer of bureaucratic fat increases the cost to taxpayers and reduce the effectiveness and productiveness of the program."

STRANGE "OUTSIDERNESS"

Donald Rumsfeld, who gave up a safe House seat recently to become head of OEO, has started off by launching what is described as a "complete review of the war on poverty."

The latest in a long and expensive list of studies would be made, it was announced, by a Director's Task Force . . . staffed entirely by experts from outside OEO."

But a check of these authorities discloses that while they may be outside now, not long ago they were very much inside. A number of them are former OEO officials, as follows:

Head of the Task Force is Morris Liebman, Chicago attorney who has been chairman of the National Advisory Council on the Economic Opportunity Act the past several years. He was named to that job by former President Lyndon Johnson.

Another top official of the Task Force is James Gibson, former director of the Neighborhood Development Program, an agency of the Washington, D.C., Community Action program financed by OEO. Still another is Robert Levine, until recently assistant OEO director for research, plans and evaluation. Others are David Gottlieb, former associate director of OEO's hotly embattled Job Corps, and Father Geno Baroni, leading militant Catholic priest and anti-poverty crusader.

Bipartisan congressional leaders, long sharply critical of OEO, are eyeing this Task Force of so-called "outsiders" with deep suspicions and misgivings. OEO Director Rumsfeld's selection of this group is not improving his agency's prospects in the House Education and Labor Committee.

Representative Paul Rogers, D-Fla., is demanding that Rumsfeld "immediately suspend all contracts giving OEO the right to select members of supposedly independent evaluation teams." Rogers indignantly

charges such "self-serving studies are used to deceive Congress and the American people."

Representative Larry Winn, R-Kans., in a questionnaire poll of his district, reported the following results on abolishing OEO—44 percent in favor; 14 percent for retaining the agency as it exists; 42 percent to transfer its programs to other government agencies.

[From the Publishers-Hall Syndicate, Nov. 8, 1969]

REPRESENTATIVE PERKINS DEFENDS ANTI-POVERTY PROGRAM

(By Robert S. Allen and John A. Goldsmith)

WASHINGTON.—For Representative Carl Perkins, D-Ky., chairman of the Education and Labor Committee, vigorously defending the scandal-riddled anti-poverty program and doing everything possible to continue it unchanged for two more years, is strictly a case of self-interest and feathering his political nest.

Many more millions in anti-poverty funds have been bestowed on his congressional district than on any other in Kentucky.

In the five years the program has been in operation, Perkins' district, the 7th, in eastern Kentucky, has gotten more than \$72 million out of a total of upwards of \$251 million for the whole state.

Closest to this remarkable record is the 5th District, which has two Job Corps centers, that has received only \$41,361,000.

It is a legitimate assumption that Perkins' being head of the Education and Labor Committee, which handles anti-poverty legislation, has a lot to do with his largely rural district being favored so signally. Certainly this factor must have carried decisive weight in the Democratic Johnson Administration—and apparently Perkins is counting on getting the same kind of favored treatment in the Nixon Administration from the way he is adamantly protecting the Office of Economic Opportunity from being subjected to critical testimony from state and local officials throughout the country.

Foremost among them is Governor Louie Nunn of Kentucky.

SITTING ON THE LID

For weeks, Nunn has been strenuously trying to get a hearing before the Education and Labor Committee to air numerous complaints against OEO. Following is an illustration:

"Before OEO," the Kentucky state executive told a bipartisan group of committeemen, "one of our counties had 3,160 on relief. In the last several years, OEO has put around \$10 million into that county—to 'eliminate poverty,'" so they said. That county now has 6,500 on public welfare. I contend we cannot afford that kind of 'poverty elimination.'"

Nunn's efforts to appear before Perkins' committee have been actively supported by influential committeemen—Representatives William Scherle, R-Iowa, Edith Green, Ore., second-ranking Democrat, and Albert Quie, Minn., second-ranking Republican.

Perkins flatly balked. Finally, Scherle bluntly raised the issue on the floor of the full House.

"There are governors, state attorneys general and state auditors who have repeatedly said they want an opportunity to be heard by the committee," he said. "There have been hearings, but all the testimony was from officials of OEO. Naturally it was all favorable. There was not a single witness invited to testify against OEO, or anyone outside of the establishment."

Under this public prodding, Perkins finally made a concession—of sorts. He indicated willingness to allow critics and opponents to testify—after the pending multi-billion dollar bill to continue OEO unchanged for two more years is reported to the House for consideration.

"You can then bring as many governors and attorneys general before the committee as you like," Perkins said. "If they have constructive suggestions, the bill may be amended when it is taken up on the floor of the House."

"That's comparable," retorted Scherle acidly, "to locking the barn door after the horse is gone. I say it is reprehensible to mark up a bill that would cost the taxpayers around \$4.5 billion in the next two years without giving governors and attorneys general the chance to discuss the anti-poverty program and make recommendations and suggestions to improve it and clean it up."

"Denying the right of duly authorized officials to testify before a committee on legislation that they will have to administer and enforce is a denial of basic American principles."

JUICY BONANZA

The extent to which Representative Perkins' chairmanship has paid off handsomely for his district, and him politically, is graphically shown in the following chart.

It also explains why Governor Nunn is so outraged at OEO and its handling of anti-poverty funds.

Congressional District	Population	Total OEO allocation	Per capita poor
1.....	437,135	\$8,450,161	\$45
2.....	421,346	6,655,714	37
3.....	432,494	21,585,775	203
4.....	457,688	3,937,740	38
5.....	417,544	41,361,883	161
6.....	459,045	7,978,632	53
7.....	446,187	72,705,668	294

¹ Includes Louisville, largest city in State with 400,000 population and considerable industry and transportation.

² With 2 Job Corps centers.

Note: Not included in the allocation totals is more than \$40,000,000 for Job Corps centers and other OEO operations.

Perkins' 7th District is largely rural with no big cities. Ashland, the largest, is around 40,000. Its main industry is a sizable oil plant.

Yet the adjoining 6th District, with a slightly larger population, got only one-tenth in anti-poverty funds as the 7th. Also, the 6th, with 266,427 poor, got only \$53 per capita as against \$294 for the 7th with 238,120 poor.

That \$294 per capita for Perkins' district is one of the highest in the entire U.S.

It is almost four times the national average.

That average is \$76.73 for an overall total of 25,389,000 "poor" in the U.S.

The new multi-billion dollar OEO authorization bill has been pending in the Education and Labor Committee since February. Originally, Perkins sponsored a measure to extend the anti-poverty program for five more years for a total outlay of \$10.5 billion.

He is now supporting the Administration's bill for a two-year extension with an annual budget of \$2.18 billion. Last year, Congress voted only \$1.948 billion for the current fiscal year.

There is widespread bipartisan opposition to OEO in the House. A number of restrictive amendments are certain to be written into the anti-poverty legislation when it is taken up by the chamber.

WHY THEY'RE HOSTILE

A graphic illustration of the reason for the strong bipartisan opposition in the House to OEO was the discovery of an attempt by a high-paid official to dish out a juicy contract to a friend.

He proposed to give this friend a \$62,000 "unadvertised, noncompetitive" contract to produce a "new OEO symbol and redesign its literature."

Why the anti-poverty agency needed a new symbol and its letterhead and other material

had to be remodeled is known only to the OEO official. Apparently, Director Donald Rumsfeld was unaware of the affair until it was brought to light.

It was quickly squelched, but the OEO official is still on the payroll at \$32,840.

This questionable incident is succinctly detailed in a report by Representative William Scherle, R-Iowa, an outspoken critic of OEO who will lead the fight against it when the issue reaches the full House. Following is what he has to say:

"Once more the scandal-wracked Office of Economic Opportunity and its professional do-gooders have been caught with their hands in the 'cookie jar.' Only this time the culprits were intercepted before the taxpayers were bilked of a lot of money.

"The OEO's chief public relations officer attempted to award a former co-worker, and his personal friend, with a \$62,000 contract for the creation of a 'new' OEO symbol and redesign of its literature—even though OEO has long employed its own personnel to perform such work, including one of the federal government's most talented graphic artists.

"When this affair was uncovered, the deal was suddenly called off—not, however, until the official's 'friend' was reportedly some \$5,000 richer by a design of a logotype consisting of the letters 'OEO'.

"It is because of this type of 'hanky-panky' that the whole OEO program is under widespread and serious fire. Case after case of shady transactions have been the hallmark of this so-called 'war on poverty'. Thousands upon thousands of taxpayers' dollars have been pilfered for personal gain by so-called poverty warriors throughout the country.

"Considering the 'track record' of OEO, it is increasingly appropriate that the new seal depict an OEO employee with his hand in John Q's pocket—right up to the elbow."

On OEO rolls, Archibald McKinley, Jr., is listed as "Assistant Director of the Office of Public Affairs", with a salary of \$32,840. In last year's campaign, he was in charge of press relations for the Nixon for President Committee.

The \$62,000 "unadvertised, noncompetitive" contract was given to a Chicago company headed by Michael Reid, a friend and former employee of McKinley. McKinley has defended this deal on the ground that "as far as I know it's all proper."

The track record of OEO makes it crystal clear that a thorough shake-up in its entire structure is needed. The substitute will go a long way to correcting those abuses.

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1969

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Minnesota (Mr. QUIE) is recognized for 60 minutes.

(Mr. QUIE asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield at that point?

Mr. QUIE. If the gentleman has a question he wishes to ask.

Mr. PUCINSKI. I have a question.

Mr. QUIE. I will yield to the gentleman from Illinois for one question.

Mr. PUCINSKI. Does the substitute bill have the Murphy amendment in it?

Mr. SCHERLE. If the gentleman will yield, the substitute bill, on the last page, contains the phrase, or a statement that will be covered by the litigation presented, where if I interpret this correctly,

if the OEO pursues the course of endeavor of litigation and lose, they in turn will have to pay the court costs.

Mr. PUCINSKI. That was not my question. The Murphy amendment provides a veto power for the Governor.

What I want to know is does the substitute act contain the Murphy amendment?

Mr. SCHERLE. No.

Mr. QUIE. I would say to the gentleman from Illinois the answer is no.

Mr. SCHERLE. No, it does not contain the Murphy amendment.

Mr. PUCINSKI. Does the gentleman intend to offer the Murphy amendment to the substitute?

Mr. QUIE. Mr. Speaker, I do not yield any further.

The gentleman from Illinois can secure some additional time at another time on that. I want to get on with the explanation.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. QUIE. Not at this point.

The SPEAKER pro tempore. The gentleman from Minnesota declines to yield.

Mr. QUIE. Mr. Speaker, because of the interest of the gentleman from Illinois, I am going to go through the portion of the substitute, the part that the gentleman from Illinois has indicated an interest in, and at that time if he would like to have me yield to him for some questions I will be glad to do so, but not until I reach that point.

Mr. PUCINSKI. One question, though, on that. Are we going to see the same thing we saw with the previous speaker, that time runs out? I would like to develop the point with the gentleman, but if the gentleman does not intend to yield, then of course there is no sense in staying around. I can read the gentleman's statement in the RECORD tomorrow.

Mr. QUIE. I would suggest that the gentleman should stick around because I am going to withhold all the parts of my statement with the exception of the one referring to the area the gentleman from Illinois has indicated an interest in. But as soon as I complete that I will yield to the gentleman from Illinois so that he can ask questions on it.

The gentleman from Illinois knows that all through the years I have been very willing to yield and have been responsive to the desire of Members to enter into colloquy, and that I have not engaged in the device of letting Members stand until the end of my time, and then because the time has run out not being able to yield.

First, let me point out a study that has been completed for the OEO conducted by the Midwest Research Institute, Kansas City, Mo., which had its responsibility in this intergovernmental study the question of State SEOO offices.

Midwest Research Institute, Kansas City, Mo., which studied State Economic Opportunity Offices stated the SEOO's are underbudgeted, inadequately staffed, and sorely in need of technical assistance and training. Their role has been poorly defined. They have done, in some instances, a remarkable job of innovation and marshaling of resources for the anti-poverty program. There is much to be done by OEO, its regional offices, and the

SEOO's if the States are to be successfully involved in the antipoverty program.

The most severe coordination and communication problem is between OEO's regional offices and the SEOO's. OEO should design and implement inservice and preservice training programs for regional office personnel concerning the work of SEOO's and State government. These programs should be conducted on site in the States.

OEO policy should provide for more involvement of both Governors and the SEOO's in the development of program priorities. OEO's new draft guidelines on SEOO's do not go far enough.

First. The Governors should be consulted annually on program priorities in their State.

Second. Veto power of the Governors should be utilized for the means of insuring consultation and mutual program development between OEO and the Government.

Third. OEO should support the SEOO not only through clarified instructions, more money, training and technical assistance, but also through the adoption of a State-by-State approach so that each SEOO can achieve the maximum involvement of the State within which it operates depending upon the unique characteristics of each State.

I would quote from a few other places in the report. One of them is on page 54 which says:

It is clear that the present OEO as presently constituted is unable to perform a multifaceted role as desired by most program participants.

The problem of staffing referred to therein can be seen very clearly when you compare the staffing in some of the city community action agencies and the problems of clerical staff at the State economic opportunity offices. The total professional staffing of all the State economic opportunity offices is 412; the total clerical is 218. The largest State is New Jersey, with 30 professionals, and there are small States like Delaware and Nevada that have one.

The cities that I would refer you to are Los Angeles, which has 1,365 professionals and 1,666 clerical; or New York, with 5,406 professional and 9,066 clerical; or Atlanta with 405 professional and 551 clerical, and so forth.

You see, there are greater numbers in those cities than there are in all the States of the Union. Therefore, those States need more assistance.

Step 3 is the section of the substitute which most people do not understand. It involves the States to a greater degree than before, and we have written into statute a provision establishing a State developmental and coordination program which we feel will give to the State the opportunity to assert some of the administrative responsibilities that are now vested in regional offices. The present law permits the Director to do that now. I shall read that subsection to you. It is subsection (c) of section 231. I will say to the gentleman from Illinois, so he does not have to wear out his feet, that I will read through that section and then through the provisions

of the State developmental and coordination program. Then I shall yield to the gentleman. Subsection (c) of section 231 of the present act states—

In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with the States or State agencies pursuant to which they will act as agents of the United States for purposes of providing financial assistance to Community Action Agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this title.

Under the provisions of the substitute the State developmental and coordination program will be devised by the State economic opportunity office. They will in turn submit the program to the Director for him to review, and if he finds that the State developmental and coordination program submitted complies with the requirements of this part, then he shall approve it. These are the requirements:

No. 1, that it has been prepared by the State office in consultation with the State council of that State and has been approved by the State council.

Let me explain the State council. Each State that wants to develop a SDCP must have a State economic opportunity council similar to the one legislated in the vocational education program in the 1968 amendments. The 1968 amendments required each State to involve a broad section of citizens in order that the best possible development of their vocational education might occur. In this way they can bring together influences of the junior college, labor, higher education, elementary and secondary education, post high school education, and the businesses of the State. The same model will be required here. The State council will be required to develop a long-range plan for the purpose of eliminating poverty in the State and would also serve as advisers to the State office.

They would also have to approve the State development and coordination program.

No. 2, that they designate the State office as the sole agency for administration of the State program or for supervision of the administration thereof by local community action agencies.

No. 3, that it sets forth in detail the policies and procedures to be followed by the State in the distribution of funds to local community action agencies in the State, and for the users of such funds for the various programs and program components specified in sections 221 and 222, which policies and procedures assure that (a) due consideration will be given to the relative needs of urban and rural areas within a State and to the needs of the various categories of persons living in poverty in accordance with the criteria applied by the Director, and due consideration will be given to periodic evaluations of programs, services, and activities assisted under this title.

The fourth requirement would be that it describes how the activities and projects to be carried out under the program are related to the long-range plan de-

veloped by the State Council pursuant to section 251(c).

The exception is that in the first year it could be waived because the State concerned would not have time to develop the long-range plans.

The fifth requirement would be:

sets forth policies and procedures satisfactory to the Director for approval of applications for assistance under this title and under title VIII submitted by local community action agencies and other qualified applicants, and for the evaluation, review, and monitoring of the program conducted by such applicants (including procedures to assure that such programs conform to the requirements of this Act);

The sixth requirement is:

sets forth procedures designed to improve the coordination of State-administered programs affecting the poor and to achieve at the local level a more effective coordination and concentration of public and private services for disadvantaged individuals and families (including services provided under this Act and under other Federally-assisted programs such as Model Cities, manpower training and development, services for migrant agricultural workers, welfare services, educational assistance for disadvantaged children or adults, health and medical services and benefits, economic development in depressed areas, and agricultural extension services);

Let me add here that this is not a requirement that the State economic opportunity office coordinate and actually pull together all these other agencies, but that the other agency programs be taken into consideration, that the representatives of these other agencies serve on the council. This will provide for the best possible coordination within the States of all the activities that are going on to alleviate poverty.

A little earlier the gentlewoman from Oregon indicated the amount of money being expended from non-Federal sources and the amount that comes from Federal sources to alleviate poverty. This program is a very small amount of that total.

The seventh requirement is:

provides that any community action agency, or other public or private agency which is a qualified applicant for program assistance under this title, dissatisfied with a final action with respect to any application for funds under this title shall be given reasonable notice and opportunity for a hearing by the State Office;

The eighth requirement is:

provides assurances that Federal funds made available under this part will be so used as to supplement, and to the extent possible increase the amount of State, local, and private funds that would in the absence of Federal funds be made available for programs supported under this part, and in no case supplant such State, local, and private funds;

The ninth requirement is:

provides assurances satisfactory to the Director that all relevant requirements of this Act shall be complied with, and provides for making such reports in such form and containing such information and affording such access thereto as the Director may reasonably require to carry out his functions under this Act;

The 10th requirement is:

sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to qualified applicants) under this title.

This is the judgment the Director will make if the State desires, and only if the State desires, to assume administrative responsibilities which presently are vested in the OEO regional offices. This language in no way reduces the authority of community action agencies. It does not permit the States to take them over. It does not permit the States to operate contrary to the purposes of the act or contrary to the intentions of the Director. States who participate will have to conform with the act and the judgments of the Director as laid out in these provisions and the criteria that a State developmental and coordination program would have to follow.

If the gentleman would like to have me yield at this time I will do so; otherwise I will go further on this provision.

Mr. PUCINSKI. Earlier in the afternoon, in response to my question, the gentleman said that there is provision in the substitute bill for the local community action agency such as the city of New York or Los Angeles or Duluth or Chicago to opt out from any State control.

Mr. QUIE. No. If I may respond, the question you asked was "If a State decided to become a community action agency, then could a municipality opt out?" and the answer to that is "Yes." That is provided in the present law under the Green amendment of 1967, and that authority is not removed from the present act.

Mr. PUCINSKI. In the section that you have just read the State development and coordination programs, paragraph 2 of section 253(a) provides "designates the State office as the sole agency for administration of the State program or for supervision of the administration thereof by local community action agencies." What does that mean?

Mr. QUIE. That means that the State economic opportunity office can either be the one that presently exists or if the State, for instance, wants to include it in a human resources council, as I believe the State of Illinois is developing right now, that judgment would be made by the Governor; but they could not divide the responsibilities for a State development and coordination program among various offices within the State.

Mr. PUCINSKI. Now, in subsection (1) of section 251, the State agency assistance—and I am now calling attention to section (b) on page 3 of your mimeographed copy of the bill down to the bottom of the page (1)—it says "all applications for assistance under this title and under title VIII within a State are submitted through the State office, and that the office is afforded a reasonable opportunity to review such applications before transmitting them to the Director—or to his delegate—with such comments and recommendations as the State may deem appropriate." Then you go on on page 4 in section (c) (1) and provide that in the substitute bill that

"Whenever a State office shall recommend against the approval of an application submitted under subsection (b) (1), such application shall not be approved—or shall not be approved without changes suggested by the State office—for funding under this title unless the Director shall have made a finding that disapproval of such application would seriously weaken the overall program plan of a local community action agency."

What you are doing, then, is giving the State a veto power over any community action program in that State. It is true that there is an escape clause here where, if the evidence is so overwhelming in the opinion of the Director, apparently under (c) (1) he can fund under this title but only if he makes a finding that disapproval of such application will seriously weaken the overall program plan of a local community action agency. Then, is not this a State plan for a State veto and putting all of the State community action programs under the State administration?

Mr. QUIE. No. I will say to the gentleman it is not. This provision you have now read does not apply to the State development and coordination programs. This section is what we would call step two. It is step one if the State does not want to have any part of or any kind of responsibility, even having a State economic opportunity office, as in the State of Indiana. That is their decision. However, if they want to remain as they are now without a development and coordination program or an economic opportunity council, the application still shall go to the State first rather than simultaneously to the State and the Director of OEO, as is presently the case.

Now, the language on page 4(c) (1) is a change in the present Governor's veto.

As you know, presently the Governor can veto if he desires to do so any community action agency program, any title II program, and is subject to the Director's overriding that veto. The Director presently only has to make the determination that the program conforms to this act. So he has full latitude. This would restrict the Governor's veto in the case that the States want to stay at the present level in relationship to the Federal Government.

The language "That the disapproval or veto of the Governor would seriously weaken the overall program plan of a local Community Action Agency," is the case I feel it would be unwise to veto because the program—the overall program—has already been approved by the Government and by the Director, or else it has been vetoed by the Governor or overridden by the Director. However, if it has no connection whatsoever, then I feel it should not be a problem if the Governor finds that it does not conform to his wishes in the State.

Mr. PUCINSKI. Mr. Speaker, if the gentleman will yield further, it is one thing to give the Governor the right to veto as we have in the Green amendments but it is quite another thing to give the Governor the right to control the program.

I was very much impressed by the earlier discussion, and from the response

I got the impression that there was an opportunity for a local agency such as a city to just completely opt out of State control and deal directly with the Director of the OEO.

However, a very careful reading of this bill, starting with the preamble which very clearly States right in the very first sentence in section 250, the preamble, part E—statement of purpose—there is stated the following:

It is the purpose of this part to provide an effective mechanism for the positive involvement of State officers, agencies, and administrative resources in the development, carrying out, and coordination of anti-poverty programs within each State—

Then we go on into the subsequent section which I have already cited here which states that the Director shall take steps which will assure that all applications under this title are submitted through the State office.

Then we go on over to section 2 of section 253(a) which states:

Any State desiring to carry out a developmental and coordination program for urban and rural community action shall submit to the Director (at such time and in such detail as he may specify and containing such information as he may deem necessary) an outline for such a program which—"(1) has been prepared by the State office in consultation with the State council of that State and has been approved by the State council;

"(2) Designates the State office as the sole agency for administration of the State program, or for supervision of the administration thereof by local Community Action Agencies;"

So I say to my colleague in all honesty, unless I am not reading this bill correctly—and I do not think I am—for one who is faced with the problem of having 49 percent of all the people in his State—49 percent of all recipients in the State of Illinois come from the State of Mississippi—the gentleman and I know that for a decade the welfare program in that State has been a one-way ticket to Chicago. That is why the city of Chicago has all the problems which have occurred such as the riots and other disturbances. But for the first time in 10 years we have seen a slowing down in this huge migration of people looking for better opportunities in the big cities of America, including Chicago.

Now you come along with your bill and you say we are going to give this back to the States. I ask my friend in all honesty and sincerity what kind of an antipoverty program do you think the Governor of Georgia or Mississippi or Alabama or Louisiana is going to effectuate with this substitute bill? That is all I ask.

Mr. QUIE. If the gentleman will read again those subsections of section 253 that I went through, the gentleman will see that the requirements that would be placed on the State agency before they get approval by the Director would be such that no State would engage in the type of program that the gentleman refers to with approval by the Director.

Also the gentleman does not read the bill correctly, when he ties the provisions of section 251 and reads them into the provisions of section 253, these are two different steps.

If the State remains as it is now, as

stated in section 251. However, if they put together a State developmental and coordination program which would permit them then to assume administrative responsibility that presently is held by the regional office, then they must have met the requirements of section 253 in order to do it. The gentleman can see that the dangers that he has raised never could occur.

Mr. PUCINSKI. But if I read this bill correctly—and if I am wrong, please correct me—but as I read the State has the option. If the States decides to go the route of section 253(a) and develop a coordinated program, if that is the decision that the State makes, then I read this bill to provide that once a State has made that decision, all of the community action programs within that State come with the provisions of the sections that the gentleman just enumerated.

Mr. QUIE. That is correct.

Mr. PUCINSKI. When that happens, that local community no longer does have the control over the destiny of its own community action programs, and it does become very much subservient to the State judgment.

Mr. QUIE. On the contrary, let me answer the gentleman—

Mr. PUCINSKI. The gentleman and I will not settle this today, I know.

Mr. QUIE. Let me answer the gentleman, because that is important here, as I see the question of whether they are subservient to the regional office or subservient to the State.

Presently community action agencies are subservient to the regional offices, the Director has the same kind of authority to make the determination he wants to as they would without community action agency direction; however, States have no recourse if the regional office goes against them. The regional office is answerable to no one except the Director, and they have been riding roughshod over the communities. They have been riding roughshod over the communities in my State, and I know they undoubtedly have been in the gentleman's State, as well, even though the regional office is located in the city of Chicago.

In the State the community has the opportunity, if the Governor has appointed a State economic office which is not properly responsive, even though the Director say they were responsive, they can go out to the communities, to other communities in the State, and defeat this; they can go to their own State legislator and he, with other State legislators, can get the legislature to write legislation to make it more responsive.

They have more tools at their disposal in section 253 than they have presently under the act.

If the gentleman does not agree with that, all the gentleman has to do is to talk to a number of community action agencies who are just considerably upset over the arbitrary nature of the regional office.

Mr. PUCINSKI. Mr. Speaker, I want to thank the gentleman. He has been very kind, and I thank the gentleman for yielding to questions, and for permitting such an interesting discussion here. It is quite probable that we are not going to resolve this problem in this

dialog because obviously the gentleman from Minnesota has one point of view and I have another view. I welcome the debate we have had today, and are having. Even though there has been much criticism, it has given us a chance to have our attorneys look at the substitute, and to advise us whether or not indeed you are right; and if you are right, as I said earlier, perhaps this is a furor over nothing, if you are right.

But I must make this one final observation. There is a great deal of difference. I would be the first man to criticize the regional offices. I was delighted when Donald Rumsfeld came before our committee and said, "I am going to clean that mess out."

But there is a big difference between a regional officer who can be straightened out by Mr. Nixon and Mr. Rumsfeld and Governor Maddox or Gov. John Bell Williams and Governor McKeithen of Louisiana or the Governor of Alabama. But I am going to tell you right now, if we were to take this substitute, if my version is correct, we are turning the clock back on what we are trying to do in the poverty program.

If your version is correct, and if our attorneys attest to the fact that your interpretation is correct, then I say to you, we have no quarrel, and we can go through this legislation very quickly.

Mr. QUIE. If the State does develop a program, which we call the State developmental and coordination program, which is acceptable to the Director, however in the administration of it they do not comply with the act or they do not comply with the program as they devised it and as it is acceptable to the Director—that has approved the application, and dividing the funds in the State, and all of that—then the Director can step in and cut off the funds. He does not put every local community action agency over the barrel by doing so as done in other programs where money is cut off from the State. The Director can fund community action agencies directly until all problems have been worked out.

The Director, under this provision the Director—Director Rumsfeld—makes the determination and can make certain that none of the hobgoblins that have been hopping up so often will ever come to pass—because he will have that kind of control and protection.

I want to say one thing about turning it over to attorneys, and I know the gentleman from Connecticut is an attorney and I hope he will forgive me when I make this comment. You know you can get attorneys to give you any decision that you want. I have had to work with the OEO recently and they came up with a decision by their attorneys, and they said, "You go down and talk to another attorney and he will give you a different decision." You can make the most restrictive construction of a decision to make it look like as horrible a piece of legislation as possible. But we know from experience, and the gentleman from Illinois especially, that departments downtown do not seem to have much trouble finding attorneys who will promote this type of action.

Mr. PUCINSKI. Are you saying then—let us take Mr. Rumsfeld—this morning

at 10:30 a.m.—just simply for the record—he did look at the substitute and he said that this will emasculate the poverty program. Is he misinformed or misled about it?

Mr. QUIE. Yes, he is, if he said that; definitely.

Mr. PUCINSKI. I want to thank you for your courtesy.

Mr. GIAIMO. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. GIAIMO. I just want to say I am amused by the gentleman's statement that they can now turn this matter over to their attorneys for study. I would say that the majority of this committee at least for 11 months has not seen fit to entertain amendments, substitutes, or changes in any way. At this late date, 3 weeks before we hope to adjourn sine die, suddenly they want a study for suggested changes and the like in the poverty program. I would suggest that one of the reasons for the delay is not so much an opportunity to study but an opportunity to give some people a few days in which to generate a lobby of poverty brokers—that new class of American citizens who engage in this type of legislation in the name of the poor, although not in service to the poor—and to get them to Washington to beat on the doors of the Capitol to see if they cannot once again force their will upon this Chamber.

Mr. QUIE. I would say the gentleman is absolutely correct. I fact, I observed that in operation recently in connection with an amendment I was supposedly developing, after speaking with a Member of this body and he contacted OEO. The word got out to the poverty brokers out in the Midwest mighty fast. They called me about "the amendment I was going to offer in the committee." I refuted them when I told my colleagues in the committee that I am not about to offer an amendment there. But that is the kind of operation they run and I know it has been effective in the past, giving the impression that any amendment offered would gut the legislation. The arguments are pretty weak. It is like a person who finds victory beyond his grasp and seems to resort to expressing his emotion by cursing. They resort to that technique as a means of responding to amendments which they see on the face of them have merit, but they do not want to be part of the act.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the distinguished gentleman from Minnesota yielding. I have my own special order following his. I shall not take his time to comment on any of the allegations that have been made recently. I do wish to ask the gentleman some questions relating to the substitute, the text of which will be in the RECORD and which I have:

First, the provision which is found in subsection 251 (b) or (c) (1) which reads, "whenever a State office shall recommend against the approval of an application," and so forth, on page 4 of the substitute. Is this intended to replace the present Governor's veto that is in the

act and, if so, would the gentleman point to where the Governor's veto is repealed?

Mr. QUIE. It would replace the Governors' veto in the present act. It is not necessary to repeal the present language in the act, because when subsequent language, contrary language that which exists, is enacted by the Congress, it has the same effect as repealing.

Mr. STEIGER of Wisconsin. In other words, if I understand correctly, the intent is to repeal that provision of the law now which provides for a Governor's veto, and instead of the Governor's veto you are now providing that the Office of Economic Opportunity shall be the officer who shall be in charge of the veto; is that correct?

Mr. QUIE. Under the present act the State economic opportunity office is required to advise the Governor, and in the case of Indiana, I guess that would be true, since they do not have one. But I imagine before this would be put into operation, from all I can read about Indiana, they will have one and they will no longer have the problem. The effect will still be the same. It will be a Governor's veto. The Governor as the chief executive of the State would make the final determination in relation to the State economic opportunity office.

Mr. STEIGER of Wisconsin. Second, it is not clear to me, having read the substitute, whether or not the State planning provisions apply to research and demonstration programs as well as programs which are found under sections 221 and 222 of the present act. I refer the gentleman specifically to that language of the substitute. Do they apply to all of the title or only to sections 221 and 222, which happen to be specifically mentioned?

Mr. QUIE. It applies to all of title II. The gentleman has referred specifically to research and pilot programs, which, under the budget proposal that we received from Carol Khosroui, the congressional liaison for the Office of Economic Opportunity, would amount to \$114,600,000. According to the information that was summarized before the Appropriations Committee, it would amount to \$60,600,000, and according to the justification of the appropriation estimates that was presented to them, \$55,500,000.

So some place between \$55 million and \$150 million is the amount here.

Since the present requirement of research for pilot programs, section 332 of the act, which is title II, requires that any pilot or demonstration program must be submitted to an appropriate community action agency and, if there is not any, to the local governing officials of the political subdivision, if the State has developed a program which is acceptable to the Director I can see really no objection to him going to them and saying, "I want to run a research pilot program or a pilot program in your State. Does this fit into the program you have developed for elimination of poverty, so that it would be acceptable to you?"

Mr. STEIGER of Wisconsin. There are a number of other provisions of the present act which, if one were to literally read the statute and the substitute,

would still fall upon the shoulders of the Director. For example, there is the requirement in the law now to recognize a community action agency. Is that to be transferred to the State, if it is to develop the developmental and coordination plan? What about those requirements which today impose upon the Director the requirement to take action against grants for failure to comply with audit requirements or to approve exceptions to the \$15,000 salary limitation? What would be the standing on those?

Mr. QUIE. I can answer one part the gentleman asked about. I assume he refers to the authority given to the Director to designate a community action agency if a local political subdivision has either refused to or neglected to designate one, when some private nonprofit agency is set up and wants a designation so that it can go to the Director.

There is nothing in the provision here that would prohibit that. I would expect that the Director would work this out in the State developmental and coordination program. If the State wanted to leave the responsibility with the Director it could. I cannot imagine why they would not devise a means within their program of working out that designation. In this regard we are silent, so that the present authority in the act left to the Director would remain there.

Mr. STEIGER of Wisconsin. What about the audit provision and the salary exception? What happens on those two provisions?

Mr. QUIE. This has nothing to do with the salary provision. That would still stand.

The substitute would permit the State to assume auditing responsibility which presently is in the regional offices. If this is done in an acceptable way to the Director then they would assume it. The Director would have to approve it.

Mr. STEIGER of Wisconsin. In terms of that portion of the substitute which the gentleman has called part 2, under which a State is to be given the opportunity to comment and make recommendations, I wonder whether or not the gentleman would be willing to just run through for me the time process he foresees? I am a little unclear, having read it, because as I read the proposed amendment there would be a series of steps to be followed. The application would go to the State office. The State office comments. It is forwarded to the Director. The Director can then approve or disapprove the wording on that. Then again it is to be given to the State office. They then have a chance to make a recommendation on whether or not the action is to be approved. Then the Director finally is to have the opportunity to override that final recommendation.

Mr. QUIE. I imagine the gentleman could raise some question on whether there could be a long delay. Rather than specify the exact amount of time I felt it would be better to be left to the discretion of Director. That is why the Director moved to ask that they be done simultaneously. In the past it was the same provision that would use title III of the Elementary and Secondary Edu-

cation Act during the time when that program was administered by the Commissioner of Education rather than through the State departments of education. It seemed to work with the exception that at that time the States were unhappy that they could not provide administrative jurisdiction themselves. We changed that act and required that it go to the States. Here the next two sections give the States the means whereby they can work into that administrative responsibility.

Mr. STEIGER of Wisconsin. Would the gentleman yield further?

Mr. QUIE. One more time. I am glad to.

Mr. STEIGER of Wisconsin. I appreciate that very much.

As I read the provisions of what is section 321, the amendments to title VI on political activity, the language contained in the substitute says "And for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this act—other than part C of title I—shall be deemed to be a State or local agency," and insert in lieu thereof "And for purposes of clauses (1), (2), and (3) of section 1502(a) of such title a full-time volunteer under title VIII of this act or any person who, directly or indirectly, receives from funds appropriated under the authority of this Act an amount which exceeds one-quarter of the total amount such person regularly receives in salary payments—or in consultant fees—shall be deemed to be a State or local officer or employee."

Thus you have amplified the present law as it applies in the Hatch Act. It applies to other people receiving funds under the statute. Now, are we to interpret that to mean an employee of the Westinghouse Learning Corp. for example, just to pick one noncontroversial example, with which OEO has a contract? Would a farmer who received loans under title III(a) or a businessman under title IV, dealing with the Youth Corps—would all of them be subject to this provision?

Mr. QUIE. It could be. As is stated here, if they receive one-quarter of their salary payments, then that would be included in here. That is right. Presently they are covered by some provisions of the act. For example, clauses 1 and 2 of chapter 15 of title V of the United States Code are in the act presently. This provision would add to that clause 3 to prohibit individuals from taking an active part in political management or in political campaigns.

Mr. STEIGER of Wisconsin. All those people who receive 25 percent of their income?

Mr. QUIE. The people receiving 25 percent from any part of the act.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mrs. GREEN of Oregon. Chapter 15 of title 5, United States Code, bars "political activity of certain State and local employees." This is the Hatch Act applied to States and municipalities. It applies to "an individual employed by a State or local agency whose principal employment is in connection with an

activity which is financed in whole or in part by loans or grants made by the United States or a Federal agency." It does not apply to an individual who exercises no functions in connection with the federally assisted activity, and it does not cover individuals employed by educational or research institutions, or religious or philanthropic organizations.

Nevertheless, according to estimates derived from the January 1968 report of the Commission on Political Activity of Government Personnel—volume I, page 11—more than 1½ million State and local employees are covered by these provisions.

Necessarily, tens of thousands of State and local employees are covered by the provisions who—because the Federal contribution to many programs is relatively slight—derive only a very tiny portion of their salaries from Federal funds. But they are still covered.

These provisions apply to State highway employees, to welfare employees, to health employees, and even to members of an agency such as "the Council of Defense of the State of Ohio." It has been held to apply to an employee of a county housing authority because it received some Federal funds; it has been held to apply to a State conservation agency.

The argument for applying these provisions to antipoverty workers is much stronger than for most of the other State and local employees because these workers have a much more direct political impact and a far greater opportunity to identify the program with partisan aims. Moreover—unlike most covered State and local agencies—the funds involved virtually are 100 percent Federal funds.

Surely, if we are to cover the employees of a State conservation agency and exempt the employees of a delegate agency of the local community action board, we must be able to draw a distinction between them on the grounds that one is less political than the other. Obviously, just the reverse sort of logic applies: we have covered the less political—even nonpolitical—and exempted the most political from the act.

I thank the gentleman from Minnesota for yielding.

Mr. QUIE. I thank the distinguished gentlewoman from Oregon for that assistance. I have now found the place in section 603 where it says that for the purposes of clauses 1 and 2 of such title, which is the Hatch Act, any agency receiving assistance under this act other than part (c) of title I, shall be deemed a State and local agency.

So, the last time in conference as I recall there was a change in this clause and clause 3 was dropped out.

Mr. STEIGER of Wisconsin. Mr. Speaker, if the gentleman will yield further, I can clearly understand and have no objection to covering those that are appropriate to be covered.

My question is whether or not by the language of the amendment contained in the substitute have you not gone far beyond what is true of any other agency of the Federal Government and by virtue of the language as is now written in the substitute a professor at a university who

receives a grant from the OEO program for research, as I read it he would be covered?

Mr. QUIE. We have not gone beyond the present requirements that exist for State and local governments and even there they are only limited to one quarter of their income.

Now, Mr. Speaker, since my time is just about up, I ask unanimous consent to include in my remarks some additional matter. First, a matter pertaining to the Governor's veto which contains the statistics of the number of grants that have been approved and the number that have been vetoed as well as the number that have been overridden in the States where this has occurred and the problem that exists with the present overriding of the Governor's veto.

The SPEAKER pro tempore (Mr. PRICE of Illinois). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. QUIE. Also, Mr. Speaker, I have had done a survey by the GAO evaluation that was required under the bill which was passed in 1967.

This has been summarized, and I will place that in the RECORD with my remarks at this point.

The material referred to follows:

GAO INVESTIGATION AND EVALUATION OF EOA PROGRAMS

I. MANPOWER PROGRAMS

A. Job Corps

(1) GAO questioned whether Job Corps Program (especially Conservation Centers) should be maintained at present level

(a) Recommendations and Criticism

(1) Recruiting and screening activities need improvement—enrollment was down and many of those who did enroll did not meet certain basic requirements—waivers were granted for about 33% of the 1000 enrollees included in the GAO test.

(2) A system should be devised to retain corps members—of 73,500 corps members who left in FY 68, 26,300 were graduates; 18,200 remained over 90 days; 29,000 remained less than 90 days—at the centers reviewed the majority of corps members left program in less than 6 months.

(3) Training programs lacked precise, detailed curriculums and lesson plans.

(4) Weaknesses existed in counseling programs.

(5) Conservation Centers devoted little attention to high school equivalency program.

(6) Center placement and follow-up was generally limited to immediate geographic areas—Conservation Camps located in isolated areas suffered most in not being able to place corps graduates.

(b) Employment and earning power appeared to be associated with the length of stay of corpsmen at the centers; those who graduated were most successful.

(1) Corps members have had opportunity to develop work habits, and academic education.

(2) Corps has achieved only limited success, according to GAO, because of "post Job Corps employment experience, unfavorable retention rate of corps members, and problems relating to program content and administration which have existed." (p. 63 Review of Economic Opportunity Programs)

(3) Job Corps males displayed employment rate of 56% upon entering program and 58-60% measured at various periods of time ranging from immediately to 18 months after the program.

(4) Unemployment rate increased from

35% at entry to 38% at 18 months after termination.

(5) Job Corps females did not appear to improve their employability.

(6) Wage increases and weekly working hours were subject to high degree of uncertainty.

(7) White males increased their employability significantly whereas older male Negroes, who had more schooling, showed a decrease in employment after the program.

B. Work experience and training program

(1) 10 projects examined involving 13,200 enrollees.

(2) GAO Conclusions:

(a) Program success in achieving objectives considered reasonable.

(b) The percentage of participants who gained employment upon completion or termination of training, although not overly large, is not discouraging considering participants' backgrounds.

(c) The number of participants able to detach themselves from welfare or at least decrease their payments seems to speak creditably for the program's ability to help people become economically self-sufficient, at least in the short run.

(d) Medical assistance, improved work habits and attitudes, and educational and vocational training gained through the program helped to make these people more employable.

(3) Recommendations: (Work Experience & Training Program is being replaced by Work Incentive Program—WIN).

(a) Give close attention to enrollee absenteeism.

(b) Improvement in counseling.

(c) Need for adequate field reviews and evaluations of program.

(d) Determine reasons for early termination and absenteeism to ascertain whether these problems can be alleviated.

(4) Program Results:

(a) Of 13,200 persons entered in program at the 10 locations reviewed—

(1) 3800 completed training.

(2) 6800 terminated before completion.

(3) 2600 were participants.

(b) Wages varied according to types of employment and local demand and wage levels—

(1) urban area monthly wages ranged from \$173-\$640.

(2) rural area monthly wages ranged from \$140-\$490.

(c) Of 10,279 participants who were receiving public assistance when they entered the program, 2784 had their payments terminated or reduced due to a variety of reasons amounting to a savings of about \$4 million.

C. Concentrated employment program (CEP)

(1) Recommendations:

(a) Full use should be made of existing facilities.

(b) State Employment Security Agencies should be utilized in connection with CEP operations.

(c) CEP operations should be coordinated with the JOBS program sponsored by the National Alliance of Businessmen.

(d) Enrollment requirements should be more strictly enforced.

(e) Follow-up contracts should be made with terminated enrollees.

(f) Better counseling.

(2) Program Results:

(a) Of 10,400 enrolled in training—

(1) 2100 were placed in jobs after training.

(2) 3000 were still in training.

(3) 2200 were awaiting further training or placement.

(4) 3100 had dropped out of program.

D. Neighborhood Youth Corps (NYC)

(1) Conclusions:

(a) Great majority of youths enrolled in NYC programs would probably have remained in or dropped out of school irrespec-

tive of enrollment in NYC. Their benefits were additional income, useful work experience, and some intangible benefits.

(b) To correct dropout problem, available funds could more effectively be used by enlarging existing school curriculum to provide for vocational education and improved counseling for potential dropouts.

(c) NYC out-of-school program does not seem needed as its objectives are encompassed by other programs, such as the MDTA.

(d) Substantial improvements in various administrative areas are needed.

(2) Recommendations:

(a) Redefine and clarify the purposes and intended objectives of the in-school and summer work and training programs authorized for students in section 123(a)(1) of the EOA.

(b) Establish realistic and specific goals for programs authorized and relative priorities for their attainment.

(c) Merger of out-of-school program with MDTA program.

(3) Results:

(a) Employment of NYC males increased 2% (from 58 to 60%) from the time they entered NYC to from immediately to 18 months after the program.

(b) Employment of NYC females may have improved 3-7 percentage points.

(c) NYC benefit-cost ratios are significantly higher than those for Job Corps, but the validity of the statistics are questionable.

(d) Individuals who spend 6 months or more in the programs appear to improve their job-market, but these are a small fraction of the total number of participants.

(e) Need for establishing a standard format and procedure for manpower programs.

(f) Programs, as is, had very little discernible effect on overall dropout problem.

(g) Administrative deficiencies in recruiting, orientation, counseling, follow-up efforts, payroll, personnel management, and training of personnel.

(h) Too many ineligible youths enrolled in program.

(i) More effective monitoring needed by Bureau of Work Training Programs in order to improve NYC programs and insure sponsor compliance with NYC contracts and BWTP guidelines.

II. COMMUNITY ACTION PROGRAMS

A. Findings and recommendations

(1) Community action agencies had made no detailed studies to determine the acute needs of the poor.

(a) GAO Recommended:

(1) Systematic determinations be made as to the needs of the poor.

(2) Establish priorities based on such determinations.

(3) Develop programs, within available funds, to meet needs.

(2) The CAAs should develop means necessary to increase active participation by the poor in elections and attendance at council meetings.

(3) Means to evaluate CAP effectiveness should be developed in order to assist CAAs in evaluating their effectiveness.

(4) Improve planning and programming.

(5) Improvement in CAAs financial management systems.

(6) The Nelson Amendment project was considered effective at the Gila River Indian Reservation. It provided employment to needy participants accounting for 79% of project expenditures.

(7) Certain component programs who have not prescribed standing income eligibility requirements, should do so.

III. HEALTH PROGRAMS

A. Findings and recommendations

(1) Community health services program has provided some poor with first unfragmented medical care, but eligibility requirements need to be examined.

(2) The health centers reviewed were not

providing complete health services primarily because of space limitations or delays in obtaining necessary facilities.

(3) The Chicago center used OEO funds to provide hospitalization at the sponsoring hospital when center physicians deemed it necessary. Congressional intent was that this be done only in highly unusual circumstances, and OEO had not established guidelines to follow.

(4) The current health information system does not provide sufficient data for definitive analysis. Findings based on available data included—

(a) Family Planning programs were beneficial if birth rate of poor could be lowered to level of non-poor.

(b) Migrants' health status is well below general population, and current expenditures are below those for non-migrant poor.

(c) Comprehensive health services for children and youth programs help detect and treat illness at early age in hopes of savings in health care expenditures in future years.

(5) GAO is skeptical of the relationships between health and poverty reduction and between health services and health. Many other factors must be considered when analysing the cause of poverty.

(6) A migrant health services program is needed that will provide continuous care with the flow of the people.

(7) After 2 years of comprehensive health services for children and youth programs, about 5-10% of the target population would be reached at its present rate—although the program is expanding rapidly, it may take several years to meet the needs of the poor.

IV. EDUCATION PROGRAMS

A. Headstart

(1) Findings and Recommendations:

(a) Appeared that children who had participated in Head Start were better prepared for public school than those children who did not participate.

(b) More parent involvement needed in program.

(c) Projects should be monitored to ensure proper balance between parents of Head Start children and parents of former Head Start children participating as paid aides.

(2) Program Results:

(a) About 38% of both Head Start and non-Head Start groups failed to gain the suggested score in language development tests for entry into the first grade.

(b) Medical problems were detected in 190 cases out of 642 medical and 539 dental examinations, including 29 cases requiring emergency treatment at the time and 18 cases requiring surgery (this was at one location).

(1) Program officials cited principal reason for children not being treated was parents' failure to keep appointments.

(c) "Of 557 children enrolled at 11 Head Start centers, an average of about 22% were above the OEO poverty line."

(d) Costs about 5 times as much to keep a child in the full-year program as it does to keep him in the summer program.

(3) GAO suggests that Congress determine whether preschool programs should be consolidated under one Federal agency. Until then, participating agencies should coordinate programs and consider need for comparable enrollment criteria.

B. Upward Bound

(1) Recommendations and Findings:

(a) Program has motivated enrollees to finish high school and go on to college. Upward Bound students—

(1) Have lower than normal dropout rates for low-income population.

(2) Have higher college admission rates in comparison with their older siblings' rates, and the national average of all high school students.

(3) Have high college retention rates in comparison to national average of all college

students in spite of lower scores on standard test which measures college potential.

(b) Some Upward Bound students were ineligible for program because family income exceeded OEO poverty guidelines.

(c) GAO recommended that income eligibility determinations be improved and that tests that measure high school achievement and college potential be improved.

(2) Program results cannot be adequately determined because few students have graduated from college due to the fact that the program was initiated in 1965.

C. Other education programs

(1) Findings and Recommendations:

(a) Enrollees of locally initiated education programs seemed to benefit, but there were many management weaknesses including inadequate program planning, lack of coordination, absence of, or failure to comply with, operating procedures and guidelines.

(b) GAO Recommended:

(1) Determining whether program conflicts with existing programs for poor.

(2) Determining whether program could be financed with funds other than OEO.

(3) Identification of available resources which could be used to reduce expenditure of OEO funds.

(4) Identification of complementary education programs through which further educational assistance could be offered to OEO program graduates.

(5) CAAs should monitor the programs periodically, checking efficiency of programs.

(c) Program results (school age education)

(1) At the largest program reviewed about 2/3 of the courses offered were non-academic, and about 70% of all the participants enrolled in these.

(2) HEW funds were available at one program but OEO funds were used instead.

(3) Duplication of administrative costs occurred where CAA directed a program that could have been handled by local board of education.

(4) Program evaluations had not been made; monitoring and program information was inadequate.

(d) Adult Basic Education

(1) Revamping of programs data, system needed.

(2) Proposals made in 1966 by Jeffrey Weiss are recommended for comprehensive list of data necessary to evaluate the Adult Basic Education effort.

V. OTHER PROGRAMS

A. Legal Services

(1) Findings and Recommendations:

(a) Formation of self-help groups needed.

(b) No clearly defined program objectives.

(c) Improvement needed in administering the program.

(d) Establish close working relationship with Bureau of the Budget and Federal Trade Commission.

(e) Legal Services project directors need to adhere to EOA requirements to gain maximum feasible participation of groups served.

(f) Some reform of laws adversely affecting the poor has been achieved.

(g) Available evaluation results were not used to help in modifying program operations to correct management weaknesses—If operations did not meet program objectives and priorities, GAO proposes improved evaluation to determine if further program financial support is warranted.

B. Volunteers in Service to America (VISTA)

(1) Findings and Recommendations:

(a) Volunteers should be given specific projects to carry out and their training adapted to the project.

(b) Regional Offices need guidance and technical assistance to meet recruiting quotas.

(c) Selection process of volunteers needs improvement.

(d) GAO recommends giving aptitude tests to and interviewing applicants before considering them for training.

(2) Program Results:

(a) None of the seven OEO Regional Offices achieved their recruitment quota for FY 68.

(b) Weaknesses existed in the supervision of volunteers in the training program.

C. Migrant and seasonal farmworkers program

(1) Findings and Recommendations:

(a) Improve program effectiveness through training procedures aimed at determining each participants handicaps.

(b) A high proportion of applicants did not meet OEO eligibility criteria.

(c) Review participants' progress in program and maintain data on post-program experience.

(d) Migrant and seasonal farmworkers were adequately represented on decision making bodies.

D. Economic opportunity loan program

(1) Findings and Recommendations:

(a) Small Business Administration's administration of the loan program needed improvement.

(b) SBA made only limited analyses of program information for evaluation purposes.

(c) Absence of clearly stated eligibility criteria that can be applied to the loan approval process.

(d) SBA needs to improve managerial skills employed in small businesses receiving financial assistance.

(e) Improve evaluation of applicant's ability to repay loan.

(f) Provide for improved analysis of data obtained.

(g) Obtain information regarding number of persons employed by borrower.

E. Economic opportunity loan program for low-income rural families

(1) Findings and Recommendations:

(a) Farmers Home Administration conduct a study to determine minimum standards of supervisory assistance that should be given families.

(b) Revise instructions relating to loan eligibility.

(c) Record circumstances justifying loans to recipients exceeding specified amounts.

(d) Strengthen management by providing more thorough and precise data.

(e) FHA needs to improve its program planning.

VI. PLANNING AND COORDINATION OF ANTI-POVERTY PROGRAMS

Conclusions:

(1) Planning and coordination of the aggregate anti-poverty efforts of the Federal Government have not been carried out.

(2) Organizational machinery and processes for carrying them out do not exist.

(3) OEO has been unable to achieve effective coordination thru inter-agency agreements.

(4) Two essentials to anti-poverty needs:

(a) Continuing consultation among agency heads to administer related programs.

(b) Monitoring and resolution of differences by responsible official with will to act.

(5) Economic Opportunity Council has not been effective as instrument of coordination.

(6) Conflict between CDAs and CAAs stems from duplication of duties.

VII. PROPOSALS FOR IMPROVING THE ORGANIZATION AND MANAGEMENT OF ANTI-POVERTY PROGRAMS

A. Recommendations to Congress

(1) Establish in Executive Office of President a unit to plan, coordinate, and evaluate Federally assisted anti-poverty programs.

(2) Some OEO projects should be trans-

ferred to closely related projects in other agencies.

(3) Keep OEO as an independent agency outside President's Executive Office with responsibility of administering CAP and for administering closely related programs.

(4) New unit in Executive Office should coordinate activity of CDAs and CAAs.

(5) Study needed on longer term actions required to coordinate community action and citizen participation.

VIII. IMPROVING THE EVALUATION FUNCTION

A. Conclusions

(1) First 2 years of OEO evaluation were too small in scope.

(2) Requirements for adequate evaluations:

- (a) Some must be national in scope.
- (b) Related to decision process.
- (c) Comprehensive evaluation plan.
- (d) Evaluation must extend to research and demonstration projects.
- (e) Evaluation should extend to alternative programs.
- (f) Adequate evaluation staff.
- (g) Continuing research.
- (h) Reliable and pertinent data must be available.

(3) New staff agency in Executive Office of President evaluate anti-poverty programs with regard to the above requirements.

(4) Only recently has OEO taken significant steps to provide evaluations on a national scale.

IX. FINANCIAL MANAGEMENT AND RELATED ADMINISTRATIVE MATTERS

Findings and Recommendations

(1) Enrollee payrolls in manpower programs are especially vulnerable to irregularities.

(2) Procedures at Army Finance Center for the control of certain types of payments to Job Corps members on behalf of OEO either had not been prescribed or were not being properly administered.

(3) Procurement procedures had not been established by several Job Corps contractors and certain CAAs. Also controls and procedures needed for effective property management.

(4) Many claims of grantees for non-Federal contributions appeared to have been improper or questionable.

(5) Timely auditing of appropriate quality and scope needed for financial control.

(6) GAO recommends strengthening the audit function by providing more frequent and comprehensive audits of grantee activities.

(7) FHA unable to reliably determine administrative costs of the rural loan program.

(8) One CAA spent \$445,000 to eliminate rats in private buildings. As of July 31, 1968, \$356,000 had not been collected from landlords and city officials did not think more than \$50,000 could be collected.

GAO REVIEW—CONCERNING EVALUATION OF PROGRAMS

(1) Need for adequate field reviews and evaluations of work experience and training program.

(2) Means to evaluate CAP effectiveness should be developed in order to assist CAAs in evaluating their effectiveness.

(3) The current health information system does not provide sufficient data for definitive analysis.

(4) Concerning education programs other than Head Start and Upward Bound, program evaluations had not been made and monitoring and program information was inadequate.

(5) The Legal Services program did not use available evaluation results to help in modifying program operations to correct management weaknesses—if operations did not meet program objectives and priorities, GAO proposed improved evaluation to determine if further program financial support is warranted.

(6) Under the Economic Opportunity Loan Program:

(a) The SBA made only limited analyses of program information for evaluation purposes.

(b) SBA should improve evaluation of applicant's ability to repay loan.

(7) GAO recommended that a unit be established in the Executive Office of the President to plan, coordinate, and evaluate Federally assisted anti-poverty programs.

(8) The first 2 years of OEO evaluation were too small in scope.

(9) GAO suggested following requirements for adequate evaluation:

- (a) Some must be national in scope
- (b) Related to the decision process
- (c) Comprehensive evaluation plan
- (d) Evaluation must extend to research and demonstration projects
- (e) Evaluation should extend to alternative programs
- (f) Adequate evaluation staff needed
- (g) Continuing research
- (h) Reliable and pertinent data must be available

(10) New staff agency in Executive Office of President should evaluate anti-poverty programs with regard to the above requirements.

(11) Only recently has OEO taken significant steps to provide evaluations on a national scale.

(12) GAO found that:

(a) The Kansas City CAP modifications had not been based on systematic evaluations of past performances and recommended that high priority be assigned to development of standards for use in evaluating Legal Services programs.

(b) Detroit's CAP needed systematic and in-depth evaluations and an improved management information system—GAO recommended that OEO increase its evaluation efforts of Detroit's CAP.

(c) In the St. Louis CAP, establish a system for accumulation of data for meaningful evaluations of the Adult Education program.

(d) In Grand Rapids, more emphasis was needed on systematic and in-depth evaluations of CAP activities.

(e) In five Missouri counties reviewed by GAO, GAO recommended that OEO assist area CAAs in program planning and evaluation and mobilizing resources.

(f) In Lake County, Indiana, GAO recommended that OEO assist and monitor the CAA in its implementation of the evaluation requirements of the act.

GAO INVESTIGATIONS AND EVALUATIONS

COMMUNITY ACTION PROGRAMS

Kansas City, Mo.

Findings and Recommendations:

1. Weaknesses in Human Resource Corporation's (HRC) structure and staffing.

2. In general—

(a) Needs of the poor not clearly defined.

(b) Priorities and long-range plans for elimination of poverty not established.

(c) Comprehensive plan for mobilization of resources had not been started.

(d) Program modifications had not been based on systematic evaluations of past performances.

3. HRC had not adequately met responsibilities for establishing and implementing policies and procedures governing accounting, personnel, auditing, and related management areas.

4. GAO recommended high priority be assigned to development of standards for use in evaluating Legal Services programs.

White Earth, Minn.

Findings and Recommendations:

1. Basic cause of poverty on Reservation due to lack of job opportunities.

2. CAP, as presently structured, is not designed to deal with rural poverty.

3. CAA did not closely coordinate its proj-

ects with existing programs sponsored by other agencies.

4. CAA had adequately directed its programs and services to low-income individuals and families.

5. Guidelines or technical assistance needed to assist CAA in developing resources and improving the economic environment of the Reservation.

Detroit, Mich.

Findings and Recommendations:

1. Involvement of poor in CAP generally effective.

2. Need to develop overall plan to combat poverty.

3. Systematic and formal approach to mobilize and coordinate community resources needed.

4. Systematic and in-depth evaluations and an improved management information system needed.

5. Locally initiated education programs provided children mainly with cultural enrichment when basic academic education was primary need.

6. Existing health services had not been successfully mobilized.

7. Two of four dental sets unused because of Mayor's Committee for Human Resources Development inadequate planning.

8. GAO recommended that OEO increase its evaluation efforts of Detroit CAP.

9. OEO examine locally initiated education program to see they are properly directed.

Phoenix, Ariz.

Findings and Recommendations:

1. Improvements needed in administration of CAP.

2. Comparison of test scores showed that Head Start children scored better than non-preschoolers, but not as well as those children with pre-school experience other than Head Start.

3. GAO recommended promotion of nutritional education programs for parents of Head Start children.

4. LEAP guidance needed in Head Start health services program.

St. Louis City and St. Louis County, Mo.

Findings and Recommendations:

1. Substantial participation of poor in administration of programs, but they were apathetic toward involvement in elections and program management.

2. Comprehensive manpower program attempted to serve all unemployed in target area rather than just the hard-core unemployed and underemployed. This adversely affected quality of the program's counseling, placement, and follow-up services.

3. Establish eligibility requirements which will restrict participation in manpower program to poor, hard-core unemployed or underemployed.

4. Establish system for accumulation of data for meaningful evaluations of the adult education program.

Gila River Indian Reservation, Ariz.

1. Progress considerably slower than planned.

2. Nelson amendment effective in providing needy participants with employment. Wages to participants equaled 79% of projects expenditures.

3. Improvement needed in several areas of fiscal administration.

4. Gila community needs to improve compliance with OEO reporting requirements.

Pinal County, Ariz.

1. CAA had not:

(a) Identified incidence and causes of poverty.

(b) Developed plan to combat causes of poverty.

(c) Mobilized available sources effectively against poverty.

(d) Provided for maximum participation of poor in all aspects of CAP.

2. OEO has disbursed funds in excess of grantee's needs.

3. CAA temporarily suspended in December 1967 by OEO from incurring new obligations without prior authorization by OEO. Suspension lifted April 1968 as result of corrective actions taken by CAA.

4. Improvements needed in Legal Services program.

5. GAO recommended that OEO study its cash advance practices, and along with the Treasury Department, modify its funding procedures.

Grand Rapids, Mich.

1. Increase participation of poor needed.
2. Further identification of causes of poverty needed.
3. Continuous improvements needed in management information system.
4. More emphasis on systematic and in-depth evaluations of CAP activities.
5. Strengthening of internal financial management.

6. GAO proposed that OEO require the CAA to establish and maintain an adequate record system at neighborhood centers.

Carroll, Chariton, Lafayette, Ray, and Saline Counties, Mo.

1. More participation of poor will depend on whether the Missouri Valley Human Resource Development Corporation can provide programs of sufficient size and variety to gain more of the poor's interest.

2. Financial and personnel policies, procedures, and practices were generally adequate for carrying on Missouri Valley programs.

3. GAO recommended that:

- (a) OEO assist area CAAs in program planning and evaluation and mobilizing resources.
- (b) OEO re-examine and strengthen controls over the valuation of space claimed as non-Federal contribution.

Becker, Hubbard, and Mahanomen Counties, Minn.

1. Area does not have solid and growing economic structure.

2. CAP not designed to deal with rural poverty.

3. GAO believes poverty will continue until the area's economic base is improved—despite OEO financial assistance.

4. More participation of poor needed.

5. Administrative matters were generally handled in satisfactory manner.

6. GAO recommended that the CAA:

- (a) Publicize monthly governing board meetings and hold them throughout the three county area.
- (b) Maintain records of prior salaries paid to full-time employees.
- (c) Collect, record, and report complete and accurate program data.

Lake County, Ind.

1. CAA had not developed a comprehensive to reduce poverty in the county.

2. CAA unable to establish itself as central planning and coordinating authority due to anti-poverty controversies and to the independence of local social service organizations.

3. GAO recommended that OEO:

- (a) Assist and monitor the CAA in its implementation of the evaluation requirements of the act.
- (b) Require $\frac{1}{3}$ of technical services committee be representatives of poor.
- (c) Assist neighborhood centers to successfully carry out their basic functions.
- (d) Examine reasonableness of CAA's claims for non-Federal contributions.
- (e) Supervise CAA's progress in effecting improved financial and administrative control.

GAO INVESTIGATION AND EVALUATION OF EOA PROGRAMS

I. COMMUNITY ACTION PROGRAM

Findings:

(1) CAP, as presently structured, is not designed to deal with the basic problem of rural

poverty, because it does not have the investment capital that may be necessary to create permanent employment opportunities on any meaningful scale.

(2) Economic development activities included assistance in organizing producer marketing, or purchasing cooperatives; creation of supplementary business or industrial employment opportunities; efforts which stimulate the creation of new jobs within the community, either in public or private employment; and active participation with Federal, State, and local agencies in economic development; but, although some of these programs benefited a few of the participants in an area, they have not yet demonstrated potential for general adoption by rural CAAs.

II. MANPOWER PROGRAMS

A. Concentrated Employment Program (CEP)

Findings:

(1) At the 4 locations reviewed, from 5-27% of the persons enrolled had incomes in excess of the Department's prescribed poverty level criteria.

(2) 91 of 332 enrollees reported family incomes in excess of that prescribed, ranging from \$100 to \$16,800 and averaged \$2500 per family.

(3) Tests also showed 14% of enrollees did not meet age, employment, or other DOL criteria.

B. Job Corps

Findings:

(1) Reasons for not meeting recruiting quotas given by agencies—

(a) Existence of available jobs in certain areas.

(b) Disinterest of eligible youths in the program.

(c) Discouraging reports on Job Corps program made to potential enrollees by returning, terminated corpsmen.

(2) Important criteria frequently waived (see GAO Investigation & Evaluation of EOA Programs A-1) were:

(a) Minimum period that an applicant had to be out of school, a requirement designed to discourage youths from dropping out of school to join the program.

(b) Requirement that an applicant meet certain behavior standards.

(c) Requirement that an applicant not be a high school graduate.

(3) Most frequently given reasons for leaving centers by interviewed termines:

(a) Dissatisfaction with the center or Job Corps as a whole.

(b) Homesickness.

(c) The inability to obtain desired vocational training.

(d) The fear of bodily harm.

(4) Counseling was not conducted in a regularly scheduled manner and records of counseling activities were not adequately maintained.

C. Neighborhood Youth Corps

(1) Administrative improvements needed were:

(a) Recruiting and screening of youths for participation in the program should involve careful eligibility, determinations & individual attention to applicants' needs for the program.

(b) Pre-enrollment testing should be provided to youths, and counseling services should be improved.

(c) Supplementary education should be intensified and upgraded.

(d) Job development, placement, referral, and follow-up services should be provided in adequate measure.

(e) Self-evaluations of program effectiveness should be performed by sponsors.

(f) Sponsors' staff capabilities should be improved.

(g) In-school and summer enrollees should be adequately supervised, and realistic work production should be required of them for wages paid.

(h) More effective use should be made of state employment service offices.

(i) DOL should stabilize its headquarters organization to allow program managers to gain experience in the operation of specific aspects of program operations. Also the DOL needs to reevaluate the role of its field staff in supervising the activities under the NYC program and to determine what increase in surveillance is necessary to effectively monitor sponsors' operations.

D. Work experience and training program

(1) Of 363 participants reviewed, 100 were absent 30% or more of their scheduled training time over a period of 1 month.

(2) Administrative problems—

(a) Maricopa County, Ariz., in selecting participants, gave preference to those with at least elementary school education.

(b) At Maricopa County & Gila River Indian Reservation, basic education, although needed, was not included in the local program.

(c) In Los Angeles County scheduled training was less than 30 hours a week and some less than 25 hours a week; whereas it should have been close to 40 hours a week.

III. HEALTH PROGRAMS

Findings:

(1) The Director, OEO, define the circumstances under which the centers may finance costs of hospitalization; establish more equitable criteria to determine eligibility of applicants for medical care; and ensure that centers claim reimbursement from third parties, where appropriate.

(2) Increased attention be given by both the Director and the Secretary of HEW to the coordination of the agencies' health efforts and the development of uniform standards for evaluating health projects and programs, including family planning programs, both during the development phase and on a long-range basis.

IV. EDUCATION PROGRAMS

A. Headstart

(1) Some children may have been prevented from participating in the projects because eligibility criteria were not properly applied or classroom space was not fully utilized.

(2) Low parent participation attributed to—

(a) Parents of former Head Start children remained employed as aides after their children graduated and they were disqualified as parents of Head Start children.

(b) Parents might be unavailable for work at the center due to employment elsewhere or due to having other children at home who required attention.

B. Upward Bound

(1) Certain students selected for the program may not have been in need since they appeared to be adequately achieving in school and sufficiently motivated to attend school. Of 13,438 students enrolled in 1966 Upward Bound summer program, 3589 or about 20% were attaining B averages or better.

(2) The estimated 5% high school dropout rate of Upward Bound enrollees compares with a reported 35% dropout rate experienced in the general low-income student population and a 29% rate of dropouts of older siblings of Upward Bound enrollees.

(3) Comparing Upward Bound students to older siblings and the national student population, about 79% of the Upward Bound students enrolled in 2 and 4 year colleges compared with an average of 20% for their older siblings and 40% for the national student average (1967).

V. OTHER PROGRAMS

A. VISTA

(1) 76 of 301 projects reviewed by GAO did not meet evaluation requirements (see #9 under GAO Review-Concerning Evaluation of Programs).

(2) There was a lack of adequate supervision over the volunteers by the project sponsors and supervisors.

(3) Volunteers were used in tasks or in positions that could apparently have been performed by neighborhood residents or project individuals in staff positions.

(4) Project sponsors and supervisors did not receive adequate instructions and information from VISTA as to how volunteers could be used or what their role in the community was to be.

(5) VISTA did not provide the project sponsors and supervisors with adequate advance information on the skills, qualifications, sex, age, and number of volunteers that were being assigned to the project.

(6) Of 55 volunteers interviewed at 14 different projects—

(a) 7 stated their projects were getting worse.

(b) 27 stated that the projects had not been explained to them at the time of their arrival.

(c) 2 stated their projects were worthless.

(d) 18 stated that they had been used in areas for which they had no training.

(7) VISTA has initiated efforts to—

(a) Correct supervision shortcomings by providing for a substantial increase in the number of VISTA-paid supervisors on its projects.

(b) Conduct special training programs for supervisors of VISTA volunteers.

(c) Structure the training programs for its volunteers to be more responsive to the specific needs of VISTA projects by placing greater emphasis on OJT training.

B. Legal services

(1) The Committee of State Officials on Suggested Legislation, a unit of the Council of State Governments, receives from BOB and from state and public organizations proposals for consideration by the state legislatures. The Office of Federal-State Cooperation, FTC, has a working arrangement with state officials for exchanging information on deceptive practices of companies and for assisting in drafting legislation for consideration by state legislatures.

(2) Legal Service program lawyers can make recommendations thru BOB for changes in state legislation that adversely affect the legal rights of poor and compile a listing of recruiting consumer problems of the poor in various states for submission to FTC for consideration by state officials and state legislatures.

(3) Analysis of 34 LSP evaluation reports showed that in many cases the reports did not contain comments on critical areas, such as law reform and economic development.

(4) Officials of many programs evaluated had not been formally advised of the results of evaluations, and, in cases where improvements had been suggested, there was little follow-up to monitor their implementation.

C. Migrant and seasonal farmworkers program

(1) Director of OEO require that—

(a) Systematic employability plans be prepared whereby participants' handicaps can be identified at the time of enrollment so that an appropriate curriculum can be developed to meet such needs.

(b) Participants' progress in the program be periodically reviewed.

(c) Data on participants' post-program experience be maintained.

(2) Clarify eligibility criteria for the programs, and require that vigorous efforts be made to ensure that participation in the program is limited to those meeting such criteria.

D. Economic opportunity loan program

(1) Management system should be improved by providing data which will—

(a) Define more precisely the number of rural families whose incomes are deficient and who represent potential borrowers.

(b) Identify the problems that exist in reaching and aiding certain groups, such as the aged and non-farm families.

(c) Determine more effectively the amount of loan funds that will be needed in the future.

(d) Formulate the framework by which loan performance can be effectively evaluated.

(2) FHA did not have sufficient knowledge of the extent to which borrowers were meeting the loan objectives or of whether the loan program was being directed primarily toward those families having the best potential for obtaining a reasonable increase in their incomes to enable FHA to adequately assess the results of the program and plan its future direction.

Mr. Speaker, also in going through the table of contents of the four volumes of the hearings before the committee, it is a little difficult to characterize who these witnesses were, and in order that our colleagues might have an opportunity to see the number of Congressmen who have testified, and the ones who were related to the Job Corps, the number of elected officials, the number of organizations overall that testified, the CAP organization, New Careers, food programs, legal organizations and health centers, and a few others, these have been summarized, and I will put this in the RECORD at this point.

The material referred to follows:

WITNESSES AT 1969 HOUSE HEARINGS

13 Congressmen testified: Albert, Chisholm, Olsen, Culver, Patten, Vander Jagt, Flood, Fulton, Johnson, Lloyd, Pickle, Fancell, and Rogers re Florida Migrant Legal Services Program.

Job Corps: Above Congressmen; Sec. Schultz & Webber; Comptroller General; Women in Community Service, 4; Lou Harris; 35 Job Corps enrollees; 13 center Directors.

Elected Officials: Mayor Cavanaugh of Detroit spoke for Mayors Conference & Nat'l League of Cities; Jay Rockefeller, Sec. of State of W. Va. (JC); State Senator Henry Howell of Va. (food programs).

Organizations (overall): Nat'l Council of Churches; Nat'l Urban League, 2; NACD, 4; Nat'l Farmers Union, 5; Nat'l Conf. of Catholic Charities; Nat'l Governors Conference; State OEO Directors Assn.; League of Women Voters, 5.

CAP: About 50 people testified concerning CAP programs. These were people connected with the programs or people receiving benefits from the programs. They often appeared as part of a panel and therefore it is difficult to get an accurate count.

New Careers: 5.

Food Programs: About 20 people spoke concerning food, lunch, & EFMS programs.

Legal Services: About 15, including ABA, law schools and Cong. Rogers.

Health Centers: 3 spoke specifically about health centers, also came under CAP panels.

Head Start: About 20 people spoke on HS including Finch and Sugarman.

Testified re State Involvement: Director Rumsfeld; State OEO Directors—Smith, Md.; Marin, Ariz.; Deasy, Calif.; Brady, Wash.; Monroe, W. Va.; Allen, Texas; Nat'l Governors Conference; also State representatives Jermstad, Ark.; and Williams, Calif.

OEO People on Head Start: Regional coordinators Spaeth, Helfer, Fink; Regional Consultants Cock, Marks, Catcagno, Clayton and Holman.

The following are guidelines for "CAA Designation and Structure" and "Role of State Economic Opportunity Offices" which were sent to all Governors by OEO. Following them is general summation of answers as developed by the

National Governors Conference and some actual letters from the Governors themselves:

IMPROVING GUIDELINES FOR CAA DESIGNATION AND STRUCTURE

OEO guidelines implementing the 1967 amendments governing the designation, recognition, and structure of Community Action Agencies are being rewritten to make it easier for State and local governments to designate community action agencies of their choice and to improve the quality of board representation. The following major policy changes will be included in the revision:

1. The list of kinds of programs which a community action agency must be capable of conducting will be eliminated or sharply reduced, so that minor restrictions on an agency's power will not prevent it from being recognized as a community action agency.

2. The requirement that a community action agency have the power to give preference to the poor in hiring and to employ persons without any fixed upper age limit will be made subject to waiver in cases where a public community action agency delegates all operating functions to other agencies. This change will allow the designation of public agencies as community action agencies even though they are subject to civil service laws and regulations which would prevent them from giving preference to poor people; at the same time it will preserve the substance of the preference for hiring poor people by requiring that operating programs be delegated to other agencies in such cases.

3. The preference for local designation of community action agencies, as contrasted with State designation, will be eliminated. OEO staff will be instructed to maintain neutrality on this matter.

4. Requirements for representation of private groups on community action agency boards will be strengthened. At the present time, one-third of the board members must be public officials, "at least" one-third must be representative of private groups. The new regulations will assure a minimum level of private group representation.

5. The rule that changes in designations of community action agencies will take effect only at the ends of program years will be eliminated. Public officials will be able to change their designations at any time, and have the change become effective as soon as they can implement it.

6. The minimum population required for a city (or other area less than countywide) to have its own community action agency will be reduced substantially from the present figure of 250,000.

HIGHLIGHTS OF NEW OEO GUIDELINES (INSTRUCTION) ON THE ROLE OF THE STATE ECONOMIC OPPORTUNITY OFFICES, OCTOBER 10, 1969

(Office of Operations, Division of State and Local Government)

The Governors and the State Economic Opportunity Office (SEOO) Directors are reviewing a draft OEO Instruction which establishes a broader and more constructive role for the states in the anti-poverty programs funded by OEO. Highlights of these new draft guidelines—which once approved will supersede an OEO set of guidelines issued April 30, 1968—are as follows:

The SEOOs are charged with giving priority emphasis to being advocates of Community Action Agencies and of the poor at the state level, e.g., in the mobilization of state-level resources, in trying to bring about improvements through state legislation, and in developing career opportunities for the poor with state agencies.

In order to better provide more sophisticated technical assistance for CAAs and other OEO grantees, the SEOOs will be encouraged to obtain, and will be given assistance in hiring, more highly specialized personnel. training to SEOO staffs.

OEO Regional Offices are directed to jointly work out agreements with their SEOOs so that there will be a more coordinated and efficient use of their respective field personnel.

Research and demonstration proposals from the SEOOs will be encouraged under the new guidelines and OEO will reserve funds for this purpose. Preference will be given for innovative proposals which would influence institutional change to benefit the poor and which would not require continuous Federal support.

SEOOs will prepare an annual written analysis of poverty in states for the guidance of the OEO Regional Offices.

OEO's Regional Offices are directed to jointly develop with the SEOOs a state funding plan for the expenditure of OEO funds.

The draft Instruction requires that notification and consultation procedures with the SEOOs be established on training and technical assistance grants and contracts which would operate in their states. The SEOOs will be encouraged to compete for special training and technical assistance (Section 230) funds.

The SEOOs are to be represented on all OEO staff evaluations of grantee programs operating within their respective states and they are to receive copies of all written reports of these evaluations.

The draft instruction more specifically spells out procedures for SEOO input and comment on grant proposals at an early stage of their development (the Checkpoint Procedure) and for subsequent SEOO review of formal funding applications concurrently with the OEO review.

ROLE OF STATE ECONOMIC OPPORTUNITY OFFICES

INTRODUCTION

The states have an important and unique contribution to make in our nation's efforts to eliminate poverty and in assisting OEO with the programs authorized in the Economic Opportunity Act. It is the policy of the Office of Economic Opportunity to help the states maximize this contribution. The OEO Director, under Section 231 of the Act, is authorized to fund state agencies to provide technical assistance to OEO grantees, to coordinate related state activities and to advise and assist the OEO Director. At the request of the governors, OEO provides grants to the states for the establishment of State Economic Opportunity Offices (SEOOs). Since Section 242 of the Act requires the approval of the Governor on Title II grants and contracts, it has been the practice of governors to ask their SEOOs for advice and assistance in exercising their authority under Section 242.

The establishment and support of State Economic Opportunity Offices (SEOOs) is the prime mechanism by which OEO seeks to aid state governments in their efforts to eradicate poverty within their boundaries. OEO expects to obtain through the SEOOs a greater understanding of the roles that the individual states can best play in anti-poverty activities, and expects to receive advice from the SEOOs on how OEO can best support other state activities aligned with OEO's mission and objectives.

OEO recognizes that, for many reasons relating to state legislation and constitutional requirements, organizational patterns and other special considerations, the functions of the SEOOs cannot be uniform throughout the nation. Thus, OEO policy towards SEOO functions and responsibilities will be maintained flexible to fit individual state situations. To take full advantage of each states unique capabilities and interests, OEO through its Regional Offices, will jointly develop specific roles and work programs for each SEOO.

THE STATE ECONOMIC OPPORTUNITY OFFICES

I. Placement

Because of the multiple roles expected of SEOOs in state anti-poverty activities, it is desirable that the SEOO be located at a high level in the state government structure, readily accessible to the Governor.

II. Advisor to the Governor on anti-poverty matters

A. The SEOO provides the Governor with information and guidance with respect to the policies and programs of OEO and other anti-poverty resources, particularly as they relate to his state. At the discretion of the Steps will be taken to provide in-service Governor, the SEOO may assist him in carrying out the provisions of Section 242 of the Economic Opportunity Act concerning the Governor's authority to approve applications for OEO funding, and his authority to terminate VISTA Volunteer assignments under Section 811(b).

B. Upon the request of the Governor, the SEOO acts as his representative on matters related to poverty. The SEOO can thus represent the Governor vis-a-vis other state agencies, local units of government, CAAs, OEO (Regional and Headquarters), other Federal agencies and other states. The SEOO also provides the Governor, other state agencies, and the OEO Regional Offices with information on the causes and conditions of poverty in the state.

III. Coordination and advocacy at the State level

A. The SEOO is expected to give priority to the mobilization and coordination of anti-poverty resources at the state level. This requires effective interagency mechanisms to assure good communication between state agencies and offices whose activities affect the poor. The SEOO should, on its own initiative, seek out and develop every state agency resource (programs, expertise, funds, etc.) that can be found to assist anti-poverty efforts within the state and to make such assistance available to OEO grantees.

B. The SEOO acts as a special advocate for the poor at the state level by:

1. Developing career opportunities for the poor within the SEOO and in other state agencies. It should encourage and assist state agencies to establish training programs to provide career opportunities for the poor and for the upgrading of those already employed.

2. Working toward establishment of a system providing for representation of the poor on state committees and other instrumentalities related to anti-poverty efforts.

3. Assessing state poverty-related programs and state administrative procedures, and working to make them more responsive to the needs and desires of the poor.

4. Employing poor persons as staff or as consultants to help carry out training and technical assistance for Community Action Agencies, whenever possible and consistent with state law and regulations.

C. The SEOO, under the direction of the Governor, provides information and assistance to the state legislature, the state planning agency and other state agencies with the objective of enacting and amending legislation and developing programs for the benefit of the poor. SEOOs should consult with local CAAs on the kind of legislation they feel should be recommended to the Governor or state legislature.

D. The SEOO provides state agencies and officials, OEO grantees and the general public, with information and statistics in the form of periodic bulletins, annual reports, letters, telephone communications, meetings, etc. on the problems and needs of the poor and the programs and efforts to overcome poverty within the state.

IV. Technical assistance to CAAs and other OEO grantees

In coordination with the OEO Regional Office, the State Economic Opportunity Office:

A. Provides general technical assistance where requested to Community Action Agencies, community groups, state and local government agencies, and other grantees or potential grantees, in developing, conducting and administering programs under the Economic Opportunity Act. (The SEOO shall give priority emphasis to the hiring and training of highly specialized personnel in such fields as housing, economic development, office administration, and other areas which periodic field surveys show are the greatest needs of CAAs for technical assistance.)

B. Surveys and marshals resources and funds for CAAs and other OEO grantees, available from state agencies, the private sector and other sources within the state.

C. Acts as a "Coordinator of Volunteer Activities" in the state, providing information and assistance to CAAs and other OEO grantees, in planning, developing and operating volunteer programs.

D. Assists CAAs in planning and developing coterminous or complementary boundaries with other area development, planning and program units where feasible. Assists the CAAs in implementing BOB Circular A-95 (Part II) which requires improved state level coordination of planning in multi-jurisdictional areas.

E. Sponsors training programs and workshops for CAA staff and Board members, when requested by OEO grantees, with particular emphasis on utilization of state resources and personnel.

F. Participates in the Checkpoint Procedure system to give the SEOOs a meaningful opportunity to provide advice and assistance at an early stage in the development of proposals by CAAs and other OEO grantees. (This procedure is explained in OEO Instruction 6710-1 under IV-43. The details of the way the SEOO participates in the Checkpoint system and in the pre-review process with CAAs should be included in the SEOO Work Plan.)

V. Operation of special programs

The State Economic Opportunity Office may:

A. Where appropriate, receive OEO and other Federal and state agency funds to operate—or delegate the operation of—single purpose programs which further the objectives of the Economic Opportunity Act. The Checkpoint Procedure must be used by the SEOO with any CAAs whose areas would be affected by the operation of OEO-funded programs. It is desirable, (but not required) that the SEOO use a Checkpoint form with all CAAs in preparing its own refunding request under Section 231 of the EOA. *CAA concurrence is required* for SEOO programs funded under Section 221 of the EOA. (This Checkpoint procedure is explained in OEO Instruction 6710-2 on Limited Purpose Agencies.) Wherever an SEOO operates a program, it shall establish an advisory committee of representatives of the poor. (See OEO Instruction 6005-1)

B. Participate in research and demonstration programs, funded by OEO and other sources. Research and demonstration proposals in program areas where states have particular experience will be encouraged by OEO. Each fiscal year, OEO will reserve funds to be used for SEOO research and development activities. Priority will be given to proposals for experimental and innovative research and demonstration activities designed to bring about meaningful institutional changes in state and local government to make them more responsive to the needs of the poor. Preference will be given to proposals which provide evidence that state or other non-Federal funding of the program is probable after a successful demonstration of one or two years.

C. Conduct special training and/or technical assistance programs for OEO grantees and other organizations and groups in the state assisting the poor. (Special funding ob-

tainable under Section 230 of the EOA, in competition with other applicants—see VI-C below.)

D. Develop and carry out programs, when funds are available, to help meet the immediate needs of migrant and seasonal farmworkers and their families; promote increased community awareness and acceptance of such families and help them participate in special education and job training programs.

VI. Adviser to OEO

A. The SEOO advises the OEO Regional Offices on the criteria established under Section 241(b) of the EOA, which are designed to achieve within the states an equitable distribution of assistance between urban and rural areas under Title II of the Act. The SEOO is expected to provide a written analysis to the Regional Office, at least annually, of the principal problems and causes of poverty in the state. This analysis should include recommended priorities in the distribution of OEO funds to meet those problems. The Regional Office shall respond to these recommendations and attempt to resolve with the SEOO any differences of opinion in this area.

B. Upon receipt of the annual funding guidance from OEO Headquarters, the OEO Regional Office shall use the above analysis and consult with the SEOO in developing a preliminary state funding plan. (This draft state funding plan should include a statement on national program priorities and establish tentative funding levels, for as many program areas as possible.) SEOO comments on this draft plan shall be considered and responded to by the Regional Office which shall attempt to resolve open questions before a final state funding plan is approved. Subsequent significant modifications to the state funding plan require prior SEOO consultation before implementation. (Note: a copy of the final funding plan shall be provided by the Regional Office to each SEOO, and to the Division of State and Local Government, Office of Operations, in OEO Headquarters.)

C. The SEOO advises OEO on training and technical assistance matters. The SEOOs shall be consulted in the development of the OEO Headquarters and Regional Training and Technical Assistance Plans. Comments and recommendations by the appropriate SEOOs shall be sought on all proposals for OEO-funded training and technical assistance projects that would operate in their states. The SEOOs themselves may compete as grantees for Section 230 training and technical assistance grants.

D. The SEOO advises OEO on funding requests from applicants within the state. The SEOO receives copies of all such official applications simultaneously with submission to the OEO Regional Office or to OEO Headquarters. The SEOO should submit written comments to the appropriate OEO office within 30 days of receipt of these applications, and the Regional Office shall give serious consideration to these comments in its review.

E. The SEOO jointly participates with the Regional Office in the monitoring and evaluation of OEO-funded programs and is consulted by the OEO Regional Office in the development of standards for the evaluation of program effectiveness. (See OEO Instruction 7850-1.) (OEO shall invite SEOO representation on all evaluation teams which review the program operations of OEO grantees. All program evaluation reports on OEO grantees, within a particular state, shall be forwarded to the SEOO for information.) When, in the judgment of the OEO Regional Director, the SEOO has the specialized capability, the SEOO shall—in coordination with the Regional Office—follow up with the grantee to see that the recommendation of the evaluation report are implemented.

F. The SEOO advises the OEO Regional Offices on VISTA operations within the state. The Regional Office will consult with the SEOO in the development of meaningful pro-

grams for VISTA Volunteers. The SEOO will attempt to assist VISTA in its coordination needs with state-operated programs. When specifically authorized by OEO, the SEOO may assist VISTA in such areas as recruitment and placement. The SEOO advises the Regional Office on special problems in the state that might develop as a result of the activities or presence of VISTA Volunteers, and assists the Regional Office in resolving such problems.

G. The SEOO advises OEO on procedures and programs which will promote state agency participation in carrying out the aims and objectives of the Economic Opportunity Act.

It also advises and assists OEO in identifying problems posed by Federal and state statutory or administrative requirements that impede state level coordination of OEO related programs, and in developing methods or recommendations for overcoming those problems. This is achieved through continuing relations with both OEO Regional Offices and OEO Headquarters, and through the consultation provisions of BOB Circular A-85.

VII. Regional office responsibilities with the SEOO's

A. The responsibility for application review, grant approval and program monitoring under Section 231 of the EOA continues to be delegated to the Regional Offices, except for those pilot projects the OEO Director may choose to activate. Liaison with the SEOO Directors shall be focused in the Office of Government Relations under the Regional Director.

B. The Regional Offices shall work jointly with each SEOO to develop an annual Work Program (as a part of its funding request) acceptable to both OEO and the Governor, which takes full advantage of SEOO staff capabilities; they shall give consideration to the diversity of the states, and that different approaches are appropriate in different situations; they shall emphasize state involvement in OEO program activities.

C. Regional Offices are responsible for ensuring that the SEOOs are consulted concerning Regional Office plans and priorities with regard to OEO grantees within their respective states.

D. Regional Offices are to solicit SEOO views on the poverty problems within the state, on the Regional funding plan for the allocation of resources, and on the annual Training and Technical Assistance Plan as it pertains to the state. They shall ensure that the SEOOs are properly consulted and notified regarding Section 230 (Training and Technical Assistance) grants and contract awards.

E. The Regional Offices shall see that the Checkpoint Procedure system is being effectively implemented between all regionally-funded OEO grantees and contractors and the appropriate SEOOs.

F. The Regional Offices shall jointly work out a written agreement with each SEOO to assure a maximum of coordination and a minimum of overlapping of activities and functions carried out by their respective field representatives. This agreement shall be jointly reviewed at least annually to effect improvements.

G. The Regional Office shall ensure that a copy of all applications and requests for OEO funds submitted to the Regional Office for approval shall be sent simultaneously to the appropriate SEOO for information and comment. Written comment by the SEOO on these funding requests must receive serious consideration and response by the Regional Office if received within 30 days of SEOO receipt of the application copy.

H. The Regional Office shall invite the SEOOs to participate in on-site program evaluations of regionally-funded OEO grantees within their respective states, and shall share with the SEOOs the findings and recommendations from these evaluations.

I. The Regional Office is responsible for making periodic evaluations of the effectiveness of the SEOOs, as OEO grantees, in implementing their annual Work Plan and in carrying out the basic objectives outlined in this Instruction.

J. The Regional Office shall work jointly with the SEOOs to strengthen the SEOO staff capability to carry out their Work Plan and to overcome any weaknesses that may be revealed by these evaluations.

K. The Regional Directors, and the SEOO Directors in each Region, shall jointly plan and participate in regular meetings—to be held at least quarterly—to discuss mutual problems, exchange information and explore new and innovative ways to increase their effectiveness. Whenever feasible, a representative from the State and Local Government Division of the Office of Programs, OEO/Headquarters, should attend such meetings.

VIII. OEO headquarters relationships with the SEOO's

A. The State and Local Government Division under the Office of Operations shall be the primary office in OEO Headquarters-level dealings with the SEOOs. This Division is to maintain a nation-wide overview of SEOO operations and shall work in close coordination with the Governmental Relations unit of each Regional Office.

B. This Division shall seek to develop and strengthen the role of the SEOOs in the anti-poverty effort and to maximize OEO consultation, coordination, and cooperation with the states.

C. This Division shall foster an exchange of information and program experience among all the SEOOs and Regional Offices. It will sponsor, and jointly plan with the SEOOs, an annual national conference for all SEOO Directors.

D. In coordination with the Regional Offices, this Division will ascertain national and inter-regional training and technical assistance needs of the SEOOs. It will assist them in meeting such needs by the use of OEO personnel, or through national contractors acceptable to the SEOOs.

E. This Division is responsible for ensuring that all grants and contracts—which are sponsored and/or approved by OEO Headquarters—shall be brought to the attention of the appropriate SEOOs at an early enough stage in their development to ensure meaningful comment. It is responsible for monitoring the Checkpoint Procedure system (with the SEOOs) which is to be used by all offices in OEO Headquarters. This Division is to see that the SEOOs are consulted and notified on Section 230 and other training and technical assistance grants and contracts emanating from OEO Headquarters.

F. This Division is to receive a copy of each SEOO's "Plans and Priorities" and a copy of each SEOO's funding request simultaneously upon submission to the OEO Regional Offices. The Regional Offices should send the Division a copy of all executed SEOO grant packages and a copy of any written evaluation reports on the SEOO's.

G. This Division will work with OEO's Office of Program Development in the solicitation and review of new SEOO proposals for innovative demonstration programs. (See IV-B.)

H. This Division shall assist the SEOOs in their dealings with other Federal agencies.

I. This Division shall receive a copy of the required MIS quarterly narrative reports, directly from each SEOO, when it is submitted to the Regional Office.

IX. SEOO responsibilities as OEO grantees

A. When a state applies for funding from OEO under Section 231 of the Act, it must use the forms and follow the procedures for SEOOs outlined in the revised OEO Instruction 6710, "Applying for a CAP Grant." (Until the above revised Instruction is published,

SEOO's should be guided by OEO Notice 6710-2 of February 26, 1969.)

B. The state's share for funding under Section 231 is 20 percent of the total cost of the operation in cash and/or in kind. In very unusual circumstances, a part or all of the state's share may be waived at the discretion of the OEO Regional Director.

C. As part of its annual refunding request, the SEOO must include a progress report on its activities for the previous year specifically related to its Work Plan. The MIS Quarterly Narrative Report on SEOO activities is also required. (The MIS Quarterly Statistical Report shall no longer be required.) The SEOO Work Plan, as an important part of the refunding request, must henceforth address itself to the specific responsibilities outlined for the SEOO's in this Instruction.

D. Annual financial audits, plus cooperation with monitoring and evaluation visits by OEO personnel or with OEO contractors, are considered standard conditions in the acceptance of OEO grants by the states.

E. SEOO concurrence of an OEO-approved "funding package" is an agreement by the SEOO to perform the work stated in the revised Work Plan. Unsatisfactory performance is cause for OEO to re-evaluate and possibly lower the funding level of a SEOO.

F. As OEO grantees, the SEOO's must comply with OEO Personnel Policies and Procedures (as currently outlined in CAP Technical Assistance Memorandum 26-A, April 3, 1967). When these are in conflict with state law and personnel regulations, a mutually acceptable solution shall be spelled out in a written agreement between the SEOO and the OEO Regional Office.

G. SEOO's are expected to carry out pre-service and in-service training programs to upgrade the skills of their staffs, and all SEOO refunding requests shall include specific plans for staff in-service training. Whenever funds permit, the SEOO's are to be given the opportunity by OEO to strengthen their staff capabilities to carry out authorized functions more effectively. Short-term exchanges of personnel between the SEOO's and the OEO Regional Offices, for orientation and training purposes, are encouraged and should be worked out jointly.

WASHINGTON OFFICES OF THE
COUNCIL OF STATE GOVERNMENTS—NATIONAL GOVERNORS'
CONFERENCES,

Washington, D.C., November 20, 1969.

GENERAL COMMENTS

There is perhaps no area where greater mutuality of interest characterizes the efforts of the several states and the federal government than the planning and administration of programs to eliminate poverty. The concerns of the present Administration for redirecting and strengthening the operation of the Office of Economic Opportunity are most encouraging. But those efforts to uplift our disadvantaged citizens cannot succeed if they remain unilateral federal actions or programs which in process tend to mitigate or ignore involvement of state and local governments.

In the past, the mere proliferation of federal programs could not and did not produce the most desired results. In many instances, coordination between regional OEO's and state offices was minimal at best. Procedural practices tended to counteract, frustrate, and even reduce the effectiveness of state attempts to fulfill their own responsibilities for ameliorating the conditions of life to which their most deprived citizens fell heir by aiding them to become self-reliant members of American society.

The states do not seek to control or distribute OEO program funds, but only to be involved in a meaningful and forthright manner with all agencies striving for the eradication of poverty, and to have their

recommendations or objections considered in the light of facts to which they alone, by virtue of their special position, are privy. The states do desire some measure of control over programs operating within their borders in order to ensure the greatest benefit and most efficient use of available funds. This can occur only when state offices are involved in the planning and programming of all projects to eliminate poverty.

As Governor Hathaway of Wyoming wrote: "I have long felt that the several states and their Governors in the past, have been by-passed and used only as 'rubber stamps'. Neither Mr. Newton (SEOO Director) nor I have concurred in such practices, in fact, strongly object to such procedure. It is, therefore, refreshing to us in Wyoming to note the new trend which is indicated OEO will take. If such trend becomes a reality, it should be only the first step and not the last in the greater involvement of the states."

But there will be no more than this first step unless capable and responsible SEOO's are accepted as full, good faith partners under the Act. OEO must recognize State government as the advocate and representative of its people and as a necessary link in the governmental structure. OEO must also recognize that decentralization goes beyond its delegation of grant approval to regional offices. OEO has not, and cannot implement successfully its primary charge of advocacy, inter-agency coordination and mobilization of resources below the Regional level. The functionally superior State capability must be called upon, if the intent of the Act is to be met, and poverty lastingly eliminated. Enduring change, statewide and locally, requires this essential ingredient of success available only at the State level. OEO must work to support the growth of these essential resources at the State level. Integrated State human resource planning and coordination must be given a greater priority.

Some of the roles that can be fulfilled by the states were enumerated by California:

"We believe that there are a number of equally important roles for the State Economic Opportunity Offices which must be given equivalent emphasis. These key roles are: to serve as advisor to the Governor of the state; to provide intensive and comprehensive technical assistance and training; to prepare, plan, and develop innovative research and capabilities. We do not necessarily agree that any one of these roles has a primacy in relation to the responsibility of the State Economic Opportunity Office to be a representative state organization with special mandates for the disadvantaged citizens of the state."

SPECIFIC COMMENTS ON OEO INSTRUCTION DRAFT

Introduction Section: The introduction establishes appropriate background for the development of guidelines on the role of SEOO's. There is some question, however, with regard to the last sentence of the introduction which indicates that OEO and its regional offices will jointly develop specific roles and work programs for each SEOO. This should be changed to indicate that regional offices, working jointly with SEOO's, will develop roles and work programs for each SEOO. Certainly the states themselves are in better positions to determine their own needs, and therefore state roles and work programs should be developed primarily by the states with regional office concurrence.

I and II: These sections are found acceptable as drafted, and no specific recommendations are offered to refine them.

III Coordination and Advocacy at the State Level: Basically, the remarks made are good but they are more restrictive than constructive. The states' role should be broad and not channeled into specific areas as is done under 1, 2, 3 and 4. No where else in the complete draft instructions is there another place where such points are made except in

this area involving the states. The states are not only interested in developing career opportunities for the poor within the SEOO and other state agencies but in the broader role of developing career opportunities for the poor in all areas including state and private enterprise. Under this section the state role should be expressed in broad terms and if specifics are mentioned they should be preceded by the words "Suggestions for SEOO's to consider."

IV Technical Assistance to CAA's and other OEO Grantees: In this section, the statement, "Provides general technical assistance where requested . . ." is not an adequate concept of SEOO technical assistance since it responds only to requests made by Community Action Agencies. Dynamic programming calls for the provision of technical assistance not only on request, but also as initiated in relation to perceived and demonstrated needs. As one state expressed the matter:

"It appears state offices remain as messenger boys in so far as providing technical assistance. It is indicated the state offices will provide technical assistance 'where requested'. This is a subtle way of once again bypassing the states with local programs."

To enhance the value of their technical assistance to CAA's, SEOO's should have continuing input into the planning of CAA programs. The Checkpoint Procedure systems could be most helpful in this regard, but the instruction draft offers only generalities instead of explicitly describing when, where, and how the state offices will be involved in prior consultation or development of CAA programs along with other OEO grantees. State offices should be involved in the planning stages, not after everything has been completed. They should be given an opportunity for pre-review while constructive participation is still possible.

The checkpoint procedures spelled out in the Instruction must apply to OEO Headquarters as well as Regional Offices. Many programs are now funded from Washington with no SEOO input at all. The instruction should clearly require submission of all funding requests or proposed funding decisions to the SEOO for comment. This should specifically apply to the awarding by OEO of any form of consulting contracts.

"The suggestion that SEOO's 'give priority emphasis to the hiring and training of highly specialized personnel' is not appropriate to a small office such as Hawaii where the hiring of a few specialized staff would limit the range of available technical assistance. A generalist with broad experience and competence can be effective by making maximum use of specialists in the State government where necessary and required."

V Operation of Special Programs: Comments relevant to this section are included under section VI below.

VI Advisor to OEO: Items A and B of this section should be so expressed as to insure that the "advisory" role of SEOO's has real significance with regard to the formulation of OEO programs as they affect the states. This may, in some instances, require OEO support to facilitate state participation within the context of the guidelines. The state of Wisconsin offers the following example:

"Concerning the SEOO role, we question whether it will be possible for the state offices to prepare an annual written analysis of poverty. We presently rely upon 1960 data with some updated material. The analysis on an annual basis could only be highly subjective and limited in focus or geographic area. Without sufficient research grants to SEOO's, we would be opposed to this requirement. If, however, the national OEO were to fund the states with a research grant for computerizing the Management Information System, then the annual analysis would be possible. The Wisconsin Bureau of Economic Opportunity will be submitting a grant request to this effect."

On the other hand, the Governor of California maintains that such reports may even be gratuitous and unnecessary:

"The requirement for the State Economic Opportunity Offices to prepare an 'annual written analysis of poverty in the state' appears to be a superfluous and potentially wasteful exercise. Every city, every county has been demographically surveyed and studied numerous times for every possible measure of poverty and this information is generally available for the federal administration of the EOA."

Item C suggesting that "comments and recommendations by the appropriate SEOO's shall be sought on all proposals for OEO funding training and technical assistance projects . . ." would be considerably strengthened if SEOO's were included in the procedure to sign off all proposals for such OEO-funded projects.

If a state indicates a desire to apply for Section 230 funds, the regional office should provide whatever assistance is needed by the SEOO to develop the best possible proposal which may include taking advantage of all other related state resources. This would enhance state delivery systems and remove the state from the potentially disadvantageous position of competing with certain outside professional agencies.

Item D calls for assistance in implementing BOB Circular A-95 which requires improved state level coordination of planning and multi-jurisdictional areas. A-95 also calls for project notification review procedures which should apply to the funding of all CAA or other OEO grantees within the state, in this case, with the SEOO acting as a form of State Clearinghouse.

Item E refers to SEOO input into evaluations. The SEOO should be continuously evaluating all programs in the state, not just for reporting purposes but to detect any needed areas of assistance. A representative from the State Office staff should be an integral part of any evaluatory team and should have effective input into the final report. As the state of Arizona recommended:

"If the SEOO at the beginning of VI-E is charged with ('jointly participates with the Regional office in the monitoring and evaluation of OEO-funded programs and . . . in the development of standards for evaluation . . .'), this instruction should also provide that both the SEOO and the Regional office should jointly participate in the follow-through action.

"This would eliminate the arbitrary decisions which the Regional Director might make and it would enhance the partnership which the whole Instruction attempts to develop. More specifically, it would relieve the Regional Director of having to rule in a very sensitive or delicate area."

Item F concerns another area of great importance to improved state-OEO relations. Much closer ties between the SEOO and VISTA operations within the States is badly needed. Initially, at least, OEO needs to advise the SEOO of all VISTA activities in the State so the SEOO may play a coordinating role. In addition, the instruction should at least permit a State VISTA Director or Coordinator, to be housed in the SEOO, either in the person of an OEO staff member, or paid for by OEO funds.

VII Regional Office Responsibilities With the SEOO's: Many states object strongly to insensitive approaches to evaluating a "governor's office" or an office responsible to a governor. Where such evaluation is carried out, the suggestion of Wyoming should be carefully noted:

"If we are to have true Federal-State relations, state offices must be given some responsibility in connection with application review, grant approval, and program monitoring under Section 231. The monitoring and evaluation of programs should definitely be a dual function of both the regional and

state offices. The draft should clearly make it mandatory that state offices be involved in program monitoring and evaluation and given a meaningful role in such. To say that the State office must be "invited" is not enough and is just another way of bypassing state responsibility insofar as their own state programs are concerned."

VIII OEO Headquarters Relationships with the SEOO's: The first sentence of item D under this section should read: "In coordination with the SEOO's and the regional offices, this division will . . ."

Item E, which calls for notifying SEOO's of all grant applications has long been one of the major problem areas in the administration of OEO programs. In this regard, the language included under section VII-G of these instructions should be applicable to the national OEO office as well as the regional.

IX SEOO Responsibilities as OEO Grant-ees: While primary responsibility for developing an acceptable work program must remain with SEOO's, regional OEO offices should provide consultative assistance if requested.

CONCLUSION

The proposed expansion of SEOO activities is a logical and necessary move if real emphasis is to be placed on state leadership in program development and implementation by the federal government.

Clearly, many of the new responsibilities defined for the States will only be possible with greater staff and financial capacity. This would require a significant increase in technical assistance grants to the SEOO's. A clear statement of commitment for increased financial assistance to the SEOO's (and for a decrease in funding to consultant firms to perform duplicate work) would greatly strengthen the Instruction and the credibility of OEO.

The joint development of a federal-state funding plan will need to be based on a joint federal-state analysis of need. Certainly States should identify such a need from their viewpoint to help guide OEO in funding decisions. More important however, is the actual development of a joint funding plan. Not only must funding decisions be made so as to provide the most effective blending of federal and State financial resources, but also should encourage more State participation. The most effective way to do this is to increase federal funds in proportion to increases in the level of State funds provided. This should be clearly spelled out in the Instruction.

In addition to restructured funding plans, however, most governors feel that they must retain constructive approval powers to insure that projects are executed in the best interest of all the citizens of their respective states. This position is perhaps best exemplified in the words of the Governor of California:

"We recommend, as indicated by our statement before the Senate Subcommittee on Employment, Manpower, and Poverty on June 5, 1969 that all technical assistance, training, and related funds should be channeled to the State Economic Opportunity Office and that all programs under the EOA, not assigned to direct state administration, should be subject to the Governor's approval. We urge the inclusion of all special training, technical assistance and similar grants per Section 230 under the Governor's veto power and object to the procedure of contractual arrangement for such purposes, which circumvent the Governor's role and responsibility in the administration of the EOA. We do not believe that the provisions for notification and consultation procedures or the permission for State Economic Opportunity Offices to "compete" for special training and technical assistance is a satisfactory approach.

"We believe that proper and intent-seeking interpretation of Section 242 of the EOA

would indicate selective, line-item approval rights of the Governor. This selective approval would permit the release of funds for portions of grants which in some sections have objectionable components contraindicating positive action by the Governor. The recent Senate action on the amendment to the Economic Opportunity Act of 1969 as proposed by Senator Murphy appears to be an affirmative step in this direction."

The alternative to this is expressed by the Governor of Wyoming:

"If the Washington and regional offices will truly consider the recommendations of state offices regarding application review and grant approval, more than they have done in the past, such procedure would then be a giant step forward. In such case, states would not have to resort to the threat of a Governor's veto in order to have their recommendations considered."

In the final analysis, two crucial elements will determine the success of any proposed guidelines, flexibility and simplicity. Unfortunately, these can become contradictory and self-defeating if they are not wisely conceived and implemented. Maximum flexibility would seem to demand as many different programs as there are states, the very antithesis of simplicity. Nonetheless, the entire program will be effective in the degree that it can focus all available resources upon the resolution of the problems of the poor. To that end, OEO must strive to nurture a policy of flexibility in meeting individual state situations with a strong commitment thereto made apparent within the internal directives of that agency. It is recognized that not every governor may be expected to have equal concern for the problem of poverty. It should be pointed out, however, that for those governors who choose to take strong and positive action and demonstrate capability in this field, the Office of Economic Opportunity should be quite willing to give increasing responsibility to deal with the specific issues outlined in an attack on poverty. Only in this way will the mutuality of interest in exercising poverty from American life become a mutuality of success.

CHARLES A. BYRLEY.

EXECUTIVE CHAMBER,

Nashville, Tenn., November 7, 1969.

Mr. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Washington, D.C.

DEAR MR. RUMSFELD: Thank you for your recent letter enclosing Office of Economic Opportunity Instruction 7051-2 (DRAFT) on the "Role of the State Economic Opportunity Offices." I appreciate the opportunity to review and comment on this document prior to your implementation of the provisions contained in it.

I am pleased to note that overall the document represents a significant improvement over previous Office of Economic Opportunity guidelines relative to the role of the States. It is, however, my opinion that this issuance successfully evades the central question of specifying the State role within the Federal Office of Economic Opportunity structure. The introduction states the Office of Economic Opportunity will, of necessity, develop specific agreements with States on an individual basis. It is difficult to consider the impact of the other sections of the instruction without knowing whether a mutual understanding between the Office of Economic Opportunity and an individual State can be achieved. It is my suggestion that the document be re-written to delineate the specific areas of States' responsibilities.

I am attaching for your information a copy of the comments on 7501-2 developed by my staff.

Yours very truly,

BUFORD ELLINGTON,
Governor.

STAFF REVIEW—OEO INSTRUCTION (DRAFT) 7501-2, "ROLE OF THE STATE ECONOMIC OPPORTUNITY OFFICE"

OEO has again evaded the central question. In a paper supposedly defining the proper role of the State Economic Opportunity Office, OEO has said that the role of the State Office cannot be defined. The introduction to the paper states that "... the functions of the SEOOs cannot be uniform through the nation." If indeed, "... OEO policy towards SEOO functions and responsibilities will be maintained flexible to fit individual state situations" and "OEO through its Regional Office, will jointly develop specific roles and work programs for each SEOO", the comments that follow, under the guise of ambiguous definition, have no validity.

Since its inception OEO Guidelines have always been vague and inconsistent. In order for OEO to give impetus to the State's responsibility in the Federal system of government more specificity is required in defining roles and relationships and the intent of the National Office. Our specific comments are as follows:

Section IV-A states that in rendering technical assistance to Community Action Agencies, the State Office will give priority to the hiring of highly specialized personnel. The State of Tennessee recognizes this need, but implementation of this policy requires budgetary support for the recruitment of such highly specialized people. This draft does not make clear that the needed budgetary support will be forthcoming from national or regional headquarters.

In reference to section IV-D and F more attention should be given to the precise role of the SEOO and its input into total planning with Community Action Agencies and Development Districts.

In order to render meaningful and sophisticated technical assistance to CAAs, SEOOs should have initial and consistent input into the planning of CAA programs. It should be made clear that the State Office is as much a part of the planning process as any other factor. The Checkpoint Procedure should be, in reality, mandatory for all CAP programs in the State. Programs should not be funded without the submission of meaningful CAP Form 77's.

Section VI-A and B should be strengthened to insure that SEOO's are more than advisors. The Regional O.E.O. should not be given the complete authority in resolving any difference of opinion. This responsibility should be shared with the National O.E.O.

In reference to section VI-C all training and technical assistance matters should be coordinated and approved by the SEOO.

Section VI-E refers to SEOO input into evaluations. The SEOO should be continuously evaluating all programs in the state, not just for reporting purposes but to detect any needed areas of assistance. A representative from the State Office staff should be an integral part of any evaluatory team and should have effective input into the final report. Regarding the same idea, Section VII-H states that regional evaluators "... shall share the findings and recommendations from these evaluations" with the State Office. The word "all" should be inserted before "the findings" to make clear the necessity for the State Office to be fully informed.

For effective mobilization of State resources, the use of outside consultants is not sufficient. Outside consultants do not provide an effective tool for mobilization of State resources. The State role in training, as referred to in section III-B-4; section IV-E; section V-C; and section VI-C, is too weak. The role of the SEOO should be as strong in the area of training as in technical assistance. In fact, we highly recommend that the SEOO be the *Grantee* for training in this State. One of its major responsibilities would be to mobilize the State's

Higher Educational Institutions as resources in this area and to delegate to those institutions such funds as necessary to carry out and meet the training and educational needs for CAAs across the State. This would require the hiring of training specialists by the State Office staff, but would more than pay for itself in increased benefits to CAAs in the state.

The proposed expansion of SEOO activities is a logical and needed move in light of the increased emphasis being placed on state leadership in program development and implementation by the federal government. If the state structure is to be present in the O.E.O. hierarchy, it should be effective. To the degree that effectiveness requires responsibility, greater responsibility must be given to State Offices in the real coordination of all O.E.O. activities within the state.

EXECUTIVE DEPARTMENT,

Cheyenne, Wyo., October 22, 1969.

HON. DONALD RUMSFELD,

Director, Office of Economic Opportunity,
Executive Office of the President,
Washington, D.C.

DEAR MR. RUMSFELD: I respond to your undated letter received here October 16, 1969, regarding the draft of new instructions on the "role of the State Economic Opportunity Offices."

A review of the draft has been made and my State Director, Mr. Charles G. Newton, and I have agreed upon the attached comments. I agree that the states have a most important contribution to make to the OEO Act and needless to say the states have other resources which can be used to assist the alleviation of poverty.

I have long felt that the several states and their Governors, in the past, have been bypassed and used only as "rubber stamps". Neither Mr. Newton nor I have concurred in such practices, in fact, strongly object to such procedure. It is, therefore, refreshing to we in Wyoming to note the new trend which is indicated OEO will take. If such trend becomes a reality, it should be only the first step and not the last in the greater involvement of the states.

Both Mr. Newton and I offer our sincere cooperation in all OEO matters.

Best wishes.

Sincerely,

STAN HATHAWAY,
Governor.

COMMENTS ON ROLE OF STATE ECONOMIC OFFICES OEO INSTRUCTION, DRAFT 7501-2

The proposed draft for the "Role of State Economic Opportunity Offices" is a step in the right direction, if the various proposals are carried out. In the past, a deliberate effort was made by both the Washington and regional levels to bypass the states and to use them merely as "rubber stamps." In some areas of the draft, we believe little change has been made. Other areas of concern should be more specific as well as mandatory for the involvement of state offices.

SECTION IV—TECHNICAL ASSISTANCE TO CAA'S AND OTHER OEO GRANTEEES

It appears state offices remain as messenger boys in so far as providing technical assistance. It is indicated the state offices will provide technical assistance "where requested". This is a subtle way of once again bypassing the states with local programs.

Paragraph E tends to bypass state offices in favor of regional and private consulting firms to provide training programs and workshops for CAA staffs and their boards "when requested by OEO grantees..." Certainly state offices have the expertise or can secure such to provide this training for those programs within their own state and should be given an opportunity to do so.

Section F speaks in generalities to the

Checkpoint Procedure system but does not specifically spell out when, where, and how the state offices will be involved in prior consultation or development of CAA programs along with other OEO grantees. OEO Instruction 6710-1 under IV-43 has never been a satisfactory way of involving state offices. State offices should be involved in the planning stages, not after everything is completed. Likewise, they should be given a specific time for pre-review or involvement just as the Regional Offices are given in the time schedule.

SECTION VII—REGIONAL OFFICE RESPONSIBILITIES WITH SEOO'S

If we are to have true Federal-State relations, state offices must be given some responsibility in connection with application review, grant approval, and program monitoring under Section 231. The monitoring and evaluation of programs should definitely be a dual function of both the regional and state offices. The draft again makes the state office nothing more than a "rubber stamp". The draft should clearly make it mandatory that state offices be involved in program monitoring and evaluation and given a meaningful role in such. To say that the State office must be "invited" is not enough and is just another way of bypassing state responsibility in so far as their own state programs are concerned.

If the Washington and regional offices will truly consider the recommendations of state offices regarding application review and grant approval, more than they have done in the past, such procedure would then be a giant step forward. In such case, states would not have to resort to the threat of a Governor's veto in order to have their recommendations considered.

The same would apply to paragraph B on page 8 relative to preliminary state funding plans. If the Regional Office will consult with the state offices once they receive their annual funding guidance from OEO headquarters and after state funding plans are analyzed, discuss with the states and consider state office comments, such procedure should resolve many questions.

In the past, on a number of occasions, the Regional Office has contacted local agencies offering funds and suggesting the preparation of a quick application. The state office in such instances has always been bypassed and unaware of such proposals until it is an accomplished fact. In such instances, the state office should always be consulted prior to the offering of a program which is of the "quicky" nature. We suggest when flexible or other funds are available for additional programs in a given state, the Washington or regional offices first consult with the state offices to secure their ideas or thoughts on such programs. Often times, such additional funds can be better utilized elsewhere in the state.

Nowhere in the draft is it noted that the Governor may veto a component in a grant package without vetoing the entire package. We recommend that such procedure be clearly spelled out, indicating the reference to a "grant" does not refer to the entire grant package which may contain upward to a half a dozen or more separate programs. We cannot permit a poor program to sneak in under the umbrella of an entire grant package.

Wyoming does not seek to control or distribute program funds, but only to be involved in a meaningful and honest manner and to have the recommendations or objections considered in light of the facts. We do desire some control over programs operating in our state in order to make sure the taxpayer's money is truly being spent for the purpose intended as well as to make sure the citizens of this State for whom the funds are made available, receive the greatest benefit. Such can only be accomplished if state offices are given some day-to-day control over programs and not expected to act as messen-

ger boys or rubber stamps. We know our people, their problems, our State, and their characteristics far better than persons far removed from our boundaries.

Only time will tell if the proposed draft is truly meant to give the State a greater role in OEO matters as opposed to the bypassing of the states which has been our past experiences.

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, November 1, 1969.

HON. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Washington, D.C.

DEAR DON: We are pleased to have the opportunity to review the draft of the new instruction on the "Role of the State Economic Opportunity Offices" which you forwarded for my comments.

We note, with interest and a certain degree of satisfaction, the incorporation of many of our suggestions in these new draft guidelines. Our administration has been in sympathy with the objectives of the Economic Opportunity Act of 1964 (EOA) to better the lives of our disadvantaged citizens by aiding them to become self-reliant and self-dependent members of our society in the tradition of our American way of life. During the past years of the implementation and administration of this Act we have, nevertheless, often disagreed with and objected to the ways and means of carrying out this Act. We have been concerned with the apparently purposeful, de facto elimination of the federal-state partnership concept and the reduction of the state role in this mutual effort, contrary to the clear-cut intent of the original Act and its 1967 amendments.

We have always advocated an effective businesslike and orderly approach for the resolution of the problems of our less fortunate citizens to assure that waste and overhead administrative costs are reduced to a minimum. We promoted the concept of maximizing the benefits of the taxpayers' monies by directing funds to the intended recipients of programs and benefits, with the harmonious participation of all segments of our society working cooperatively through sharing roles and responsibilities between the public and private sectors.

While we are encouraged by many of the concepts and trends illustrated in the draft guidelines, we are looking forward to the opportunity to carefully review and study the specific and detailed implementation plans, and administrative orders which National OEO will prepare.

We believe that there are a number of equally important roles for the State Economic Opportunity Offices which must be given equivalent emphasis. These key roles are: to serve as advisor to the Governor of the state; to provide intensive and comprehensive technical assistance and training; to prepare, plan, and develop innovative research and demonstration proposals, and to mobilize state resources and capabilities. We do not necessarily agree that any one of these roles has a primacy in relation to the responsibility of the State Economic Opportunity Office to be a representative state organization with special mandates for the disadvantaged citizens of the state.

We recommend, as indicated by our statement before the Senate Subcommittee on Employment, Manpower, and Poverty on June 5, 1969, that all technical assistance, training, and related funds should be channeled to the State Economic Opportunity Office and that all programs under the EOA, not assigned to direct state administration, should be subject to the Governor's approval. We urge the inclusion of all special training, technical assistance and similar grants per Section 230 under the Governor's veto power and object to the procedure of contractual arrangement for such purposes, which cir-

cumvents the Governor's role and responsibility in the administration of the EOA. We do not believe that the provisions for notification and consultation procedures or the permission for State Economic Opportunity Offices to "compete" for special training and technical assistance is a satisfactory approach.

The requirement for the State Economic Opportunity Offices to prepare an "annual written analysis of poverty in the state" appears to be a superfluous and potentially wasteful exercise. Every city, every county has been demographically surveyed and studied numerous times for every possible measure of poverty and this information is generally available for the federal administration of the EOA.

We are in support of the cooperative and coordinated efforts in the use of federal and state OEO personnel in the joint development of statewide OEO funding plan, and in the evaluations of operating programs based on federal-state agreements.

We agree with the "input and comment" provisions for program developments and funding applications for OEO sponsored programs. We urge that specific, clear-cut, and binding regulations be prepared on these subjects and procedures, that Regional offices shall be held to them without exception and that violations of them should be reduced to a minimum.

We believe that proper and intent-seeking interpretation of Section 242 of the EOA would indicate selective, line-item approval rights of the Governor. This selective approval would permit the release of funds for portions of grants which in some sections have objectionable components contradicting positive action by the Governor. The recent Senate action on the amendment to the Economic Opportunity Act of 1969 as proposed by Senator Murphy appears to be an affirmative step in this direction.

We recognize that no concept or program can succeed without effective and qualified administration and personnel. The local failures and resulting disenchantment connected with the EOA of 1964 must be overcome by the utilization of qualified, experienced and capable administrative leadership in local community action programs. The existence of "poor services for the poor" demonstrated by many ongoing projects is an unacceptable alternative. We recommend that the administration of the OEO programs as reflected by the personnel policy standards and procedures indicated in Community Action Memo 23-A shall be strictly adhered to and should be utilized for further upgrading in the quality of line and staff personnel.

My administration, through our State Economic Opportunity Office, is interested and available to join together with National OEO for a harmonious state-federal relationship to obtain optimum benefits of the EOA in assisting our disadvantaged fellow citizens.

Sincerely,
RONALD REAGON,
Governor.

STATE OF MAINE,
OFFICE OF THE GOVERNOR,
Augusta, Maine, November 11, 1969.

HON. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Washington, D.C.

DEAR MR. RUMSFELD: This office generally approves of OEO Instruction (Draft) 7501-2—*Role of State Economic Opportunity Offices*. This strengthening of the SEEO reflects a concern expressed by my office to the Vice President via the National Governors' Conference nine months ago.

I would suggest the following specific changes in the Draft Instruction:

IV-B (Line 8) Subsequent significant modifications to the state funding plan require prior SEEO concurrence before implementation.

VI-C (Line 3) Comments and recommendations by the appropriate SEEO shall be sought and shall be given the most serious consideration on all proposals for OEO funded training and technical assistance projects that would operate in their states.

Implementation of the draft instructions together with the above suggested changes would go far towards making the state a full working partner in the war on poverty.

Sincerely,
KENNETH M. CURTIS,
Governor.

NOVEMBER 6, 1969.

Re. OEO Draft Instruction 7501-2.
HON. DONALD RUMSFELD,
Office of Economic Opportunity,
Executive Office of the President,
Washington, D.C.

DEAR DIRECTOR RUMSFELD: Pursuant to your request I have carefully reviewed the draft of your proposed instruction on the role of State Economic Opportunity Offices. The comments which follow represent the official position of the State of Utah relative to the draft instruction.

In beginning these comments I should stress that I believe the instruction is generally helpful as far as it goes. However, in my view the instruction does not go as far as it should. The second paragraph of the introduction suggests that State Economic Opportunity Offices represent the prime mechanism by which OEO seeks to aid state government in their efforts to eradicate poverty within the states. If this is so then the activities of the State Economic Opportunity Office should be of significance but it appears that they are largely limited to the provision of technical assistance and the coordination of related state activities. These limited activities do not seem to me to be sufficient.

A second general comment which I think would be helpful is that your suggested policy of flexibility in meeting individual state situations should be emphasized and a strong commitment thereto made apparent within the internal directives of your agency. We recognize that not every governor may be expected to have equal concern for the problem of poverty. I would point out, however, that for those governors who choose to take strong and positive action and demonstrate capability in this field, that the Office of Economic Opportunity should be quite willing to give increasing responsibility to deal with the specific issues outlined in an attack on poverty.

With respect to specific sections of the bill, the following comments may be helpful in outlining some of the ways in which we think the operation of a state Economic Opportunity Office could be upgraded and emphasized:

1. Section IV-A provides that the SEEO shall give priority to the hiring and training of highly specialized personnel in specific fields. We would make the point that this instruction be modified to call for non-duplication of other state efforts which could be brought to bear on the problems outlined as they effect the poor.

2. Section IV-D calls for assistance in implementing BOB Circular A-95 which requires improved state level coordination of planning and multi-jurisdictional areas. A-95 also calls for project notification review procedures which, in our opinion, should apply to the funding of all CAA or other OEO grantees within the state, in this case, with the SEEO acting as a form of State Clearinghouse.

3. Section IV-F, page 6, indicates that the SEEO participates in a check-point procedure designed to provide significant advice and assistance at an early stage in the development of a CAA or other grantee proposal. In practice it appears that SEEO involvement does not occur early enough and as a result the SEEO often faces a simple

alternative of criticizing a formulated proposal as a complete package and which has not been adequately discussed during the formative stages. We would urge that procedures be specifically initiated to insure SEEO involvement on a mandatory basis at least sixty days prior to the preparation of a normal proposal by any proposed OEO grantee. (This same issue will be addressed by later comments.)

4. Section VI-A indicates that the SEEO should provide a written analysis to the Regional Office annually of the principal problems and causes of poverty in the state. This analysis, which in effect could constitute a "state plan" framework relative to poverty should be approved and endorsed by the governor of the state.

5. Section VI-B calls for the development of a preliminary state funding plan on the part of the OEO Regional Office. The language in the instruction speaks only to the issue of national program priorities and does not relate significantly to local priorities. The issue turns upon whether or not modifications and priorities can be made according to regional differences. For example, a proposal which the State of Utah presented to OEO for funding last year was almost rejected because the activities proposed, while innovative in Utah, were not particularly innovative as far as the more progressive states in low income housing were concerned. It should be clearly understood that state funding plans must be modified according to the particular needs of the state and the communities within the state.

6. Section VI-D calls for the SEEO to advise OEO on funding requests and suggested that the SEEO will receive copies of the official application simultaneously with submission to the OEO Regional Office or OEO National Headquarters. My position is that the SEEO should receive the applications prior to their submittal to the Regional Office and in fact should channel the applications to the Regional or National Office following adequate review. It is further my position that the submittal of the application should have been preceded by the discussions with the SEEO as are outlined under the procedures in Budget Bureau Circular A-95, which calls for an early project notification.

7. Section VI-E calls for SEEO involvement in monitoring and evaluation of OEO funded programs and indicates further that the regional office will invite SEEO representation on the evaluation teams. We strongly urge that evaluation generally be the responsibility of the SEEO with the SEEO inviting the regional office to participate on evaluation teams, rather than the reverse.

8. Section VII-C again seems to require recognition of local program priorities instead of simply national and regional priorities.

9. Section VII-F calls for the regional office to work out a written agreement with each SEEO to coordinate and prevent overlapping of field representatives. We raise the question of whether or not OEO would be willing to delegate field representation responsibility to the State Economic Opportunity Office for those states which have the capability and desire to do so. Obviously this is one of those categories where OEO would have to make the judgment as to the appropriateness of such a request. However, we do not feel that the language in this section adequately provides for the possibility of a contractual arrangement whereby the SEEO would carry out the functions of the field representative and we request your modification.

10. Section VII-H also covers this same topic, in fact, Section VII-I suggests that the relationship which exists between the regional office and SEEO should be the same

between the SEEO and an OEO funded program within the state.

We hope that these specific comments will be helpful to you in reviewing and finalizing the OEO instructions concerning State Economic Opportunity Offices. Should you have any desire for clarification on the points which we have made, please feel free to call upon us.

Sincerely,

Governor.

OFFICE OF THE GOVERNOR,
Frankfort, Ky., November 4, 1969.

MR. CHARLES A. BYRLEY,
Director National Governors' Conference,
Washington, D.C.

DEAR MR. BYRLEY: Enclosed is my response to "Improving Guidelines for CAA Designation and Structure" and "Role of SEEOs." I trust that a national sense of the States will be strongly advocated by NGC.

If further explanation or resources are needed, please feel free to call upon me.

Yours very truly,

LOUIE B. NUNN,
Governor.

IMPROVING GUIDELINES FOR CAA DESIGNATION
AND STRUCTURE

ROLE OF STATE ECONOMIC OPPORTUNITY
OFFICES (A-85: 69-53)

It is still rather difficult to judge the impact of these revisions because of their very "soft" and flexible nature. OEO's memorandum to SEEOs indicates several items in this draft "will need to be followed up by the issuance of more specific, detailed instructions after the basic document reaches final form." Perhaps a companion draft of these other "specifics" would have made this review more relevant. Certainly a new draft of the Regional OEO-SEEO Instruction revision would have been helpful, as would the new "Rumsfeld" drafts of the 1967 Amendments. These new documents are pertinent to the States interpretation of these two particular drafts, and whether or not the Act can simply be extended or must be opened for Congressional action at this time. Conversational outlines at this time leave too much to later interpretation by the Director and Regional offices.

Improving guidelines for CAA designation
and structure

1. Elimination of OEO requirements that have the effect of superseding or negating State statutory law must be eliminated. (Several States have found themselves unable to develop public governing structures due to OEO requirements in the handbook: *Organizing communities for action—1967 Amendments*). Exceptions should be permitted allowing all States the capability of designation for OEO consideration.

2. Even in the case of public agencies, particular emphasis and monetary incentive should be given to career development in the public sector of low income people. State government should be given preferential consideration in creating and supporting new career development.

3. OEO must immediately move to implement, within those states wherein the legislature and/or chief executive, has complied with BOB A-80 and A-95, its recognition of those intra-state regional planning bodies and clearing houses as the official entities for over all, multi-jurisdictional planning, coordination and policymaking. It is detrimental to structured multi-county comprehensive planning if such quasi-governmental agencies as CAAs are not coterminous with established boundaries. Too, this readily leads inconsistent CAAs into lack of uniform coordination of resources and direct advocacy of the disadvantaged. OEO staff personnel are not apt to remain neutral but rather more likely to advocate CAA

confrontation with a total human resource development concept. This very real experience tends to sever rather than coordinate functional lines of coordination, communication and planning between CAAs and official developmental district. OEO should also remain neutral in States implementing of BOBs A-80 and A-95.

4. A sharper distinction must be made of who constitutes a public official. Obviously a lower ranking welfare service staff person in a public official slot does not serve the letter of the 1967 Amendments. Stacking of private-nonprofit CAA boards is often accomplished in this fashion. Smaller board membership, with more advisory input from private groups should be considered.

5. Such changes can often change the number of seats on a board, should a public official opt in/or out, during a program year. OEO should not be able to circumvent public official designation by recognizing a CAA—capable entity only as a limited purpose agency.

6. In addition to minimal population criteria, minimum "threshold level" monetary support of a CAA must be accepted; especially in rural areas where other program opportunities are not very real for CAAs.

ROLE OF STATE ECONOMIC OPPORTUNITY OFFICES
(SEEO)

The preamble to this draft 7501-2 relegates SEEOs, as the State contact point with OEO, to a subordinate role of non-directiveness. Capable and responsible SEEOs must be accepted as full, good faith partners under the Act. The basic fault lies in OEO's continual insistence that the Federal establishment does not recognize State government as the advocate and representative of its people or as the second link in our governmental structure. OEO must recognize decentralization goes beyond its delegation of grant approval to regional offices. OEO has not, and cannot implement successfully its primary charge of advocacy, inter-agency coordination and mobilization of resources below the Regional level. This functionally superior State capability must be called upon, if the intent of the Act is to be met, and poverty lastingly effected. Lasting change, statewide and locally, requires this essential ingredient of success available only at the State level. OEO must work to support the growth of these essential resources at the State level. Integrated State human resource planning and coordination simply must be given a greater priority.

Within the scope of recognizing new innovative approaches by SEEOs, OEO should place great priority upon special SEEO grant applications to develop broad State human resource planning and coordination, to maximize the concentration of multi-agency resources upon poverty causes—linking in State physical resource planning.

OEO must work more closely with other national level agencies in supporting SEEOs in working out solutions to problems of significant importance to the poor, i.e., Title I ESEA, DOL, FHA and HUD.

The Constitutional commonality of all States must be acceded to buy OEO insofar that OEO not arbitrarily prohibit any State from having a reasonable opportunity to fully develop its potential in human resource development. Institutional change within State welfare concepts, etc., may be of a most significant impact upon poverty within a State. There may be structural differences to be accommodated with States; but this should not give guise to OEO's other intention of bypassing a State.

Every effort must be made to upgrade SEEO staff specialties by increasing staffing and salary levels conditional to some mutually acceptable uniform standards. Contractual arrangements to reimburse State agencies for the leasing of their specialized

personal should be desirous over bringing in out-of-state trainers and consultants.

OEO should not expect States to carry off new responsibilities in planning, coordination, monitoring without continually updated fiscal, program and statistical material normal to the comparable OEO decision process.

Key SEOO staff will need to be continually integrated into OEO Regional processes for PIP, additional 4th quarter monies allocation and planning exercises essential to States CAAs; particularly pre-review program and budgetary actions by Regions. State plan priorities for funding should be favorably weighted, if comprehensive State planning is underway in a State, via BOBs A-80 and A-95.

Advocacy by SEOOs within State government would be greatly enhanced by strengthening SEOO role in CAA planning priorities.

The SEOO (State's) role of advisor to OEO must now be likened to a spotter high in the arena stands, relaying observations of play to the coaches bench. New legislation should move States from a "spotter" advisory role to varsity team member on the field.

Any change in State funding plans must require written agreement by the grantee, OEO and SEOO, after the State has had sufficient opportunity to review all material pertinent to the decision.

State input into the evaluation and monitoring, review of T&TA, grants to other than CAAs, etc., should be an equal rather than as a single voice against a Federal team.

The role of Regional OEO to the State in terms of a demanding, subjective grantor toward its grantee falls to build a full faith partnership. Standards and conditions to which the Regional and National OEO are not subjected to should not arbitrarily be demanded of States by the conditioning of grant packages.

States simply must have total and ready access to all pertinent OEO information if they can reasonably be expected to function capably.

Under the presently conceived OEO mode of operation wherein the Regional, or National OEO field representative is allowed to bypass State, local governmental units and in many instances local CAA boards to: (1) Develop a funding proposal to meet the conditions of poverty that the individual OEO representative feels or perceives. (2) Returns to Washington or the Regional office where he or she then becomes the sole advocate and budget analyst. (3) Then returns to the CAA with funded program in hand to mount an attack, oftentimes singularly, against board, local structures and the State and (4) wonder why local board members, elected officials and State agencies are sometimes alienated from the OEO representative's idea of what is best for the community's poor.

Those portions of funds, programs and Titles of the EOA, as amended, that are delegated by the Act or administrative edict to other agencies of the Federal government for program funding and operation, must not have been disapproved by the Governor of a State in which said programs are to operate; and that such approval is required for each grant new or refunding period.

NOVEMBER 5, 1969.

DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Washington, D.C.

DEAR MR. RUMSFELD: I have conferred with my representative, Herbert K. Whitworth, SEOO Director, on the OEO draft instruction, "Role of the State Economic Opportunity Offices". Comments regarding this new instruction are attached.

While I am pleased with your desire to strengthen the role of the states, I feel the final document will need to be much more

specific if the states are to be given the opportunity to make a meaningful contribution to the program. Many of the guidelines included in this draft were also included in OEO Instruction 1420-2 and have not been implemented.

A copy of this letter with the attachment is also being sent to Mr. Charles Byrley, National Governors' Conference, along with comments regarding OEO draft, "Improving Guidelines for CAA Designation and Structure."

Sincerely,

DON SAMUELSON,
Governor.

COMMENTS ON OEO DRAFT INSTRUCTION: ROLE OF THE STATE ECONOMIC OPPORTUNITY OFFICES

I. PLACEMENT

This has been done in Idaho.

II. ADVISOR TO THE GOVERNOR ON ANTI-POVERTY MATTERS

These responsibilities are included in the Executive Order establishing the Idaho State Economic Opportunity Office.

III. COORDINATION AND ADVOCACY AT THE STATE LEVEL

This section needs to be more specific as it appears little different from present instructions which have not been adequate to ensure that SEOOs are given the opportunity and funds to implement their responsibilities with regard to coordination and advocacy at the state level.

IV. TECHNICAL ASSISTANCE TO CAA'S AND OTHER OEO GRANTEES

The Idaho SEOO currently provides technical assistance to CAAs where requested but has difficulty obtaining necessary information or adequate training for SEOO personnel from the regional office. Adequate coordination has not been accomplished between the SEOO and the regional office with regard to the kinds of technical assistance and training to be provided by each.

We feel the language here needs to be stronger to assure coordination with OEO and to provide adequate funds for implementation. Priority in funding training and technical assistance should go to SEOOs, and this priority should be clearly defined in the language of OEO Instruction 7501-2.

With regard to the Checkpoint Procedure system, this language has not been strengthened in the new draft instruction, and from our past experience this policy has not resulted in giving the SEOOs a "meaningful opportunity" to provide advice and assistance at an early stage in the development of proposals by CAAs and other OEO grantees, as was the intent of Congress.

V. OPERATION OF SPECIAL PROGRAMS

SEOOs should be given preference over CAAs in operating statewide limited purpose programs where it is not feasible for CAAs to operate local programs. CAA concurrence should not be required.

CAAs should be encouraged to designate representatives of the poor to serve on advisory committees for programs operated by SEOOs.

VI. ADVISOR TO OEO

The final state funding plan should include migrant programs and be approved in writing by the SEOO. Any amendments should be in writing and approved by the SEOO.

Funds should be available to SEOOs for assisting in recruitment and placement of VISTAs. There should be state plans developed by OEO Regional Offices for VISTA operations in each state requiring SEOO consultation before implementing. SEOOs should be encouraged to operate statewide VISTA programs, through delegation agreements with other state and local agencies where appropriate.

VII. REGIONAL OFFICE RESPONSIBILITIES WITH THE SEOO'S

Written agreements regarding activities and functions of field representatives should be mandatory.

Regional offices should be required to notify SEOOs immediately upon receipt of applications for OEO funds in order to ensure that SEOOs are receiving copies of applications simultaneously with submission to OEO.

SEOO participation in on-site program evaluations of regionally-funded OEO grantees should be mandatory. Regional offices should concur with SEOOs on final draft of evaluation reports.

VIII. OEO HEADQUARTERS RELATIONSHIPS WITH THE SEOO'S

Checkpoint procedure with regard to programs sponsored and/or approved by OEO Headquarters should require that adequate information regarding programs be furnished SEOOs when requesting SEOO comments. Insufficient information is provided by the existing CAP Form 77.

IX. SEOO RESPONSIBILITIES AS OEO GRANTEES

OEO Regional Offices should be required to assist SEOOs in developing an acceptable work program.

EXECUTIVE CHAMBERS,
Honolulu, October 23, 1969.

HON. DONALD RUMSFELD,
Director,
Office of Economic Opportunity,
Washington, D.C.

DEAR MR. RUMSFELD: This is in response to your request for our review and comment on the new Instruction on the "Role of the State Economic Opportunity Offices." I agree that the States have an important and unique contribution to make to the Nation's efforts against poverty, and with this in mind, my SEOO Director and the staff developed the following comments on the OEO Instruction (draft) 7501-2 for your consideration.

1. On page 4, section IV, item A, the statement, "Provides general technical assistance where requested—" is not an effective statement of technical assistance inasmuch as it responds only to request made by the Community Action Agencies.

Our suggestion is to provide for periodic on-site visitation or other planned program of technical assistance. Conceptually, technical assistance is provided on request and also initiated where necessary and needs are demonstrated.

2. On page 5, line 3, the suggestion to have the SEOO "Give priority emphasis to the hiring and training of highly specialized personnel—" is not appropriate to a small office such as Hawaii where the hire of a few specialized staff would limit the range of available technical assistance. A generalist with broad experience and competence can be effective by making maximum use of specialists in the State government where necessary and required.

3. On page 5, item "E", the statement may be revised to broaden the scope of training and workshop.

The suggested revision reads as follows: "Sponsors training programs and workshops for CAA staff and Board members, and State agency personnel."

4. On page 8, item "B" (line 9) suggest SEOO be consulted before implementation of significant modifications to the state funding plan. This is insufficient if we are to regard the Administration's plan to provide more local decision-making.

Our suggestion is to require prior SEOO concurrence, rather than prior consultation before implementation of a state funding plan.

5. On page 8, item "C", the statement "comments and recommendations by the

appropriate SEOOs shall be sought on all proposals for OEO funding training and technical assistance project . . ." is weak.

To strengthen this, the SEOO should not only give comments and suggestions, but be included in the procedure to sign off all proposals for OEO-funded training and technical assistance projects.

6. On page 8, item "C", the statement "The SEOOs themselves may compete as grantees for Section 230 training and technical assistance grant" is a weak statement.

Our recommendation is that the State be given first consideration rather than "may compete" as a grantee for Section 230 training and technical assistance grants.

7. On page 9, item "F", the statement, "The SEOO will attempt to assist VISTA in its coordination needs with state-operated programs," is too general.

It would be helpful to explain what is meant by the term "coordination needs."

8. On page 11, item "D", the statement that ". . . the SEOOs are properly consulted and notified regarding Section 230 grants and contract awards" is weak.

As was recommended earlier, the SEOO should be given first consideration in applying for training and technical assistance grants under Section 230.

Other than the few suggestions above, the OEO Instruction (draft) is a good document and meets the general intent to increase the role of the State Economic Opportunity Office. I trust that our suggestions will be given serious consideration for inclusion in the final draft.

Warmest personal regards. May the Almighty be with you and yours always.

Sincerely,

JAMES A. BURNES.

EXECUTIVE CHAMBERS,
Honolulu, October 28, 1969.

Mr. CHARLES A. BYRLEY,
Director National Governors' Conference,
Office of Federal-State Relations, Washington, D.C.

DEAR MR. BYRLEY: In response to your request for review and comment under A-85 advance consultation procedures, our comments are as follows under the two OEO draft instructions:

IMPROVING GUIDELINES FOR CAA DESIGNATION AND STRUCTURE

1. The suggested change under point 1 seems satisfactory to us. The restrictive clause which limits the recognition of community action agency should be eliminated.

2. We will go along with the "waiver" to enable the designation of public agencies as community action agencies even though they are subject to civil service laws and regulation. We would want to continue to preserve the substance of the preference for hiring poor people.

3. We strongly support your suggested revision to eliminate the preference for local designation of community action agencies, as contrasted with State designation.

4. We do not feel too strongly one way or other about "strengthening" the representation of private groups on community action boards. This has not been a problem in Hawaii.

5. No comments on point 5.

6. We agree with the proposed policy to enable cities of less than 250,000 people to have its own community action agency.

ROLE OF STATE ECONOMIC OPPORTUNITY OFFICES

Our comments on the expanded role of the SEOO which have been sent to Mr. Rumsfeld earlier are attached for your information.

Warm personal regards. May the Almighty be with you and yours always.

Sincerely,

JOHN A. BURNES.

EXECUTIVE DEPARTMENT,
Annapolis, Md., October 29, 1969.

Mr. CHARLES A. BYRLEY,
Director, National Governors' Conference,
Office of Federal-State Relations,
Washington, D.C.

DEAR MR. BYRLEY: Thank you for your memorandum dated October 17th enclosing "Improving Guidelines for CAA Designation and Structure" and "Role of State Economic Opportunity Offices" (A-85: 69-53) which you forwarded for my review and comment.

My comments with regard to "Improving Guidelines for CAA Designation and Structure" are as follows:

The Maryland Office of Economic Opportunity finds it difficult to assess the effect of making it "easier for State and local governments to designate community action agencies of their choice," since Maryland has only two public CAA's now operating: Baltimore City and Prince George's County. A third CAA, Frederick County CAA, was re-designated recently from private non-profit to a public agency under the local government therein. The conduct and administration of the program in Frederick County is scheduled to begin in April 15, 1970.

I would suggest, however, that the State Office of Economic Opportunity would be in a better position to assess the effect if the authority of State designation was clearly stated. On Page 2, item 3, the "Guidelines for CAA Designation and Structure" state "The preference for local designation of community action agencies, as contrasted with State designation, will be eliminated. OEO staff will be instructed to maintain neutrality on this matter." This language does not provide any such authority on behalf of the States for the State to be able to implement "preference."

We feel that item 4 should certainly receive maximum implementation. This section would make CAA's more meaningful, as I am sure we all will agree that poor people cannot solve all of their problems and the private sector has much to offer not only in planning but in the implementation of Community Action Programs.

I am pleased that the introduction to these guidelines makes clear the feeling of Mr. Donald Rumsfeld, Director of Office of Economic Opportunity, as stated in his letter to me that the States have an important and unique contribution to make to the Nation's efforts against poverty, and that it will be OEO's firm policy to maximize this contribution.

With regard to the "Role of State Economic Opportunity Offices" the Maryland Office of Economic Opportunity has extracted from the 1967 Amendments to the Economic Opportunity Act of 1964 fifteen references to the role of the States in implementing the aforesaid Amendments of 1967. The SEOO of Maryland feels that these guidelines are consistent with present legislation, and I am most pleased that they express your firm position that the States be provided an opportunity to utilize a new dimension in the poverty programs.

I take note of the sections in the guidelines which provide for the development of a preliminary State funding plan on the part of the States in concert with Regional OEO Offices. This alludes to Bureau of Budget Circular A-95 under which Maryland has established Sub-Regional Planning Districts and has established a Clearinghouse on Federal programs under the Secretary of State Planning.

I might take this opportunity to express the desirability of providing the States with an opportunity to approve or disapprove Work and Training Programs under Title I-B of the EOA of 1964, as amended. This would make our planning capability more meaning-

ful in reference to fully implementing BOB Circular A-95.

Sincerely,

MARVIN MANDEL,
Governor.

OFFICE OF THE GOVERNOR,
Phoenix, Ariz., November 5, 1969.

Mr. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Washington, D.C.

DEAR MR. RUMSFELD: Attached herewith is our response to your request of October 10, 1969 re: New OEO Draft Instruction—"Role of the State Economic Opportunity offices."

We are pleased with the increased state role that is outlined and are in general agreement with the draft except for the two areas where we suggest some revisions.

In any case, we think this document is a great improvement over Instruction 72-10 which was issued in 1968.

Sincerely,

JACK WILLIAMS.

ARIZONA SEOO'S COMMENTS AND RECOMMENDATIONS RE OEO INSTRUCTION DRAFT—7501-2

V-C—" (Special funding obtainable under Section 230 of the EOA, in competition with other applicants—see VI-C below.)"

VI-C—" (The SEOOs themselves may compete as grantees for Section 230 training and technical assistance grants.)"

COMMENTS

When reading the two above quotes in conjunction, the inflection of the words "competition" and "compete" produce a stress and tone that could result in the SEOO playing a very minimal role with respect to some training and technical assistance matters.

An SEOO may wish to apply for said Section 230 funds, but it is conceivable that it would never receive them if the usual interpretation of "compete" is applied.

A professional agency outside the State could "win out" every time.

If a State wished to apply for funds to operate such projects, it would be in conflict of interest with the rest of the provisions of VI-C, which spell out: "The SEOOs shall be consulted", "SEOO advises OEO"; and SEOOs "Comments and recommendations . . . shall be sought" on "T and TA projects that would operate in their states."

RECOMMENDATIONS

If a state indicates a desire to apply for Section 230 funds, the Regional offices should provide whatever assistance is needed by the SEOO to develop the best possible proposal which would include taking advantage of all other related state resources.

This would take the state out of the "win or lose" concept. Regionals should enjoy helping to make them full partners in the War on Poverty by providing this type of cooperation.

In addition to that, the above points raised may be in conflict with the provisions of VIII-D which talk about coordination and assisting the SEOOs.

VI-E—"when, in the judgment of the OEO Regional Director, the SEOO has the specialized capability, the SEOO shall—in coordination with the Regional office—follow up with the grantee to see that the recommendation of the evaluation report is implemented."

COMMENT

That part of item VI-E nearly destroys the validity of the partnership which is proposed in the entire preceding parts of this OEO Instruction. It is humiliating, and it raises a number of questions with respect to the judgment which the Regional Director may render. Also, it suggests that an SEOO

can participate in the evaluation process but may or may not participate in the implementations of what could be its own recommendations.

RECOMMENDATION

If the SEOO at the beginning of VI-E is charged with ("jointly participates with the Regional office in the monitoring and evaluation of OEO-funded programs and . . . in the development of standards for evaluation . . ."), this instruction should also provide that both the SEOO and the Regional office should jointly participate in the follow-through action.

This would eliminate the arbitrary decisions which the regional Director might make and it would enhance the partnership which the whole Instruction attempts to develop. More specifically, it would relieve the Regional Director of having to rule in a very sensitive or delicate area.

STATE OF NEW YORK, EXECUTIVE DEPARTMENT, OFFICE OF ECONOMIC OPPORTUNITY,

November 10, 1969.

Mr. CHARLES A. BYRLEY,
Director, Office of Federal-State Relations,
National Governors' Conference,
Washington, D.C.

DEAR MR. BYRLEY: The enclosed letter is a copy of the official reply of the New York State Office for Community Affairs concerning the OEO Draft Instruction, "Role of the SEOOs".

If there is any way in which this agency can be of assistance to you, please do not hesitate to let me know.

Sincerely,

JACK M. SABLE,
Director.

STATE OF NEW YORK
OFFICE FOR COMMUNITY AFFAIRS,
New York, N.Y., November 7, 1969.

OFFICE OF PROGRAM OPERATIONS,
OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C.

DEAR SIR: Thank you for the opportunity given the New York State Office for Community Affairs to comment on the OEO Draft Instruction #7501-2, "Role of the SEOOs".

This instruction has received the careful review of the Office for Community Affairs, and it is our considered opinion that it goes a long way in providing for the meaningful involvement of the States in the implementation of the Economic Opportunity Act of 1964, as amended. In the final analysis, a joint and cooperative effort to seek solutions to the problems of poverty rests on administrative interpretation and implementation of directives by all levels of government, as well as on the willingness of the Federal government to include the States in the "team" approach. The broadened responsibility given to the States under this new instruction will also require increased financial and staff support on the part of the Federal government to enable SEOOs to operate effectively under the new guidelines.

The New York State Office for Community Affairs looks forward to a harmonious working relationship with OEO Headquarters and especially with Regional Offices, where the communications gap currently exists, so that we may bring all available resources to assist in the upward mobility of the disadvantaged.

The following comments on specific items detailed in the draft instruction are enumerated for your consideration:

Page 8, Section VI, Paragraph C: We recommend that the words, "prior to funding" be added to the sentence, "Comments and recommendations by the appropriate SEOOs shall be sought on all proposals for OEO-funded training and technical assistance projects that would operate in their states."

Page 9, Section VI, Paragraph D: We recommend that the words, "prior to funding"

be added to the statement that "the Regional Office shall give serious consideration to these comments in its review."

Page 9, Section VI, Paragraph D: We recommend that a statement to the effect that "SEOs should be consulted and given an opportunity to comment prior to the funding of national contractors who intend to operate in their State."

Page 9, Section VI, Paragraph E: We recommend that a statement to the effect that "SEOs shall be given an opportunity to review evaluation reports and comment on these prior to distribution of the evaluation to the grantee" be added to this section. Additionally, it is our belief that the follow-up procedure should be undertaken jointly by Regional OEO, the SEOO, and the grantee.

Page 13, Section VIII, Paragraph E: We recommend that the words, "prior to funding" be added to the statement that "This Division is to see that the SEOOs are consulted and notified on Section 230 and other training and technical assistance grants and contracts emanating from OEO Headquarters."

We look forward to the early implementation of this instruction.

Sincerely,

JACK M. SABLE,
Director.

STATE OF FLORIDA,
OFFICE OF THE GOVERNOR,
November 7, 1969.

Mr. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Executive Office of the President,
Washington, D.C.

DEAR DON: In response to your request for comments on the role of State Economic Opportunity Offices, we are attaching our reply. We appreciate the opportunity to comment and feel your approach to strengthen state offices is a major step forward.

Our greatest concern is that the state be given a role in determining where and how OEO funds are to be expended within the state. Another of our concerns is that the guidelines must be implemented by both the state and the federal offices if they are to be effective.

You can be assured that it is our intent to cooperate fully with you and your staff. I wish you great success in your new approach to one of our most pressing problems.

Sincerely,

CLAUDE R. KIRK, JR.,
Governor.

STATE COMMENTS ON OEO INSTRUCTIONS— DRAFT—7501-2 ROLE OF STATE ECONOMIC OPPORTUNITY OFFICES

Due to the length of the draft instructions, our comments will be directed toward those areas where we feel expression should be made on our part or that changes should be made.

INTRODUCTION

We feel the introduction is well done and does lay the groundwork and thrust of the state offices. The question is raised concerning the last sentence of the introduction which indicates that OEO and its regional offices will jointly develop specific roles and work programs for each SEOO. We feel this should be changed to say that the regional office, working jointly with the SEOO, will develop roles and work programs for each SEOO. Theoretically, it is our opinion that the states are in better positions to determine the needs within the states and that the state role and work program should be determined and developed by the state with concurrence only by the regional office.

THE STATE ECONOMIC OFFICES

III. Coordination and advocacy at the state level

A. and B. Basically, the remarks made are good but they are too specific. We feel the

states' role should be broad and not channeled into specific areas as are made under 1, 2, 3 and 4. Nowhere else in the complete draft instructions is there another place where specific little points are made except in this area involving the states. We feel the states should not only be interested in developing career opportunities for the poor within the SEOO and other state agencies but it should be a broad role of developing career opportunities for the poor in all areas, state and private enterprise. It is our opinion, that under this section that the role be left in broad terms and if specifics are mentioned then they should be preceded by the words "Suggestions for SEOOs to consider."

IV. Adviser to OEO

Two suggestions in this area, both minor. Under "A", the last sentence we feel should read "The regional office shall respond in writing to these recommendations. . . ."

c. The last sentence we feel should read "The SEOOs themselves may compete as grantees for all training and technical assistance grants."

VI. Regional office responsibilities with the SEOOs

B. We reiterate what was said earlier, that is, we feel the states should, with its knowledge of the states' problems, develop its own work program with concurrence only by the regional office.

I. We question how periodic evaluations by the regional office would be made and by whom and further question the necessity of evaluating a governor's office or an office responsible to a governor.

J. The same question as raised above is apparent here also. A state agency, whether it is in the Governor's office or working directly under the Governor, is an entity of government itself and is responsible to the state. If the agency needs assistance in their efforts then it should be up to the agency to request such assistance from the best source it deems available.

VII. OEO headquarters relationships with the SEOOs

D. We feel the first sentence should read "In coordination with the SEOOs and the regional offices, this division will . . ."

E. Since this has been one of the biggest problem areas, it is our opinion that the exact terminology as stated under VII, G, first sentence, should be applicable to national office also.

IX

Recommend dropping the MIS Quarterly Narrative Reports with respect to SEOOs. Recommend that the last sentence under "C" be changed to read "The SEOO work plan should address itself to the responsibilities outlined for the SEOOs in this instruction."

STATE OF CONNECTICUT,
EXECUTIVE CHAMBERS,
Hartford, October 23, 1969.

Mr. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Executive Office of the President, Wash-
ington, D.C.

DEAR MR. RUMSFELD: Thank you for your letter of October 10, and the revised draft OEO Instruction on the role of the State Economic Opportunity Offices.

Commissioner of Community Affairs, LeRoy Jones, who is the Connecticut Director of Economic Opportunity, has prepared a response to this draft Instruction containing some proposed changes, which I hope you will consider. This response is attached for your consideration.

We feel that, on the whole, this represents a constructive step forward in improving federal-state relations.

Sincerely,

JOHN DEMPSEY,
Governor.

OCTOBER 22, 1969.

Mr. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Executive Office of the President, Wash-
ington, D.C.

DEAR MR. RUMSFELD: We have reviewed OEO Draft Instruction 7501-2, "Role of State Economic Opportunity Offices", and agree that it represents a major strengthening of the State's role in the anti-poverty effort.

Clearly, many of the new responsibilities defined for the States will only be possible with greater staff and financial capacity. This would require a significant increase in technical assistance grants to the SEOO's. We believe a clear statement of commitment for increased financial assistance to the SEOO's (and for a decrease in funding to consultant firms to perform duplicate work) would greatly strengthen the Instruction and the credibility of OEO.

The joint development of a federal-state funding plan will need to be based on a joint federal-state analysis of need. Certainly States should identify such a need from their viewpoint to help guide OEO in funding decisions. More important, however, is the actual development of a joint funding plan. Not only must funding decisions be made so as to provide the most effective blending of federal and State financial resources, but also should encourage more State participation. The most effective way to do this is to increase federal funds in proportion to increases in the level of State funds provided. This should be clearly spelled out in the Instruction.

In regard to SEOO participation through a checkpoint procedure in grant proposals, the Instruction would be greatly strengthened if it made clear that OEO processing will not occur, or at least not be completed, until SEOO comments are received and considered. The present language only implies consideration of such comments received within the 30-day period after SEOO receipt of the application. It should be made clear in the Instruction that OEO will not complete processing without such SEOO comments.

Much closer ties between the SEOO and VISTA operations within the States is badly needed. Initially, at least, OEO needs to advise the SEOO of all VISTA activities in the State so the SEOO may play a coordinating role. In addition, the instruction should at least permit a State VISTA Director or Coordinator, to be housed in the SEOO, either in the person of an OEO staff member, or paid for by OEO funds.

The checkpoint procedures spelled out in the Instruction must apply to OEO Headquarters as well as Regional Offices. Many programs are now funded from Washington with no SEOO input at all. The instruction should clearly require submission of all funding requests or proposed funding decisions to the SEOO for comment. This should specifically apply to the awarding by OEO of any form of consulting contracts.

With these changes, we believe the proposed instruction will constitute a major step forward in federal-state relations.

Sincerely,

LEROY JONES,
Commissioner.

COMBATING AIRCRAFT HIJACKING

The SPEAKER pro tempore. Under a previous order of the House the gentleman from West Virginia (Mr. STAGGERS) is recognized for 20 minutes.

Mr. STAGGERS. Mr. Speaker, we have come a long way since the House Interstate and Foreign Commerce Committee held hearings last February on the problem of aircraft hijacking. At the time, it did not appear that any solution was in sight. But the Federal Aviation Ad-

ministration of the Department of Transportation formed a task force on the deterrence of air piracy and went to work immediately on the problem. A system was devised combining knowledge of the behavioral traits of hijackers with a weapons screening device. In addition, signs were posted warning of the penalties attendant with hijacking. The system was given field trials in nine cities, including San Juan, before it was placed in operation by Eastern Air Lines in mid-October.

I would like to take note of encouraging progress in the operational stage. Although Eastern Air Lines is the first U.S. air carrier utilizing this system, there are current indications that others will join soon.

There is no claim that this system is the final answer to hijacking, but there is no doubt it can be a powerful deterrent. There have been other developments which can be considered deterrents too:

The voluntary return of six U.S. hijackers from Cuba;

The prosecution of more than 20 persons, with at least a dozen more awaiting trial, including the six recent returnees;

A Cuban decree calling for the reciprocal extradition of hijackers, which caused conflicting interpretations;

International pressure to have countries either prosecute hijackers or return them to the country of origin for prosecution;

Threats by international pilots organizations to boycott countries which do not return hijackers, or do not take steps to insure the safety of aircraft, passengers and crew.

It is disturbing to note however, that some hijackings have been romanticized. Hijackers are not romantic highwaymen; they are desperate people who are creating a situation where a monumental tragedy can easily take place.

Hijacking is not just a joy ride. There have been many close calls. For example, on the recent hijacking of a TWA plane to Italy, a sympathetic picture was painted of the hijacker, a young AWOL marine. There is no question but that he was ready to use his weapons—and he was well armed. The fact that he fired a shot in the cockpit while the plane was refueling at Kennedy Airport in New York is evidence enough that he meant business. That situation came within a hair's breadth of becoming a full-scale shootout, and who knows how many lives it could have cost.

Another example is the airliner hijacked in 1968 out of Miami. The hijacker stood in the cockpit with his gun at the ready. The first officer—or copilot—reached into his flight bag for a map, but the hijacker apparently thought he was reaching for a gun. The hijacker—who could not or would not speak English—cocked his gun and pointed it at the head of the first officer. The captain reacted instantaneously by shouting "stop." Only then did the hijacker lower his gun, thus narrowly averting a tragedy.

While there are other examples, the point is that hijackings are not to be treated lightly. Apparently there are those who do not have a full grasp of

the seriousness and danger involved in these incidents. The flight crews do, and they should be congratulated for the calm courage they have displayed. On one occasion, one passenger said he was willing to take on the armed hijacker singlehanded. The crew had to literally shove him back into his seat.

Being forced to fly to a foreign country at gun point is unnerving to say the least, and it certainly takes tremendous courage to complete the flight without incident. We must not lose sight of the gravity of the situation. That point cannot be overemphasized. Meanwhile, we must push forward with the FAA's interim system until a permanent deterrent can be found.

Perhaps the FAA's system is being misunderstood. A recent newspaper article and remarks by a Member placed too great an emphasis on technology. The weapons screening device used is a part of the detection system and was referred to as a "gadget." If the common connotation of gadget is applied, then it is wrong, for the device is not some frivolous contrivance. The magnetometry system in use is an advance in the state of the art. It is an adaptation of an existing device which has proved workable in its original context for several decades. As a matter of fact, the FAA is continuing its research and development into weapons screening devices to make them more discriminatory.

However, I would like to emphasize that the FAA's antihijacking system is based overwhelmingly on observed behavioral characteristics. Details regarding those characteristics have not been made public, thus it is not possible for a would-be hijacker to be able to disguise these traits. It is their behavior that triggers suspicion of a potential hijacking; the weapons screening device merely is the final and least important step in the system. Thus, emphasis on the gadget is misleading.

I must repeat that the FAA system is helping to deter hijackers. Hopefully, efforts in the international area will result in the return of hijackers promptly for punishment. However, we must realize that any permanent solution is going to involve all types of deterrents—interim and long-range, domestic, and international.

POSTPONING THE OEO BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 60 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, I have listened with great interest all afternoon to the special orders which have preceded mine. I apologize to the House and its employees for taking this time at 5:35 in the evening to discuss some of the aspects of the situation that we face here in the House as a result of what I think was an unwise, untimely, and unjustified action on the part of the committee in withdrawing this bill from consideration.

I must say, Mr. Speaker, I am deeply disturbed by the decision of the chairman and others on the committee who did this without consultation, to decide

to withdraw from the consideration of the House the antipoverty bill. I think that action has hurt the overall anti-poverty effort. I think it has tended to perhaps harden the attitudes of those on both sides of the aisle, some of whom are interested in killing the program, and others who are sincerely interested in passing the program.

Mr. Speaker, I want to make it quite clear that I am as unhappy with those who wish to preserve OEO under glass and make no change in it, as I am with those who wish to make substantive and, in my opinion, crippling changes in it—and there are those on both sides who have done some of this.

Mr. Speaker, I think it is of value to look back and review the fact that the Office of Economic Opportunity was created hurriedly and has suffered because of that haste for 10, these many years. At the same time it seems to me the Committee on Education and Labor has not done an adequate job of exercising the responsibility that we as a committee have to oversee the activities of the Office of Economic Opportunity. Much of what has been said in the special orders that have preceded me has tended to look back at those things that went on in past years in the Office of Economic Opportunity.

Frankly, I have some question as to their relevance to the situation we face in December 1969.

In addition to that, Mr. Speaker, I think it is also quite clear that there is a very large amount of confusion on the part of many Members as to just what we are talking about when we talk about the Office of Economic Opportunity. I think it is useful to recognize that what was once known as OEO is not that agency that was originally created by the Congress, but what has been substantially changed as a result of actions taken by the Nixon administration.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I will be delighted to yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Speaker, does the gentleman think that under the act a person should be a full-time party partisan chairman under the amendments that we passed in 1967, or does the gentleman think that the amendments that we passed denied or prohibited this kind of political activity?

Mr. STEIGER of Wisconsin. I am aware of the Multnomah County, Oreg., situation, to which the gentlewoman refers.

Mrs. GREEN of Oregon. And a few other hundred across the country.

Mr. STEIGER of Wisconsin. I am not aware of those few hundred across the country, which might be a slight overstatement. But I do not think it is appropriate for those involved in the antipoverty program to then be also involved, when they are full-time employees, in partisan political activities.

OEO is aware of the problems in this area and is reviewing the situation. There are already guidelines in existence and every effort will be made to see that they are enforced. These guidelines require, among other things, that:

First. OEO-assisted programs must be administered in a politically nonpartisan manner.

Second. Employees of grantee and delegate agencies may not—

Use their official position, authority or influence with the agency for the purpose of interfering with or affecting the result of an election or a nomination for a party or public office;

Use program funds for any partisan political purposes;

Offer any person employment, promotion or benefits under the program as a reward for the support or defeat of any political party or candidate for public or party office.

Third. Employees of grantees and delegate agencies may not, while carrying out the program of their agencies, engage in voter registration activity or in transporting voters or prospective voters to the polls.

I want to include the actual guidelines at this point:

OEO INSTRUCTIONS—RESTRICTIONS ON POLITICAL ACTIVITIES

REFERENCES

Economic Opportunity Act of 1964, as amended:

Section 213(a).

Section 213(b).

Section 602(n).

Section 603(a).

Section 603(b).

The text of the appropriate parts of these Sections is provided in Appendix A to this Instruction.

APPLICABILITY

Programs which are (1) financially assisted under Titles II or III-B of the Economic Opportunity Act, (2) financially assisted under Title I-D of the Economic Opportunity Act and administered by OEO.

Different sections of this Instruction apply to different categories of grantees. Furthermore, some restrictions apply only to employees or to certain classes of employees, while other restrictions also apply to board members, volunteers, trainees and enrollees. The applicability of the different sections of this Instruction to various classes of programs and persons is presented graphically in Appendix B as well as summarized at the beginning of each section.

DEFINITION

Public agency. For the purposes of this Instruction, a public agency means the executive or legislative branch of a State, municipality, or other political subdivision of a State, or an agency or department thereof.

EFFECTIVE DATE

This Instruction is effective immediately.

1. Policy

Grantee and delegate agencies must administer OEO-assisted programs in a politically nonpartisan manner, and must avoid actions which can reasonably be construed as intended to favor one political party over another or to influence the outcome of any election for public or party office. The use of program funds, the provision of services and the assignment of personnel must not result in the identification of the program with any partisan political activity or with any nonpartisan political activity which is designed to further the election or defeat of a candidate for public or party office. In addition, grantee and delegate agencies may not use program funds, the provision of services, or the assignment of personnel in connection with voter registration activity or with transporting voters or potential voters to the polls.

Anti-poverty programs are, in many communities, live political issues and will often

include activities which may become the subject of political controversy. Grantee and delegate agencies may, of course, undertake activities dealing with issues related to their basic program responsibilities. In carrying out the basic mission and goals of community action, grantee and delegate agencies may actively engage in campaigns connected with constitutional amendments, referenda, municipal ordinances, law reform and lawful attempts to influence government officials to respond to the grievances of the poor. Grantee and delegate agencies need not avoid such activities merely because partisan officials or candidates for public office may take or have taken positions with respect to the issue. Agency officials must, however, deal with questions which have become a subject of political controversy on their merits and not in terms of whether they are supported or opposed by a particular party or candidate.

Except as provided in this Instruction, employees of grantees and delegate agencies are free to engage in various kinds of political activities during their off-duty hours and in their private capacities. A broad range of participation in nonpartisan elections (e.g. nonpartisan school board elections) is permitted. In addition, a broad range of off-duty partisan activity is permitted for employees of private delegate agencies and private single-purpose grantees. All employees are expected, however, to avoid to the greatest extent possible any identification of their off-duty activities with the OEO-supported program.

2. Requirement that community action agencies adopt rules

Section 213(a) of the Economic Opportunity Act requires each community action agency (CAA) to adopt rules designed to assure that its programs and programs of its delegate agencies are conducted in a manner which is free from any taint of partisan political bias. This requirement will be considered to be met by the agency's adoption of the provisions of this Instruction and by making these rules available to all employees in writing.

If, however, the agency wishes to adopt its own rules it may do so, providing that the provisions of this Instruction are included in those rules and that none of these provisions are contradicted by the agency's additional rules.

3. Summary of kinds of restrictions on political activities

Sections 4 and 5 of this Instruction contain categories of restrictions applied to community action programs by the 1967 Amendments to the Economic Opportunity Act and by Chapter 15, Title 5, of the United States Code (formerly known as the Hatch Act).

Section 4 contains restrictions on the use of program funds, the provision of services, and the assignment of agency personnel in a manner which identifies the program with partisan political activity, nonpartisan activity associated with a candidate or faction in an election for public office, voter registration activity, and the transportation of voters to the polls. These restrictions are, in a broad sense, designed to prohibit the use of OEO funds for certain purposes. They apply to personnel of all grantee and delegate agencies, public and private. Insofar as the individual employee is concerned, however, these restrictions deal only with what he does as an employee.

Section 5 includes additional restrictions on the partisan political activities of employees of all community action agencies and of public agencies which are grantees or delegate agencies. These restrictions do not apply to private single-purpose grantees or private delegate agencies. The restrictions cover employees regardless of whether they are on duty at the time they engage in the prohibited activities.

The chart in Appendix B summarizes the applicability of the restrictions of Sections 4 and 5.

4. *Restrictions on the use of program funds, the provision of services and the employment and assignment of personnel*

a. *Prohibited Political Activity.* The following restrictions apply to all employees of grantee and delegate agencies as well as to volunteer trainees and members of governing or administering boards and advisory committees.¹ These individuals may not—

(1) Use their official position, authority, or influence with the agency for the purpose of interfering with or affecting the result of an election or a nomination for a party or public office.

(2) Directly or indirectly coerce, attempt to coerce, command or advise an employee or any other person who is subject to these restrictions to pay, lend, or contribute anything of value or to contribute personal services to a party, committee, organization, agency or person for political purposes.

(3) Use program funds for any partisan political purposes or to influence any election for public or party office.

(4) Permit the use of equipment or premises purchased or leased with program funds for any partisan political purpose or to influence the outcome of any election for public or party office. This restriction applies only to facilities when under the control of the grantee or delegate agency. For example, if an agency leases a facility during certain hours only, the landlord may of course use the facility as he wishes during other hours.

(5) Discriminate, or threaten or promise discrimination, against or in favor of any employee or beneficiary of the program, or any potential employee or beneficiary, because of his political affiliations or beliefs, or require any applicant, employee or beneficiary to disclose his political affiliation.

(6) Offer any person employment, promotion or benefits under the program as a reward for the support or defeat of any political party or candidate for public or party office, or threaten or create disadvantage in employment or deprivation of benefits as a penalty for such support, except that such a person may be deprived of employment or subject to lesser penalties for engaging in activities which are forbidden by this memorandum.

b. *Candidates' Meetings.* Candidates' meetings, even if all rival candidates for one or more public offices appear, shall not be sponsored or conducted with program funds or facilities. Such meetings are, however, often conducted by neutral and nonpartisan groups such as the League of Women Voters or local civic associations.

c. *Voter Registration and Transportation Activity.* Employees of grantee and delegate agencies, including volunteers and trainees, may not, while carrying out the program of their agencies, engage in voter registration activity or in transporting voters or prospective voters to the polls.

This restriction applies to the use of program funds, agency facilities or equipment, as well as to the provision of services and the assignment of personnel. All per-

¹ Restrictions 1 and 2 are imposed on employees of all grantee and delegate agencies except certain educational or research organizations [see Section 5(a)(3)] by Section 603(a) of the Economic Opportunity Act and Chapter 15, Title 5, of the United States Code (formerly known as the Hatch Act). They are extended to employees of other OEO-supported agencies and to board and committee members and volunteers by OEO in order to implement the provisions of Section 603(b) of the Economic Opportunity Act. Restrictions 3-6 implement the provisions of Section 603(b) and Section 213 of the Economic Opportunity Act.

sons may participate in nonpartisan voter registration during their off-duty hours, so long as they avoid identification of such off-duty activities with the OEO-supported program.

A grantee or delegate agency may properly conduct a citizenship education program which includes, as part of the curriculum, information about the mechanics and function of voter registration. Such a program may be valuable in educating the poor as to the legitimate and constructive roles they as citizens may play in local community life and in the American democratic process. However, the program must be informational and not designed to solicit registration. Furthermore, program funds may not be used in any way to aid registration campaigns. Door-to-door solicitations and mass mailing campaigns, for example, may not be undertaken or supported with program funds.

5. *Statutory restrictions on political activities of CAA employees and employees of public grantees and delegate agencies*

a. *Persons to Whom This Section Applies.* The restrictions contained in this Section are imposed by Chapter 15, Title 5 of the U.S. Code and Section 603(a) of the Economic Opportunity Act. They generally apply to all CAA employees and all employees of public grantees and public delegate agencies who perform duties in connection with an OEO-assisted program or any other Federally-assisted program administered by that agency. Employees of private single-purpose agencies or private delegate agencies are not covered by these restrictions.

(1) *Volunteers, Trainees and Enrollees.* Volunteer workers are not covered by this Section. Trainees and enrollees shall be deemed employees for the purpose of this Section only if they are engaged in on-the-job training for a position as an employee of a grantee or delegate agency.

(2) *Board Members.* Board members are not covered by this Section.

(3) *Principal Employment Rule.* In case of an employee who holds more than one job, whether he is subject to the restrictions of this Section depends on which job is his principal one—that is, if the job on which he spends the majority of his work time and from which he derives the majority of his earned income is covered by this Instruction, then he is covered.

(4) *Employees on Leave Still Covered.* The statutory restrictions apply to employees even though they are on leave, with or without pay. The prohibitions are lifted only when the employment is terminated. However, if an employee is on terminal leave, he is not subject to the restrictions during the period for which he has received a lumpsum leave payment.

(5) *Exemption of Employees of Educational and Research Organizations.* An individual is not subject to the statutory restrictions of this part if his principal employment is with an educational institution, establishment, agency, or system supported in whole or in part by State or local public funds or by a recognized religious, philanthropic, or cultural organization. Thus, employees of private schools and colleges supported by such organizations, as well as all public schools and colleges, are exempt from coverage, even if these institutions are grantees or delegate agencies financed under the Economic Opportunity Act. (A Community Action Agency is not considered to be an exempt educational or research institution.)

(2) *Prohibited Use of Influence or Attempt to Coerce.* Persons covered by this Section are prohibited from:

(1) Using their official position, authority or influence with the agency for the purpose of interfering with or affecting the result of an election or a nomination for a party or public office.

(2) Directly or indirectly coercing or attempting to coerce, command or advise an employee or any other person who is subject to these restrictions to pay, lend, or contribute anything of value or to contribute personal services to a party, committee, organization, agency or person for political purposes.

(c) *Prohibited Activities.* Persons covered by this Section are prohibited from taking an active part in partisan political campaigns. Such persons may not engage in partisan political activities, including but not limited to the following:²

(1) Becoming a candidate for nomination or election to a political office or to a party office.

(2) Serving on or for any political committee, party, or other similar organization, or serving as a delegate or alternate to a political caucus or convention.

(3) Soliciting or handling political contributions.

(4) Soliciting the sale of or selling political fund-raising tickets.

(5) Serving as an officer of a political club, as a member or an officer of any of its committees, or being active in organizing it.

(6) Assisting in preparations for, organizing, or conducting a political meeting or rally. Attendance at a political rally or meeting is permissible.

(7) Engaging in activity at the polls at primary, regular, or special elections such as soliciting votes or passing out literature.

(8) Acting as recorder, checker, watcher, or challenger for any party or candidate in an election.

(9) Writing for publication or publishing any letter or article soliciting votes in favor of or against any candidate or party.

(10) Distributing political campaign literature or material.

(11) Initiating or circulating political petitions, including nomination petitions.

(12) Soliciting support for a candidate or party.

d. *Permitted Political Activities.* A person covered by this Section may:

(1) Register and vote as he chooses.

(2) Express his opinions on political subjects and candidates.

(3) Be a member of a party or political club, although he may not hold office or otherwise be active in party affairs.

(4) Make voluntary contributions of money to a political campaign or party.

(5) Participate in educational efforts related to issues and to the political process so long as this is done in a politically neutral manner.

(6) Attend political meetings and rallies.

(7) Wear a political badge or button.

(8) Display a political sticker on his private automobile.

(9) Engage in nonpartisan political activity. There is no prohibition on political management or political campaigning in connection with (1) nonpartisan elections, which are defined as those in which none of the candidates represents the Democratic or Republican party or any other party which ran a candidate for President in the preceding presidential election, or (2) questions not specifically identified with a national or state political party, such as constitutional amendments, referenda, approval of municipal ordinances, and similar matters. In addition, if a state election law provides for nonpartisan election for a particular local office or class of local offices, the campaign for that office qualifies for the exception. For example, elections for local school boards and other local boards or offices are frequently run on a nonpartisan basis.

² Further information on activities prohibited by Chapter 15, Title 5 of the U.S. Code may be obtained from the Office of the General Counsel, United States Civil Service Commission, Washington, D.C. 20415.

6. Additional precautions

As explained in Section 5, employees of all community action agencies and of public delegate and single-purpose agencies are prohibited from engaging in *partisan* political management or *partisan* political campaigns while off-duty. However, the Economic Opportunity Act does not prohibit these employees from engaging in off-duty *nonpartisan* political activities and does not prohibit employees of private delegate and single-purpose agencies from engaging in either *partisan* or *nonpartisan* political activities while off-duty. In the spirit of the most recent legislation, however, all employees should avoid activity which will identify their agencies with political campaigns associated with electing candidates to public or party office. Directors and deputy directors of grantee and delegate agencies and neighborhood and outreach workers have the most substantial contacts with the community and are likely to be regarded as spokesmen for their agencies. Therefore, these persons must be particularly careful not to involve or identify the OEO-assisted program with the campaign of any individual for public or party office.

All grantee and delegate agencies must inform their employees about these precautions.

7. Enforcement

a. Reporting Possible Violations

(1) *Hatch Act Violations.* When a grantee or delegate agency has reason to believe that an employee has engaged in partisan political activity prohibited by the statutory provisions of Chapter 15, Title 5 of the U.S. Code (Section 4(a)(1) and (2) and Section 5 of this Instruction), it shall report the matter to the United States Civil Service Commission, Office of the General Counsel, Washington, D.C. 20415.

(2) *Non-Hatch Act Violations.* Information concerning possible violations of other provisions of this Instruction shall be reported either in writing or orally by the grantee or delegate agency to the OEO Regional Office of Inspection or to the OEO Office of Inspection in Washington, D.C.

If the grantee or delegate agency is uncertain as to whether an activity violates the statutory provisions of Chapter 15, Title 5 of the U.S. Code administered by the Civil Service Commission, the information may be submitted to the OEO Office of the General Counsel in Washington, D.C. The OEO General Counsel will refer information concerning possible violations of Chapter 15, Title 5 of the U.S. Code to the Civil Service Commission for consideration where appropriate.

The grantee or delegate agency may in addition make such preliminary inquiry as may be necessary to verify the facts concerning the reported violation and initiate appropriate action to prevent a continuation or recurrence of the prohibited activity.

b. OEO Action to Prevent Continuation or Repetition of Violations

(1) When OEO receives information concerning possible violation of the restrictions of this Instruction it may—

(a) conduct an investigation to ascertain the facts and, in appropriate cases, undertake informal discussions with the grantee or delegate agency concerned in order to agree upon means for preventing continuation or repetition of the violation, and

(b) refer the matter, with or without investigation, to the Office of the General Counsel of the Civil Service Commission for consideration.

(2) If OEO concludes, after discussions with the local agency concerned, that appropriate action will not be taken by the grantee, OEO may then issue an order to the grantee directing it to take such action as may be necessary to prevent continuation or repetition of the violation.

If the grantee fails to comply with such an order issued by OEO, OEO may, on an emergency basis, summarily suspend assistance in whole or in part, or it may proceed to suspend or terminate assistance pursuant to Part 1009 of Chapter X, Title 45 of the Code of Federal Regulations. A grantee whose financial assistance has been summarily suspended under this provision may at any time request informal discussions with OEO officials and present evidence that no further violation is occurring and may also request OEO to hold a full hearing in accordance with the regulations cited above. In no event shall OEO terminate assistance to an agency without the agency being afforded the right to a full and fair hearing.

c. Enforcement Action by the Civil Service Commission

OEO may refer any specific information of apparent violation of the non-Hatch Act restrictions set forth in this Instruction to the General Counsel of the Civil Service Commission for investigation and determination. The General Counsel of the Commission may conduct an investigation and inform OEO and the grantee or delegate agency involved of his findings of fact and the corrective action recommended. If the corrective action recommended is directed against an employee of a grantee or delegate agency, the General Counsel of the Commission shall also inform the employee involved of his findings of fact and recommendation. In formulating his findings of fact and the corrective action recommended, the General Counsel of the Commission may request information from and solicit the views of OEO.

Within fifteen days after receipt of the report of the General Counsel of the Commission, the grantee or delegate agency shall either comply fully with the Commission's recommendations or request the Commission to hold a hearing. If the Commission recommends the dismissal or suspension of an employee, he may also request a hearing. The Commission shall give notice of the time and place of the hearing at which the agency or the affected employee is entitled to appear in person, or by or with counsel. The agency or employee and the counsel for the Commission are responsible for securing the attendance of their respective witnesses. There is no power of subpoena in these cases.

The hearing shall be before an examiner designated by the Commission. Testimony shall be under oath or affirmation and the parties may introduce affidavits and other documentary evidence. Unless the parties agree to a summary of the testimony, the hearing will be reported stenographically. The hearing examiner shall report his findings of facts and recommendations of sanctions to the Director of OEO.

The Director of OEO may reject, modify or affirm the recommendations of the hearing examiner. If he accepts any part of the recommendations, he shall issue an order to the agency directing it to comply with those sanctions he has accepted. If the local agency refuses to comply within five days after receiving this order, the Director may suspend or terminate assistance to the agency pursuant to Part 1009 of Chapter X, Title 45 of the Code of Federal Regulations. However, if the Director of OEO affirms a recommendation of the hearing examiner that assistance to a local agency be suspended or terminated, OEO shall not hold an additional hearing. In such instances, the hearing held before the examiner designated by the Civil Service Commission shall be regarded as satisfying the requirements of Part 1009 of Chapter X, Title 45 of the Code of Federal Regulations.

In any hearing held by OEO pursuant to Part 1009, an issue of fact previously determined by a hearing examiner designated by the Commission shall be deemed conclusively determined and shall not be relitigated.

The sanctions which the General Counsel of the Commission or a Commission-designated hearing examiner may recommend include, but are not limited to, the following:

(a) full or partial termination or suspension of assistance.

(b) changes in the administration of the grantee's or delegate agency's program or activities.

(c) an order to an agency directing the dismissal, suspension, transfer or reprimand of an employee or other person engaged in carrying out the agency's program.

APPENDIX A

EXCERPTS FROM THE ECONOMIC OPPORTUNITY ACT

SEC. 213(a). "Each community action agency shall observe, and shall (as appropriate) require or encourage other agencies participating in a community action program to observe, standards of organization, management and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the title and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias. . . ." "Each community action agency shall establish or adopt rules to carry out this section. . . ."

SEC. 213(b). "The Director shall prescribe rules or regulations to supplement subsection (a), which shall be binding on all agencies carrying on community action program activities with financial assistance under this title."

SEC. 602(n). "In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to establish such policies, standards, criteria, and procedures, prescribe such rules and regulations . . . and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this Act."

SEC. 603(a). "For purposes of chapter 15 of Title 5 of the United States Code any overall community action agency which assumes responsibility for planning, developing, and coordinating community-wide anti-poverty programs and receives assistance under this Act shall be deemed to be a State or local agency; and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this Act (other than part C of title I) shall be deemed to be a State or local agency."

SEC. 603(b). "Programs assisted under this Act shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office, (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (3) any voter registration activity. The Director, after consultation with the Civil Service Commission, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis."

Mrs. GREEN of Oregon. I would say to the gentleman, I have brought this to the attention of the new administration of the OEO and they have ruled it is perfectly in order.

Does the gentleman think the amendment which he offered, that no contract can be entered into by Upward Bound, with a private corporation, the very

amendment the gentleman from Wisconsin offered in 1967—and with every good reason—does he think that Upward Bound now in the OEO should be allowed to enter into contracts with a private corporation.

Mr. STEIGER of Wisconsin. I am satisfied, may I say to the gentlewoman, that the actions that have been taken regarding Upward Bound are in compliance with that amendment, with which you and I are in agreement.

I notice with some interest, and I was not aware of it until I read the amendment or the substitute this afternoon, that you are going beyond that in providing in the substitute that provision which would prevent any comparable program as found on page 13.

Mrs. GREEN of Oregon. The gentleman does not believe that the amendment we adopted last year in 1968 prevented the OEO from carrying on any Upward Bound projects of any kind?

Mr. STEIGER of Wisconsin. I will say that they are not carrying on Upward Bound projects. I think that is quite clear.

Mrs. GREEN of Oregon. There is this UB project at the penitentiary in Oregon. How does it happen that they have that, with the same enrollees and the same faculty members and the same vocations and the very same classes that it had before we passed the amendment.

Mr. STEIGER of Wisconsin. On the basis that it was done under a different section.

Mrs. GREEN of Oregon. If the gentleman would also study the history of this, he will find that the Senate and House amendments both prohibit an Upward Bound program and somehow we must bear the responsibility, in the conference report only, in the conference report—in neither the House nor Senate bill before it went to conference was reference made to that particular section.

At that time it was an interesting subject to see who was writing the conference report. But if you have studied it, that is the fact, and it is against the rules of the Congress.

Mr. STEIGER of Wisconsin. I fully understand the distinguished gentlewoman's concern about this particular item. I am one who will not defend the agency if it is not following the law and the distinguished gentlewoman knows that.

I think it would not be fair to characterize what the agency has done prior to this in the same manner as what you now refer to as essentially an Upward Bound program. That amendment which was adopted transferred to the Office of Education in the Department of Health, Education, and Welfare Upward Bound.

Mrs. GREEN of Oregon. But they are doing that at the present time.

Mr. STEIGER of Wisconsin. They are carrying on a program. You say they are calling it an Upward Bound program at Oregon State Penitentiary. It would be my own best judgment, frankly, having taken a look at what little information has been available to me on that, that it is not covered by the present law.

Mrs. GREEN of Oregon. Has the gentleman seen the letters that have come

from the OEO itself on their letterheads in which they refer to it as the Upward Bound prison program?

Mr. STEIGER of Wisconsin. No.

Mrs. GREEN of Oregon. I will be glad to supply the gentleman with copies—as I did in the committee one day—12 or 15 documents from the OEO itself on their letterheads in which it was referred to as the Upward Bound prison program of Oregon.

Mr. STEIGER of Wisconsin. The distinguished gentlewoman is making a point with which I frankly do not entirely disagree. I am afraid that she has the impression that I may. Much of what I wanted to direct my own remarks to is in the area of the very serious problem which I have, and which I regret to have, given the circumstances, of my finding myself in a position of not totally agreeing with the package that has been agreed to by the gentleman from Ohio (Mr. AVRES), the gentleman from Minnesota (Mr. QUIE), the gentlewoman from Oregon (Mrs. GREEN) and the gentleman from Connecticut (Mr. GIAIMO).

Mrs. GREEN of Oregon. I have no quarrel with that. I am one who believes in the right to disagree with Members on the other side of the aisle. But I was trying to dispute the statement by the gentleman from Wisconsin that things have changed down there.

Mr. STEIGER of Wisconsin. I will say to the gentlewoman from Oregon that I understand clearly that much of what has been wrong has not been fully corrected. I would be the first to admit that. I am suggesting to her and to Members of this House that there is now a very substantive difference in terms of the role of OEO as an agency in contrast to what has been true in the past. It was to that point I was addressing myself before we got into this colloquy. I would like to pursue that in terms of saying I think it is quite clear that at the time this agency was created by the Congress, it was in what I consider to be four conflicting roles. I was not here at the time this program was adopted by the Congress, but it was created to be in the position of innovator, coordinator, advocate, and operator. And it is extremely difficult for any single agency of the Federal Government or any other government to try to carry on those roles, which in many cases will conflict. It is difficult to be both an advocate and a coordinator. It is difficult to be both an innovator and an operator. I think what needs to be understood by the Members of this House as we consider what changes we should make in the Economic Opportunity Act is that we are not now facing an agency with these same kinds of conflicting roles.

We now have an agency which, in my judgment at least, is to a large extent free of both the operational and the coordinative roles that were given to it under the legislation. That has been accomplished because the Nixon administration has recognized that it could not be all things to all people, and what we now have is an agency in which there is the effort made to be an innovator. OEO, in President Nixon's words,

is supposed to be the research and development arm of the Federal Government. This is my question and my concern over that portion of the substitute offered by distinguished Members of this House which I think would do damage to that role as it has been clearly enunciated by the President of the United States, Mr. Nixon.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am happy to yield to the gentleman from Minnesota.

Mr. QUIE. The gentleman from Wisconsin has indicated that the OEO is no longer an operating agency.

Mr. STEIGER of Wisconsin. No, I did not say that it was entirely free of its operational responsibilities. It does have legal services. It does have neighborhood health centers. Those are, as you know, not the same in terms of operational capability as, for example—

Mr. QUIE. Is it true of the medical program?

Mr. STEIGER of Wisconsin. That is not an operational program.

Mr. QUIE. How about the emergency food program?

Mr. STEIGER of Wisconsin. Not as Job Corps, not as Neighborhood Youth Corps, not as Headstart.

Mr. QUIE. How does it differ?

Mr. STEIGER of Wisconsin. I think it is quite clear, in terms of its difference, in that this is a program operated by community action agencies and not by OEO. In addition, it has a variety of different kinds of thrusts. It has not been, thank heavens—and it was the amendment offered by the gentleman from Minnesota that created this program, and I cannot tell him how pleased I am that he provided leadership in meeting the hunger issue during the years he has served in Congress—but it has not been fossilized through its operation.

Mr. QUIE. I do not know what you mean by fossilized. You mean the Job Corps has been fossilized? Do you mean the Job Corps has been and the emergency food service has not been?

Mr. STEIGER of Wisconsin. That is correct. Those are not operated by the Office of Economic Opportunity.

Mr. QUIE. The operating programs you are talking about have been spun off, but the Emergency Food Program is an operating program.

Mr. STEIGER of Wisconsin. I would have an honest difference with the gentleman from Minnesota in terms of definition.

Mr. QUIE. If we could find a suitable definition, we might not find ourselves in disagreement.

Mr. STEIGER of Wisconsin. First, I would say Legal Services would be an example, because Legal Services really would not fit into the work of any other Federal agency.

Mr. QUIE. It is an operating program.

Mr. STEIGER of Wisconsin. It is and it is not in terms of what I look at, what I consider to be the problems of OEO in having undertaken these four conflicting roles. That is why I have supported the gentleman in every effort in trying to transfer operating programs out of

the agency. We did it in relation to the manpower programs. That is what we did in the education and the Job Corps programs. Those were the major, important operating programs that took staff, large headquarters staff and regional office staff.

The program had a series of separate, distinct requirements that were then put upon those who operated in the field. Legal services does not operate in that way. Nor is health centers on food and medical services, for there the staff is a small group of professionals but not large operating staffs as in the others. That is the distinction, may I say to my friend.

Mr. QUIE. That is the distinction, because the Federal Government does not operate through a State administration in the case of legal services. That is what makes the distinction.

Mr. STEIGER of Wisconsin. No, not at all. That is neither here nor there, frankly, so far as the discussion on this point is concerned. What I am suggesting to the gentleman is that he is not clearly, in my judgment, at least, fully focusing on or understanding the role of OEO as it is today, not what it was in 1967 or 1966 or 1968. I believe that is a very important difference.

Mr. QUIE. I am looking at what OEO is presently doing. It has title II programs, all programs under title II with the exception of Headstart and Follow Through. None of those, in my definition, are operating programs, if operating programs are different from research and pilot programs.

Mr. STEIGER of Wisconsin. Under the gentleman's definition they, too, would be operating programs.

Mr. QUIE. If there is a pilot program in operation, then that will become an operating program. A number of these programs now operating, in my definition, started out as pilot programs.

I would ask the gentleman, if he feels that research pilot programs should not go through a State administration—this is, I understand, his strongest objection to the substitute—how is this different from the innovative program that runs through title III of the Elementary and Secondary Education Act, which I believe the gentleman supported, on the transfer from the Commissioner of Education's sole jurisdiction to one administered through a State agency?

Mr. STEIGER of Wisconsin. I will say to the gentleman, I have serious objections not just to research and demonstration programs but to legal services. There are the two parts.

If the gentleman wants to modify the amendment, I would be happy to work with him to do so, to make this apply to local community initiative funds, and have that be the activity and the responsibility of the State for the development of a plan for distributing funds. That probably would be acceptable.

I say that for two reasons. One is because insofar as the case of legal services is concerned I would hesitate to have the imposition of a State agency administration on that program when in fact under the legal services program it may be the Governor who is being sued. I say

this quite frankly, being very candid, as it would be a serious effort to impair the ability of the legal services program to be carried on in an unfettered fashion.

I do not think that should happen. Second, I would say to the gentleman that one cannot give up the allocation of the funds under the research and demonstration program to the State plan concept, which is what the amendment requires, and then ask the agency, the OEO, to be the research and development arm of the Federal Government. I am sorry; I just do not see how the attempt to get that works. It does not seem to me that is in line with what President Nixon has asked the agency to be.

Mr. QUIE. Mr. Speaker, will the gentleman yield further?

Mr. STEIGER of Wisconsin. I am happy to yield.

Mr. QUIE. If the gentleman could develop his reasons for accepting the Federal Government, through the Office of Education, being the research and innovative agency and still doing it through State departments of education, as we require by law, and why it is not acceptable in OEO, then perhaps I could better understand it.

I will add another question, but I will let the gentleman answer this first.

Mr. STEIGER of Wisconsin. As the distinguished gentleman from Minnesota knows, we have gone around on that discussion for some length of time. I believe it is several months at this point the gentleman and I have talked about that particular issue.

I have said before, and I say it again, that what I see in the Office of Economic Opportunity in terms of the judgment made by the Nixon administration and the role given to that agency is that it is not applicable to actions that have been taken in the past. Nor is the example of what we did in education, where all 50 States have had, since they have entered the Union, primary responsibility for education. Only recently has the Federal Government come in. I see no reason why those things ought not to be operated by State departments of education and local school boards. This problem on how we go about breaking the cycle of poverty is not an analogous situation, and it is on that basis that I make the distinction.

Mr. QUIE. I guess I do not find that distinction in my concept of federalism that the gentleman finds in his philosophy. I believe, though, he has the same concept as I have of federalism with the exception of the OEO.

Let me ask you now this question: When we have a problem of State administration, as we developed in the substitute, where legal services might sue a Governor or a State agency, which is really the Governor, how is that different than the legal services now administered by the Federal Government suing the Federal Government? They do not seem to have any trouble there. They continue to sue the Federal Government. I do not think it would be wise to put legal services under the

Department of Justice, because the Federal Government calls on the Department of Justice to defend them in the case of a suit.

Mr. STEIGER of Wisconsin. You just answered your question.

Mr. QUIE. But I do not propose to put the State Economic Opportunity Office under the Attorney General of the State, and that is the means by which the Governor of the State is defended—through the Attorney General's office. We propose to have a separate agency right in the State government. There is no problem for the Federal Government legal services attorney suing them. There should be no problem for the State assuming the administrative responsibilities of the regional office if they have an attorney there to sue the State. We do not have any problem when the local government is the Community Action agency and funds a legal services program when those legal services attorneys sue that local government.

Mr. STEIGER of Wisconsin. My friend draws that thin line.

Mr. QUIE. But it is a line. Mr. STEIGER of Wisconsin. And focuses his attention on those bad people in the regional offices. I do not hold any brief for regional offices. I think the distinguished gentleman from Minnesota is well aware of the very serious implications which I see and which I have pointed out to him on past occasions about the concept of attempting to take what is now the innovative arm of the Federal Government and no longer making it the innovative arm, but, in fact, giving control over to State governments. It is just that simple. It is a very clear but very difficult problem, I will say to my friend from Minnesota, in which we are faced with the position of the ranking minority member and the second ranking minority member on our committee against that position taken by the Director of OEO and I would assume the President of the United States in terms of the charter that he has given to the agency. I do not like to be put in that position.

I take this time, I will say to my friend, because I think the 3 hours of debate that have taken place under the special orders have served a very real purpose. The substitute is out. We can look at it in detail. I intend at some point in the very near future to try to analyze it more thoroughly, because I saw it for the first time this afternoon. I have had only 3½ or 4 hours to try to read it and listen to the debate. So I am in the difficult position of not being able to comment with any degree of precision at all about any of the implications of the substitute.

Mr. QUIE. Will the gentleman yield for a comment and a question, and I will try to make it clear and brief so he can go on with his presentation.

Mr. STEIGER of Wisconsin. Certainly.

Mr. QUIE. I do not find this difficulty that the gentleman from Wisconsin does that I am at a different point of view from the Director of OEO because I look at my primary responsibility as being that of representing my people and mak-

ing the judgment and the legislation that I believe is right.

And I believe as best we can in the purpose of making our party as strong as possible and to agree with the administration when we can. I will bend over backward whenever I can to do that. But when I think they are off base, I guess I will take my independent route.

Mr. STEIGER of Wisconsin. I fully respect that. I, too, first represent the sixth district but in this situation we face the problem of choosing alternatives.

Mr. QUIE. So, now, I would like to ask the gentleman a question: If this is now a research and an innovation program, then it would be unwise for us in the statute to lay out a means whereby a State could assume administrative responsibility in a developmental and coordination program. The present Director in the State of Hawaii has set up a program, Mr. Carlucci, in which he said this:

This primary emphasis of the Hawaii SECO/PDP proposal is on the development and coordination of State level resources to benefit the poor.

They are doing that in Hawaii and I know it is unique in Hawaii. But we would like to have an opportunity for all the States to do it and to lay out in the act a structure in which the States can set before them that opportunity which is available to them.

Mr. STEIGER of Wisconsin. I will say to my friend from Minnesota, let us make the record clear. That program in Hawaii is not one in which the State is distributing the money to local community action program.

Mr. QUIE. Mr. Speaker, if the gentleman will yield further, they have not reached that point as yet and I do not know as to what detail they will finally be able to do it. However, let me read further:

This activity will involve the maintenance of liaison with other State agencies, the facilitation of better coordination between State agencies with antipoverty responsibilities, and the development and recommendation of joint planning and funding mechanisms between State agencies with antipoverty responsibilities, and the development and recommendation of joint planning and funding mechanisms between State agencies.

Mr. STEIGER of Wisconsin. That is a far different thing than what you propose in the substitute.

Mr. QUIE. It comes very close to what we are attempting to do.

Mr. STEIGER of Wisconsin. No, sir.

Mr. QUIE. It does not spell out that this provision will have the exact distribution of all funds and that is the leap that we make in the provision that the States also will be able to engage in developmental and coordination programs and devise a means by which they will distribute the money as equitably as possible within the State. But, already, the regional office does that for Hawaii. It is just that one additional step.

Mr. STEIGER of Wisconsin. As the gentleman knows, I fully concur in the

need, in fact the absolute necessity of more fully utilizing the resources of the State and local governments and involving State governments to a far greater degree. That does not seem to me to be a difficult position for any Member of this House to disagree with. Our disagreement, if there is one, comes in terms of the degree to which one goes, the degree to which what I see as a role of the agency, as the new administration has characterized it, as contrasted to what I see as the role of the agency if we adopt the substitute in its present form. That is the distinction. That is what we will have to talk about and be concerned with in the next few days before this bill comes to the floor for any kind of action.

If the gentleman from Minnesota has any further questions. I shall be happy to yield to him.

Mr. QUIE. I would just say that I thank the gentleman for yielding. I guess we have reached the point where we are absolutely going to disagree, no matter what kind of arguments can be brought up. OEO is doing in one instance like it wants to or is looking in that direction, and it is not exactly a new venture of research and innovation, but I see that those arguments are not going to sway the gentleman. Therefore, I suppose we will have to agree to disagree and try to continue to be friends and work together when we can agree on some other measure.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate very much the comments of the gentleman from Minnesota. I hope it is possible to agree, and I am not too sure that it is, but I at least always hold the hope that this can be done, and I at least will strive in my own efforts to try and reach that point.

Mr. Speaker, for some time back before the questions and answers that preceded these comments I attempted to try and focus in on what I saw as the new OEO in terms of what changes have been made. Therefore, Mr. Speaker, I ask unanimous consent at this point to include some charts and tables which discuss in somewhat more detail the new Office of Economic Opportunity.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The material referred to follows:

THE NEW OFFICE OF ECONOMIC OPPORTUNITY (OEO)

Since its establishment in 1964, the Office of Economic Opportunity has undergone a series of changes.

Under the new Administration, OEO has a new focus and operates many different programs from those originally conceived in the 1964 legislation.

The Fiscal Year 1970 budget request for OEO is \$2,048 billion. Of that amount \$1,273 billion will be transferred to other agencies to fund delegated programs administered by those agencies; \$775 million of the \$2,048 will be used to fund programs administered by the Office of Economic Opportunity.

The distribution of these funds is set forth on the next page, and the subsequent pages present brief explanations of OEO programs and their missions.

Office of Economic Opportunity administered programs

	Millions
Community action operations (Local initiative, Training and Technical Assistance, State Economic Opportunity Offices, Program Direction and Senior Opportunity Service)	\$393.4
Legal programs	54.0
Health programs (Comprehensive Health Services; Emergency Food and Medical Services; Family Planning)	127.0
Migrants	33.0
Research and pilot programs	114.6
Vista	37.0
General direction	16.0
Total	775.0

Delegated programs

	Millions
Department of Labor (Job Corps; Neighborhood Youth Corps; Concentrated Employment Program; Job Opportunities in the Business Sector; Public Service Careers/New Careers; Operation Mainstream)	\$871.3
Department of Health, Education and Welfare (Head Start; Head Start Follow-Through)	389.7
Department of Agriculture (Rural Loans)	12.0
Total	1,273.0

PROGRAMS ADMINISTERED BY THE OFFICE OF ECONOMIC OPPORTUNITY \$750 MILLION

Community action operations

\$660.7 million of the \$775 million of OEO administered funds (including portions of such programs as Legal Services, Family Planning, etc.) are for 969 Community Action programs. These local Community Action Agencies have authority to administer anti-poverty programs in 2,000 counties, serving 6 million poor. They employ 92,000 professionals, 170,000 non-professionals, and utilize 200,000 volunteers.

Community Action funds are also granted to State Economic Opportunity Offices which have the responsibility for the coordination of programs within their States. A greater emphasis is being placed on the participation of the States in the planning and supervision of the local programs than ever before.

Local Initiative.—Local Initiative programs are those originally developed by poverty-area residents in response to their perception of needs. Versatile in character, they include such programs as Manpower, Housing, Neighborhood Centers, Consumer Action, Education, Community Health and many others of a community's choosing.

Senior Opportunities and Services.—The amendments to the EOA in 1967, established a new special emphasis program entitled "Senior Opportunities and Services" (SOS) designed to serve the older (Age 55+) low-income persons who presently constitute more than 30 percent of the poor. The SOS programs include job training and employment, outreach projects to assist in home health care and homemaking and the development of service centers controlled by older persons themselves. In FY 1970, about \$9 million will be spent on more than 200 programs for older poor persons.

Indians

OEO programs help the American Indians living on Federal reservations to help themselves. Over 404,000 Indian people reside on these reservations. In FY 1969, OEO programs directly reached 323,000 or 90% of the residents, through education, legal services, housing, economic development, consumer counseling, and vocational programs. In FY 1970 OEO has requested \$31 million to fund

these programs and to expand OEO programs to include other States, such as California, Nevada, Michigan, etc., where Indians reside on small reservations, rancherias, and colonies.

Legal services

More than 1,800 lawyers, handling over one million cases per year, are working in neighborhood legal services programs to bring legal representation and equal justice to the poor. The 850 Neighborhood Law Offices are a visible demonstration to the poor that they have redress to their grievances through legal means rather than through illegal demonstrations. In FY 1970 The Office of Economic Opportunity is requesting \$54 million to bring legal assistance to the poor.

Health programs

OEO's Office of Health Affairs coordinates and supports a broad variety of programs to assist victims of poverty. Major programs include:

Comprehensive Health Services.—Currently 49 Comprehensive Neighborhood Health Centers have been funded to demonstrate new methods of making high quality health care available to both urban and rural poor. When the projects are fully operational, more than 1,000,000 poor persons will be receiving a comprehensive range of health services with primary emphasis on preventive, ambulatory medical care. These programs offer opportunities in career health jobs to 3,000 Neighborhood residents. Funds for this program are being increased by more than 50% in FY 1970, for a total expenditure of \$74 million.

Emergency Food and Medical Services.—The Office of Economic Opportunity makes funds available through community action agencies to combat conditions of hunger, malnutrition and undernutrition. OEO funds are utilized primarily to facilitate access by the poor to other federal, state and local food assistance programs and are targeted towards the hard-core poor not reached by efforts of other agencies. Nutrition and consumer education projects are given emphasis. In FY 1970 \$30 million will be expended in the effort to assist more than 1½ million persons in 475 projects across the country.

Family Planning.—In line with the President's policy of making family planning assistance available to all American women despite their economic condition, OEO is increasing its effort to \$22 million in this area for FY 1970. A full range of services including out-reach, education, counseling, medical examination, laboratory tests, supplies and referrals is offered. Last year more than 250,000 needy women took advantage of this opportunity to provide an alternative to unwanted pregnancies, which tend to keep families in poverty. The 230 projects employed 1,000 poor persons.

Migrants

Through this program the Office of Economic Opportunity is able to aid migrant and seasonally employed farm workers and their families. In FY 1969, 265,000 migrant workers and their families received the benefits of OEO programs for education, job training, day care, self-help and temporary housing and sanitation facilities. Nearly 1,500 migrants were assisted in receiving high school equivalency diplomas and over 8,000 were placed in jobs. Over 15,000 children received day care services. In FY 1970 OEO has requested \$33 million for migrant programs to start work on self-help housing units for 1,200 migrant families, to increase job-oriented education for 28,000 adults and provide 3,500 heads of families with re-employment assistance.

Research and pilot

The following special programs are a part of the Office of Economic Opportunity's increased emphasis on development of innovative activities:

Special Impact.—Fifteen special impact grants were made in FY 1969 for programs designed to foster community-based business development and businesses located in ghetto areas that are aimed at employing and serving the people of poor communities. These community economic development programs will increase in FY 1970 to \$38 million.

Research and Demonstration.—The Research and Demonstration funds are used to test and evaluate new programs in such areas as employment, economic development, early childhood development, housing, income maintenance, and individual and community development. \$60.6 million is planned for these activities in FY 1970.

VISTA (Volunteers in Service to America)

Currently some 5,000 VISTA Volunteers serve in more than 1,000 communities on 500 projects in 49 states, the District of Columbia, Puerto Rico, the Virgin Islands and the Pacific Trust Territories.

Over the past year VISTA has launched a broad range of programs involving volunteers with specific professional skills—lawyers, business school graduates, health specialists, architects and planners—as well as volunteers recruited from the poverty community. They are working in teams of programs designed to tackle problems of economic development; legal aid to people and institutions in the poverty community; hunger and malnutrition; self-help housing; and the systematic involvement of universities and other institutions of the private sector in the problems of poverty in their communities. The FY 1970 request is for \$37 million.

DELEGATED PROGRAMS FUNDED BY OEO

The delegated programs which are funded out of the OEO budget but which are operated by the Departments of Health, Education, and Welfare, Labor or Agriculture include:

Head Start.—Head Start provides education experiences, social services, and medical and dental care to pre-school children from low-income families. In FY 1970, \$332 million has been requested to assist pre-school children. The programs involve parents in the activities of the program and many mothers serve as teachers' aides. Head Start is administered by the Office of Child Development, Department of Health, Education, and Welfare.

Head Start Follow-Through.—Head Start Follow-Through is aimed at children in kindergarten and elementary school who were previously in Head Start classes. It is designed to sustain the gains that disadvantaged children made in Head Start. In FY 1970, the funds will increase to \$58 million so that 62,500 children can be helped. Head Start Follow-Through is administered by the Office of Education, Department of Health, Education, and Welfare.

Job Corps.—Job Corps is a training program for low-income disadvantaged youths ages 14–21. Both remedial education and vocational and technical training are offered. Enrollees train either at Job Corps Centers or at in- and near-city residential manpower training centers. There are currently 49 Job Corps Centers. Plans are being made for the establishment of 20–25 in- and near-city centers. The FY 1970 budget request is \$175 million. Job Corps is administered by the Department of Labor.

Neighborhood Youth Corps.—The Neighborhood Youth Corps provides work and training for approximately 130,000 low-income youth to assist them in obtaining regular employment. The FY 1970 request is for \$281.9 million. The Neighborhood Youth Corps is administered by the Department of Labor.

Operation Mainstream.—Mainstream helps chronically unemployed adults, especially in rural areas, giving them employment in beau-

tification and community betterment projects. The \$41 million spent on this program provides job opportunities for close to 11,000 persons. The Department of Labor administers Operation Mainstream.

Job Opportunities in the Business Sector.—The Job Opportunities in the Business Sector program (JOBS) involves private employers in the recruiting, training and hiring of unemployed and low-income persons. These private employers are offered incentives which help defray the costs of this high-risk employment program. The National Alliance of Businessmen provides for the active participation of businessmen in the program. The FY 1970 request for \$180 million will ensure the placement of some 60,000 hard-core unemployed. The Department of Labor administers JOBS.

Public Service Careers.—PSC is modeled after the JOBS program, but is oriented toward employment in the public sector. State and local governments will be encouraged to hire the hard-core unemployed. In FY 1970, the first year for PSC, the Labor Department will seek to place 16,700 disadvantaged adults in public sector employment for an expenditure of \$50 million.

Concentrated Employment Program.—The Concentrated Employment Program features special programs that concentrate work and training resources in an area with a large concentration of poor. Included in this program is the New Careers Program, which provides employment for adults in community service fields such as health, education and public safety. \$133 million has been requested for FY 1970. The Department of Labor administers the Concentrated Employment Program.

Rural Loans.—The Rural Loans Program provides a combination of credit and technical assistance to encourage economic development and to increase income potential among the rural poor. Loans may be made to individual or cooperative associations. In FY 1969, \$12 million worth of new loans were made. In FY 1970, the \$12 million of new appropriations will provide for continued administration and, together with repayments from old loans, permit granting new loans in the amount of \$19 million.

REDIRECTION OF THE OFFICE OF ECONOMIC OPPORTUNITY

Organizational changes

Delegated Job Corps Program to the Department of Labor on July 1, 1969.

Delegated the Head Start Program to the Department of Health, Education and Welfare on July 1, 1969.

Transferred the Foster Grandparents Program to the Administration on Aging.

Executed this Administration's first complete reorganization of any major federal agency.

Proposed the Manpower Training Act, which would shift all operating manpower programs from the Office of Economic Opportunity to the Department of Labor.

Establishing new regional offices in Boston, Denver, and Seattle.

Relationship with the States

Drafted new guidelines providing for a stronger state voice in OEO programs.

The Office of Economic Opportunity is strengthening the state economic opportunity offices so that they may—

Jointly develop with OEO state funding plans for the expenditure of OEO funds.

Better assist OEO grantees in the planning and development of their applications for funding, and the Office of Economic Opportunity in its review of these applications.

Participate with the Office of Economic Opportunity in the evaluation of OEO-funded programs within their state.

Be more effective in the mobilization of state-level resources.

Develop better ways to assist the poor at the state level by the provision of research and demonstration funds.

Authorized program development planning grants to assist the states in tying overall state planning activities to community action programming.

Developed a program to fund a range of other state activities that strengthen and capitalize on the contributions states can make.

Community action operations

Refused to refund a number of Community Action Agencies and local delegate agencies because of poor performance.

Instituted a review of all Community Action Agencies to evaluate their effectiveness.

Established a special team of experts to review grants released from the Office of Economic Opportunity prior to the end of the fiscal year on June 30, 1969.

Sharpened and limited the focus of community action to emphasize the mobilizing of public and private resources, building community bridges, and stimulating more effective approaches to poverty problems.

Prepared in draft form regulations which prohibit the hiring, with federal funds, of persons with recent convictions of serious crimes for certain sensitive positions.

Issued, for the first time, regulations implementing the section of the Act which limits administrative costs of poverty programs to not more than 15 percent of total costs.

Issued regulations prohibiting federal funds to be used to pay interest on borrowed funds.

Issued regulations limiting the publication of newsletters and house organs.

Drafted revision of OEO policies governing grantee personnel standards and practices.

Issued regulations to speed up grant processing time.

Procurement practices and conflict of interest

Prepared in draft form regulations and policy instructions to tighten up procurement practices. These regulations would—

Place controls over contracting with organizations in which former OEO employees hold senior positions.

Limit procurements which are made without competition and increase the number of awards to small business.

Improve procedures for evaluation of contract proposals.

Prevent conflicts of interest on the part of contractor employees.

Improve the quality of contract work statements.

Improve the procurement practices of OEO grantees.

Prepared in draft form strengthened rules concerning conflict of interest for present and former OEO employees.

VISTA

Upgraded the quality of VISTA volunteers. Volunteers will be older, better educated, and more highly skilled.

Increased significantly the number of volunteers drawn from minority groups.

Emphasized programs using professionally trained volunteers to provide technical assistance to the poor.

Established improved supervision of volunteers.

Reoriented volunteer training to take place in the community and on the job.

Health Services

Elevated the Office of Health Affairs to a separate division which reports to the Director.

Expanded emergency food and medical assistance programs.

Legal Services

Elevated the Office of Legal Services to a separate division which reports to the Director.

Initiated recruiting campaign to attract experienced, responsible lawyers.

Achieved closer cooperation with local and state bar associations.

Establishing effective evaluation procedures to improve management of the local projects.

Research, Planning and Evaluation

Redefined OEO's mission to be the center for research on poverty in the country.

Instituted the establishment of more precise standards for measuring performance than the Office of Economic Opportunity has used in the past.

Mr. STEIGER of Wisconsin. Mr. Speaker, let me go on now to discuss some of the other aspects of the situation with which we are faced. President Nixon on February 19, on June 2, on August 11, and on October 11 has made a number of statements regarding the Office of Economic Opportunity. Mr. Speaker, I ask unanimous consent to include the statements of President Nixon at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The material referred to follows:

PRESIDENT NIXON'S STATEMENT ON THE OFFICE OF ECONOMIC OPPORTUNITY

On February 19th, President Nixon sent to Congress a message on the anti-poverty programs of the Office of Economic Opportunity in which he called for a one-year extension of the Economic Opportunity Act. The following are excerpts from that message:

"The blight of poverty requires priority attention. It engages our hearts and challenges our intelligence. It cannot and will not be treated lightly or indifferently, or without the most searching examination of how best to marshal the resources available to the Federal Government for combating it."

"From the experience of OEO, we have learned the value of having in the Federal Government an agency whose special concern is the poor. We have learned the need for flexibility, responsiveness, and continuing innovation. We have learned the need for management effectiveness."

"In making these changes, I recognize that innovation costs money—and that if OEO is to continue its effectiveness as an innovating agency, adequate funds must be made available on a continuing basis. It is also my intent that the vital Community Action Programs will be pressed forward, and that in the area of economic development OEO will have an important role to play, in cooperation with other agencies, in fostering community-based business development."

On June 2nd President Nixon issued a statement in which he requested a two-year extension of the Economic Opportunity Act:

"I will request an extension of the authorization for OEO appropriations from June 30, 1969 to June 30, 1971; and I will ask that the Economic Opportunity Act of 1964 be extended from June 30, 1970 to June 30, 1972."

"This represents a change from my earlier intention. . . . I have now concluded, however, that a two-year extension would provide a better framework within which the necessary improvements in the anti-poverty program can be made."

"Under the leadership of the new OEO Director, a comprehensive review and analysis of anti-poverty efforts will continue during the coming months. Its purpose will be not only to evaluate existing programs and improve their operation, but also to determine what new programs should be initiated."

"Many of the improvements most immediately needed fall within the management

authority of the present law. For example, planning procedures can be improved, program analysis strengthened, internal reorganization accomplished, and more rigorous management and fiscal controls instituted. New experimental programs can also be launched.

"If we are to make lasting significant headway against poverty, there still is a great deal to be learned about what works and what does not. This Administration is committed to search for that knowledge, and to use it. We are committed to the continuation of an agency whose special concern is the poor and we are determined to make the Nation's anti-poverty efforts function more efficiently and serve the poor more effectively."

On August 11 the President issued a statement on the reorganization of the Office of Economic Opportunity:

"We must become pioneers in reshaping our society even as we have become pioneers in space. We must show a new willingness to take risks for progress, a new readiness to try the untried."

"Such an innovative spirit should characterize all of our institutions and all agencies of government. But it is in the Office of Economic Opportunity that social pioneering should be a specialty. It is the OEO that should act as the "R and D" arm for government's social programs."

"The following are among the specific changes in OEO which I am announcing today:

"Creation of a new Office of Program Development.

"Revamping and strengthening the Office of Planning, Research and Evaluation

"Strengthening and upgrading the Office of Health Services and the Office of Legal Services

"Creation of a new Office of Program Operations to improve the administration of activities in the field.

"I believe that the goal of full economic opportunity for every American can be realized. I expect the Office of Economic Opportunity to play a central role in that achievement. With new organizational structures, new operating procedures, and a new sense of precision and direction, OEO can be one of the most creative and productive offices in the government. For here much of our social pioneering will be done. Here will begin many of our new adventures."

On October 11 President Nixon sent to the Congress a message on several legislative issues. One part of that message deals with reform of the Office of Economic Opportunity. Concerning OEO reform, the President stated:

"I have provided the Office of Economic Opportunity with a new director, a new structure, and added responsibilities as the research and development arm of the nation's effort to deal with the problems of the poor. OEO is now strengthening the present operating programs, including the Community Action Agencies, VISTA, Legal Services, Neighborhood Health Centers, Family Planning, Emergency Food, Rural, Older Persons, Indian and Migrant Programs. In addition, there is new emphasis on research, the evaluation of existing Federal social programs, and development and testing new approaches in community and economic development, manpower and education, to assist the poor to move into the economic life of the nation. I have asked for a two-year extension of the existing legislation, without crippling amendments. I believe that a reformed OEO has a major and continuing role to play in our national life. Here again, there is no need or justification for further delay."

Mr. STEIGER of Wisconsin. Mr. Speaker, over the past 30 years government in the United States has be-

come increasingly centralized, and insensitive. As a means of remedying the situation, some people have suggested a "State plan" for the Office of Economic Opportunity. In considering such a plan, we must examine to what extent it is consistent with the goals put forth by the Economic Opportunity Act.

When the Economic Opportunity Act was passed, the Office of Economic Opportunity was established as an agency devoted to eliminating poverty. To accomplish this mission the OEO was to function as an advocate for the poor, emphasizing local initiative, and, when necessary, producing institutional change. The use of a "State plan" to guide these efforts would be less effective than the present organization in implementing these functions.

The first advantage the OEO has over State governments in the poverty field is that it has only one constituency. The Office of Economic Opportunity's only goal is to eliminate poverty. Consequently, the poor are its highest priority.

Many of the States are not in a position to give poverty problems the emphasis Congress indicated they deserve when it passed the Economic Opportunity Act.

It is important to note that the States can hardly perform an advocate function for the poor if they are not committed to placing a high priority on poverty problems. Without an effective advocacy function the States can hardly be a progressive agent for creating institutional change. Poverty is fundamentally a political as well as an economic problem. This does not mean that the Office of Economic Opportunity should begin to participate in partisan politics. What is implied is that any effective poverty effort must concern itself with making constructive changes in those institutions which have created the present situation. In some instances, as the legal services program has shown, the State government itself may be the institution in need of change. Clearly a State is less likely to seek changes in its operations than the Office of Economic Opportunity, an outside agency with an independent constituency.

Similarly it is inadvisable for Governors to have an expanded veto power. Because of the cross-pressures placed on the Governor, it becomes very difficult for him to make an unbiased evaluation of local poverty programs. While the Office of Economic Opportunity must face the problem of the natural tendency not to criticize oneself adequately, at least it has only one main interest: to make the poverty programs as effective as possible.

A second reason for not widening Governors' veto powers is that this places the Governor in a strictly negative position; the effect of which is to create hostility between the States and the Office of Economic Opportunity. The Governor needs to have a more active role in the poverty program, but it should be a positive and constructive role, not a negative veto power.

The States also suffer from a lack of technical expertise. As we learned in 1965 it is very difficult to institute a new structure in a short period of time. Since 1964 the Office of Economic Opportunity

has gained valuable experience in fighting poverty, and has a staff of trained personnel. It would be unfortunate if we had to start from scratch again by instituting a "State plan" system.

"State plans" are, of course, not new. The Department of Health, Education, and Welfare has had over 50 years of experience working with "State plans." They have found that no matter how good a "State plan" looks on paper, it often is not a feasible method of administering programs. HEW has found that there is often no planning element involved. The result has been a system in which the Federal Government has been picking up the check for State programs which have not been adequately thought out. The HEW experience with the States has also been unfortunate in the field of evaluation. Particularly in the adult basic education and vocational training program the States have not been cooperative in helping to evaluate program performance. This has resulted in another instance of Federal-State conflict.

What is needed is a Federal-State partnership, not conflict. We need to be able to combine those resources the States have with those of the Federal Government. In this way the effort to eliminate poverty can be handled with maximum efficiency.

The Office of Economic Opportunity is currently working on such a partnership. By increasing the funds of the State economic opportunity offices by 30 percent, the Office of Economic Opportunity will be able to give the States more technical assistance. Since most State economic opportunity offices are part of the Governor's office, the increased emphasis on State economic opportunity offices will help bring the Governor into the poverty program in a larger and more constructive way than he has been in the past.

The Office of Economic Opportunity has also been working to improve State planning capacities. Recently 13 grants have been given to States in the area of planning. It is in this field as much as any other that State resources can be of immense help to the effort to eliminate poverty. While the Office of Economic Opportunity is a highly decentralized agency already, the ability of State and local governments to be sensitive to local needs will help make the poverty effort that much more successful.

Thus the Office of Economic Opportunity is cognizant of the need for utilizing the States as much as possible. It has been trying to utilize the States. One must realize, however, that some States are ready to make a much larger contribution to the poverty program than are others. The present system allows the Office of Economic Opportunity to utilize State resources while giving the States responsibility on the basis of their ability to perform successfully.

In such a way the Office of Economic Opportunity hopes to build a strong Federal-State partnership.

In addition to that, Mr. Speaker, I want to raise some questions about the substitute amendment. I am concerned, for example, about how many Governors have been asked about their position on this amendment. I am concerned

about whether or not there has been consultation with the Governors in terms of what they feel about the proposal that is made in the substitute amendment.

I am also somewhat concerned, may I say to the House, about the question of what we are doing in terms of really expanding—not contracting the bureaucracy by setting up State economic opportunity councils, by funding those councils and by giving them a role as set forth in the substitute.

I do have some very serious questions about whether or not it is really going to create what the distinguished gentleman from Oregon talked about sometime ago—attempting to get more money to the poor. Or, in fact, is it going to create a new level of professional "poor-eaucrats" whose role it is to help line the pockets of those at the State level whether they be full-time employees or members of the State economic opportunity council, that is set forth and offered in the substitute amendment.

I would ask the House also to consider this.

Mr. Speaker, a telegram from the National League of Cities follows:

WESTERN UNION TELEGRAM,
SAN DIEGO, CALIF.,
December 3, 1969.

HON. WILLIAM STEIGER,
U.S. House of Representatives,
Washington, D.C.:

The National League of Cities, representing more than 14,600 municipalities in 50 States, reaffirms its long-standing support for the programs of the Office of Economic Opportunity.

The League's committees on human resource development, intergovernmental relations, and resolutions, in session at NLC's 46th annual congress of cities in San Diego, California, categorically opposed the channeling of OEO programs through State governments.

As stated in the National Municipal Policy, the League's position is that "Municipal Government is the primary level of Government to provide municipal services and to deal with the problems and responsibilities of urban areas." Additionally, we officially oppose "outright programmatic block grants to the States which turn city program discretion over to uncertain State response." Our league policy states its opposition to congressional actions "which attempt to utilize the grant-in-aid system to manipulate State and local government relationships and internal organization."

To express the extreme concern of municipal officials about the public announcement on December 2, 1969, by Congressmen Ayres and Quie and Congresswoman Green, which would go far in turning many facets of Economic Opportunity Act programs over to the States, the league's resolutions committee unanimously approved the following emergency resolution today:

Whereas, the House of Representatives will take up an extension of the Economic Opportunity Act tomorrow, December 3, and

Whereas, Congressmen Quie, Green, and Ayres have this afternoon concluded a press conference announcing their intention to propose a series of amendments vesting major decision-making responsibilities over local anti-poverty programs in State governments, and

Whereas, the Quie, Green, and Ayres proposals are crippling amendments and would hamper OEO in doing the job assigned it by President Nixon, by:

1. Greatly complicating the present delivery of OEO funds,
2. Taking infinitely longer for grants to

be approved and get to local officials and the poor, and

3. Voiding the National League of Cities goals of local determination in the planning and conduct of programs affecting the poor, and funding on a direct Federal-local basis, avoiding State channeling.

Therefore, be it resolved that the National League of Cities go on record as being shocked and dismayed at this effort to emasculate President Nixon's Office of Economic Opportunity Program and urge that the House of Representatives reject these amendments.

C. BEVERLY BRILEY,
President, National League of Cities,
Mayor, Nashville, Tenn.

RICHARD LUGAR,
Chairman, Resolutions Committee
Mayor, Indianapolis, Ind.

In addition to that, Mr. Speaker, I think one can ask in terms of the new bureaucracy that maybe created by the State councils and by the funding that will go to the State economic opportunity offices, what happens for example, to the legal services program which today is budgeted at \$54.9 million and they operate in almost all States and are administered by a staff of only 35 professionals.

Comprehensive health is budgeted at \$74 million and they operate in 30 States and the District of Columbia and this program is administered by a staff of 23 professionals.

Programs for Indians are budgeted at \$22 million and operate in 20 States and are administered by a staff of only nine professionals.

Follow Through is budgeted at \$58 million and operates in almost all States and is administered by a staff of only 19 professionals.

In addition, I do wonder about whether or not the concept of community action and the participation of the poor, which the gentleman from Minnesota has been in the forefront of supporting and advocating in changing legislation—whether or not it is highly questionable, as I believe it is, under the State plan concept, that the poor would be able to continue to play a meaningful role in the development of a State plan as a part of the State economic opportunity council. I think that is the question which deserves some further consideration as we go through and look at the substitute amendment that has been proposed.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. QUIE. Will the gentleman tell me what part it should play in the development regional office plan and with the regional offices?

Mr. STEIGER of Wisconsin. Of course, the funding comes from the local community.

Mr. QUIE. No, the funding comes from Washington.

Mr. STEIGER of Wisconsin. The planning for the fund.

Mr. QUIE. Of course, the planning would continue through the local community.

Mr. STEIGER of Wisconsin. No, the funding would come through the State,

the development, coordination program, when adopted; am I correct?

Mr. QUIE. The funding that the State would share in the administrative responsibility for, would be that responsibility now exercised by the regional offices. The CAA would go to the State rather than the regional offices.

Mr. STEIGER of Wisconsin. May I say to the gentleman, the point he makes, of course, is an interesting point and I think he is correct, in terms of what he says.

My concern here is about the fact that what you are doing is saying, the State plan has to be developed in terms of how the money will be distributed and what kind of programs will be administered and what those programs will do.

As I understood that State plan, the developmental coordination plan, which then is approved by the State economic opportunity council, is a very different kind of thing, I will say to my friend, than that which is now undertaken under the present act.

Mr. QUIE. No, this will be the same as what the director works out with the regional offices and the regional office works out for his own region.

You see, now there is no State funding plan. I understand there is talk of a development funding plan, but presently there is a regional funding plan that is developed within the region. Under the draft guidelines that have been sent out to the States—and on which there are now responses from most of the Governors—the State economic opportunity offices will be given an opportunity to work with the regional offices in developing that plan. But the main responsibility for the plan will still be with the regional office and not with the State. I have talked with people who have worked on the guidelines about that.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's comment on this. I raised the question.

Mr. QUIE. I know you raised the question, and I know some people will use that as a red herring. That is why I want to stop it right now. I am not turning my back on the poor. I feel as strongly about it as I did before, with the one-third participation.

Mr. STEIGER of Wisconsin. So long as the gentleman is on his feet, may I ask him whether or not it is possible for the State to become a community action agency?

Mr. QUIE. That is already in the act.

Mr. STEIGER of Wisconsin. I understand that.

Mr. QUIE. I have not removed that possibility. Under the practical circumstances, we do not know what OEO is now going to do in the way of guidelines. The old administration prevented a State from being a community action agency. Some States asked to be but they were denied. We still have not seen those guidelines. The administration has indicated they will not put a roadblock in the way of smaller cities or a roadblock in the way of counties as they have in the past. They have not indicated what they will do with the States. We do not touch that in any way by a substitute.

Mr. STEIGER of Wisconsin. May I ask the gentleman from Minnesota as to how he foresees what happens if the State is the community action agency in terms of how that fits into the developmental coordination plan of part III of the substitute?

Mr. QUIE. I would expect that the new administration would permit a State to become a community action agency, not for the areas that presently have an umbrella agency or community action agency, because conceivably they would opt out anyway, but rather we would have those parts of a State, as occurs in the State of Minnesota, where I am very familiar with the program, where the counties are not part of community action agencies, and the State could act as an umbrella agency for them, and then those counties could take part in some kind of title II programs. I would say then that the State economic opportunity office for those counties would in effect be supervising their own community action agency activities.

Mr. STEIGER of Wisconsin. I appreciate the comments of the gentleman on that question.

Mr. Speaker, I ask unanimous consent to have printed at this point in the RECORD two speeches by Donald Rumsfeld, Director, Office of Economic Opportunity, one on "The Role of Counties in Economic Opportunity Efforts," which was delivered on November 24, 1969, and the other on the "State Role in OEO," which was delivered on September 8, 1969.

The SPEAKER pro tempore (Mr. PRICE of Illinois). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(The speeches are as follows:)

THE ROLE OF COUNTIES IN ECONOMIC OPPORTUNITY EFFORTS

(Text of an address by Donald Rumsfeld, Director, Office of Economic Opportunity, presented at the National Association of Counties, Washington, D.C., November 24, 1969)

Mr. Chairman, distinguished participants in this conference, platform guests. It is a pleasure for me to be with you today. It represents, I think, a very important opportunity to open up a line of communication that perhaps on occasion has been a bit clogged.

This Administration has been in office now for approximately ten months. I have been in my position for six months, somewhat less.

The nation has seen during these first ten months of the present Administration a shifting of priorities, defense and military spending have been squeezed somewhat; domestic spending has been increased I believe something in the neighborhood of 13 percent. The trend during this Administration has been quite different from the trend in previous years.

A broad range of reforms has been offered to the Congress: welfare reform, draft reform, tax reform, postal reform, manpower reform, grant-in-aid reform, reform of the District Government, and changes in the social security legislation. The Ash Commission is looking at the entire Executive Branch of the Federal Government to see what changes, from an institutional standpoint, might be made so that government is in fact more responsive to the problems of hu-

man beings across this country than has been the case in the past.

There have been, of course, other proposals that are pending before Congress. One is the President's Message on Population, certainly one of the most far-reaching messages on this subject made by any President in the history of our country. In 1917 this nation had roughly 100 million Americans. In 1967—only 50 years later—the population had doubled to 200 million Americans, and in about 33 years, by the year 2000, we can anticipate reaching the third 100 million. In accommodating an additional 100 million human beings in this society, we all recognize the stress that will be placed on government, Federal, State and local.

As a matter of fact, to accommodate 100 million human beings, we need a new city the size of Tulsa or Jersey City, New Jersey (each containing roughly 250,000 people) every month from now until the end of the century.

The single most important problem we have is seeing that government does in fact work, work not for government, but for human beings, that it is responsive, that it deals with real problems and effects real changes.

The relationship between the Federal, State, and local governments, and the relationship here in Washington between the Executive and the Legislative Branches, is of course very important. I have received letters during my brief time in the Executive Branch from people concerned about red tape, about bureaucracy, concerned about the number of checkpoints, the time lag between requests, the difficulty in plugging in to see that this maze of programs in fact finally reaches people.

One of the things I would mention, since we are in the Congressional Room, is the fact that it is now November 24th and only three or four out of thirteen appropriation bills have passed the Congress. Those appropriation bills provide funds not for next fiscal year but for the fiscal year that soon will be one-half over.

Our agency, for example, is in the process of tripling the normal amount of administrative work because we are unable to fund for a full year. Our appropriation bill is still pending in the Congress. We will be lucky to have it by late December. And it may be early January before we receive our apportionment from the Bureau of the Budget and know at-that-point precisely how much money we will have in each particular category and what restrictions or limitations might be placed on it. That means that the fiscal year will in fact have been half over before we will be able to deal with the grantees and the contractors with any precision or real knowledge.

I think it is rather clear from that that one of the important things that needs to be done if we are to make government more responsive is to hope that the Congress as an institution in fact undertakes those changes that are necessary to ensure that it is able to cope with the problems of the late 1960s and early 1970s.

An operation that is functioning under rules and procedures that are better suited to the 1940s certainly is not going to be able to provide adequately for this country to meet the challenges and demands ahead.

Turning to the Office of Economic Opportunity, it is important to recognize that there have been some problems. When this statute was passed, the Congress and the Executive Branch said to the American people, this is a new institution we are creating; this is a new activity. We are seeking the participation of the poor. We are seeking their involvement in the planning, in the administration, in the conduct of programs. It is important for us to recognize that that was the mandate and that if, in retrospect, one is critical of the style of that participation, then I think the answer is not to throw the

baby out with the bath water. On the contrary, the answer is to see that people from all segments of society are involved and participate and help to provide the kind of balance and contributions required so that society can gain the maximum from these programs.

I am the first one to admit that the President of the United States probably could have gone up 10 points in the Gallup Poll if he had possibly abolished the agency. But he didn't. And the reason he didn't is because he feels very deeply that the institutions of this country are not functioning as perfect problem solving mechanisms, that we have not solved all the problems of this nation and that in fact in some instances possibly we have even tended to aggravate a few because of the unresponsiveness of institutions both in the public and private sector.

What is OEO, the Office of Economic Opportunity today? Well, thinking of it from the quantitative standpoint you can say that it is 962 community action agencies, private and public local agencies spread across the country that receive funds, hire people and then proceed to be involved either actively themselves or through delegate agencies in a variety of programs; 600 legal services offices; 91 migrant programs; 200 programs for older persons; 49 neighborhood health centers; 230 family planning programs involving some 350,000 women; 475 emergency food programs; 250 research, development and evaluation activities; some 15 economic development activities; close to 6000 VISTA volunteers; and a variety of other activities—rural loan programs, for example Head Start, and so forth.

It is important to remind ourselves that unlocking the potential of individuals has to be a cooperative effort if any of us are to be successful.

There was a good deal of rhetoric, of course, about the Office of Economic Opportunity being the war on poverty, and of course there were words used such as "total victory," "eradicate poverty," and, indeed, this has not happened.

Well, I am here to state that the Office of Economic Opportunity is not the war on poverty, and in fact no one agency or level of government is the war on poverty. The nation's effort to deal with the problems of the poor is a continuing one. It is one that involves, to be sure, the Office of Economic Opportunity as the only agency of government that has as its sole function the problems of the poor, but it also involves other departments and agencies. It involves the Federal Government, State Government, local government and certainly the private sector.

Certainly an understanding of the need for a cooperative role must begin with our agency, assigned as it has been by the President and the Congress, with the central role in achieving the goal of full economic opportunity for our fellow citizens.

To carry out the role, we have recently tried to more sharply define our goals and to reorganize the agency to achieve these specific goals. At a time when the nation has serious problems, we have to continuously review what it is we are doing in government, what it is that is being done in the private sector, and make some intelligent assessments based on good information as to what the real impact is.

Our approach is to develop better approaches, new approaches. Of course, one method that has been used on occasion is to develop a new program, initiate a nationwide effort and hope that it works. This, I don't believe is very sensible.

As you know from experience in recent years, such an approach can fail, and once a program, good or bad, gets started, it is very difficult to stop.

The President's approach reflects the lessons of the past.

The Office of Economic Opportunity, to be sure, will start new programs, as we are now doing, try them on relatively modest scale and if they work, fine, develop them, make them operational. If they don't succeed, terminate them and admit they don't work.

We need to make some sense out of what is a very complicated maze of programs, and bureaus and departments whose activities all too often lead to confusion and weakness by the time they reach the individual citizen.

To provide the capability for directing this new thrust our Office of Planning, Research and Evaluation has been reconstituted and substantially strengthened. It will look into programs that exist to determine their effectiveness, particularly as they relate to the poor. In so doing the agency will provide a regular source of information, an independent appraisal of Federal social programs that is not available at the present.

After a model for a new program has been developed, experimental efforts in connection with it will be the responsibility of our new Office of Program Development.

In describing these added responsibilities for the Office of Economic Opportunity, I don't want to leave you with the impression that the agency is turning itself into a test tube or abandoning programs. For example, the Office of Health Affairs has been strengthened. It will be increasingly concerned with improving methods for delivering health services so that all the poor will have better access to doctors, treatment and hospital care. The 49 neighborhood health centers represent one experimental effort in working in this direction.

Another strengthened component of the Office of Economic Opportunity is the Office of Legal Services. You have been reading a good deal about this, I am sure, since the Senate passed our legislation several weeks ago. The Legal Services program in my judgment symbolizes much of the mission of our agency. Justice for the poor, effective advocacy on behalf of the poor, orderly institutional change within the legal system.

Just as this agency represents the concerns and needs of the poor within government, so also the Legal Services program with its more than 1800 Legal Services attorneys across this country provides the poor with representation and advocacy before all institutions at all levels of government.

Now, I would guess that a lot of people in this room have been sued by Legal Services lawyers. In fact, most people in government have over a period of five years. And it can be irritating. And of course one can make a very fine superficial argument and ask, why in the world would the United States have a Congress to pass laws, have Federal, State and local officials to administer laws, and then turn around and pay somebody to challenge the administration of those laws. Doesn't that seem like a waste of money? And isn't it irritating when it happens to you?

Well, of course it doesn't take much effort to plow below that superficial argument and recognize the importance in our society of seeing that all citizens, regardless of their personal wealth or income, have access to certainly the most reasonable, the most legal, the most peaceful way to achieve the relief of grievances in our society, namely through the legal system. And, if a case is not sound or not valid, it falls. If it is sound, it prevails and then indeed it is proper in my judgment that the individuals in government or in the private sector make the necessary adjustments so that the laws are administered in a way that is just to all individuals.

I am concerned because recently the United States Senate passed an amendment that

conceivably could lead to a situation where millions of poor across this country would be denied the benefit of Legal Services programs.

I can see the superficial desire to not have the irritations and instabilities and occasional economic difficulties that result from a successful suit. But when anyone steps back and looks at the program as a whole and recognizes the urgent need in this society for all human beings to have access to the legal system, then I think it is a very compelling argument to see, that the very fine balance between local and State and Federal involvement in the Legal Services program is retained. And, that we don't run the risk of saying to a great group of people in this country that for a variety of reasons you are not going to have the benefit of access to the legal system.

Then, of course, there are the more than 960 community action agency programs serving some 2000 counties. And what of the other contributors, and what of their relationship to the Office of Economic Opportunity?

There is no doubt that in the past the Office of Economic Opportunity has not fully seized the opportunity to create a mutually beneficial relationship with State governments in devising, operating and improving programs dealing with the problems of the poor.

By its statute that tendency was built in. In some cases the feeling was in the first instance that government was the enemy—local government, county government, state government—and let's be honest, in some instances it was. But the important thing to remember is that such an approach is not geared to seeing that the maximum amount of resources from this society are focused on these problems. Indeed, I think it is important that the Office of Economic Opportunity recognize that today, at this point in history, should take those steps necessary to see that, to the maximum extent possible, State governments, county governments and local governments are given an opportunity to be participants in the activities of our agency.

There is a need. I think there is more than a need. There is a desire on the part of many county and local and State officials. During the past five years there have been a lot of changes in this country and a great many more people are concerned about the problems and anxious to be involved in them.

We have recently tried to take some steps that will open the door to greater State and local participation. We are making changes in our structure to assure closer cooperation with different levels of government. We have established a State and Local Relations Division in the Office of Operations in the Office of Economic Opportunity.

Of course the part of the effort to provide economic opportunity that you are mostly directly involved with is the Community Action Agency. We have been working on trying to complete a simplification of the guidelines used by the OEO in implementing the so-called Green Amendment, which affords State and local governments an opportunity to assume a greater role in these programs.

The major features of the changes in OEO regulations in this area will very likely be as follows. The kinds of programs which a Community Action Agency must be capable of conducting will be reduced so that minor statutory restrictions on a local agency's power will not prevent it from being recognized as a Community Action Agency. The requirement for a Community Action Agency to employ persons without any fixed upper age limit will be subject to waiver in cases where a public Community Action Agency delegates operating functions to other agencies.

Not everyone thinks of it this way, but the Community Action Agency is one of the nation's newest national institutions. It is also

one of the least understood. At its best it is an exceedingly useful institution.

Community Action has had a very adventurous past, as we all know. The rhetoric, the speculation, combined with promises of vastly increasing funding and also, of course, the difficulty when the promises of funding were not met, promises to the poor which in some instances led to some cynicism and uneven management in places—all these turned a degree of fame into a degree of notoriety.

In many instances the notoriety, in my judgment, was undeserved. Much has been accomplished by Community Action Agencies. We can, I think, all of us, see and document instances of important institutional reform and changes that have been made in terms of the delivery of services to the people of this country.

I believe that with some new directions—hopefully the ones we have established—Community Action will have a very constructive future.

Several weeks ago we established new policies for Community Action. Community Action nationally and locally is going to promise, I would hope, no more than it can deliver. It is going to concentrate on improving its internal management and setting clear goals.

Community Action leaders and employees have been asked to enlist the support and cooperation of local institutions and to use that support to strengthen the efforts to alleviate poverty. I believe that the building of better communications between local institutions will build alliances, and I believe that you as county government leaders will cooperate fully because we both seek the same goal, and that is to serve people.

Specifically, we are sharpening the objectives of Community Action. It is clear that CAAs cannot solve the whole range of inter-related problems of poverty in this country. They cannot plan, coordinate, operate service programs, develop creative new approaches, serve as advocates for the poor, negotiate, serve as a communications channel and deal with a multitude of agencies, governments and individuals, all at the same time. But they do have an important role, and that is to work with the whole system of public and private institutions in the country in individual communities towards finding and applying better means to deal with the problems of the poor, to help channel the human and financial resources of government and private agencies at all levels into action to help build effective communication bridges between those who should be working but may not be, to deal with the problems of the poor.

The real task of the Office of Economic Opportunity and the Community Action Agencies is not income maintenance. That is handled through the Department of HEW, and through our other income support type programs. And it is not to operate a complete duplicate system for the delivery of all services that affect all people. Rather, it is to find better ways of opening economic opportunity, of raising the capacity of individuals to participate in the economic life of this country. With your renewed cooperation I am certain that we can make progress toward that goal.

I don't predict that everything we want to do will happen overnight. But I will say this: as officials of counties you have an important role in the nationwide effort to reduce poverty and to help to provide economic opportunity for your constituents. This agency will work to see that you have the opportunity to perform that role fully and effectively. We want you to participate in the programs that we have and in the new programs that we are developing.

Frankly, we need your help. I urge those of you who serve on local boards for Legal Services programs, health programs or Community Action Agencies, or who have had an opportunity to serve but have not taken it—I urge you to serve meaningfully and to at-

tend meetings. I urge you to try to provide a link with the community as a whole, to help to provide a somewhat different input; to provide your viewpoints, your hopes, your aspirations and an understanding of your problems.

The activities and approaches and thrusts of these Community Action Agencies must have the benefit of that background, that experience and that concern. It is important. And in my judgment, in too many instances board members or potential board members have shied away and said, "Well, we are too busy," or "That is not my bag," or "I will let someone else do it." I do hope that each of you will give some thought to this.

John Gardner had a book titled "No Easy Victories," and I guess that is true. Leadership is not easy—your leadership, State leadership, Federal leadership.

John Gardner tells a story about leadership: There was a wife who reached over and read the fortune-teller's card of her husband as he got off the weighing machine after he had put a penny in. She read it out loud and it said: "You are a leader with a magnetic personality and strong character; intelligent, witty, attractive to the opposite sex." She turned the card over, looked at her husband and said: "It has your weight wrong, too." (Laughter.)

That kind of reminded me of myself. After I was elected to Congress, some individual who was completing his Ph.D. wrote a doctoral dissertation on Cook County politics. He was pointing out how each Congressional District tended to produce a very logical product, and I had the district that had the highest level of education, highest level of income and least unemployment of any district in the United States of America. He wrote that Rumsfeld was distinguished principally by his total lack of social, political and financial standing in the community. (Laughter.) I remember I woke my wife up and had her read it and said, "Can you beat that? That is just ghastly. How can anyone say that about me?" And she looked at me and smiled and said "Yes, but it is true." (Laughter.)

I guess what I am saying about leadership is that the Community Action Agencies have a leadership role, you have a leadership role, the States and the Federal Government have a leadership role, and we do live in a very complicated society. There is no one leader. If we as a society are going to walk through the coming months and years successfully, it is going to take the best of all of us. And I, for one, am very anxious to work with you and to encourage and hope for a maximum amount of participation by you in what I consider to be some very, very important programs that this nation is trying to manage to deal with the problems of the poor. Thank you very much.

STATE ROLE IN OEO

(Speech by Donald Rumsfeld at State Economic Opportunity Office Directors Conference, Washington, D.C., September 8, 1969)

As you are all well aware, we are midstream in a redirection and new emphasis for the efforts of the Office of Economic Opportunity.

The broad framework has been set down for the reorganization of headquarters OEO and we are now working the changes down through the individual divisions of the Washington and Regional offices. Although we are finding that reorganization of a government agency is a time-consuming, somewhat painful process, it is moving along with steady progress. When complete, the agency will be better structured to perform the pioneering role the President has outlined for us.

At the same time, we have launched a study of the regions so the expansion from seven to ten regional offices can be accompanied by a thoughtful reorganization of our field operations.

Other recent major changes have included

the delegation of Head Start and Job Corps and the elevation of Legal Services and Health Affairs to independent program divisions within OEO.

No less significant for the future of the agency in terms of productive change are the administrative steps we are taking to bring the states into a fuller partnership with OEO.

It has become increasingly clear in my first months in office that the resources available at the state level have not been brought to bear as fully as they might have been in the effort to build routes out of poverty.

The states have much to offer, yet they cannot contribute effectively without the opportunity for more meaningful participation. James Martin, representing the National Governor's Conference and the Council of State Governments in testimony before the House Education and Labor Committee last April, made this case. He pointed out that no new legislation is required because the existing OEO legislation provides in 15 instances for an active state role. But he added that full participation has not been encouraged by OEO officials.

In the future, there will be encouragement.

I sent a letter to your governors last week asking for their assistance in marshalling ideas and resources for the development of economic opportunity. Coordination and cooperation between OEO and the governors' offices are vital if we are going to enable underprivileged Americans to join in the economic benefits of our society.

Words like coordination, cooperation, and participation can easily become lip-service phrases surrounding a policy of inactivity. But I intend to see that these words mean what they say in relationship of OEO to the states. There will be fuller consultation with the governors in OEO matters affecting their states.

This new posture for OEO is consistent with the overall Administration policy of giving states a greater share of the responsibility for the operation of government programs in our federally-structured system.

This reversal of the trend of three decades was a key point in President Nixon's speech to the National Governor's Conference in Colorado Springs last week. He said, "Washington will no longer try to go it alone. Washington will no longer dictate without consulting."

Regarding OEO, the administrative authority provided for in the Economic Opportunity Act will be exercised. After careful study and review, I have decided to take several steps to strengthen the state contribution to the poverty program.

Some of these changes are spelled out in a completely revised OEO instruction on the role of the State Economic Opportunity Offices, a draft of which will be mailed out to you and your governors for comment shortly. Among the changes are:

Greater involvement of the SEOOs in the regional funding plans for OEO-funded programs within each state.

Systematic consultation with the SEOOs in the training and technical assistance process.

Fuller participation of SEOOs in the monitoring and evaluation of OEO-funded programs.

A requirement that Regional Offices work out a joint agreement with the SEOOs on the coordination of field personnel activities.

Increased emphasis on the role of the SEOO as a mobilizer of state resources for use against poverty.

A clear statement encouraging a more important role for the SEOOs in state government.

Under active consideration are proposals for:

Achieving adequate staffing for SEOO offices.

Greater use of states for research and demonstration projects in areas where they have special expertise.

In-service training for OEO personnel on the workings of state government and, vice-versa, for SEOO personnel on the workings of the Federal government.

Where the added responsibilities imposed on the state offices require more staffing and resources, and where innovation and effectiveness have been shown, we will attempt to increase the budgets of individual state offices.

Some steps have already been taken in recent months to upgrade the relationship between SEOO offices and OEO. They include:

The initiation and funding of a program of poverty-oriented state planning grants in ten SEOOs.

Three pilot projects for State Special Technical Assistance (State/STAP) Programs.

An effort to strengthen the checkpoint system for processing grants.

A directive has been written and will be sent shortly to the regional offices and contractors for training and technical assistance. It sets forth their responsibilities for working with SEOOs in this area.

Another program which will receive major emphasis in the coming months is the Federal-State-Information Exchange System. As a result of a recent decision, this method of linking Washington and the states is being expanded to include half of the 50 states, and it has bright prospects for still further expansion.

In short, we are seeking a wide variety of ways to put substance into the oft-used phrase "a more meaningful role for the states." Details on the steps taken and those to be taken will be available in the immediate future.

Our firm intention to make the state-OEO relationship a day-to-day working partnership is also reflected in the reorganization of the headquarters office. Instead of an isolated office for state relations on the staff level, the new structure places the state liaison office directly in the major decision-making process of the agency.

A new State and Local Government Relations Division is being established in the Office of Operations. This means the views of SEOO directors will be heard in the development of OEO operating policy and procedure, since the Office of Operations will be headed by a presidential appointee with responsibility for most of the field activities of the agency. SEOO contributions will be fed directly to the man making the key decisions for field operations.

Another administrative action of importance to the states is the revision of the guidelines implementing the Green Amendment. We are presently working on new guidelines to rewrite the language which has been construed by some to have inhibited the use of the amendment by the states.

These changes all move in the direction of more effective working relationships for the states with OEO. But this is not the final word on this subject.

In two months, a nationwide evaluation of the SEOOs by the Midwest Research Institute will be completed. That study, along with the consultation I recently invited in my letter to the governors of the 50 states, will be carefully reviewed with an eye to still further improvements in their relationships.

Our partnership will not be static. I am confident that it will continue to evolve as better ideas are found to make the Federal-regional-state-local system work more effectively for the benefit of the poor.

Mr. STEIGER of Wisconsin. Before yielding back my time or yielding to any Member who has questions about any statements I have made, I should like also to ask unanimous consent to have printed

at this point in the RECORD the statement on behalf of the National Governors' Conference and Council of State Governments by James L. Martin, Assistant Director, Office of Federal-State Relations, National Governors' Conference, in testimony before the committee. I think that testimony will be helpful.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The statement is as follows:

STATEMENT BY JAMES L. MARTIN

Dear Mr. Chairman and Members of the Committee: I am most grateful for the opportunity to present to you the views of the Governors and other state officials concerning the role of the states in the programs of the Office of Economic Opportunity. I have enclosed copies of the letters we have received and suggest that the individual letters be examined for comments on specific and detailed issues. In addition, I encourage you to correspond directly with the Governor and legislative leaders of your home State.

Daniel Yankelovich, Inc. recently completed a national study on the implementation of the Green Amendment. The study included interviews with 35 state officials. I have enclosed a copy of the Yankelovich conclusions on views of state officials, which support the views received from the Governors.

All respondents agree that the local Community Action Agencies should be retained because they have provided a means of participation for the poor in the programs designed for their assistance. All state comments, however, followed the general conclusion of the G.A.O. report and asked for more planning, coordination, and evaluation, especially at the state level.

PAST EXPERIENCE

Past experience reveals that the State Economic Opportunity Office (SEOO) has had little authority, little administrative control and no meaningful role in the financing and evaluation of local projects. The Governor's veto, although better than total by-passing, is a negative role. The Governors much prefer a positive partnership role to help develop statewide programs, but with appropriate administrative authority. If the states role is not expanded in a positive manner then the Governor's veto should be extended to all sections of the Act.

There has been a lack of funds for state programs with OEO preferring to fund projects through universities, private consultants, and non-profit groups rather than the SEOO. The states have had no say-so in the allocation of OEO funds within the state because OEO has preferred a project-by-project approach rather than a coordinated state program based on federal guidelines and appropriate measures of need. This problem seems acute in most rural areas.

Perhaps the most serious problem of the past has been a lack of OEO cooperation with the states for the coordination of social and human resources for the benefit of the poor. The large involvement of state government in human resource planning, private and state economic development programming, sub-state regional planning and state grants and services to localities (\$35 billion state expenditures in FY 1968) makes OEO-state cooperation and joint administration of programs essential to an effective anti-poverty effort.

RECOMMENDATIONS

The states have made specific recommendations for more state participation in the planning, coordination and administration of the OEO programs. Most, if not all, of these expanded state responsibilities are now authorized in the OEO Act. There are over

15 specific sections of the Act that provides for a state role. The states feel that OEO personnel have never encouraged the implementation of these sections (copy enclosed).

PLANNING

Many of the states feel that the OEO program should be administered on a state-by-state basis. These same states feel that state administration should be conditioned upon (1) a statewide social development plan and (2) observance of federal guidelines to protect the interests and participation of the poor. Some states are willing to assure a portion of the local non-federal financial costs. At a minimum states should participate with local agencies in the early stages of application preparation and not after OEO has already approved the application.

COORDINATION

One of the crucial needs in the federal system today is the development of state and local delivery systems for the coordination of federal, state and private programs. The states have already established local machinery for economic development activities, comprehensive health planning and regional planning. The OEO programs should attempt to use these existing systems and be coordinated with other federal programs such as Appalachian Districts, Economic Development Districts, Agricultural Development Districts, and HUD Planning Districts.

Several states suggested that OEO programs become the social development arm of state designated multi-jurisdictional regional planning agencies. This is most important in non-urban areas. Multi-county rural planning agencies, primarily composed of local officials, could be the major delivery system for rural areas as model cities could be in cities; both could use the CAA as their human resources arm with maximum citizen participation. Other federal programs for economic development, soil conservation and rural development loans could also use the state designed multi-county planning agencies as the primary "delivery system" for federal aids in rural areas.

The State Economic Opportunity Office or an interdepartmental council designated by the Governor should be given the responsibility, finances, and authority to coordinate existing state level programs and services for the poor such as schools, hospitals, and clinics, employment offices, housing authorities, inspection divisions, planning agencies, welfare agencies, law enforcement agencies and many others. This would not be a super-department but a coordinating and service agency to the existing state departments, directly responsible to the Governor.

ADMINISTRATION AND FINANCE

The states seek a greater role with the federal government in administration of OEO. More funds should be allocated to the state agency for program development, especially for coordination, training, technical assistance and special services such as health, legal-aid, manpower development, housing, and migrant programs. The state should participate in the allocation and approval of funds distributed within the state. OEO should use state and local personnel to administer the program rather than building up OEO employees in the regional and field offices. States complain about the high turnover rate of OEO employees compared with state and local employees.

Unfortunately the attitude of OEO officials has not encouraged state involvement in their programs. This has been especially true in some regional offices and therefore an "in-depth" personnel change may be necessary to change this situation. Regional OEO offices have refused to give SEOO's copies of evaluation reports under section 233. The states feel they should be an active participant in the evaluations, not just receive copies of evaluation. OEO regional offices have generally refused to give states training

funds under Section 129 and 231 preferring non-profit and university sponsors. The same is true for migrant services under Section 312.

The recommendations of the states concerning the OEO programs are all positive. No state even suggests that the programs be abandoned, none suggests that the states "take-over" the program and those states that desire to administer the program agree that federal guidelines to protect the interests and participation of the poor, state financial assistance, and state planning and coordination machinery are prerequisites to state administration.

Thank you for the opportunity to present the views of the Governors and other state officials. I shall be glad to assist you in any additional way you suggest.

Mr. STEIGER of Wisconsin. It is interesting, I believe, to note that actually, as the statement of the Governors' conference points out, there are a number of areas in which today, under the Economic Opportunity Act, the States can participate. That has not been done as well as it should have been by the previous administration, and this is one of the reasons that there have been changes in the Office of Economic Opportunity. There has been a reversal of the attitude that States and local units of government were the enemy. Today they are not. They are not considered such by the Office of Economic Opportunity and the staff.

Mr. Speaker, I also ask unanimous consent to have printed at this point in the RECORD resolutions adopted by the board of directors of the National State Economic Opportunity Office Directors' Association on February 19, 1969, because I think that, too, will be helpful to my colleagues as they consider the implications and the ramifications of the substitute amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The resolutions are as follows:

RESOLUTION

Whereas it is generally recognized that successful implementation of any governmental program requires total involvement of all levels of government—national, state and local, as well as the private sector—and

Whereas there has been full opportunity and legislative authority for OEO to significantly involve States in both planning, support and implementation of such programs, and

Whereas the Office of Economic Opportunity, with some notable exceptions but as a general rule, has tended to avoid formal involvement of the States in the planning, coordination and administration of the Economic Opportunity Act of 1964, as amended, and

Whereas this attitude by OEO at all levels has resulted in a gradual debilitation of early support of many States for OEO programs and efforts, and

Whereas, as a general rule, States have not only demonstrated responsibility in the effective utilization of the Economic Opportunity Act of 1964, as amended, and other related resources, but have also developed a proven capability to plan, coordinate and administer such programs,

It is hereby recommended that the Executive and Legislative branches of government consider the following recommendations concerning the role of the States in administering the Economic Opportunity Act of 1964, as amended:

1. The role of the State Economic Opportunity Offices in the coordination of State activities on behalf of the poor should be strengthened by broadening their operational level. We urge the strengthening of these provisions as outlined in the Economic Opportunity Act of 1964, as amended.

2. Consistent with increased responsibility for program planning within its borders, a State must also be given a broader role in the funding process, and funding commensurate with this broader role. Distribution of Federal anti-poverty funds in concert with State Economic Opportunity Offices and/or block funding to the States could provide this broader role. If this procedure is to be followed, then the distribution of funds, both to the States and within the States, should be on a formula basis, based upon appropriate measures of need such as population, inverse per capita income, and tax efforts, in accordance with the principles of the Economic Opportunity Act of 1964, as amended, rather than on a project-by-project basis with most decisions made at the national level; and with the following provisos: (1) The existence of a comprehensive State social development plan, and (2) Observance of Federal guidelines that protect the interests and participation of the poor.

3. It is the recommendation of the SEOO Directors that further consideration should be given to the strengthening of the limited veto power of the Governor of each State by strengthening the SEOO staff so that it can make that power more effective, and by extending the limited veto to Title I-B, Title III-B programs and to grants made to institutions of higher learning.

4. State Economic Opportunity Offices should be provided sufficient funds to permit the hiring of qualified training personnel, thus enabling them to assume leadership in this area as an essential part of their technical assistance function.

5. We urge the Administration and Congress to support the philosophy of the Economic Opportunity Act of 1964, as amended, the Community Action Agencies and the Community Action process. In the event that programs previously assigned to OEO may be transferred to other departments or agencies, we strongly urge that such transfer be subject to agreement that the programs will continue to operate in accord with the principles of the Economic Opportunity Act and particularly the principle of maximum feasible participation of residents of the areas and members of the groups to be served.

6. Finally, the SEOO Directors recommend support of the national policy expressing the need for a federal, state and local structure and system for providing a focus on the special needs of the disadvantaged as well as a viable structure for mobilizing, coordinating and directing resources and attention toward these special needs.

Mr. STEIGER of Wisconsin. Mr. Speaker, I have tried in this time to point out the fact that this agency has changed, that this agency is not the same one about which there has been argument in the past.

Though I fully recognize and fully concur that not all the mistakes have been done away with and not all the corrections have been made that I personally would like to see made, I have confidence in the Director of the Office of Economic Opportunity and in the Nixon administration in their efforts to try to improve the Office of Economic Opportunity. It is a redirected office. I believe it is a restructured office.

Most of the controversy which will come about the substitute, as the gentleman from Minnesota knows and as the

gentleman from Connecticut knows, is going to come on the question of the State plan. This is the key issue. This is the one thing about which I have the most serious questions and reservations.

As I read through the substitute amendment much of what is in here I believe is defensible and quite good.

I do not necessarily like the change in terms of the wording about finding that disapproval of such application would seriously weaken the overall program plan of a community action agency. I believe some language to correct that might well be in order.

The community action agency amendment, section 301, it seems to me is a reasonable step to take.

I have questions about the defending of law suits amendment, section 302; the alcoholic recovery program; the Armed Forces family program; the authorization of a State audit are all good. The prohibition of political activity, as I indicated in colloquy with the gentleman from Minnesota earlier, is one I do have questions about. Those questions may well be resolved by his answers to my questions.

The antiriot provision seems to me to make good sense.

On the Upward Bound program amendment the gentleman from Oregon and I might well agree.

On the evaluation of programs of the Office of Economic Opportunity, I really do question what that is all about and why the Comptroller General ought to be involved in this program. I am as yet unclear as to the intent of that section and would appreciate any clarification and comment any of the authors of the substitute might have.

I believe there has been a problem, I say to the gentleman from Minnesota, on the question of evaluation. I ask unanimous consent to include in the RECORD at this point a statement which was prepared by the Office of Economic Opportunity which discusses evaluation at the Office of Economic Opportunity. I also want to include a discussion of the auditing procedures.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The statement is as follows:

EVALUATION AT THE OFFICE OF ECONOMIC OPPORTUNITY, DECEMBER 2, 1969

Since the passage of the Economic Opportunity Act in 1964, the Office of Economic Opportunity has initiated a number of innovative programs designed to reduce poverty. In their actual operation, many of these programs have been among the most controversial in the Federal Government. Whenever innovative and controversial programs are undertaken, it is natural to ask: "Are these programs any good? Do they work? Are they helping to eliminate poverty?"

When those questions have been asked the answers that have been forthcoming have not been very impressive. They have typically been in the form of rhetoric rather than fact. As with so many of our domestic programs, questions about their effectiveness have brought forth a great deal in testimony and anecdote but very little in hard statistics and objective studies. There are many reasons for the absence of hard, objective evaluations of both the poverty and non-poverty domestic programs. Some of these reasons are defensible, others are not.

The purpose of this brief paper is to indicate what the Office of Economic Opportunity is doing in the way of evaluating its programs now. In 1968 the deficiency of hard, objective, and quantitative evaluations of the anti-poverty programs which could be useful for making decisions, forming policies, and allocating resources was recognized and some steps were taken to correct it. The new Administration is placing even greater emphasis on the importance of evaluation and is expanding the evaluation function even further:

A central evaluation division now exists which reports directly to the Director of the Office of Economic Opportunity. This division is staffed with professional social scientists, economists, and systems analysts whose job it is to design and monitor the conduct of methodologically rigorous national evaluations of the effectiveness of all the EOA programs (both those administered by the Office of Economic Opportunity and those delegated to other agencies). Both the staff and the budget of this division are being expanded.

In addition to this central evaluation unit which designs evaluations of the overall national effectiveness of all programs, each of the major program offices—VISTA, Legal Services, Health Affairs, etc.—has an evaluation staff and ample budget of its own for carrying out evaluations which relate to the more day-to-day operational problems.

For evaluations of total program effectiveness, the staff of the Office of Economic Opportunity designs the evaluation and the actual fieldwork is carried out by nationally known, independent research organizations who are selected for their work by means of the competitive bid process. These organizations carry out the actual work of the evaluation and submit their own final report which is available to the public. This method of internal design and close monitoring coupled with independent outside fieldwork raises the likelihood that evaluations will be relevant to policy, sound in method, and completed on time. At the same time, it makes it less likely that such evaluations can be regarded as subjective or self-serving. These studies involve the use of national samples and the collection of data on such things as educational gains, use of health services, types of training received, employment and income gains, etc. They are not carried out by hand-picked friends of the program. The one major evaluation which has been completed under this program—that of Head Start—found results which were essentially negative regarding Head Start's impact on the cognitive traits of children.

During the past several months, major national evaluations of the following anti-poverty programs have been initiated and are in various stages of completion:

1. A comparative evaluation of five manpower programs—Job Corps, NYC out-of-school, MDTA Institutional, New Careers, and JOBS.
2. Head Start.
3. Title I-D Special Impact Programs.
4. Community Action Agencies and their effect on institutional change.
5. Upward Bound.
6. The Family Planning Program.
7. Neighborhood Health Centers.
8. Legal Services.

As indicated above, these studies all involve careful research design intended to provide both methodological rigor and policy relevance. They typically involve: (1) the determination of the extent to which the program in question are reaching the poor; and (2) the collection of quantitative data on both a national sample of program participants and a comparable control sample of nonparticipants. When completed these studies will be available to Congress and the public and are expected to provide one of

the primary bases for the determination of policy and the allocation of resources in the Government's anti-poverty efforts.

As these new evaluation activities become established, we plan to go beyond them and implement the President's directive "to establish a research and evaluation office capable of government-wide evaluation." This will involve our initiating evaluations of the non-EOA programs which have major anti-poverty objectives or are aimed primarily at the poor.

In conclusion, while it has not been possible to know with much confidence the extent to which our programs were reaching their target populations or the extent to which they were having anti-poverty effects—such as increasing children's school readiness, delivering health services to the poor, or increasing the employability of ghetto youth—we now have an evaluation program which we believe should help give us some of the answers to these difficult questions. We share the Congress' view concerning the importance of evaluation and we have taken steps to make it one of the most important management activities at the Office of Economic Opportunity.

Office of Economic Opportunity grant funds are protected by a complex series of safeguards, including the use of independent CPA firms. There is absolutely no way that OEO could control the findings of these firms. A detailed summary is included at this point.

WATCHING THE OEO GRANT DOLLAR—FINANCIAL AND MANAGEMENT CONTROLS DURING LIFE CYCLE OF OEO GRANT

1. Before funds are made available to a new grantee or delegate agency the following actions are taken:

- (a) Grantee must submit a certification from an independent public accountant (or chief financial officer for a public agency) attesting to the adequacy of its systems of accounting and internal financial controls.
- (b) Grantee must submit evidence of fidelity bond coverage of grantee officials with access to grant funds, or that the funds are administered through a public treasury of a local or state government.
- (c) Grantee requirements for property and supplies generally are limited to the cost needed to obtain these requirements from Government sources (e.g., GSA). This has resulted in substantial savings to the government.

(d) Grantees funded by Federal Researches System letters of credit are limited to cash withdrawals to meet short term needs. Grantees funded by check receive grant funds in installments. Substantial savings in interest costs to the Government result from this procedure.

(e) Salaries for grantee personnel generally are limited to levels paid for comparable jobs in the grantee's area.

2. After a new grant is made to a new grantee or delegate agency the following actions are required:

- (a) Within three months, a preliminary audit survey of the accounting system and financial controls is required.
- (b) The Director of OEO determines, on the basis of the survey whether the grant should be continued or suspended.

(c) If the grant is suspended, the grantee has six months in which to correct his financial system and controls to meet OEO standards. In the event the grantee fails to meet the OEO standards within this time period, assistance is terminated.

3. During the life of the grant, periodically:

- (a) At least annually, all grants must be audited by an independent public accountant to assure the continued adequacy of the accounting system and internal controls, and compliance with the general and special grant conditions and other OEO requirements.

(b) OEO inspectors independently or in conjunction with OEO auditors and other officers, scrutinize any noted situations of

fraud, theft, or other misappropriation of Government funds and property.

(c) Financial reports must be submitted by grantees to OEO for appraisal as to the relationship between program and financial progress, and to evaluate cash drawdown on Federal funds and rate of non-Federal contributions.

(d) Grant costs and related operations (including results of audits by independent public accountants and OEO auditors) are subject to audit by the U.S. General Accounting Office, an arm of the U.S. Congress.

4. Upon termination or completion of a grant, a final audit is required of grant costs and related operations.

Mr. QUIE, Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am happy to yield to the gentleman from Minnesota.

Mr. QUIE. I thank the gentleman for yielding.

The gentleman undoubtedly is familiar with the problems of evaluation in the past and the tremendous amount of money expended for evaluations that we did not do any good. We need some kind of a direction.

The Comptroller General had certain recommendations for evaluation in his reports on the various Economic Opportunity Act programs that he evaluated since we provided the authority in the amendments of 1967.

This is an attempt to fashion that after the recommendations which he has made, and to permit him to give some direction to the total evaluation of the program, which will be the main responsibility of the Director. We feel that this will be the mechanism to enable us to do it without getting into the same difficulty 2 years from now we were in 2 years ago, in case the evaluation does not turn out.

Mr. STEIGER of Wisconsin. I say to my friend from Minnesota, this was one of the things about which the new Director has been most concerned, the really very bad kind of evaluation that has been carried on in the Office of Economic Opportunity for which many millions have been expended since 1964. I recognize full well that difficulty.

I raised the question with the gentleman because I wanted to get from him an explanation, which I had not had before, about that particular section.

The prevention of conflicts-of-interest section I believe seems reasonable. I believe that it is consistent with the provisions now applicable under the Department of Defense.

On the payment of dues, I assume that is aimed at the National Association for Community Development. I wonder whether or not it goes beyond the intent of the authors of the amendment. I believe perhaps that is one we might look at, to find out whether there is any room for modification. I am not sure, if I read this correctly, what would happen if one wanted to join the Association of CAP Directors or the Wisconsin Welfare Association.

I can think of many very good organizations which ought not to be prohibited as we do in this language, from having CAP agencies on their personnel become a member.

Mr. QUIE. Our purpose was that the funds that have been allocated for programs or for research and pilot programs rather than just operating programs should not be then used for associations and they should not use those Federal funds on programs to pay dues to associations and then those associations turn around and come back and lobby the Congress with them. We felt it was unwise. If individuals want to use moneys out of their salaries to belong to any associations they want to, that would be up to them.

Mr. STEIGER of Wisconsin. May I say to the gentleman is this identical to any other provision of law?

Mr. QUIE. No, I would not tell you that.

Mr. STEIGER of Wisconsin. In other words, are you saying—if I heard you correctly, are you saying that a federally funded program ought not to belong to an association? If you are talking about lobbying, that is one thing. I have language I will be happy to discuss with the gentleman—and in fact he has seen the language—that gets at the problem of using Federal funds to lobby Congress, which I agree ought not to be done. But as to the question of the payment of dues, I really wonder.

Mr. QUIE. We felt that they should find other sources than Federal Government money. I have gone through this legislation and we never intended any of the program funds we have authorized under this act should be used as dues for an association. If they can convince the local community to put up the money so that they can pay their dues, it is up to them, but not use Federal money for it.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's comments on that. I think that is useful and, in fact, I may well decide you are absolutely right.

Mr. Speaker, I want to include at this point in the Record a list of the major steps that have been taken in recent months by the Office of Economic Opportunity to strengthen State involvement in antipoverty efforts.

In terms of what has been done it is useful to get some kind of a reading of what steps have been taken. The material follows:

STRENGTHENING STATE PARTICIPATION

The following list includes a number of major steps which have been taken in recent months by the Office of Economic Opportunity to heighten State involvement in antipoverty efforts:

1. A new Division of State and Local Government has been created and made directly responsible to the Assistant Director for Operations, who is a Presidential appointee. This office will help promote more effective relationships between state governments and field operations.

2. Within headquarters, the Associate Director for Congressional and Governmental Relations will have responsibility for maintaining effective liaison between the OEO Director and the 50 governors and the National Governors Conference on matters affecting OEO and state relations generally.

3. An increase of nearly 30 percent in the basic funding level for State Economic Opportunity Offices has been included in the Administration's Budget request for FY 1970.

4. A complete revision of the OEO Directive on the "Role of State Economic Oppor-

tunity Offices" is being circulated to the Governors for review and comment (copy attached). It provides for:

A. Greater SEOO involvement in the preparation of the annual Regional Office funding plan for each state;

B. SEOO participation in the monitoring and evaluation of OEO grantees;

C. A strengthened checkpoint system to insure opportunity for the state to comment in the early stages of the grant application process;

D. Encouragement of State Economic Opportunity Offices as potential grantees for demonstration or pilot programs;

E. Systematic consultation with the SEOOs in the training and technical assistance process;

F. A requirement that Regional Offices shall work out a joint agreement with the SEOOs on the coordination of field personnel activities between the two offices; and,

G. Increased emphasis on the role of the SEOO as a mobilizer of state resources for use against poverty and as an advocate for the interests of the poor.

5. Preliminary discussions have been held with, and proposals have been received from, a number of SEOOs with regard to innovative and experimental programs at the state level that they would like to undertake in a variety of areas. These include program evaluation and monitoring, analysis of state human resources programs from the point of view of their impact upon the poor, techniques of tapping private sector resources in the state for the poor, devices for coordinating state programs, economic development as a means to open-up job opportunities for the poor in rural areas, techniques of ensuring consideration of the need of the poor in state development district planning activities, and etc. Plans are for at least 10 such demonstrations to get underway during Fiscal Year 1970.

6. A State/Special Technical Assistance Program (STAP) has been initiated in three states. This program provides additional technical assistance staff capability to the SEOOs in such specialized areas as manpower, economic development and management. Plans have been made to extend this program to an estimated total of ten states during FY 1970.

7. A grant has been made to the Council of State Governments to provide technical assistance and other support to the State/STAP Program. (This is the first such grant that the Council has accepted from any Federal agency.)

The Nixon administration is philosophically committed to decentralizing Federal programs to the States and has taken steps in that direction. The President specifically did not request that step for the Office of Economic Opportunity, since doing so would subvert the thrust of the agency's programs. Director Rumsfeld has pledged to make the States' role in the poverty program more meaningful. But the Office of Economic Opportunity programs, by size and nature, are best handled through the system now in effect. The Office of Economic Opportunity is not a comprehensive manpower program, nor is it the Federal education program. It requires the flexibility not permitted by operating in the usual manner of Federal and State programs.

HIGH INTEREST RATES BLOCK PHILADELPHIA CITY BONDS

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous material.)

Mr. PATMAN. Mr. Speaker, high in-

terest rates are literally wiping out local and State governments throughout the Nation.

Jurisdiction after jurisdiction is finding it difficult—if not impossible—to market bonds at anything resembling a reasonable interest rate. In many cases, voters are simply rejecting bond issues because of the high cost of interest. Local tax bases will not support 6, 7, and 8 percent interest on tax-exempt issues.

As a result, thousands of worthwhile and badly needed projects are going by the boards. Schools are not being built, sewer and waterplants are being postponed, parks and recreational facilities eliminated because of the burden of high interest rates.

Today's edition of the Philadelphia Inquirer carries a detailed news story about the city of Philadelphia's inability to market tax-exempt bonds at the unbelievably high interest rate of 7½ percent.

This news story plainly points up the critical need to roll back the interest rates before local governments are destroyed.

Mr. Speaker, I place a copy of this news story in the RECORD:

TWO SYNDICATES REFUSE TO BID ON CITY BONDS, ASK 8 PERCENT INTEREST

(By Francis M. Lordan)

No bids were received Tuesday on \$64.2 million in general obligation municipal bonds approved by Philadelphia voters, because of a "low" 7.5 percent interest rate limit imposed by the city.

Mayor James H. J. Tate, notified of the development while attending a meeting of the National League of Cities in San Diego, Calif., vowed that he would "hold out for 7½ percent" despite pressure by financial houses seeking a minimum of 8 percent.

RATES WOULD RISE

"We will not be blackmailed into paying 8 percent," he said. "Eight percent is an exorbitant fee."

The bonds were approved for improvements to International Airport, the Gas Works and the city's water and sewage systems.

If the city had to pay 8 percent interest, Tate said, it could result in increases in the gas, water and sewer rates "for all the citizens of Philadelphia."

TWO NOT IDENTIFIED

Representatives of two financial syndicates were present at noon in the finance department offices in the Municipal Services Building, where bids were to have been accepted.

Spokesmen for both, who asked that they not be identified, said they had not bid because the interest rate was not high enough.

Three long-time officials of the finance department said this was the first time in their recollection the city had not obtained a bid on at least some portion of its bond issue.

ISSUES NAMED

The three issues up for bidding were: \$10 million payable in 15 annual instalments for Gas Works improvements.

\$35 million payable in 20 annual instalments for improvements to the airport.

\$19.2 million in 30 annual instalments for improvements in the water supply and sewage systems.

All three utilities are self-sustaining in that the debts would be repaid from the proceeds from fees paid by users.

DELAY TILL FEBRUARY

Deputy Finance Director James L. Ferguson announced at noon that no bids had been

received. He said the city would have to try to sell the bonds later.

Tate said no new bids would be sought until after Feb. 1, on the recommendation of City Finance Director Edward Martin and Morris Dorrance, chairman of the sinking fund commission, which oversees the retirement of the city's funded debt.

Dorrance is also president of the Philadelphia National Bank, part of one of the two financial syndicates that were expected to bid on the bonds.

STUDIES ORDERED

PNB was expected to bid in collaboration with the First National City Bank of New York. The second syndicate was made up of Drexel, Harriman and Ripley and the Chase Manhattan Bank.

The Mayor said he had ordered immediate analyses of the three bond issues to determine whether the projects can be delayed or the bond issues reduced.

The studies will be undertaken by the Gas Commission, Water Commissioner Samuel Baxter and City Representative S. Harry Galfand, the latter in the case of the airport.

TIGHT MONEY CITED

Tate said he had been assured by Martin that the city could "borrow on a short term basis" until Feb. 1 or perhaps beyond that date. "Until the money market straightens itself out."

"This is no reflection on the city's financial condition," said a spokesman for one of the financial syndicates. "It is the result of a tight money market throughout the nation."

"It does not have any bearing on the city's credit," said James Patterson, a director of the finance department's bureau of the budget. "It just means we put too low a rate on our coupons."

INCREASES CITED

In the last six months, he said, the average municipal bond interest rate has jumped from 5.68 percent to 6.58 percent.

In the last two weeks, he said, the average rate increased four-tenths of one percent.

One syndicate representative said the city would have to offer more than 8 percent to his firm to bid on the bonds.

Tate said paying an interest rate as high as 8 percent would have to be considered very carefully.

"This is a pretty excessive figure when you take into account that the bonds are for from 20 to 25 years," Tate said.

Patterson said last May the city had sold more than \$80 million in bonds at rates of 6.35 percent and 6.43 percent. He noted that bond rates across the nation were at a record high.

CONGRESS CONSIDERS PRE-SCHOOL EDUCATION

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, Congress is working on fewer new programs this year than in recent sessions, but there is considerable interest in one area—that of pre-school education.

Recent magazine and newspaper articles, and current hearings before the Select Subcommittee on Education of the House Committee on Education and Labor, reflect national concern with the need for new legislation in this field. I am pleased to include at this point in the RECORD my remarks at the opening of our hearings; an article from the November, 1969, Redbook; an article from the December 1969, Grade Teacher Notebook, and an article from Keeping

Up With Elementary Education magazine, fall of 1969.

These materials express the extensive national concern for pre-school education, which I hope will result in adoption by the present Congress of new programs such as those provided for in H.R. 4190, and H.R. 13520, my bills to expand and improve the services to all our citizens in the fields of pre-school education, day care, and child development.

The material follows:

STATEMENT BY REPRESENTATIVE PATSY T. MINK AT CHILD DEVELOPMENT HEARINGS BEFORE THE SELECT SUBCOMMITTEE ON EDUCATION OF THE HOUSE COMMITTEE ON EDUCATION AND LABOR, NOVEMBER 18, 1969

Mr. Chairman, these hearings on pre-school education are of critical importance and as one of the sponsors of legislation in this field I commend the Chairman of the Select Subcommittee for his leadership in calling these hearings.

H.R. 13520, which I am co-sponsoring with the Chairman of the Subcommittee, and Mr. Reid of New York is a comprehensive bill designed to benefit a broad segment of our pre-school children. I believe that parents all over the country are anxious to have programs in which they could enroll their young children.

Our bill introduces an entirely new concept into our educational system. It seeks to extend the benefits of early childhood education, to all pre-school children in our nation. Early childhood education involves programs which help the child to learn naturally, responding to his curiosity and inquisitiveness. We are told that between birth and age 4, half of all growth in human intelligence takes place; and another 30% occurs between the ages of 4 and 8. It is this learning period which is now largely neglected. We must reach our children early in life—even kindergarten may be too late.

Often, what is called "pre-school education" now is merely custodial care. The children are kept amused and fed, and put to bed. This is a tragic waste of time and money since during the period they are "captive" members of the group they could be exposed to learning which would help in their growth and maturity. This is what H.R. 13520 is all about.

My earlier bill H.R. 4191 which was the subject of hearings in the 90th Congress sought to improve educational services in existing public and private non-profit child day care centers by providing \$300 million per year for supplementary programs.

I am pleased with the opening of hearings on this important subject area. We shall have the benefit of many expert witnesses with diverse viewpoints and attitudes concerning this need in all areas of our nation. I look forward to the testimony of these distinguished witnesses who have been invited to appear. I am confident that their statements will help this Committee write a bill which will command wide support and appeal.

Thank you very much.

[From Redbook, Nov. 1969]

FIVE MILLION CHILDREN WITH PART-TIME MOTHERS—AND NOWHERE TO GO

(By Victor H. Bernstein)

"If an epidemic endangered this many children . . . no expense would be spared to find a cure," says the former director of the U.S. Children's Bureau. Yet a solution is at hand—an inexpensive one. Then why have we waited so long to use it?

In our national capital recently I discovered some astonishing statistics about young American mothers and their children. Nearly half of all American mothers have jobs.

Two of every five working mothers have children under six.

Nearly 5 million children under six have part-time mothers, mothers who have full or part-time jobs. Of these children a half million are left to shift for themselves while their mothers are at work; most of the rest get what educators would call "inadequate care."

Even these facts do not tell the whole story. By 1980, 5.3 million mothers between 20 and 44 with children under five will be working. This means that in the next decade there will be a proportionate rise in "job-neglected" children.

The full significance of these statistics can be appreciated only in the light of the belief, held by a majority of educators and child psychologists, that the critical, formative years of a child's life are from birth to the age of five. It is no wonder that Mrs. Katherine Oettinger, former director of the Children's Bureau of the Department of Health, Education, and Welfare, voiced despair after scanning the figures. "If that many children were endangered because of some sort of epidemic," Mrs. Oettinger said, "the country would be up in arms. There would be loud cries for a vaccine; certainly no expense would be spared to find a cure."

But is there a cure for this particular social ill? By all accounts the answer is a resounding yes. It lies in making the day-care center for the preschool child as much a part of our educational scene as the public school. Such centers, experts emphasize, would have to be open a minimum of seven hours daily, and over and above their custodial function they would have to provide the child with a program of activities specifically designed to help him develop all his potentialities.

So we know the problem and we know the cure. What is holding us up? Why must several million children continue to suffer because their mothers must work—or choose to work? It is to these questions that this article is addressed.

When we talk in terms of millions—whether of miles, dollars or children—the mind begins to boggle. So let's begin by talking in terms of a few dozen children. In the small Connecticut town where I live, a recent sketchy survey by a group of concerned citizens showed the need for day-care facilities for 82 children. The survey covered some, not all, of our working mothers. It did not include mothers on welfare, or mothers not on welfare who might have been happy to add to their family income with full or part-time jobs if provisions could be found for their youngsters.

I can bear witness personally to the last category. Not long ago I received a letter from a friend, a young mother trained as a nurse, who wanted to move to our town and take a job at the local hospital. "But of course," Mrs. Ames wrote, "I can't take the job unless we can find a proper place for Freddy, who's three years old, and Betty, 20 months."

Unfortunately the two commercially run nurseries in our town are already filled to capacity, and in any case are not geared to take children for more than three or four hours daily. There's no one in town licensed to give children "in home" care; and even if Mrs. Ames had been satisfied with a maid or baby sitter, they are as hard to find here as elsewhere.

The group of townspeople who conducted the survey of local working mothers, uncovered another important bit of information. A good day-care center must be at least partly subsidized if it is to be of use to anyone except the children of the rich. (As I learned later, the cost of maintaining a child in what the Federal government would call an "acceptable" center is \$33 per week. If the center adheres to "desirable" standards, the cost rises to \$46

weekly. Commercial day-care centers charge anywhere from \$10 to \$50 weekly; with rare exceptions the low-fee centers offer only custodial care.)

So I went to Washington (and to New York) to find out whether Federal tax money might be available to help subsidize a decent center for the 82 children of any community plus maybe Betty and Freddy. I immediately discovered two surprising facts. The first sounded hopeful: In official Washington more was being said about the problem, and more was being done, than I had anticipated. The second was indeed discouraging: The problem was infinitely greater than I had thought, and compared to the needs, what was being done seemed hopelessly inadequate.

The fact that we do have a problem with the preschooler has been recognized at the highest level of government. President Nixon, in his first important speech on domestic affairs after taking office last January, declared: "We must make a national commitment to provide all American children an opportunity for healthful and stimulating development during the first five years of life."

But Mr. Nixon wasn't thinking of all children, as a Presidential message some eight months later showed. Nor was he thinking of the children of working mothers. Rather, his mind was on the children of a small percentage of mothers who are now on welfare. Specifically he requested authority from Congress to provide day care for 450,000 children of 150,000 welfare mothers, who, he proposed, should be given job training so they could be weaned away from the dole.

There is nothing wrong with this recommendation, as far as it goes. But in the light of the statistics presented at the beginning of this article, it does not go very far, does it? It won't subtract a single child from the nearly 5 million preschoolers whose mothers are already at work full or part time. For these nearly 5 million, the total capacity of licensed day-care centers in the country is a bare half million. "And seventy per cent of these are commercial institutions," points out Jule M. Sugarman, acting chief of the Children's Bureau, "that must charge much more than the poor can afford to pay and in some cases more than the middle class can easily pay."

"Hundreds, perhaps thousands, of working mothers are leaving babies with babies—two-year-olds with eight-year-olds," says Mrs. Ruby Evans, of the United Planning Organization in Washington, D.C. "Is it surprising that the little ones fall out of windows, scald in their baths, set fire to their homes?"

I had always imagined that these were risks pending to the poor. And these days when we think of the poor we think automatically of the Black ghettos.

But statistics from the Women's Bureau of the U.S. Department of Labor tell another story. *Eighty-five per cent of working mothers are white. Fifty-seven per cent are in the family income range of \$6,000 or more, with the largest single group—48 per cent—in the \$6,000-to-\$10,000 range. One out of five enjoys a family income of more than \$10,000.* Clearly the child-care problem created by working mothers is predominantly neither a Black nor a poverty problem, but a national issue that cuts across racial and economic lines. Why, then, have our legislators been so slow in reacting on behalf of the children? And why are they doing so little?

Mrs. Elinor C. Guggenheimer, chairman of the Day Care and Child Development Council, makes a sharp and relevant point with good humor. "The average legislator is a man, and the average man simply cannot bear to think that there was ever a time when his mother didn't want to be with him twenty-four hours a day. Therefore he decided a long time ago that the only good mother is a

mother who wants to be with her little boy twenty-four hours a day." She concludes, and I suspect not at all with tongue in cheek: "So I think my personal recommendation is that we elect more women to public office."

Mrs. Guggenheimer may be amusing; she is also very serious. She is saying that our legislators tend to hold to the tradition that a mother's place is in the home with her preschool child. (Few politicians, of course, will admit this publicly; why risk the female vote?) But in this, Congress is probably reflecting dominant American sentiment—or at least the sentiment of many dominant Americans. "In important sectors of the [American] community," wrote sociologist Florence A. Ruderman in a study made several years ago, "substantial majorities say it is bad for married women—or mothers—to work."

True, there are some experts who argue that a child is better off with a warm and affectionate mother than in a day-care center, however well run. But to debate this issue would appear to be totally irrelevant. For the fact is that there are nearly 5 million children under the age of six who don't have warm and affectionate mothers by their side most of the day. What do we do about this?

Women are accountable for 37 per cent of our annual national production of goods and services. Do we now pass a law banning them from the labor force? Or do we accept the fact that millions of them are working, that many more (like our nurse friend, Mrs. Ames) would like to work and that society both needs their services and owes their children as much help as it gives the aged and infirm?

Congress finally got around to doing something significant about preschoolers in 1967. In light of the previous legislative record on the subject, much of what it did was ironic. The legislators continued to ignore the bulk of the several millions of youngsters whose mothers had jobs. But they could no longer ignore the children of the poverty-stricken, jobless mothers. These were the mothers on welfare, and the only way to get them off was to help them get work. And the only way to do that was to provide care for their children. So legislators who frowned on the very idea of the working mother found themselves enthusiastically voting for measures designed to encourage more mothers to work.

Bureaucracy operates in cumbersome ways, and I shall not here explain the different methods by which Federal sums—most of them quite small—are made available to the poor, and especially to families on relief, for day care. Two recently approved measures are of some immediate importance. One is the Work Incentive Program, or WIN, which provide day-care help to the children of mothers on welfare who sign up for job-training programs; President Nixon's recent proposal is really an extension of this plan. The second, tantalizing in its promise, commits the Federal government to contribute 75 per cent of the cost—exclusive of construction costs—of providing day care for all children up to ten years of age who now are, ever have been or are "potential" welfare beneficiaries. Legal experts interpret the emphasized phrase as authorizing the government to pay 75 per cent of the cost of operating day-care centers for practically every poor child in the country.

But some agencies—presumably state legislatures—have to be found to pay the remaining 25 per cent, not to speak of the money necessary to build centers. (No Federal money is available for construction.) Like WIN, the program is only now getting under way, and it is too early to report on progress. It is doubtful that the law can live up to its promise. If construction funds and quarter shares are slow in coming, the program will develop correspondingly slowly. If they are forthcoming quickly and in gener-

ous measure, the government's 75-per-cent commitment could mount up to \$5 billion annually within a few years.

But is it likely that an economy-minded Congress will prove willing to spend that kind of money?

Lawrence C. Feldman, executive director of the Day Care and Child Development Council, summed up the legislative situation this way:

"The Federal government will probably put about one hundred and fifty million dollars into day care—about the cost of a big bomber. Most of this will go into day-long Head Start programs in big-city slums and in such rural regions as Appalachia and the South, where easily identifiable pockets of poverty exist. But middle-class areas, urban, suburban or rural can expect no direct help. [There, I thought ruefully, go my home town's chances for direct Federal assistance.] Neither can direct help be expected by the ambitious young mother who is working or would like to work to add to the family income. [And there, I noted, go Mrs. Ames's chances.]

"Despite its limitations," continued Mr. Feldman, "recent day-care legislation must be termed extremely progressive in one important sense. Congress no longer thinks of a center as a kind of magnified baby-sitting establishment. To get Federal help a center must be aimed—I quote the law—at 'strengthening family life and fostering child development.' To this end Federal standards have been set; and unless a center meets these it can get no Federal money. One can only hope that enforcement will be strict at both Federal and state levels."

Is it only present or potential welfare mothers who deserve help for their children, as Mr. Nixon's proposal suggests? Privately, most people to whom I spoke agreed that society should provide such help for all children, regardless of income levels. But for most of them practical considerations (a euphemism for money, or the lack of it) stand in the way.

Lola B. Emerson, day-care consultant of the Child Welfare League, thinks that in assessing day-care needs one should consider not only the child but also the mother. Would she be happier working? Does she have skills that could benefit her community? Yet Miss Emerson took a somewhat different attitude when the issue was posed in a specific form.

"Suppose," I suggested, "you had the money to open a day-care center for fifty children and two hundred applied. How would you go about choosing the fifty?"

Miss Emerson thought for a moment. "First, the children of mothers who are the sole support of their families. Next, children of parents who both must work to maintain decent living standards. Then, perhaps, the child referred by a doctor or agency as particularly needy of professional day care. Fourth in priority might be the unwed mother who wants to work or complete her education. Last, if we still had room, the child whose parents want him in a center for whatever reason and are ready to pay the cost."

Miss Gertrude Hoffman, of the Children's Bureau, put the policy of her office succinctly: "We would hope to provide money for all children who might benefit from day care, but today poverty takes priority."

Last year and again this year about a score of bills on day care were introduced in Congress; each of them reflects the same attitude. Last year Senator Abraham Ribicoff, of Connecticut, former Secretary of Health, Education, and Welfare, asked for a half billion to provide day care for all children under six whose families earn under \$6,000. "Low-income families must come first," he explains.

This year Representative James A. Burke,

of Massachusetts, is proposing to increase Federal contributions to state child-welfare services, with emphasis on day care and foster homes. He would give priority to "members of low-income or other [needy] groups . . . and to . . . areas which have the greatest need for extension of such day care." The most forthright Congressional champion of day care for all children, rich, poor or medium, is petite and dynamic Representative Patsy T. Mink, of Hawaii, who spoke up with great firmness.

"The real issue is what's good for the child. I don't care whether the mother is poor or rich. The majority of educational researchers are convinced that proper preschooling is of positive benefit to the child."

In the context of these beliefs, Mrs. Mink's legislative proposal is extremely modest. She told me she would ask for \$400 million "to improve the educational services in public and private nonprofit day-care centers" and to finance a certain amount of teacher training and physical-plant improvement.

Other bills aim more directly at the working mother or the mother who wants to work. Generally they take the form of tax-deduction allowances to help the working parents defray the cost of child day care. One legislator, taking note of the national shortage of nurses, offers such deductions specifically to women for whom marriage or motherhood has interrupted nursing careers. But until the present critical shortage of day-care centers and licensed "in-home" facilities is eased, such proposals seem of doubtful value. What good would such a tax deduction do Mrs. Ames if she can't find a day-care center.

More practical are a series of Congressional proposals to permit labor unions to bargain with management for the joint financing of centers to serve the children of women employees. Ground in this field has been broken by both labor and management. On the union side, the Amalgamated Clothing Workers is involved in two centers and is planning more; on management side, the pioneers are the Whirlpool Corporation of Michigan and KLH, an electronics firm in Cambridge, Massachusetts. The centers are run on a non-profit basis, with fees charged on a sliding scale. Government is providing small subsidies to help finance the KLH center.

Many believe that this type of labor-management co-operation, perhaps helped by contributions from local, state or Federal tax revenues and Community Chest funds, offers the best hope of circumventing the money squeeze in Congress. As a practical demonstration, the U.S. Department of Labor has contracted for the operation of a center to serve some 30 children of its own employees. Expertly staffed and with program and equipment in accord with modern preschool theory, the center functions from 7:45 a.m. to 5:45 p.m.

For this service, mothers who earn \$4,000 a year (the department's lowest salary) pay \$1 weekly. Fees increase gradually so that mothers earning \$15,000 pay \$25 weekly. Now in its first year of operation, the project gets a \$60,000 annual subsidy from the government.

Shortly after I arrived home—empty-handed if not entirely empty-headed—our local drive for a center met a serious, though it is to be hoped only a temporary, reverse. Our state legislature is one of the few in the country forward-looking enough to have appropriated money to assist towns to build and operate centers. But to tap these funds a community must undertake a costly program of broad municipal improvements—an obligation our townspeople, already hit by a rising tax rate, voted to reject. Cut off for the moment from the possibility of significant state or Federal help, we have turned to other sources: churches, town revenues, the Community Chest, labor unions, business, industry. We may even convince the state

ultimately that the needs of 82 children should take priority over bureaucratic planning.

Sooner or later, I am certain, we will get our center, even if it comes too late to help Mrs. Ames. When we do, major credit must go to a small group of committed citizens of our town who realize the need and are determined to see that it is met.

So much for my community. What of other communities that want centers? I must emphasize that the whole day-care movement is relatively new, and standard development patterns have not yet emerged. While all states have licensing laws governing day care, the laws vary widely both in the standards set and in the degree of enforcement. We have already seen that, so far, Federal help is available almost exclusively for the very poor or to reduce welfare rolls, while state financial help is even more limited. And, of course, towns differ widely in their economic complexion, number of working mothers and so on.

Nevertheless, our town's experience may be helpful. Clearly the first step in planning for a center is to get together a group of citizens determined to have one. The function of this initiating group will be threefold: (1) statistically to establish the need for a center by means of a questionnaire or other type of poll, (2) to look into financing possibilities and (3) to locate a building or part of a building that with suitable alterations could serve as a center. Financing is likely to prove the most difficult part. The state welfare department will most likely know whether, and under what conditions, your town qualifies for state and Federal assistance or whether you will have to rely entirely on your Community Chest or on private sources.

A considerable literature on day-care centers has been developed by such organizations as the Children's Bureau of the Department of Health, Education, and Welfare and the Women's Bureau of the Department of Labor in Washington and the Child Welfare League in New York. The Day Care and Child Development Council of America, at 1426 H Street N.W., Washington, D.C. 20017, can be turned to for practical advice not only on establishing a center, but also on planning and executing the all-important program of activities that must be offered the children.

For too long, says sociologist Florence A. Ruderman, the concept of child day care has been thought of in terms of the "deprived child."

The truth is, she insists, that "great numbers of normal, middle-class, intact, responsible families with working mothers need day-care services, and even greater numbers of such families want it." And she concludes: "A child does not have to have special or unique problems to qualify [for day care]; he is eligible in the same sense that he is eligible for admission to elementary school—on the basis of age, health, local residence, inoculation."

That is the theory. On the insistent demand of parents in thousands of communities throughout the country, it can eventually become the practice.

[From Grade Teacher, December 1969]
OUR YOUNGEST LEARNERS—HOW WE GET THEM STARTED; HOW WE FOLLOW THROUGH

(NOTE.—It's no longer such a long time from pre-K to "real school." Here's how five very different kinds of early education programs are making the time count.)

When you run into a problem in education the best thing to do is go back to the beginning.

Teachers have been telling their students this for years. Now, with the help of federal funds and administrative support, they are doing the same thing themselves.

The problem they are trying to deal with: Getting young learners off to the best possible start in school—especially disadvantaged young learners who start off behind the eight ball and all too often fail to catch up.

The solution: Head Start and Follow Through programs which are taking on a new toughness in what amounts to an atmosphere of pedagogical ferment unmatched in many, many years.

Many techniques are being experimented with. Many "scared cows" are being cast aside. Many early education teachers are re-thinking the whole purpose and method of preschool and first grade and coming up with insights and methods which would have shocked them three or four years ago.

The five classrooms described in the pages that follow are examples of the effect that this educational ferment is having on early education programs throughout the nation. They are presented here to give Grade Teacher readers a taste of some of the most successful programs and to answer two oft-asked questions:

What would it be like to teach in a different kind of classroom?

What can I learn from the experience of other early education teachers?

THE INFANT SCHOOL

Teachers in New Rochelle, N.Y., have turned to old England for a new approach to early learning.

Dropouts were plaguing the suburban community of New Rochelle, N.Y. Student failures were increasing at an alarming rate, and academic interest seemed to be ebbing even in the primary grades.

As one way of stemming the tide of student apathy, a number of teachers in New Rochelle have turned to England and the infant schools. With the blessings of the city's board of education they've set up modified infant school classrooms in four of the city's 10 elementary schools.

English infant schools are a far cry from the traditional American classroom—and from the traditional English classroom, too. Youngsters aged from five to 10 work in specially adapted, child-sized environments, doing, in essence, whatever they want. They may be grouped according to age, or there may be mixed ages in each class.

New Rochelle began experimenting with this type of education in 1968, with a summer remedial program run along infant-school lines. Primary teacher Peggy Richards and two others then visited the English prototypes, and Miss Richards returned to pilot a first-grade infant-school class. The results were encouraging, and this summer more New Rochelle teachers volunteered to learn infant-school techniques.

The outcome was 10 open classrooms divided among first, second, third and fourth grades.

Miss Richards now teaches an infant-school second grade in New Rochelle's Trinity School. Many of the students were in her pilot first grade last year, and they're still enthusiastic about the program.

The children explain that instead of sitting in rows together, they do their work in "learning centers"—special areas for specific subjects, which are sectioned off by desks. Each section is stocked with educational materials. The reading area, for example, is provided with books and two cozy armchairs, and there's a rug on the floor. The phonics "lab" houses listening tapes and a recorder, while another section has plenty of paints and clay for children who feel creative. Still another corner has boxfuls of costumes for young dramatists.

Each student selects the activity he'd like to pursue by tacking his name on the appropriate column of the organizational chart at the beginning of the day.

Because the classroom opens on a small

playground, Miss Richards' children are free to go out if they want. While outside they might meet children from Trinity School's other open classrooms. Miss Richards believes it's beneficial for a child to have friends in different grades and encourages the mingling of classes by putting out boxes of games—"common interest centers," she calls them. The special classes are near enough to each other to enhance the flow of students from one room to another and to facilitate impromptu teacher conferences.

Grades aren't stressed in the infant school, but there are progress reports—plenty of them. The hardest part of the infant-school teacher's day is her record-keeping homework. She keeps extensive files on each child, complete with anecdotal records. She tries to determine precisely where the child is in terms of learning, and where he's going next.

Miss Richards feels it's important to keep the parents informed of their children's activities. When the parents have confidence in the program, the children will be more trusting, too. She reports to the parents frequently and keeps a lending library of current books on education for their use.

The same sort of things are going on in New Rochelle's Columbus School. At 10 on a given morning some of Hilda Abramson's infant-school second-graders are in a corner making an imaginary underwater city with books and blocks and things from the sea. The structure's young originator got the idea from some cardboard tubes—he's using them to pump in "air" to the submarine metropolis.

Across the room children are shaping clay. Over by the window some children are observing gerbils, and not far away a few others are tending to the class turtle. Three boys are in a closet pounding rocks into sand for the turtle's home. The rest of the children are dispersed about the room, doing whatever the spirit moves them to do.

Mrs. Abramson passes from child to child asking questions about the various activities. She makes no effort to lower the decibel count—in fact, she sounds as excited as the children do.

If a youngster finishes a task, he reports back to the teacher. She either looks over his work on the spot or asks him to put it on her desk so she can examine it later in depth. Then the child goes on to something else.

Later in the morning the children will huddle in a corner near the underwater city to learn phonics and reading skills. For actual reading practice the children have a variety of books to choose from. Children aren't made aware of their reading levels: Academic competition is squelched at New Rochelle's infant schools. There's no failure—no embarrassed struggle for words in front of the class. The teacher schedules reading sessions on a one-to-one basis.

Most of the children in Mrs. Abramson's class have low socioeconomic backgrounds. Many come from broken homes, and some have severe personality problems. Even in the second grade a number of them would be unholy terrors.

But they aren't. Mrs. Abramson reports that the youngsters are taking to the infant school class like ducks to water. They're totally involved in their work. Children with personality problems are beginning to adjust to their contemporaries. Since there's enough time for the teacher to give all her children attention, attention-getting devices are gradually becoming rarer. None of the children has been sent to the principal's office to be reprimanded.

Some students who were chalked up as slow learners in the first grade are gaining ground. The budding planner of underwater cities is a good example: A low scorer on reading tests and other traditional skills measurements, he's becoming a whiz in science.

Mrs. Abramson, who taught for four-and-one-half years in a regular classroom, has boundless enthusiasm for the infant-school technique. "I couldn't keep teaching in rows," she said. "What happens to the children who never tune you in? You lose so many that way."

According to the New Rochelle Board of Education, the parents are ecstatic about the children's response to the infant-school classes. During the summer reading program, youngsters who had to miss a day actually sent siblings to pinchhit for them. Even now children want to know why there *have* to be vacations.

THE BEREITER-ENGELMANN EXPERIMENT

Stress techniques and real parent involvement make this urban classroom swing.

The teacher sits close in front of a semi-circle of six children—close enough to touch each child, giving a pat of encouragement here, a dramatic handshake there. She holds a flip chart in her lap and points at a picture of a man eating a hamburger.

TEACHER. What is this?

CHILDREN. (in unison). Man.

TEACHER. A man.

CHILDREN. A man.

TEACHER. Good! (She points to the hamburger.) What is this?

CHILDREN. Hamburger.

TEACHER. Say the whole thing.

CHILDREN. A hamburger.

TEACHER. Smart talk! Now, listen big. (She points to the man again.) Is the man eating an ice cream cone?

CHILDREN. No!

TEACHER. I'm going to say the whole thing.

The man is not eating an ice cream cone. Say it.

CHILDREN. The man is not eating an ice cream cone.

TEACHER. What is he doing?

CHILDREN. Eating a hamburger.

TEACHER. Say the whole thing.

CHILDREN. The man is eating a hamburger.

TEACHER. Oh, you're so smart! Say it again.

CHILDREN. The man is eating a hamburger.

TEACHER. Good talk!

Good talk, indeed—especially when you consider that the children doing the talking are kindergartners in an urban ghetto which, until very recently, was regarded as something of an educational disaster area.

The area is the Ocean Hill-Brownsville section of Brooklyn, N.Y. Last year it was the center of a community control drama which rocked every school in the nation's largest city. This year, at PS 137 and the PS 137 annex located in a tidy church building, it is the scene of an early learning program described as "a systematic method for developing language skills as instruments of learning and thinking."

The method is the direct instruction program developed by Carl Bereiter and Siegfried Engelmann at the Institute for Research on Exceptional Children of the University of Illinois, in Urbana. Its proponents maintain it will have disadvantaged children reading—really reading—by the end of first grade.

The program is controversial. Its "stress" approach to teaching (stress is defined by one Bereiter-Engelmann teacher as "forcing the child to make it in this world") leaves little room for social development activities or play. Rather, it is repetitive drill in language development—approached through music and art as well as written symbols—for four intense 25- to 35-minute periods a morning. The atmosphere is so charged that it has caused some critics to speak of the program as a "mini-marine corps."

It is not. There's stress enough in the direct teaching approach to satisfy any leatherneck drill instructor—Bereiter-Engelmann teachers press hard on their disadvantaged students, saying that the children need to learn at double the usual rate if they

are ever going to catch up to the advantaged child. But there's fun, too. The Bereiter-Engelmann program has two important ingredients built into it—success and praise. And the children thrive on them.

So, apparently, do their teachers—six professionals, six educational assistants (parents who have embarked on the teaching career ladder) and nine parent-aides. One of them described her feelings about the program with telling simplicity: "This is the answer for these children."

By "answer" the teacher means much more than simply helping disadvantaged children break down the failure problems which have plagued all too many urban schools. She means finding a way to really involve parents in their children's education in a way that is helpful to the child, to the school and to the parent.

Parents are very much involved in Ocean Hill-Brownsville's Bereiter-Engelmann language program. They teach. They are real equals with the teaching professionals in the program and so adept at the work—which they learn in daily training sessions—that it is difficult to tell the parents from the professionals. Parents man the board of directors which was instrumental in choosing the Bereiter-Engelmann approach over half a dozen other possibilities suggested to them by the city administrators.

They are welcomed into their children's classrooms at any time and they take frequent advantage of this open invitation. Perhaps most important, they help their children with their homework—yes, homework for kindergarten children, but homework given as a reward for work successfully done rather than as makeup or punishment.

"Involving the parents in this way is good for the children and good for the school," notes Mrs. Alberta Loftin, director of the program. "It gives everybody a stake in the learning program and helps assure that our work is responsive to real needs."

Of course, the test of any program is in the ultimate result, and Ocean Hill-Brownsville doesn't really know what the long-range effect of the Bereiter-Engelmann program will be on the children. Right now, they're doing fine. With the addition of a third-grade class next year, they hope to do even better. But whether the direct instruction method with its emphasis on rote learning, constant repetition of patterned phrases and largely unrelieved academic work will pay off in open, easy and creative adults is yet to be seen.

What can be seen now is a group of ghetto children who are getting a chance at learning that their older brothers and sisters never had. And that's enough for their teachers and parents.

THE DEMONSTRATION SCHOOL

Teaching is learning at the Bank Street Children's Center in New York City.

At the Bank Street Children's School in New York City, education is a team effort—and everybody's learning.

The Children's School is a full-fledged working educational laboratory, run by the Bank Street College of Education. Established as a kindergarten in 1919, it now enrolls children ages three through 13. It's gradeless, and there are neither rows of desks nor rigid academic programs. The children work independently, and their work is very much like play.

The free-for-all environment at the Children's School may seem at first like bedlam. If it is, it's controlled bedlam. Each class is overseen by a head, or "group," teacher with an impressive number of teaching years behind her. She is a member of the Bank Street College staff and considers herself a learner, too.

She is aided by a staff of resident specialists in reading, math and so on, and by two of the college's teaching trainees, who come in three days a week. The group teacher helps

the trainees by offering advice, information and her own good example.

While new teachers are learning from experienced ones, young students are benefiting from older ones. Of the 12 classes at the Children's School, nine contain children from two different age groups each (three- and four-year-olds, four- and five-year-olds, etc.), and the other three have children from three different age groups each. Older children are examples to the young ones; children new to the class can learn the ropes from those who've been there before.

The classes at the Children's School range from 16 to 22 students. Thus, a great deal of individualized teaching is possible. Children learn reading, history, math and other subjects in small groups of five or six, or some with the teacher.

The college considers a close teacher-pupil relationship extremely important. The group teacher and her assistants know when a child needs a pat on the back and when he needs a few hard words. They come to understand exactly how a given child solves a problem; they seek to know his interests, motivations, anxieties and the goals he's set himself.

The children let the teacher into their lives. She is often a confidante to them. In return, she's totally trustworthy and shows respect for the student. She helps him feel like an important person.

This ego-building, says Bank Street, is especially important in the very early years. Songs about identity are used to help youngsters develop a positive self-image.

On a typical Friday morning a zither player came into a class of three- and four-year-olds and sang, to an original tune resembling "Ten Little Indians": "Where oh where is Jennifer, Jennifer?/Where oh where is Jennifer, Jennifer?/Where oh where is Jennifer, Jennifer?/There she is with the red dress on." He sang a similar tune to each child in the class.

Bank Street sees preprimary education as a bridge between home and school. At first the mothers (or fathers, or both) bring the child to class and stay all morning, sometimes in the classroom, sometimes in another room nearby. As the children slowly grow more used to school, the mother's presence is needed less and less, until she needn't stay at all.

The school works very closely with parents; the group teacher meets with each parent to discuss their child's progress, and both she and the college send numerous letters home discussing class activities and school projects.

The children spend most of the day making choices—selecting, at their own pace, the activities that interest them. There are plenty of activities. Bank Street College itself puts out an assortment of educational materials—the Bank Street Readers and Early Childhood Discovery materials, to name just two. There's also a wide selection of other articles on hand in each classroom—blocks, books, puzzles, art media, woodworking equipment, number games, etc. The college thinks it's too limiting to depend on any one kind of educational material and offers many types by many different manufacturers.

Most of the subject matter at the Children's School has relevancy to the children's own lives. At the beginning of the year, the students are made sensitive to the things they see in the classroom. They care for plants and pets, for example, and learn to put things away when they're through using them. Then they learn about the outside world: They play "supermarket" and see how to shop for food and make change; they build road systems out of block sets and discover the problems of traffic control; they pretend they're astronauts and launch interplanetary expeditions around the tables and chairs.

Once a month or so, the whole class meets to talk over how the class is doing, and what

they can do about it. The teacher just starts the conversation. The children rarely need prompting to speak their piece.

During one of these meetings, Mrs. Sue Monell's six-, seven- and eight-year-olds decided to create their own design for learning. They agreed to disassemble the bookshelves and to use them for sectioning off numerous areas around the room. These areas they assigned to specific subjects; each subject had its place.

Then they made a chart of all the subjects and a name tag for each child. They decided that each student should select a subject to work on by hooking his name tag on the appropriate column on the chart. Each hook represented a seat in the area—no more hooks, no more seats, and the child would just have to choose another subject. (Mrs. Monell stepped in here and stipulated that each child's program should include at least one academic subject a day.)

Finally, they put up a "Silence" sign face to the wall. When someone turned it right side up, it meant he wanted the class' attention. A few days later a six-year-old turned the sign over; in about 10 seconds word had spread and the room was still. "That's better," said the boy. "It's been too noisy in here. I can't hear myself think. Could we all be a little quieter, please?" Then he turned the sign face to the wall again and went back to his work.

The noise level at Bank Street actually is quite high. The teachers make no effort to keep it down, either, because they feel it's the vitality of the classroom that moves the children to learn. They also think that the children's freedom to move and talk freely is partially responsible for the low incidence of disciplinary problems. As Larry Grose, director of the Children's School, points out, "The best discipline is having an exciting program that the youngsters are interested in."

THE MONTESSORI METHOD

Self-correcting materials keep these preschoolers entranced in a Montessori classroom in Danbury, Conn.

Thirty preschoolers are doing their thing in Danbury, Conn., and their thing is learning—a la Montessori.

What's Montessori? That depends on where you are.

When Dr. Maria Montessori started teaching in 1912 in the slums of Italy, she stressed practical things, like sewing and cleaning. While Montessori schools still teach practical lessons, the classrooms all differ in tone and emphasis according to the needs of the children and the personality of the teacher.

The only real constant is the materials used. All of them are crafted in Europe; they're distributed in the United States by the American Montessori Society and elsewhere by the International Montessori Society. Most of the material, if not all, requires first that the child touch it. More than anything else, it involves the tactile sense.

The youngsters in Danbury's Anderson School start their learning day the minute they enter the cheery 30' x 60' classroom. (A visiting teacher, used to more conventional classroom sizes once remarked that she could fit two classes in that huge room. Anderson is a private school and its floor space somewhat exceeds Connecticut standards for private schools.) The children say *bonjour*, bow or curtsy, and shake hands with at least one of the school's two teachers—Mrs. Charlotte Green, the directress, who deals primarily with the second-year students, and her assistant, Mrs. Jane Annable, who tends to the newcomers.

The children take off their coats with or without help and hang them up themselves on their personal coat hook. Each child's coat hook has a name tag.

Then they find a project to work on. At the beginning of the year the teacher may

suggest a project from the extensive selection of Montessori materials along the shelves that line both sides of the room. When the children grow more familiar with the materials available, they select their own.

By the time the last child has arrived, the others are all engrossed in individual projects. One child may be sitting at a mini-desk matching pictures with the words they represent. Another may be on a throw rug (carpet samples are used) piecing together a map of Asia, while a third may be at a small table arranging colored chips into spectrums of increasing or decreasing color intensity.

The children learn alphabetical symbols from sandpaper cutouts of letters glued to hand-sized wooden squares. The blue ones are vowels, the pink consonants. The teacher instructs the child to trace his fingers over the sandpaper and to repeat the letter each time. "Do it many times," she says. "Do it over and over." When the child has the feel of it—figuratively and literally—he tries to duplicate the symbols with pencil and paper.

A noteworthy feature of Montessori material is that often one task has a number of lessons incorporated into it. This is true, for instance, of a set of wooden counting rods. The smallest rod is red. The next size rods—there are two of them—have red and blue bands. The set continues with three rods of three alternating red-and-blue bands (a little longer), then four or four bands (longer still)—all the way up to 10 long rods of 10 alternating color bands each. The children can learn to identify the colors from these, then to determine size and finally to count.

When the child has completed a task, the teacher "checks" him by asking him to explain what he's done. If the task is done correctly, the child picks up the parts and puts them back on the shelf. Then he selects another task.

Like the coat hooks, the shelves are labeled—over the puzzles it says "puzzles," over the blocks "blocks," and so forth. The door is tagged "door" and the window "window." Words are everywhere.

The noise level is minimal. A quiet, business-like atmosphere pervades the room. And although a few comments pass from child to child, the conversations are quiet and usually task-oriented. The teacher helps maintain the hushed tones, often, by whispering.

The Anderson School uses Montessori materials about 50 minutes of the three-hour day. Toward the end of the first hour, the children start putting the Montessori things away and, under instructions from the teacher, begin providing themselves with books.

The teachers say their aim is not to produce A-students, but to instill in the children a genuine love of learning. They bring the children to the level of the local public first grades, but don't try to push them beyond (except in reading, where they encourage them to forge ahead at whatever speed they can muster). Instead, the base of their education is broadened. Besides letters and numbers, the children learn French, music, art, civics, science, aerospace, hygiene and a little of quite a few other things.

They're also getting constant reminders in human relationships—for instance, the little points in deportment like shaking hands and speaking quietly. As a result, boys who are roughnecks on the playground are well behaved in the classroom. An example of how restrained they are occurred when a boy returned to his desk to find that a girl had taken his seat. Instead of insisting that she move or knocking her off the chair, he said, "Oh you silly, you're sitting in my seat." Then he found another place and went on with his work.

When snack time comes, the children sit at the little tables (two or three to a table)

and say a group grace. Mrs. Green appoints some children to do the serving. It's ladies first, and each child takes the nearest cup (with a *merci beaucoup* to the server). In one instance a boy grabbed his cup first, and the little girl who was serving him said nicely—but firmly—that he was being impolite.

Music also wakes them up. Sometimes they listen to the record player and improvise dances; sometimes a music major from nearby Western Connecticut State College comes to lead them in song.

After music comes learning. Today it's a French lesson, but tomorrow it might be "birds, bugs and bees" or "my city" or any of a number of things.

The last activity differs from day to day. Sometimes it's art, and the teacher tells the children to represent something: "Draw anything you want, but I'd like to see a picture."

And what do the children think of all this? The teachers say that often the hardest part of the day is getting them to leave. The parent's seem enamored of the Anderson School, too: By January of each year the rosters are already full for the next.

THE NIMNIGHT APPROACH

Researcher Glen Nimnicht has given his name and his approach to this classroom where children come first.

Two words you hear a lot around the Mary B. Martin School in Cleveland, Ohio are *autotelle* and *friend*.

One—*autotelle*, which means having an end or purpose in itself—describes the school's approach to early learning activities. The other describes its human relations.

The Mary B. Martin School is one of the friendliest places you could ever hope to visit. You meet everybody there, from Blanche Kirven, manager of the school's Follow Through program, to the custodian doing his rounds. And it's not just "Hello, how are you?" either. Real warmth passes between people at Mary B. Martin, adult and child alike.

Perhaps friendliness is an end in itself—but that's not what teachers at the school are talking about when they use the word, *autotelle*. They're talking about an early learning program where the children are free to select the materials for their own education and where peer teaching is actively promoted.

The program, which is being run in four kindergartens and four first grades, is based on the theories of Dr. Glen Nimnicht, the man behind the experimental New Nursery School of Greeley, Colo., who is now program director for the Far West Regional Laboratory for Educational Research in Berkeley, Calif.

"Self-rewarding activities" is the way Dr. Nimnicht describes what the Mary B. Martin children are involved in in their Nimnicht classrooms. "These activities have to be largely one the children can work themselves if you want to individualize a program and you've got only two teachers and 25 students," he notes.

This means a change in the teacher's role. She becomes a kind of catcher-in-the-act, rather than a preceptor. Dr. Nimnicht explains: "If, for instance, a kid is playing with blocks in one corner, and a teacher knows he doesn't know the concepts of longest and shortest, that's a good time to teach them to him."

The program isn't quite so unstructured as it sounds. Children at Mary B. Martin may seem to be following their inclinations to whatever learning end they wish, but they are actually working according to a carefully thought-out teaching plan. "Nimnicht" teachers work hard at analyzing the needs of individual children and pinpointing learning activities which will help meet these needs.

These individual learning activities take place within an overall framework of "learning episodes"—these correspond roughly to

the old-fashioned unit—in which most activities are focused around a particular subject or skill area.

Dovetailing the needs of the individual child and the demands of the curriculum in this way takes work, Blanche Kirven admits. "But it gets in your system. Our teachers often stay late in the classroom thinking, 'What can I do tomorrow that will be just as exciting to the children as today?'"

The children stay late, too—the school day at the Mary B. Martin kindergartens as well as at the first grades, is a full school day. But the work is so engrossing that there's little problem with interest falloff. And no problem at all with discipline.

What about the young child's short attention span? No such thing in a Nimnicht classroom, says Mrs. Kirven. The classroom is so organized that it positively seduces the child into concentrated efforts in particular areas of the program.

Mary B. Martin's Nimnicht-style classrooms are divided into learning centers—a quiet corner, a block corner, a reading corner, etc. These areas are jam-packed with a constantly changing supply of learning materials designed to develop skills associated with a particular episode. The materials, by and large, are not unique to the program. Anything that has a built-in learning purpose which the child can work on his own or with the help of his peers is likely to appear in one learning center or another.

One unique learning aid, however, is the "Nimnicht Typewriter." Children use this electric machine to develop language fluency and writing skills. They work individually at the typewriter under the guidance of an assistant teacher whose main job is to stay out of the child's way . . . and prevent failure.

Great stress, incidentally, is put on preventing failure in the Nimnicht-style classroom. Teachers and their assistants—39 parent volunteers who work with the children from one to four days weekly—simply intervene if they see a child headed toward frustration. In the case of the typewriter, the assistant prevents failure by the simple expedient of turning the machine off until the child can be helped to deal with his learning problem.

What does it all add up to? According to Mrs. Kirven, the program provides an important answer to the dropout problem so prevalent among disadvantaged youngsters—and students at the Mary B. Martin School, located in the heart of Hough, one of Cleveland's most depressed areas, are definitely disadvantaged youngsters. "These children can become dropouts on the very first day in kindergarten," Mrs. Kirven notes. "That's how easily the traditional approach can turn them off."

"But a Nimnicht classroom is something else again."

Judging by the hum of busy, interested noise that fills each of Mary B. Martin's eight Nimnicht classrooms, it is indeed.

NURSERY EDUCATION TODAY

(By Margaret Lay)

Nursery education, defined as planned educational programs for the years prior to kindergarten, had its beginnings in the United States during the 1920's. Despite its relatively recent origins, nursery education has proceeded well beyond the stage of being considered particularly innovative. Although in 1966 only 30 percent of America's approximately 12.5 million children from three to five years of age were actually enrolled in nursery schools or kindergartens, 141 public school systems had already included nursery education as part of their regular sequential programs. In addition to the public schools, settings for nursery education have included parent cooperative nursery schools, university-affiliated laboratory schools, private nursery schools, day care centers, home visi-

tations, and play centers. Many children of nursery age have also been enrolled in supplementary Head Start programs supported by federal funding under the Economic Opportunity Act of 1964.

Recently some state departments of education have begun to plan for universal preschool opportunity for all children. Nursery education today is more and more being accepted as an integral part of the total educational picture. The purpose of this article is to review and reflect upon historical and current trends regarding young children and their education. Perspectives derived from this kind of analysis are greatly needed at the present time by those responsible for program development, since there are few unchallenged guidelines existing for either the "what" or the "how" of nursery education.

THE NATURE OF CHILDHOOD

The acceptance of nursery education in the twentieth century is not, however, to be considered synonymous with the discovery of final answers to age-old questions about the nature of childhood, such as: Is a child simply a miniature adult with fewer experiences? Or, if not, in what respects is he distinctively different from his adult counterpart? Is the child a formless being to be molded by parents and teachers? Or is he an existing creation which is in the process of unfolding? Is childhood a time for intensive training to prepare the child for adult productiveness and enjoyment? Is the degree of pleasure derived from an activity an indication of its fundamental value for the growing child? These questions are still being debated by many who have assumed the responsibility of working with young children. It seems as if all of man's basic philosophical dilemmas about himself and his experience are only intensified as he is placed in the position of making decisions concerning his offspring's early development.

Historically, mankind has fluctuated greatly in its fashionable beliefs regarding children. We have, for example, justified exposing young children to the elements, have considered them as objects of amusement, and have worshipped them as possessing the purity and simplicity adults have lost. Philippe Aries' volume, *Centuries of Childhood*, documents many of these changes in attitudes toward children.

In this century and this nation alone, what is considered relevant to the young child's nature and education has varied greatly. Although the fashion at the beginning of the twentieth century was to adhere harshly to the "seen and not heard" training tradition for youngsters, contrasting views were forthcoming. Many Americans, for example, rapturously joined in the celebration of the mystique of the young child reported under Maria Montessori's programs early in the century. Dr. Montessori felt she saw man's goodness revealed in the responses of the children who were given freedom to choose rewarding work in her carefully constructed environment.

This enthusiasm for Montessori teachings was short-lived in the United States, however, as teachers seemed to find it easier to agree with Dewey and Kilpatrick that even the young child could be viewed, very pragmatically and unmythically, as the product of his own transactions with the world. When this latter view of the child was accepted, teachers rejected the idea that any given set of presolved tasks like Dr. Montessori's could be valuable in developing inner potential. Instead, teachers at all levels, and probably especially teachers of the youngest children, arranged situations in which the children would be likely to confront "real" problems. Some of the problems were social, resulting from the classroom milieu, and were expected to be tackled by the children in new and creative ways. Other problems de-

veloped from the use of media, but were not necessarily built into the equipment for selected instructive purposes. Both the Montessori and Dewey conceptions, however, seemed to include the child's self-initiations as central to the educational process.

THE CHILD DEVELOPMENT POINT OF VIEW

As nursery education became established in this century, under the duress of a national depression and a major war, there evolved an interesting combination of Froebelian activities and Montessorian environmental features in a Dewey-based context. During the forties and the fifties these jelled into a near-consensus of practice and opinion which has sometimes been called the "child development point of view." The nursery schools were considered to provide a child-size world in which home experiences were supplemented by opportunities to work and play with peers in a relatively unstructured atmosphere. Emotional and social development were the primary considerations, since intellectual development was thought to depend upon feelings of self-worth and respect for others. Learning was considered the natural concomitant of positive attitudes in a setting providing toys, manipulative materials, opportunities for social interaction and exploration. During this period of consensus a teacher who used direct instruction with three- or four-year-olds was looked down upon by most of her professional colleagues as not understanding the nature of nursery education. The child's own powers of appropriate self-selection were said to provide an optimal learning environment as long as the school setting furnished diverse choices and no adult tried to manipulate the directions of the child's inherent strivings.

As the national emergencies abated, the trend toward nursery school expansion also slowed for a time. During this period nursery school was largely considered an educational extra of the upper middle class. Under these conditions nursery personnel continued to find the most distressing problems of their young charges to be emotional ones; there were seldom other experiential lacks. There was little push from either within or without the field to question the "child development" practices.

NEW INFLUENCES ON NURSERY EDUCATION

As we entered the fifties, however, a whole new set of forces converged simultaneously to reinitiate the expansion of nursery education and destroy the consensus of earlier decades about what constitutes proper programs for this level. For example, a new theory, espoused by Jerome Bruner and others, held that the structural dimensions of a subject discipline are basically similar at all levels. This school of thought proposed that appropriate perspectives gained at early levels may facilitate later functioning in specific disciplines. This view led some educators to conclude that children cannot be expected to discover the basic principles of each discipline for themselves without at least a careful monitoring to insure the presence of an environment in which appropriate discoveries could occur.

A second influence came with the realization among educators that the "intelligence" that they had considered an inborn constant was being theoretically and empirically described as depending largely upon the child's early experience. An analysis of the literature, for example, led Benjamin Bloom to conclude that half of the variance obtained in later intelligence measures is evident by age four, and that there is little doubt that intelligence development is affected by the environment in which the individual lives. There was a resulting rush to structure environments experimentally to enhance early learning. Despite admonitions from some quarters that just as intelligence test scores do not necessarily show inherent ability, so might changes

in these test scores following intervention programs not necessarily signify changes in basic and lasting performance abilities, the possibility of raised IQ scores hastened the development of many diverse kinds of programs for young children. This, coupled with the growing realization that American society could no longer allow any inequities of circumstances which might prevent the development of children's potential, amounted to a potent force for change.

Although the earlier flurry of educational reappraisal accompanying the Sputnik accomplishment of the U.S.S.R. is also often cited as a factor in revamping early education, it seems likely that this would have had little lasting impact had not other developments provided the rationale for questioning previous practice. All of these together, however, combined to shake the "early childhood field" out of consensus and into the most intensive examination ever directed toward finding the best circumstances for early human learning.

EXPANSION OF PROGRAMS

This debate was tremendously intensified by the unprecedented expansion of programs spurred by foundation and federal funding. The federal funding came rapidly and unexpectedly to most educators. Far too few early childhood specialists were available to advise these programs, and in addition Head Start was meant to compensate for severe lacks in the home experiences rather than to provide an enriching supplement. This created a substantially new situation. People from all backgrounds became involved in setting up Head Start programs under community action agencies in the spring of 1965. Professionals from the related fields of elementary education, psychology, sociology, health, and others became immediately involved in advising and evaluating the new programs. Their commitment was not necessarily to permissive "play-oriented" programs. In fact, some of the innovators from outside the early childhood field constructed programs of direct instruction and began referring to previous nursery programs as "traditional." This constituted a complete "about face" in what was considered new and what traditional. Seldom has the complexion of a professional field been altered so completely in so short a time.

The recent efforts have produced a tremendous array of programs, studies, and claims. Some of these, one suspects, will simply disappear. On the other hand, many innovations will have lasting significance. There is little, however, that the large majority of people designing, operating, and evaluating programs currently agree on. Perhaps their only substantial agreement is the conviction that what happens to the young child is of great importance.

One point of agreement, well-supported by theory and research, does seem to be that early experience is crucial to later functioning in a variety of modes and dimensions. Although the pendulum of belief and investigation is no doubt already beginning to swing to other concerns, variation in encounters of the young will probably never again be considered irrelevant to the total educational process.

THE CURRENT SCENE

We currently have thriving programs differing from each other in so many ways that the field is staggering for anyone to comprehend. Even a cursory look at nursery education today must be many-faceted. Indeed, the most inadequate approach would be a simplistic one. We would err badly, for example, if we merely asked whether one kind of program is better than another. To make any sense of the current diversity, we must compare programs with each other in various areas and judge them on multiple criteria for children of specified characteristics.

We do not yet have systematic studies of the kind necessary to compare programs on

other than the most gross terms, although, with the existing program diversity creating an evaluator's heyday, increasingly sophisticated analyses should soon emerge. The lack of precise research findings does not, however, justify ignoring the complexities of program diversity in making decisions about education for young children. The scarcity of confirmed knowledge should make the educator keep in mind even more firmly the many ways in which programs may significantly vary from each other, so that those he selects or devises may yield the desired outcomes for the children in question as much as possible.

One great difference between existing programs concerns their stated goals. Some programs profess broad goals including emotional, social, physical, and intellectual concerns. Others are much more specific in intent; i.e., to develop academic readiness, develop attentional processes, improve language usage, develop work habits, increase positive self-identification, develop categorization skills, enhance achievement motivation, teach phonics and/or reading.

Research findings show that a specifically-focused experimental program, one concerned with a specific cognitive skill, will produce more favorable results on the dimension stressed than will a more broadly-oriented program concerned with social, emotional, and intellectual development of various kinds (Blank, 1968; Day, 1968; DiLorenzo, 1968.) Common sense backs this up. The same common sense suggests that the specifically-focused program might compare badly or equally in other ways. Whether this is the case is not known, although one relevant study favored a free exploration group over a specific instruction group on ratings for initiative, originality, and independence in free play settings (Lenrow, 1968).

SELECTING A PROGRAM FOR YOUNG CHILDREN

Whether a program with limited specific goals or a broader program is to be adopted is dictated by the assessed needs of the prospective students. A language handicap, such as that suffered by certain children from deprived backgrounds, justifies a compensatory language program, whereas this would not be called for in a setting in which young children come to school with rich and varied verbal competencies.

Although programs differ in their intended goals, the greatest diversity is in what children actually encounter. The labels that become representative of the programs show some of this diversity. For example, a typical "child development nursery school," has become known for "free play," "field trips," "dramatic expression," etc. By contrast, the academically-oriented preschool is known for its "direction instruction," "subject area classes," "drill," "predetermined instructional sequences." The labels "didactic materials" and "spontaneous learning" are trademarks of the Montessori programs. Although these are very useful in identifying some of the most striking differences between well-known programs, it is also necessary to determine how these or less renowned programs are alike or different in other ways.

Some examples of relevant questions to ask are as follows:

To what extent does the general pattern of the program prescribe when certain kinds of behavior are considered appropriate?

How much variety in terms of equipment, settings, peers, and teachers does a child encounter?

To what extent is diversity in behavior and progress accommodated?

To what extent do teachers initiate the child's interaction with the program environment?

To what extent does the program environment encourage and respond to child initiatives and explorations?

To what extent are child encounters simplified and sequenced (as contrasted with encounters of unaltered complexity)?

What motivational strategies are used?

To what extent does a teacher draw comparisons for children between novel stimuli and previous experiences?

Stating the above questions might seem to imply that there is a "proper" answer for each. Quite on the contrary, there are only limited answers to some, and these, as previously suggested, refer to very specific goals for some kinds of children. For example, although Head Start research suggests that teachers who initiate interaction with environment to a greater degree are more successful, the criterion here is limited to intellectual growth for disadvantaged children.

The educator must still, at this stage of knowledge concerning program impact, often operate on considered "hunches" about what may produce desirable outcomes. Let's therefore examine a sample set of hunches about program conditions intended to fulfill broad goals for a range of children from various experiential backgrounds. Among these conditions might be:

A healthy and safe setting

Easily accessible facilities and/or provisions for physical needs—elimination, thirst, hunger, rest, activity

Regularity in daily pattern of program offerings, of snack, rest, outdoor play, story, etc., but with a minimum of coercion to participate in these activities

Considerable space and/or time in which there is a minimum of adult restriction on exploratory and motor behavior.

Diversity of space use to provide for children's autonomously moving from one kind of in-school setting to another—i.e., from expressive and divergent play space to organized and convergent work space, from active group interaction to quite individual activity, etc.

Diversity of materials and equipment which (a) provide opportunity for manipulation and experimentation, (b) provide for multi-sensory experiences, (c) are "responsive" in that the child receives some information as to the effectiveness of his actions, and (d) can be used autonomously with a minimum of adult assistance.

An "invitational" social setting allowing autonomous selection of activity and companions.

Frequent positive recognition via verbal comment and/or nonverbal expression of individual accomplishments or characteristics.

Frequent adult verbal interaction with individual children about their on-going activities which will include relevant comparisons between current encounters and prior experiences.

Change and/or increase across program's duration in equipment and materials, adults, peers encountered.

Specialized programs (direct instruction, special facilities, simplified and/or sequenced encounters) for children with diagnosed developmental deficiencies in situations where there is a very small group of children for each adult.

Visits to other settings in very small groups with adults who can demonstrate and verbalize about salient characteristics of the new environment and, where feasible, arrange for related "doing."

Although for each of the above, educators might disagree as to the advisability of inclusion or the appropriate method, the value of some list of this type seems obvious. It provides guidelines for decisions about selecting building facilities, ordering equipment and supplies, obtaining and training personnel, arranging environments, and planning the program. If, for example, one has specified the desirability of providing options for children to move physically between diverse kinds of work-play settings, it may not be advantageous to equip several

rooms identically and subdivide total groups between rooms. Perhaps larger groups of children should be given access to differing environments.

Similarly, all teachers should not follow identical schedules for outdoor supervision if it has been specified that children will not be coerced to partake of the regular program offerings. Some teachers would need to stay indoors with those children still engaged in their previously-initiated play or work. As a further example, one does not purchase and place intricate and fragile equipment where there will be little restriction on exploratory and motor activity. From a more positive standpoint, one does carefully arrange materials and introduce their "housekeeping" requirements gradually and systematically if one wishes to have children use them with a minimum of adult assistance. In regard to this same program issue, if children do not learn the "housekeeping" routines, adults must frequently be engaged in replacing the equipment used by the children. In such situations there is likely to be less adult verbal interaction with individual children about their activities. Some educators might prefer to have adults heavily share the "housekeeping" tasks to allow the children a freer use of materials. If so, their list of hunches should provide for this.

SUMMARY

In summary, an appropriate starting point of program development after specifying goals is the specification of hunches about the desired conditions considered consistent with these goals. In actual program planning, then, an educator could draw from existing prototypic programs those components—either practices, organization, or materials—which seem most likely to create the specified conditions for optimal development.

Since those involved in early childhood education continue to disagree about what should be developed in young children, let us table that kind of debate and instead consider the "optimal conditions for fostering development." We could, for example, conceivably argue the virtues of "creative activities" or "early reading instruction" endlessly without resolution. If we instead discuss the optimal conditions to be provided for carrying on either of these, the real areas of agreement and/or disagreement may be pinpointed. Whether or not the outcomes of such a discussion would then require empirical investigation or a value judgment, there would seem to be the basis for understanding and communication. These are needed in the nursery education field today.

Other aspects of program variation are less direct than those specified previously but of probable significance. It may matter tremendously to a child, for example, whether or not the school personnel seem to agree with the adults in his home. Other important questions regarding contextual concerns are as follows:

Does the parent have any real involvement in decision-making responsibility for the school program?

When the in-school expectations are different from those experienced at home, how are the discrepancies reacted to in both quarters?

What does the teacher really believe about the child's potential to develop his abilities?

Are any of the school personnel of the same sex, race, and neighborhood as the child?

Does the program provide for remedying basic health deficiencies which might keep the child from full involvement in program activities?

These issues may sometimes be of as much or more importance than what actually is directly included in the program curriculum. Although there may be more negative answers to questions such as these for children

from lower-income families, the questions are just as relevant in middle or upper class situations. Where the young child is concerned there is certainly a tremendous need for seeking mutual respect and uniformity of concern and purpose between the school and the home.

MYSTERIOUS DISAPPEARANCE OF SECURITIES

(Mr. MURPHY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, in recent days, the mysterious disappearance of securities at brokerage houses and banks this year was estimated at nearly \$45 million amid strong indications that the figure might run even higher. Many such firms do not report thefts immediately because of fear of losing their insurance.

But Frank G. Zarb, chairman of the industrywide committee to fight securities thefts, estimated that losses this year of the New York Stock Exchange member firms alone would probably double the year-earlier level of \$23 million—almost a 30-percent increase. The 1967 level was \$11 million.

And U.S. Attorney Robert M. Morgenthau has charged that "a new kind of bank robber, the youthful back-office brokerage house employee, often blackmailed by organized crime, by girls, and shylocks" was responsible for the Wall Street theft losses this year. This, he said, was "a modern-day alternative to armed bank robbery, which requires no gun, no getaway car, no bravado, but which can generate an illegal wealth of which Dillinger would have not even dreamed."

Quite frankly, the theft and sale of common stock is the new bank robbery.

Both Mr. Zarb and Mr. Morgenthau cited the ability of organized crime to infiltrate the securities business. As you well know, organized crime has the three big "C's"—contacts, coercion, and cash—to take advantage of the lack of security and the chaotic paperwork jam to plant confederates or pawns in the exchanges and agencies to steal securities. There has further been evidence of increasing traffic in counterfeit bonds.

The failure-to-deliver problem that has plagued the industry this year unquestionably has been partly caused by the alarming hike in stolen securities. And the "backroom" jam up is made to order for organized crime.

Stockbrokers have been swamped with paperwork and brokerages have been desperately shorthanded. Such a situation does not promote security. It simply opens the door for criminals.

On top of this, New York banks have also experienced substantial losses. In the last 3 months, close to \$20 million in Government bonds were reported missing by three major New York banks—the Morgan Guaranty Trust Co., the Marine Midland Grace Trust Co. and the Chase Manhattan Bank.

The dimensions of these thefts and the foothold of organized crime in the backrooms of high finance are obviously frightening.

I introduced on March 10 of this year legislation to authorize the Federal

Bureau of Investigation to exchange fingerprint data with national security exchanges and related agencies. My measure, in effect, will establish a national fingerprint record clearinghouse.

As you may know, Federal Judge Edward Weinfeld ruled recently that there is nothing unconstitutional about the New York State law requiring fingerprinting of employees of the New York Exchange and other securities markets. The law was enacted for the express purpose of combating the upsurge of thefts, embezzlements and the like in the securities industry. It is a commonsense statute that can be reinforced by my legislation.

The measure would amend section 534 of title 28 of the United States Code to permit the collection, classification, and preservation of fingerprints voluntarily submitted by registered national security exchanges.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, the United States spends more for health care and services than any other nation on earth. During 1968 public and private health expenditures amounted to \$53.1 billion, or 6.5 percent of our gross national product.

THE NATION'S YOUTH AND THE "ENVIRONMENTAL DECADE"

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, all too often we have been quick to castigate the youth of the Nation because of the antics of a few vocal, overtelevised, violent college dissenters. The vast majority of today's college youth are concerned, hard working, and dedicated to the preservation of our system of government through established democratic institutions. Last Sunday, the New York Times carried a story about the growing awareness of today's youth with environmental problems, but more specifically, how college students around the country are joining the effort to bring balance back to our ecological system.

According to the article and from all indications I see gathering, next year will mark the start of a genuine student movement with a positive focus. It is a fitting time in that 1970 will usher in the "Environmental Decade." There is a great deal to do in the next 10 years to repair the environmental damage of the last 10 and to prepare for the decades ahead. With positive assistance from the college community, there is indeed hope that the Nation will focus its attention on the vast complex problems of pollution control and environmental preservation and improvement.

If, as the article implies, the "environmental question" will supplant the "Vietnam question" with college students, I only hope that the students' method of implementing their concern

takes a constructive rather than a destructive approach. If there is a constructive attitude I am convinced the Environmental Decade will be the most important decade of our Nation's history.

The article follows:

ENVIRONMENT MAY ECLIPSE VIETNAM AS COLLEGE ISSUE

(By Gladwin Hill)

LOS ANGELES, November 29.—"We want to stop the war, end pollution—and beat Stanford!" yelled a Berkeley pep leader at last weekend's big football rally.

The mention of pollution brought a roar of approval from a University of California crowd of 5,000 that almost drowned out the reference to the big game.

Rising concern about the "environmental crisis" is sweeping the nation's campuses with an intensity that may be on its way to eclipsing student discontent over the war in Vietnam.

This is indicated by interviews with students and faculty members from many campuses and with leading conservation authorities around the country.

There is a strong feeling on the campuses that the war will be liquidated in due course. Meanwhile, it is physically remote. And, in the wake of the big protest marches, many students feel Vietnam offers only limited scope for student action.

But the deterioration of the nation's "quality of life" is a pervasive, here-and-now, long-term problem that students of all political shadings can sink their teeth and energies into. And they are doing it.

A national day of observance of environmental problems, analogous to the mass demonstrations on Vietnam, is being planned for next spring, with Congressional backing.

From Maine to Hawaii, students are seizing on the environmental ills from water pollution to the global population problem, campaigning against them, and pitching in to do something about them.

"A ground swell of concern is starting, on everything from population and food supply to the preservation of natural areas," commented Dr. Edward Clebsch, assistant professor of botany at the University of Tennessee.

"I've been floored by the intensity of their actions and feelings," said Dr. Vincent Arp, a Bureau of Standards physicist close to the University of Colorado at Boulder. "The student group is going like a bomb."

"They can see it, they can feel it, they can smell it. And they think they can change it," said William E. Felling, a program officer of the Ford Foundation, which contributes to many conservation activities.

In Los Angeles a fortnight ago, a student bloc stole the spotlight from 1,000 older participants in a gubernatorial environmental conference. Last week in San Francisco, at a meeting of the United States National Commission for UNESCO, something similar happened.

WORDS AND DEEDS

In Massachusetts last week, Boston University students put on a two-day campaign of public education in ecology. In Seattle, the University of Washington Committee on The Environmental Crisis was staging a similar "learn-in".

Words are only the surface of the iceberg. University of Minnesota students, fresh from a mock funeral demonstration against the fume-belching automobile engine, were planning to dump 20,000 cans on the lawn of a beverage manufacturer to protest use of such packaging. Northwestern University students were campaigning against a controversial regulatory proposal of the Chicago Sanitary District, and against the waste discharges of a big drug manufacturer.

At Stanford and the University of Texas, law students were researching new court-

room stratagems against despoilers of the environment. University of Arizona students in semisecrecy, were collecting data on the fume emissions of copper smelting operations.

EFFORTS GET RESULTS

Already the student environmental front can point to many accomplishments. Student activists had significant roles in the campaigns to "save" San Francisco Bay and the northern California redwoods, and to block new dams on the Colorado River.

The University of Wisconsin's Ecology Student Association was active in the campaign against the recently truncated Project Sanguine, the Navy's high-power communications development; and provided important logistical support of the Environmental Defense Fund in the months-long Madison hearings on DDT.

At the University of Illinois at Champaign-Urbana, Students for Environmental Control sallied forth in freezing weather 10 days ago and extracted six tons of refuse from nearby Boneyard Creek. They persuaded city officials to follow up the effort, and are working on a beautification plan for the creek.

A University of Texas student is launching a state environmental newsletter. University of Washington students, on their own time, are preparing an 80-page report on ecological problems of Puget Sound. At the California Institute of Technology, students organized an intercollegiate summer research project in environmental problems that already has attracted nearly \$100,000 in foundation financing.

On some campuses—Vassar, the University of Oklahoma, and the University of Nebraska are examples—there are no evidences of organized environmental concern. But they are far outweighed by the ferment elsewhere.

On the University of Texas campus at Austin there are at least six environmental groups, with interests ranging from water pollution to conservation law. One group, in the College of Engineering, has filed 58 formal complaints against the University itself for pollution of a nearby creek. At the University of Hawaii, there are close to two dozen groups, each organized around a particular cause.

ACTION IS KEYNOTE

Some groups, like Boston University's Ecology Coalition, have as few as a dozen members. Others have hundreds. But with causes on every hand, mass membership and parliamentary formalities mean less than action, which can be initiated by a handful of people. Then the causes gather their own following.

A few groups cherish the designation of "radical" and are indirect offshoots of the leftist movements like the Students for a Democratic Society and California's Peace and Freedom Party.

"Capitalism is predicated on money and growth, and when you're only interested to maximize profits, you maximize pollution. We need a system that takes maximum care of the earth," said Cliff Humphrey, the 32-year-old leader of Ecology Action, one of several groups at Berkeley.

But generally the aura of the environmental "new wave" is conservative, with coats and ties as conspicuous as beards and blue jeans. "There's a role for everybody in ecology," said Keith Lampe, a cofounder of the Yippee movement, who puts out an environment-oriented newsletter from Berkeley. "People with widely different styles and politics can talk to each other with no more tension than a Presbyterian talks with a Methodist."

FEW "ANARCHISTS"

"I doubt if you'll find many anarchist ecologists," commented Steve Berwick, a 28-year-old Yale environmentalist. "Ecology is a system, and anarchy goes against that."

A typical group is Boston University's Ecology Action, whose 75 members are led by Bruce Tinsney, a 20-year-old junior geology

major. Edwardian rather than hippie in appearance, he has a trimmed red beard, wire-rimmed spectacles, and affects such sartorial accoutrements as a blue plaid vest and matching bow-tie, white shirt, and gold watch and chain.

Ecology Action's two-day educational program last week included "friendly" picketing of the state capitol, a pollution film festival, pamphleteering and lectures, and a mock award of a pollution prize to a local power company. The group has been conferring with state water pollution officials about doing spare time "watchdog" work, and is planning to set up dust-catching devices to monitor air pollution.

There have, across the country, been incidents, but mostly minor—such as the arrest last month of 26 University of Texas students who tried to block the felling of some trees for a campus building extension.

LOCAL ORIENTATION

Some of the campus groups are branches of national organizations such as the Sierra Club (which has just installed a campus coordinator at its San Francisco headquarters), the Wildlife Federation, and the newly established Friends of the Earth. But most of them are spontaneous local movements. Many tend to shun the established national organizations as being dedicated to old-line "conservation" rather than the environmental crisis. They also feel the older groups are wary of "direct action" for fear of losing the tax-exempt status that is their financial base. Ad hoc student groups don't have this problem.

"We don't want to be labeled as 'conservationists' or 'antipollution,'" said Wes Fisher, a 26-year-old ecology student at the University of Minnesota. "Pollution and overpopulation are like a web, and pollution is just the symptom."

The students are employing the gamut of communications and political-pressure techniques—meetings, lectures, rallies, picketing, research, pamphleteering, letter-writing, petitions, legislative testimony, collaboration with public agencies and contacts with politicians.

Last month, Illinois' representative William Springer, Republican, felt student heat when conservationists from the University of Illinois picketed a testimonial dinner for him because he backed a controversial dam project.

IMPETUS IS RECENT

The environmental "new wave" gathered in California as far back as 1965, when Berkeley students staged a sitdown protest against a freeway and Stanford students became involved in campaigns for San Francisco Bay, the redwoods, and Point Reyes National Seashore.

But most of the organizing is recent, and is proceeding unabated. A Boston University group was sparked by a recent Ramparts magazine article by Stanford's Dr. Paul Ehrlich, the "population bomb" crusader. San Francisco State College students were galvanized by a speaker from the Planned Parenthood organization. Bob Hertz, an organizer of the University of Minnesota's Students for Environmental Defense, said his inspiration came from Zen Buddhism and its emphasis on the interrelationship of man and nature. A student group gathering strength at Ohio State was motivated by concern over the Army Engineers' Clear Creek Dam project in southern Ohio, which threatened to flood a pristine natural area used by science students.

In more instances than not, students are welcoming faculty collaboration and counsel. In some places, faculty members have taken the lead. At the University of Arizona in Tucson, a philosophy professor, David Yetman, and a recent law graduate, William Risner, organized "GASP" (Group Against Smelter Pollution) to do battle with the copper companies. The group now includes students and townspeople.

ACADEMIC GROWTH

A University of Illinois engineering instructor, Bruce Hannon, has been a leader of the Committee on Allerton Park, opposing a \$70-million Army Engineers dam project near Decatur. Students joined in a campaign that led to the University's commissioning of an engineering firm to produce an alternative plan.

The environmental ferment caused Ohio State to establish a School of Natural Resources last year. Its original involvement of 180 has grown quickly to 300. An introductory conservation course that had 147 students last fall had 210 this fall. The college's perennial Biologists Forum, which used to draw 20 persons to its meetings, has been attracting hundreds. The University of Tennessee reports an enthusiastic reception for a new course in "Biology and Human Affairs." Colby College in Waterville, Me., has organized two special seminars in January and February on pollution problems and conservation law.

Students are taking the initiative in some environmental teaching. At Stanford, Jeff Bauman, a 22-year-old senior majoring in biology, this fall has been attracting 20 to 40 students to an informal after-dinner dormitory seminar.

OVERSHADOWING VIETNAM

There are differing indications on the campuses about how soon environment may overshadow Vietnam in student interest, but the trend is evident.

"A lot of people are becoming disenchanted with the anti-war movement," said Boston University's Bruce Tiffney. "People who are frustrated and disillusioned are starting to turn to ecology."

"I think environment is a bigger issue than the war, and I think people are beginning to sense its urgency," said Robert Benner, a 22-year-old geology student in the University of Colorado conservation movement.

"The country is tired of S.D.S. and ready to see someone like us come to the forefront," remarked Alan Tucker, a member of Ecology Activists at San Francisco State.

"Environmental problems will obviously replace other major issues of today," said Terry Cornelius, president of the University of Washington's committee on the environmental crises. "This is not just a social movement for Biafra or Vietnam, but for everybody and our closed system, Earth."

"Environment will replace Vietnam as a major issue with the students as the Vietnam phase-out proceeds," commented A. Bruce Etherington, chairman of the University of Hawaii's architecture department. "And it will not be just a political lever to be used by radicals."

Many of the "over-30" environmentalists see the student movement as the catalyst, if not the main driving force, that will get environmental improvement rolling and overcome the older generation's tacit resignation to the status quo.

"These kids are really remarkable in their understanding and maturity," said 52-year-old Dr. Barry Commoner, the prominent Washington University ecologist who has been addressing many student groups.

Campuses are seen as representing a greatly broadened base for the "conservation constituency" needed to jog bureaucrats and support the politicians through whom environmental reforms generally must clear.

Conservation lawyers look to campuses for the scientific expertise vital in pressing environmental battles in the courts, and for the energy necessary to raise funds for the usually expensive legal proceedings.

Indications are that coming months will see the student conservation tide swelling and manifesting itself in an arresting variety of ways.

Already students are looking forward to the first "D-Day" of the movement, next April 22—when a nationwide environmental "teach-in", being coordinated from the office

of Senator Gaylord Nelson, Wisconsin Democrat, is planned, to involve both college campuses and communities.

Given the present rising pitch of interest, some supporters think, it could be a bigger and more meaningful event than the anti-war demonstrations.

SERIES ENTITLED "MAN VERSUS ENVIRONMENT"

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, if we are to believe the dictionary, the term "versus" implies a contest. Unfortunately, man does appear to be in a crazy race against himself. He is making his environment unlivable. It is an unequal contest—the only thing going for the environment side is the self-restraint of man.

In a five-part series entitled "Man Versus Environment," Paul Corcoran of the Copley News Service has described the paradox in graphic terms. Appearing in the Valley Daily News of New Kensington-Tarentum-Vandergriff, Pa., the series is to be welcomed as part of a necessary educational program to alert citizens to the multitudinous dangers facing the total environment. I am sure many Members of Congress feel that our environmental problems are self-evident but we should not be deluded into thinking that the public is totally aware of the scope of the problems facing the Nation.

Air pollution may be a major problem in one area while water pollution is a prime concern in another; protection of a public park or a wilderness area is of concern to some while others are chiefly exercised by noise pollution. Although the problems vary from region to region, there is hardly a single part of the Nation that does not have its environmental troubles. The troubles are legion and their solutions seem impossible but they are solvable. Not in a year, nor in 5 years, but if we make a total commitment now to the "Environmental Decade," there is hope that by 1979, we will have begun to reverse the present trend toward a total, national, pollution-caused economic and social breakdown.

Can we in 10 years' time reverse the trends that have been building for decades but which we have only discovered in the last 10 years? We must. If we fail, man, the endangered species, will no longer be the subject of polite speculation but the subject of a national crisis. The warning signs have been in place for years. Articles such as those I bring to your attention today are indicative of the concern the general public is beginning to feel about pollution control and improvement of the environment. We need more such warnings. Let us hope that we are not too late to save the environment—that is, to save man from man.

The articles follow:

MAN VERSUS ENVIRONMENT (1)—WE MAY DESTROY EVERYTHING, INCLUDING OURSELVES
(By Paul Corcoran)

(EDITOR'S NOTE.—First of five articles discussing the problems of preserving our environment.)

The one overwhelming fear in the mid-20th century is that nuclear war eventually will destroy mankind.

But while this sword still dangles over his head, man himself has increased the likelihood that if civilization does die it will be with a whimper, not a bang.

Day by day, by a process of technological suicide, man has followed a course that appears to lead inevitably to destruction of his environment. It is a crisis America is just beginning to recognize.

And it is about time: By the year 2000, the U.S. population is expected to reach a staggering 331 million.

The dictionary describes environment as the "aggregate of social and cultural conditions that influence the life of an individual or community."

The total environment then is the sum of 24 hours of the day. Day and night, man is influenced by his surroundings. In turn, he by his actions or lack of action can control or damage that environment.

IRONY

There is real irony in the fact that many of the nation's most pressing problems—air, water and noise pollution, waste disposal and job hazards—are direct or indirect results of scientific and technological progress.

President Nixon has explained it this way: "The deterioration of the environment is in large measure the result of our inability to keep pace with progress. We have become victims of our own technological genius."

But the president is confident that man can improve his environment, just as he has damaged it.

He is not alone.

But much has to be done across a broad spectrum that is far more fundamental than hand wringing over smog, polluted beaches, oil slicks, smoke belching from industrial plants, jet plane noise, or any of a hundred other problems confronting the nation.

And time is running out in a heavily populated, predominantly urban society.

"NO TIME"

The late Rachel Carson, whose book "Silent Spring" first focused national attention on the hazards of pesticide and other environmental problems, wrote that it had taken hundreds of millions of years to produce life and to achieve a balance of nature. "Time is the essential ingredient," she said, "but in the modern world there is no time."

Dr. Morris Nelburger of the University of California at Los Angeles, one of the nation's foremost meteorologists and a student of the total environment, emphasized the seriousness of the situation.

"We will accumulate such high concentrations of some toxic substances that life will be untenable if something is not done," he said. He deplored a "piecemeal approach," that strikes at different types of pollution with no concerted plan.

There are two basic goals for those who are concerned about the quality of life in America.

1. The cities must be made livable just as the streams already polluted must be made clean, the mines safe, and ways must be found to dispose of more than 3.5 billion tons of waste every year, to mention only a few problems.

2. There is a need to conserve the natural environment—the parks, the streams, the air itself, so that man may enjoy broader recreational opportunities without spoiling the natural habitat, while at the same time improving the quality of day-to-day life.

"We have abused, exploited and destroyed . . . We have upset the balance of nature," said Secretary of the Interior Walter J. Hickel. "We have filled in our bays and our marshes where valuable sea life begins . . . The America of today was shaped by man. But is it the America we want to leave for the generations to come?"

ALARM

His predecessor, Stewart Udall, wrote a year earlier that "the need for a new national attitude toward our environment has grown until today it is an absolute necessity for human survival."

"Technology has stretched and magnified our natural resource potential in many areas. It has also supplied a harassed people with an infinite number of pain killers and tranquilizers. But it cannot provide us with one square inch of additional planetary surface nor do more than gloss over the mounting environmental insults to humanity."

These are general statements, and might be passed off as typical of politicians and officials who always "view with alarm," even when it comes to concern over walking on the grass of the courthouse lawn.

But statistics bear them out. In fact, they make them appear to be understating.

For example:

1. Toxic matter is released into the air over the United States in the form of carbon monoxide, sulfur dioxide, any number of variables from industry, automobiles and other sources at the rate of more than 142 millions tons a year.

That means three-quarters of a ton for every American. The poisonous waste comes from more than 90 million motor vehicles, many of them old autos with no air pollution devices of any kind, municipal dumps, power plants, factories, ancient ghetto incinerators and furnaces.

2. Drinking water, despite a 1965 federal control law, is either substandard or of mediocre quality many places in the nation. Charles C. Johnson Jr., administrator of the Health, Education and Welfare (HEW) Commission's new consumer protection and environmental health service, reported that there are more than 19,000 communities where public water supplies serve 58 million people but which are not covered by U.S. Public Health Service standards.

Even in the 750 communities where public water supplies are covered, Johnson said, chemical contaminants are controlled only by standards which need updating.

3. An estimated two million Americans a year are stricken with illness from microbiological contamination of food.

4. Each year, at least 100,000 Americans are killed in accidents, with 52 million others injured. Many mishaps occur on the job—in a setting that cannot be isolated from the total environment.

5. And, to put the whole picture into the context of dollars and cents, it costs the nation \$60 billion a year, with an average annual increase of about 8 per cent, to meet the cost for treatment of accidents and illnesses attributable in some way to environmental problems.

TROUBLES

Although the problems vary from region to region, there is hardly a single part of the nation that does not have its environmental troubles.

Los Angeles is notorious for its smog, despite the fact it has the nation's only concerted regional effort to attack air pollution.

Water pollution is serious in the Lake Erie basin, with its 11.5 million persons; in the Potomac River; in the Delaware Estuary, where fish no longer can survive the filth and waste and in San Francisco Bay, to mention only four points. Lake Tahoe, with shorelines in both California and Nevada, and almost every reservoir and stream close to a populated area has problems, particularly with regard to drinking water.

The proposal to build a jet airplane port in Florida's Everglades has brought major criticism and complaints from residents and conservationists fearful wildlife will be scattered.

Citizens of Westchester, Los Angeles suburb, long have complained of the noise and smoke from jetliners.

The miners of West Virginia, Pennsylvania, Arizona and other states have suffered serious illnesses, including so-called "black-lung," "Brown lung" and silicosis.

The increasing introduction of chemical compounds and the use of pesticides has brought reports of illness and damage to plants from California to Florida.

Even Iowa, a predominantly agricultural state, has its problems. Its dilemma is solid waste disposal from feed lots and packing-houses.

Everywhere there is the sometimes maddening necessity of disposing of solid waste—190 million tons of garbage, trash, bottles and cans, not to mention finding ways to junk hundreds of thousands of automobiles.

MAN'S END

Nelburger, the UCLA scientist, has a theory about man's seemingly conscious effort to destroy the things that make life viable. First, he believes a concerted attack must be made to improve the total environment.

But Nelburger seemed to echo the late Dr. Albert Schweitzer in general skepticism about man actually taking any significant steps to meet the problem. He sees little or no concerted effort to solve the problem, although there is an "increasing awareness in the last six or eight years of this tremendous destructive impact on the environment."

It was Schweitzer who once said:

"Man has lost the capacity to foresee and to forestall. He will end by destroying the earth."

MAN VERSUS ENVIRONMENT (2)—EVERYDAY LIFE LITERALLY A STRUGGLE FOR SURVIVAL—A DAY IN THE LIFE OF TWO FAMILIES

(By Paul Corcoran)

John Smith grunted when the alarm clock sounded at 7 a.m. He had had only a fitful night's sleep. He had experienced many since an increase of jetliner traffic at Los Angeles International Airport brought the loud, whistling big planes low over his suburban home.

His wife, Mary, was up a half hour ahead of him to prepare breakfast. She squeezed fresh orange juice—a treat for John and their two children, Sally and Jack—from oranges grown in a grove sprayed often with a pesticide suspected of causing disease.

Mrs. Smith probably had no idea that her family statistically had a chance to become one or more of the two million Americans who each year are stricken with illness from microbiological contamination. But at least the odds were in her favor.

She poured milk from a "no return" quart bottle which saved her the necessity of returning it to the store. All she had to do was to toss it in the garbage can where it would contribute to the 3.5 billion tons of wastes discarded each year in America.

SMOG ALERT

Looking out of the window, John could see hazy sunshine. As usual in the Los Angeles basin there was no wind to speak of, and it was warm—more than 90 degrees. A radio report said there would be a smog alert—called when oxide pollutants reached .50 hundred parts per million parts of air.

At 8:30, John hopped into his nine-year-old coupe to drive to work, a nine-mile ride. His would be one of 4½ million autos contributing to air pollution that day. In fact, it would produce more than its share, since it was old and without air control emission devices required on all new automobiles.

Mrs. Smith, having prepared lunch for the children in which she used meat products also exposed to pesticides, packed Sally and Jack into a two-year-old station wagon for the ride to school. She, too, complained of the smog, as did the youngsters.

The boy was particularly annoyed because he knew the playground recess softball game probably would be called off. The Los Angeles Air Pollution Control District's school smog

alert recommends no strenuous activity for youngsters when the ozone count reached .35 as a health safety factor.

The freeway was crowded and Mrs. Smith became nervous as cars sped by her at 70 miles an hour. The noise and tension were painful reminders of the two months she spent in a rest home because of a nervous collapse suffered when she had difficulty coping with just such big city hazards.

By 5 o'clock, after the anticipated smog alert and with a brown haze ringing the Los Angeles area, Smith was ready to head for home. He had been concerned about a new device at the laboratory employing the laser beam that some colleagues feared might be radioactively dangerous.

RADIOACTIVE

That in turn reminded him that the family's color television set, an older model, needed inspection to make sure it was not radioactive. He had been reading reports on some of the early models that were.

When he arrived home, Smith found that his daughter was feeling ill. She had been given some new antibiotics for a respiratory ailment. But the family doctor, after a rare house visit, discontinued the medicine because of apparent adverse side effects.

The evening meal, consisting of prepared foods from attractively colored but bulky packages was a pleasant diversion.

The Smiths had invested in a small air-conditioning unit, and it gave them relief from the summer heat.

After dinner, and despite the noisy interruption of the jet planes every few minutes, the Smiths watched television for a couple of hours.

Then they sat down to map plans for a brief vacation, substituting Las Vegas for Santa Barbara which they bypassed because of a huge oil slick from a pipeline leak in the harbor. The heat of Nevada sounded better than polluted water.

At bedtime, Smith opened the window of the bedroom despite the sounds of the jets, and the blaring of a rock 'n' roll record played on the stereo by a teen-age neighbor.

It was a routine day for a family familiar with the sights and sounds of Los Angeles.

GARBAGE

It was cold when Tom Jackson reluctantly pulled the covers down to greet another day in Cleveland, Ohio. It seemed colder than ever because the balky furnace in the old frame tenement building wasn't working.

When it did, it did more to join thousands of similar furnaces and incinerators in polluting the Cleveland air than to heat the old building.

Jackson, his wife, Sharon, and their sons, Harold and Bob, were happy for one thing, however. There were no rats in traps spotted around the bleak yellow three-room apartment. Jackson had complained bitterly to the apartment manager about garbage and trash accumulating in the corridors, but to no avail. The rats usually found the old apartments more welcome than the dark corridors, and always seemed to find a way inside.

Mrs. Jackson drank a glass of water, but it had a hard, chemical taste, testimony only to scientific progress in that the industrial filth of Lake Erie at least had been conquered sufficiently to make it reasonably sanitary.

The Jacksons talked at breakfast about the murky weather, the result of carbon monoxide and sulfur dioxide escaping from the smokestacks of nearby steel and rubber plants rather than automobiles.

As he sipped coffee, artificially flavored with a sweetener federal health authorities believe may be potentially dangerous through repeated usage, Jackson recalled his brother telling him of the black day in the mine town of Donora, Pa., 20 years earlier. In the nation's first industrial air pollution disaster, 20 men died. Hundreds became ill. Mrs. Jackson assured her husband that it surely could not happen in Cleveland.

NOISE

Jackson rode to work at the Harris tool company on a bus. He had to wait several minutes, and got a good whiff of diesel exhaust from other passing buses. Once on the job, he managed to blot out the pounding, hammering and other loud noises. His hearing already had been impaired, as has that of hundreds of thousands of the 16 million persons subjected to severe occupational noise.

At school, the classrooms at Adams junior high school were warm and stuffy. Both Harold and Bob found it hard to concentrate. There was no place to go at recess, because the small playground was being paved. It was the only ground available on the school property.

Harold and Bob looked ahead to the summer and a visit to one of the few unpolluted beaches on the Lake Erie shore. But that would be two months away.

After work, Jackson met with some friends to talk about working together to clean the neighborhood of accumulated garbage and other trash.

There was also a discussion on who might reopen a market, its windows broken and boarded since a street disturbance more than a year ago, to make it easier for the women to do their shopping close to home.

CIGARETTES

Jackson finished his second package of cigarettes of the day, as a friend joked about him supplying his own "personal air pollution."

At home that night, with the repaired furnace supplying sporadic heat once again, the Jacksons supped on hamburger from cattle who in turn were given fodder from a field sprayed with DDT. They had to interrupt their meal for several minutes, though, because of a power failure. They knew about overloaded power lines, and this was not the first time.

A half-dozen television sets, competing with radios, blared in the building. It was, as always noisy.

Jackson went to bed early so he could be at work at 6 a.m. the following day. He did not particularly look forward to tomorrow.

MAN VERSUS ENVIRONMENT (3)—DIRTY AIR: THE CLOUDS HAVE A DANGEROUS LINING

(By Paul Corcoran)

The Smith and Jackson families are not flesh and blood.

But they could be, and each of the frustrations, challenges and choices confronting them over a 24-hour period could be those faced by any of America's 200 million real people. Each situation could happen. And, for each hypothetical situation, there are a score or more alternatives.

But as readily identifiable as these situations are, the public has been slow to recognize them as part of a complete landscape. It is the total landscape that makes for the quality or despair of their lives.

"The conservation goal of America's third century as a nation," said former Interior Secretary Stewart Udall, "must be the development and protection of a quality environment which serves both the demands of nature for ecological balance and the demands of man for social and psychological balance."

For the first time, American government, industry and some of her citizens are grasping the magnitude of that assignment.

The turning point came when air pollution was identified as a hazard to health rather than the subject of countless jokes by Hollywood and New York comedians.

This painful truth was accepted despite the efforts of what a high Washington, D.C., federal official called a "built-in" lobby consisting of the auto makers and other industries to play down the existence of air pollution.

SMOG

Certainly, it is most closely identified with Los Angeles, whose peculiar geographic setting—it is ringed on all but one side by mountains—makes it "perfect" for creating eye-smarting smog. But air pollution linked to industrial burning, outmoded and faulty incinerators and furnaces troubles hundreds of communities with no serious auto smog problem.

As Charles Heinen, Chrysler Corp. air pollution expert, put it:

"The two primary ingredients of air pollution are smoke and dirt."

In fact the nation's first real awareness of air pollution as a health menace did not result from a concern about auto, or photochemical, smog. Instead, it was the 1948 Donora, Pa., disaster in which 20 people died and hundreds more were made acutely ill because of a combination of "unusual weather conditions" and fumes from local factories.

Dr. Hartley Motley, Los Angeles, a member of the city's environmental health committee, does not rule out the possibility of a far more serious disaster in a major American city. This is particularly so if steps are not taken to control the release of sulfur dioxide and carbon monoxide into the air.

Toxic, or poisonous, matter is being released into the air over the United States at a rate of more than 142 million tons a year.

"We can't guarantee we might not have a disaster," he said, noting the almost painful absence of knowledge about minimum air quality standards.

Under certain conditions, with a "bad inversion" and the absence of wind that now blows pollutants away from the city, New York City could be confronted with a crisis that defies analysis. Fortunately for New York, however, that situation has not developed. There is no way to predict if or when it will.

The fact that almost all Americans outside of Los Angeles didn't take air pollution seriously until the late 1950s and early 1960s is reason enough for them to start anticipating other pollution and environmental problems.

NOISE

Dr. William H. Stewart, former U.S. surgeon general, pointed this out not long ago in a discussion of the health hazards of noise. He quoted a predecessor, Dr. Leroy Burney, as saying that to wait for absolute proof that atmospheric pollution was related to cancer was inviting disaster, even if there were no "hard" facts on such a relationship.

The first meeting to discuss noise as a health factor was not held until 1968, Stewart said. Attitudes could be compared to those on air pollution a decade earlier. In other words, in 1958 few were ready to recognize air pollution as a problem, just as few now are ready to accept noise as a health problem.

"Of course, we haven't had our Donora episode in the noise field, perhaps we never will," he said. "More likely, our Donora incidents are occurring day by day, in communities across the nation—not in terms of 20 deaths specifically attributable to a surfeit of noise, but in terms of many more than 20 ulcers, cardiovascular problems, psychoses and neuroses for which the noise of 20th-century living is a major contributory cause."

There is some data on noise as a health hazard. For example, Stewart said, hearing of selected groups of workers exposed to considerable noise is significantly poorer than that of nonexposed comparable groups.

Also, perhaps half the machines in industrial use produce noise levels intense enough to pose a hazard to the hearing of exposed workers.

There are also physiological changes, including cardiovascular, glandular and respiratory effects.

"I submit that those things within man's power to control which impact upon the individual in a negative way, which infringe upon his sense of integrity and interrupt his pursuit of fulfillment, are hazards to the public health," Stewart said.

FRUSTRATING

That more isn't being done to tackle the pyramiding environmental crisis is frustrating to research scientists, including Dr. Seymour Calvert, director of the Statewide Air Pollution Research Center at the University of California, Riverside. His center ranks first among all schools in receipt of federal grants for research into air pollution.

"The single greatest need in the field of air pollution control today," he said, "is for a tool capable of dealing with the size and complexities of large-scale air pollution problems, a tool able to tell what is happening in the air now and what will happen in the future.

"The need for such a capability has been apparent for several years. Yet, we are still without it. A great many air pollution control agencies are conducting studies and making subsequent decisions with no more than qualitative deference to concepts of atmospheric modeling."

In the rush to get on the bandwagon when auto smog was identified as an undeniable problem, many persons in and out of government did some wishful thinking on finding an instant cure. The result has been a good deal of misinformation which has helped justify the auto industry's claims that no one really has prescribed the limits for photochemical smog from motor vehicles, nor offered any efficient alternative to the gasoline engine as a power plant.

Claims that steam and/or electric engines could be produced on a mass production basis as an alternative to the internal combustion engine have proven little more than that, with little substance.

Even the Los Angeles Air Pollution Control District, perhaps the industry's strongest critic over the last quarter-century, agrees the best bet to solve the smog problem is to improve the internal combustion engine. Neither steam nor electricity is seen as an efficient power source in the immediate future.

Industrialist William P. Lear does anticipate the day when the steam can be used in small compact cars.

He estimates conservatively a \$300 million cost to any crash program to develop power plants acceptable to the American public in compact or medium-size vehicles. These would prevent emission of auto smog—a blend of hydrocarbons and oxides of nitrogen catalyzed by sunshine in a windless environment.

LIPSERVICE

When information is available in one form or another to industry or the government on pollution of the air or the water, it may be ignored or given only lip service.

In February, 1968, the Secretary of the Interior and Secretary of Transportation submitted a report to then President Johnson on "pollution of the nation's waters by oil and other hazardous substances." It was prompted by the Torrey Canyon ship breakup in which 119,000 tons of crude oil was carried ashore, defiling the French and British coasts.

It also suggested definite steps to be taken to minimize the hazards from oil seepage, including tightening safety and anti-spill requirements for oil pipelines as well as regulations dealing with tankers.

This was 10 months before the Santa Barbara offshore oil disaster. There was no evidence of action at the legislative or Cabinet level to implement recommendations dealing with offshore oil or pipelines in that interval.

In addition, there has been knowledge available for an extended period that sulfur oxides cause air pollution in many industrial

cities. More recently, this data has been refined and brought up to date.

In a March 1969, report by the House Committee on Government Operations, sulfur oxides were identified as second only to carbon monoxide as a major air pollutant.

In 1966 alone, 28.5 million tons of sulfur oxides were poured into the air, and the figure has increased. Some 46 per cent came from power generation; 21 per cent from commercial buildings; 22 per cent from a variety of industrial operations, and 11 per cent from heat and power in industry. The committee says natural gas, being sulfur-free, is desirable as an alternative fuel, but that a supply is not ample to meet the demands of industry on a nationwide basis.

INDUSTRY

The report foresees the need to seek out an alternative fuel to reduce air pollution. It does not appear optimistic, but recommends definite steps be taken to try to find a fuel that will meet industry's demands and still reduce pollution.

Industry has not appeared wholly receptive to recommendations it change its ways and cut back on sulfur fuel. It has, Dr. Morris Nelburger noted, frequently gone its way to provide power without major reforms.

A job has to be done, in other words, but so long as the public and government remain silent, little is likely to change.

MAN VERSUS ENVIRONMENT (4)—THE BIGGEST CAUSE OF WATER POLLUTION IS PEOPLE

(By Paul Corcoran)

If it were not for people, the lakes, rivers and streams of America would be clean and clear and the nightmarish possibilities of Rachel Carson's lifeless "Silent Spring" would be nothing more than a bad dream.

But man, ingenious but not always judicious, builds industries near waterways so he can transport the goods he produces. He sails in pleasure boats, often releasing into the clear water the garbage and other waste he would never discard in his back yard at home.

As is true with many other environmental problems, it is the human being who causes most if not all of the trouble.

Examples of water pollution can be found from Lake Tahoe to Lake Erie, from San Francisco Bay to the Potomac River, from Los Angeles Harbor to the Delaware Estuary at Philadelphia.

THE WORST

The Lake Erie dilemma is inevitably cited as the worst, or best, example of how man wastes his water resources. Described by the Department of the Interior as the "economic lifeblood" of more than 13 million persons, Lake Erie is used as a source of water, for recreation, commercial shipping and fishing, and for sewage.

Poor quality is attributable among other things to huge quantities of waste dumped into the lake and its tributaries at Detroit, Cleveland, Toledo and other cities.

There are 20 major industrial water users on Lake Erie, which is bordered by major cities in Michigan, Ohio and Canada. They alone discharge almost 10 billion gallons of process and cooling waters containing pollutants into the lake each day.

The Department of Interior puts it succinctly: "Man is destroying Lake Erie . . . It is as positive as if he had put all his energies into devising and implementing the means."

If there is any encouraging aspect to the problem, it is the fact that Lake Erie is the most amenable of all the Great Lakes to corrective measures because of its relatively small volume, rapid flushout time, and input from Lake Huron's high quality water.

This means that as bad as the situation is, man has it within his capability, through co-operation of federal, state and other agencies, to improve the quality of the water, reopen

some of the Erie beaches for recreation purposes and perhaps revive some of her potential as a source of fish. In commercial fishing alone, Lake Erie still averages approximately 50 million pounds each year. But the figure long has been static.

The historic Delaware River, which Henry Hudson in 1609 called "one of the finest, best and pleasantest rivers in the world," has been brutalized by massive urbanization and industrialization in the 20th Century. Release of oil from vessels and surrounding refineries is common from Philadelphia to below the Delaware state line, and the water sometimes is a sickly gray-black.

CONTROL

And so the story goes, wherever industry and heavy usage extended over many years upset the delicate balance nature intended.

But steps have been taken to control water pollution, although the time is late. In 1965 Congress passed the Water Quality Act, providing a blueprint for control. In effect, the states and other jurisdictions were told to prepare water quality standards or have the federal government do the job for them.

All 50 states agreed to prepare quality standards for interstate streams, rivers, lakes and coastal waters, and submitted them to the Secretary of the Interior for approval. The standards specify what use is to be made of any waterway, including industrial use, swimming, or any combination. Included is a step-by-step plan for construction of water treatment facilities, and a scientific determination of special criteria regarding limits on various pollutants.

DISEASE

This is no overnight program, and the government already has voiced some concern.

Charles C. Johnson Jr., administrator of the relatively new consumer protection and environmental health service, said that in the last five years, outbreaks of water-borne disease have averaged one a month. Unreported cases may be 100 times more than that.

The problem is serious, Johnson said. But he emphasized water purity must be viewed as part of the over-all, increasing contamination of the environment.

"Soil erosion, deforestation, the use of agricultural chemicals, industrialization, urban sprawl, freeway construction, waste disposal, air pollution—each of these is the subject of grave concern in its own right, but ultimately each contributes to even more serious concern for water quality," he said.

DIFFERENCE

At least one state water official, James L. Welsh, supervising engineer for the water quality section, California Department of Water Resources, does not believe a single approach is possible to water pollution control on a national basis.

"The East and West are different," he said. "In the West, the objective is one of preventing pollution. In the East—in the Great Lakes, Potomac, Delaware, for example, the problem is to correct and eliminate pollution."

California has had its share of problems, though, especially at Lake Tahoe because of very heavy recreational use by boats, and in San Francisco Bay, particularly at the south end, because of excessive waste distribution. Even Monterey Bay is considered a possible trouble area, although preventive action appears likely to avert troubles.

As for the Metropolitan Water District, which supplies water for drinking and farmlands for most of Southern California via the Colorado River Aqueduct, it has one rule its feels helps keep its product "hard but clean."

"We don't let people use our reservoirs to swim or for boating," a spokesman said.

That is one extreme way to meet the problem, but it does not provide the answer for millions of Americans whose enjoyment

of outdoor recreation provides an escape from the pressures of an increasingly complex, noisy and frustrating day-to-day existence.

MAN VERSUS ENVIRONMENT (5)—AMERICA'S CHOICE: THE "GOOD LIFE" OR SUICIDE (By Paul Corcoran)

Americans are brought up to believe in the "good life."

Many enjoy the fruits of good jobs, live in comfortable homes, drive fast cars and fish and hunt in their leisure time. They have the choice of the outdoor life, or engaging in the hustle and bustle of city life.

Others only dream of the good life, but most still do dream.

But as the nation approaches her 200th birthday, it faces tall and turbulent times, laden with problems that may deprive all but a few citizens of any opportunity of realizing the American Dream.

The crisis facing the nation is the deteriorating quality of the total environment, from pollution of the air and sea, to intolerable noise levels, and disposal of 3.5 billion tons of waste a year.

In sum, it is a suicidal conflict: Man vs. his environment.

INSOLUBLE?

There are critics who feel the problem will be insoluble, especially in view of population forecasts of some 330 million by 2000.

Scientists in particular deplore the fact that until the last several years, only lip service has been paid to environmental problems. There has been nothing but scattered piecemeal efforts to do anything about industrial waste, pollution from cars, intemperate use of pesticides and preservation of limited recreation facilities.

But there are others, from President Nixon to the lowest employe of the National Park Service, who believe the American Dream is not dead. And there are a few inventive scientists with strong opinions willing to back them up with imaginative proposals for air pollution control and other problems.

Some of the steps taken at the government level have been encouraging.

One was the appointment by the President of the Environmental Quality Control Council headed by Dr. Lee A. DuBridge, former president of the California Institution of Technology and now Nixon's science adviser.

The President charged the new council to propose improved measures for the control of pollution, to coordinate efforts on different levels of government, and to anticipate future problems.

Among other things, it is exploring ways to find alternative power plants to the internal combustion engine to reduce the hazards of auto smog. A rather modest \$2 million has been proposed for this function, against \$3.5 million in private capital already invested by William P. Lear.

IMPORTANT

One of the most important proposals made on air pollution has gone relatively unnoticed by the public. It was put forth by Dr. Seymour Calvert, director of the State-wide Air Pollution Research Center at the University of California, Riverside.

He called for an end to helter-skelter programs in determining air quality standards and levels of danger to human and plant life.

"System analysis is the common term used to describe the process of considering all significant interactions when deciding on a course of action," he said. "The size, complexity and importance of the photochemical smog problem require that the systems approach be used."

This in effect is the same approach so successful in the space program which put the first men on the moon in July.

Calvert believes the day "is not too far off" when such a system can be applied to air pollution.

STRUGGLE

Other things are happening in the struggle to make life livable today and in the future:

1. In June, Secretary of the Interior Walter Hickel announced an 11-point policy directive setting guidelines for the National Park Service, with emphasis on providing new recreation opportunities for city dwellers. For example, the Oxon Hill Children's Farm just outside Washington, D.C., offers city boys and girls a chance to see, touch—and smell—animals on a real farm, something denied them in the urban environment of Washington, D.C., and Baltimore.

The basic Park Service emphasis is on use for recreation without disturbing the wild-life environment.

2. The Department of Health, Education and Welfare (HEW), through its new consumer protection and environmental health service, is taking an active role in establishing policy for control and eradication of pollutants and in seeking higher standards for mine workers as well as other occupations. In addition, with frequent speeches by Administrator Charles J. Johnson, Jr., it has served to educate the public as well as industry to some of the major steps that must be taken to fulfill the national purpose.

Sometimes bluntly, it has pointed out that America, despite her great material wealth, trails in vital areas because of failure to meet challenges in health and the environment. Johnson noted, for example, that America ranked 15th among nations of the world in prevention of infant mortality in 1961 against sixth in 1950.

3. Increased expenditure of private money, particularly in Los Angeles and Detroit through conversion by industry to natural gas that dramatically reduced factory air pollution. The auto industry, spurred by Congress and state legislatures, also is putting millions of dollars into research to further improve smog emission devices and to develop alternative power plants.

TOSS-UP

Hickel, who notes wryly the controversy that accompanied his first months in office when the Santa Barbara oil slick attracted national attention, says it is a toss-up whether air or water pollution is the bigger problem. Both will be particularly expensive.

"But it is time to acknowledge that measures to prevent water pollution and help clean up the environment make money," Mr. Hickel said.

"Nature is forgiving, and has tremendous powers of restoration. But nature is nearing the limit of its ability to recover."

Despite all the committees, councils and agencies and all the expressions of concern, the nation is still 10 to 20 years from knowing whether it can solve its most pressing problems.

The auto industry does predict motor vehicle smog will be licked by 1980, but that is greeted skeptically by those who have been fighting it for decades. Other problems—waste and urban deterioration—appear likely to grow worse rather than diminish.

Former Interior Secretary Stewart Udall, one of the most active conservationists ever to hold the office believes the environmental problem is so important the nation should not fall back comfortably on the team, "me too" approach.

He said:

"Perhaps the most sorely needed individuals today are the 'discriminating critics' who may be members of any of the myriad social groups united for this or that social action. . . . Out of these groups, with single, selfish goals, must come individuals who can find, somehow, the means and the mass courage to define and accept humanistic as well as technological goals.

"If we find ourselves unable to meet the challenges of technological change, it will be because we failed to generate the discriminating thinkers—those who would challenge

the herd psychology and without destroying the groups, nevertheless achieve a forward shift in the centers of traditional belief."

Without meeting that challenge, Americans may one day find the air of their cities impossible to breathe without masks; their water unfit to drink; their sidewalks clogged with garbage, and noise so loud it will make a rock 'n' roll band sound like a church choir.

If that day or one like it comes, it will be the end of the American Dream.

PRAISE FOR GUEST CHAPLAIN

(Mr. WAMPLER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, it is a great personal honor for me to have my minister, Dr. James Preston Stevenson, deliver the invocation in the House of Representatives today. I appreciate the cooperation of our House Chaplain, Dr. Edward G. Latch, in extending the invitation to him.

Dr. Stevenson is minister of my home church in Bristol, Va., the Central Presbyterian Church. I would like to point out that Dr. Stevenson, in his wide range of dedicated service, served as a chaplain in the U.S. Air Force during the Korean war and as chaplain of the Mississippi House of Representatives in 1959.

Mr. Speaker, I would like to have inserted in the CONGRESSIONAL RECORD the biographic sketch of Dr. Stevenson:

Born: Oct. 5, 1919, Hartselle, Alabama, son of a minister James Preston Stevenson and Claribel (Fant) Stevenson.

Ordination: May 21, 1944, Tuscaloosa Presbytery.

Education: Fort Smith Junior College, graduated 1939. College of the Ozarks (Kneeland Theological Award), A.B. Degree, 1941. Columbia Theological Seminary, B.D. Degree, 1944. College of the Ozarks (recipient of Alumnus of Year Award, 1949), D.D. Degree, 1950. United States Air Force Chaplains School, Counseling Emphasis, 1951. Wartburg Lutheran Seminary, Family Life Studies, summers 1959 and 1960. Various studies and conferences at seminaries and Montreat, North Carolina.

Pastoral experience: Pastor, First Presbyterian Church, Uniontown, Alabama, 1944-46. Pastor, Canal Street Presbyterian Church, New Orleans, Louisiana, 1946-50. Chaplain, United States Air Force, Korean War, 1950-52. Pastor, First Presbyterian Church, Clarksdale, Mississippi, 1952-67. Chaplain, Mississippi House of Representatives, 1959. Pastor, Central Presbyterian Church, Bristol, Virginia, 1967 to present.

Other experience: Chaplain, New Orleans Masonic Shrine, 1948. Vice President, New Orleans Ministerial Association, 1949. Vice President Alumni Association of Columbia Theological Seminary, 1955-57. President Clarksdale and Coahoma County Mississippi Ministerial Association, 1958. Was chairman of Nursing School Board of Coahoma County Hospital, youth counselor for county court, chaplain for city-county jail, active in poverty program, Clarksdale, Mississippi. Chairman of the Presbyterian General Assembly's Committee on the Minister and His Work, 1965; also served as member and chairman of other General Assembly committees. Is chaplain of the Appalachian Crime Commission and is a member of the Board of Directors of Bristol Memorial Hospital. Is listed in Who's Who.

Family: Married Jan. 3, 1942, to Kathryn McGee. Two children, Victoria Fant (now Mrs. Phillip Lay of Louisville, Kentucky) and Sarah Kay, age 14.

MORE TV BIAS

(Mr. ASHBROOK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, on November 25 I inserted in the RECORD a summary by the newsweekly, Human Events, of the staff report of the Special Committee on Investigations of the House Committee on Interstate and Foreign Commerce entitled "Television Coverage of the Democratic National Convention, Chicago, Ill., 1968." In my prefacing remarks it was noted that "selective interviewing is another device extremely useful in slanting a news package." The above-mentioned staff report reiterated this theme based on the findings of its investigators:

The investigators noted a tendency also to speak out and interview dissident delegates and other individuals for commentary.

At another point in the report, while noting that one commentator sought to redress the balance of coverage to a certain extent, it was stated that:

From these reports, it would be possible to conclude that the networks had deliberately sought out for interview those with known biased feelings against the conduct of the convention and the city government, some of whom would appear to have questionable credentials as political commentators. . . .

Another twist in the selecting interviewing theme was pointed out by the Committee of One Million in its press release of December 2 concerning the CBS-TV news special, "Triangle of Conflict—China, Russia, and the United States," broadcast on November 18. While ignoring hardliner Sino-Soviet experts such as Dr. Franz Michael, of George Washington University; Dr. David Rowe, of Yale; Dr. Frank Trager, of NYU; and Dr. Richard Walker, of the University of South Carolina, the CBS narrator, Marvin Kalb bolstered his questionable findings on Red China by citing such knowledgeable and easily identifiable experts as "Washington officials" and "leading students of Sino-Soviet affairs." This abuse of the confidence of the TV viewer in expecting the best of all sides on an important national issue of long standing caused the Committee of One Million to send the following telegram to Dr. Frank Stanton, president of CBS, requesting equal time:

Dr. FRANK STANTON,
President, CBS,
New York, N.Y.

The CBS News Special, entitled "Triangle of Conflict . . . China, Russia and the U.S.," which was telecast over the CBS Network Nov. 18 from 10 to 10:30 EST was, in our opinion, badly unbalanced and misleading in its conclusions and recommendations. You did not include a single one of the many acknowledged China experts in this country who disagree with your conclusion that "U.S. policy towards China was clearly out of date . . . that fundamental change was needed." As oldest and broadest-based citizens committee dealing with the question of Communist China, we request equal time over CBS-TV to reply and to present the complete picture of Mainland China and U.S.-Communist China relations to the viewers of your network.

WALTER H. JUDD,
Chairman, Committee of 1 Million.

A word about the Committee of One Million Against the Admission of Communist China to the United Nations. Founded in the 1950's, the committee is presently headed by Dr. Walter H. Judd, former Member of Congress and for many years a medical missionary in China. Its steering committee includes both Democrats and Republicans in the House and Senate who for years have been concerned about the question of Red China. Its efforts in the past have played a large part in helping U.S. citizens put themselves on record against a bandit regime whose murdered victims since 1949 number literally in the millions.

Following is the news release of the committee issued on December 2:

CBS SPECIAL ON CHINA CALLED "UNBALANCED, MISLEADING"; EQUAL TIME TO REPLY REQUESTED

WASHINGTON, D.C.—The Committee of One Million has requested equal time from the CBS network to reply to the "badly unbalanced and misleading" CBS-TV News Special, "Triangle of Conflict . . . China, Russia and the U.S.," broadcast November 18.

Dr. Walter H. Judd, Chairman of the Committee, wired CBS President Frank Stanton that "you (CBS) did not include a single one of the many acknowledged China experts in this country who disagree with the conclusion attributed to anonymous 'Washington officials' that 'U.S. policy China was clearly out of date . . . that fundamental change was needed.'" (Full text of telegram attached).

Dr. Judd announced that Lee Edwards, Secretary of the Committee, will begin gathering material for the Committee's reply in Hongkong in December by filming eye-witness accounts by refugees from mainland China on what actually is happening to people in that Communist-oppressed land. In addition, he said Edwards will interview Asian experts attending the Asian People's Anti-Communist League and World Anti-Communist League conferences in Bangkok, December 3-8.

Dr. Judd cited several statements in the documentary which the Committee challenges:

(1) (Marvin Kalb, narrator) "But, in September, much to the relief . . . and the astonishment . . . of the experts and the President, Russia and China abruptly backed away from the collision that had frightened the world."

Dr. Judd said that if CBS researchers had "done their homework" they would have found many "experts" who were not "astounded" that Red China and the Soviet Union did not go to war with each other. These experts would have been astonished if that war of nerves had become an all-out collision.

He noted, for example, that CHINA REPORT, published by the Committee of One Million, stated in April, 1969:

"The political stakes for which the two Communist giants are playing are large: control of the international Communist movement . . . The border dispute will undoubtedly persist. Moscow and Peking will continue to compete for leadership of the Communist world. Friction will not disappear. But those who would conclude therefore that the Soviet Union and Red China cannot work together against the Free World should consider the following:

"In mid-March, Moscow Radio, while conceding that Peking was creating 'obstacles' to the flow of arms and commodities across Chinese territory to North Vietnam, asserted that it has not stopped them."

(2) (Marvin Kalb) "Mao won China without Stalin's help."

Dr. Judd noted that Stalin provided Mao

with vast quantities of arms and materiel during the 1940's, far more than the U.S. ever gave its ally, the Republic of China. In addition, Stalin and Khrushchev continued to supply vital technological and economic aid to Communist China in the 1950's—critical years for Mao—including atomic bomb samples and technical materials for their manufacture.

(3) (Marvin Kalb, narrator) "We spoke with some leading students of Sino-Soviet affairs."

Dr. Judd agreed that the "leading students" of Sino-Soviet affairs interviewed by CBS are indeed that, but represent essentially only one school of thought. CBS apparently did not contact other Sino-Soviet experts whose opinions would not support the conclusions drawn in the documentary.

For example, he said that Dr. Franz Michael of the Sino-Soviet Institute, George Washington University; Dr. David Rowe, Yale University; Dr. Frank Trager, New York University, and Dr. Richard Walker, University of South Carolina, were not contacted. All four are internationally recognized experts on Sino-Soviet affairs.

(4) (Marvin Kalb) "India—so far as China is concerned—is locked in an unwritten military alliance with the United States."

Dr. Judd pointed out that India does not have either an unwritten or written "military alliance with the United States." On the contrary, it is the Soviet Union that is the major source of military equipment to India, and Moscow has suggested that a direct land route be built across Pakistan and Afghanistan to link India with Soviet territories in Central Asia.

(5) (Marvin Kalb) "America drives forward to meet Russia . . . as often as possible. With China, it is a more difficult effort."

Dr. Judd agreed that it is more difficult to "meet" Communist China. But to give a balanced picture the point should be emphasized that this is not the fault of the United States.

As early as 1957, the U.S. State Department authorized some 24 recognized American news organizations, including all media, to send correspondents to the Chinese mainland. Peking did not consent.

In 1961, President Kennedy said the United States would consider sending food to the famine-stricken Chinese mainland if Peking indicated interest. It did not.

Dr. Judd enumerated continuing attempts by the United States throughout the last decade to establish lines of communication with Red China, including (1) inviting Chinese Communist scientists and scholars to visit American universities (1966); (2) lifting the embargo on drug shipments to Red China for humanitarian purposes (1967); (3) inviting Peking to send journalists to observe the 1968 presidential elections, without requesting that U.S. newsmen be admitted to Red China in return (1968), and (4) President Nixon's recent relaxation on the purchase of Red Chinese goods by U.S. tourists (1969).

(6) (Marvin Kalb) "The summertime possibility of a Sino-Soviet war shocked many Washington officials into acknowledging—perhaps for the first time—that U.S. policy towards China was clearly out of date . . . that fundamental change was needed . . ."

It is necessary to ask just who the "many Washington officials" are, or was Mr. Kalb ascribing to these anonymous officials his own position on Red China?

Dr. Judd noted again that Communist China's "isolation" has been self-imposed. America's policies vis-a-vis that regime have been the consequence, not the cause of its hostility. The United States has made attempt after attempt to expand lines of communication with Red China in more than 130 talks in Geneva and Warsaw. In fact, the U.S. has had far more negotiations with

Peking than any other non-Communist country. And it was Peking that interrupted them.

Dr. Judd cited policy as enumerated by Secretary of State William Rogers:

"We intend to pursue this policy because we want to make it clear that the reason Communist China is not a member of the international community is because of its own attitude. Communist China refuses to take its rightful place in the international community; it is intransigent in its opposition to the United Nations . . . So we want to make it clear to the rest of the world that the United States, for its part is willing to try to have more friendly relations with Communist China. The fact is that they refuse to, so it's quite clear who the responsible nation is."

Dr. Judd said "The American people are entitled to more balanced presentations than the CBS-TV Special gave on an issue so important to their future. The Committee of One Million trusts CBS will offer us the opportunity to present a more accurate picture to the American people."

"CBS FACE THE NATION" PANEL IS BIASED

(Mr. ASHBROOK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, I had the occasion to watch the CBS television program, "Face the Nation," last Sunday and I was so appalled at the lack of balance on the panel that I immediately asked for a transcript of the program. It is unbelievable that three men who call themselves newsmen could put themselves in such a servile lapdog position on a nationally televised program.

The press has traditionally held itself out as searching for the truth and refining points of view by asking difficult questions. I ask any fairminded person to read this script and point to one question that could be called anything but a "setup" or patsy question. It was one of the most sickening things I have ever seen to watch three newsmen literally grovelling to ask laudatory, setup questions of Senator McGOVERN.

Get it clear, I do not blame Senator McGOVERN. It was his job to answer, not ask. Not one single question could be considered critical. Read them, you will have to agree. Here is the transcript—read it closely and ask yourself "What ever happened to the probing nature of the fourth estate?"

FACE THE NATION

Guest: Senator George S. McGovern, Democrat of South Dakota.

Reporters: George Herman, CBS News; Nick Kotz, Des Moines (Iowa) Register & Tribune; Bruce Morton, CBS News.

Producers: Prentiss Childs and Sylvia Westernman.

Mr. HERMAN. Senator McGovern, President Nixon's gradual withdrawal policy in Vietnam seems to have been winning increasing popular support. Now the reported massacre at My Lai has stirred up new emotions in the country. Do you think this incident may bring new pressures on the President for faster withdrawal?

SENATOR McGOVERN. I think what this incident has done, Mr. Herman, is to tear the mask off the war. Many of us have known for a long time that this was a barbaric, self-defeating war in which we had asked young Americans to take on an impossible task, and that is to intervene in essentially a civil war

and try to bring about a political and military conclusion that was acceptable to us. I think that, for the first time, millions of Americans are realizing that we have stumbled into a conflict where we not only of necessity commit horrible atrocities against the people of Vietnam, but where in a sense we brutalize our own people and our own Nation. I think it is more than just Lt. Calley involved here. I think the national policy is on trial.

ANNOUNCER. From CBS Washington, in color, Face the Nation, a spontaneous and unrehearsed news interview with Senator George McGovern, Democrat of South Dakota. Senator McGovern will be questioned by CBS News Correspondent Bruce Morton, Nick Kotz of the Washington Bureau of the Des Moines Register & Tribune, and CBS News Correspondent George Herman. We shall continue the interview with Senator McGovern in a moment.

Mr. HERMAN. Senator McGovern, you mentioned two factors there. One was Lt. Calley, an individual, and the other was a question of sort of collective guilt, whether of the men fighting over there or of the whole Nation. Do you think it is possible that the United States might try to purge some of that collective worry, fear and guilt by giving an utterly harsh sentence to somebody like Lt. Calley, try to make him a scapegoat for all of us?

Senator McGOVERN. I think that is possible. Many people will see the Lieutenant and his men as a convenient target on which to unload what should be a sense of national guilt. We put these men into a situation where it was almost inevitable that sooner or later events of this kind would take place. This war is unlike any war in which our country has ever been involved. The people that we're fighting against, for the most part, are not in uniform. It is very difficult to tell who is a friend and who is a foe. When someone in a village fires at our troops or a mine is planted that destroys American troops, the natural reaction is to lash back. In many cases those actions are carried out by the civilian population, in cooperation with the Viet Cong.

What disturbs me is that millions of Americans who apparently have not been bothered by the massive bombardment of Vietnam from the air—let me say, I was a bomber pilot in World War II, but that was at a time when we were aiming those bombs at strategic targets and trying to knock out the Nazi war machine—but in this war, village after village has been leveled to the ground, with the slaughter of the innocents and the guilty alike, in many cases without warning. One reporter who has looked very closely at Quang Ngai Province, which is the area now under discussion, says that 70 percent of the villages in that area have been utterly destroyed, including many thousands of innocent people. Now, really, what is the difference between a bombing plane or an artillery piece destroying a village, including its inhabitants—men, women and children—and what Lt. Calley did? The difference, I suppose, is that Lt. Calley and his people, if they are guilty as charged, were operating at closer range. But the moral issue, it seems to me to be the same.

Mr. KOTZ. Senator McGovern, you have been a critic of the Vietnam war since 1964, I believe. What do you suggest we do right now? Shall we pull all of our troops out of Vietnam? What is the answer?

Senator McGOVERN. Well, I have suggested, Mr. Kotz, that we take three precautions in the event we decide to disengage, and I think we should decide to disengage: First of all, we ought to deploy our own forces in defensive arrangements; secondly, we ought to negotiate the mutual release of prisoners on both sides; and, third, we ought to make some provision for asylum in friendly countries for those Vietnamese who might be

threatened by withdrawal. Now those are the points that I think we ought to be negotiating at Paris, and I am convinced, if we understood that the only real factor we have to negotiate is the withdrawal of our forces that we could bring about those arrangements that I have just suggested. I see no reason why we couldn't completely disengage from Vietnam within a year's time.

Mr. MORTON. Senator, in the past the Senate has been something of a forum for discussion of Vietnam policy. Lately it has been very quiet. The Foreign Relations Committee is not having public hearings on Vietnam. What do you think the reasons are for the truce, and do you think there is a role for the Senate at this point?

Senator McGOVERN. I think there is a very definite role. I think perhaps the reason why the debate has slowed down somewhat this year in the Senate is that people have felt that a new administration was in power and that they were entitled to some time to develop a different policy. Personally, I am disappointed that the administration has not moved more quickly than it has to carry out what I believe to be the election mandate of 1968. But I have made a new determination with the revelation of the Pinksville massacre, that I am going to introduce a resolution in the Senate very shortly that would create a select committee to look into the whole process by which we became involved in Vietnam. I think we have to begin looking beyond Vietnam.

I am very concerned about an early disengagement, but more important than that is the question of how we became so deeply involved in a war that we now say we shouldn't have been in and that we are trying to get out of. And I would hope this committee would follow the pattern of the Select Committee on Hunger, that I have been privileged to chair, that it would be a strictly bipartisan committee, that it would raise questions about what the assumptions were that first involved us in Vietnam, how did we arrive at those assumptions, what were the decision-making procedures that were followed, was there proper debate in the Senate, did we follow the proper constitutional procedures, what were the factors, in short, that involved us in this war, and what lessons does it have to teach us that might enable us to structure more intelligent foreign policy in the future.

Mr. HERMAN. Would it look beyond also to our involvement in Laos and Thailand, to examine them right now?

Senator McGOVERN. Well, those examinations are going forward now, Mr. Herman. The subcommittee under Senator Symington, of Missouri, is looking into that question right now, of what our involvement is in Laos and Thailand and elsewhere, and—

Mr. HERMAN. But wouldn't your select committee, which is looking into causes, find perhaps some parallels between Vietnam and Laos and want to examine them together as history?

Senator McGOVERN. Yes, I think there would be some overlap there with the work of the Symington committee, but the essential purpose of the committee that I am proposing is to look into the whole historical congressional and constitutional process by which we became involved in a war that I think most Americans now think was a mistake.

Mr. KOTZ. Senator, when you call for the creation of a special committee, are not you in effect criticizing the institutions of Congress, the Foreign Relations Committees, the Armed Services Committees, saying that they are not doing their jobs properly?

Senator McGOVERN. Well, Mr. Kotz, I don't want to point the finger at any one committee because I think all of us in the Congress have failed on this issue of Vietnam. I am willing to take my share of the responsibility along with other people in the Con-

gress. But what I am suggesting here is that, going clear back to the end of World War II, there were a series of decisions made in the Executive Branch, in the State Department, in the CIA, in the foreign aid agency, in the National Security Council, a series of decisions made on that level which in my judgment were not properly evaluated in the congressional branch. Somewhere there was a failure of sound judgment. Now, this can't be placed at the door of any one committee or any one administration or any one agency of government, but that whole process needs to be looked at very critically, not to find a scapegoat but to help us develop a more constructive and dependable policy for the future. I am not interested in scapegoats in Vietnam. I am interested in how this country can move out in a more hopeful and more constructive direction in the future.

Mr. MORTON. Senator, we talked a minute ago about the relative silence on Vietnam this year in the Senate. Is part of the reason for that, do you think, an effort by the administration to stifle dissent, to make everybody be quiet?

Senator McGOVERN. Perhaps that has had something to do with it. Frankly, in our kind of a free society, I worry about this new emphasis on the part of the administration on the virtues of silence. There has never been a time that I know of in the history of this country when the highest officials in our government have made such a virtue of those people who remain silent. Now, perhaps we ought to be doing more talking, more soul-searching, more questioning about American policy. I think if the recent atrocities indicate anything, it is that we have had too much silence. Here is a terrible crime, if it is true, that was committed almost two years ago, that we are only now learning about. Where were those who knew about this incident a year and a half ago? Where was the so-called silent majority in the face of the awful reports we've had of the loss of civilian life in Vietnam that have been coming in to us for many, many years? So it does seem to me that the great emphasis on silence, the effort on the part of high administration officials to intimidate outspoken members of the press, candid television commentators, the effort to isolate those who are involved in the protest against Vietnam—all of those things have perhaps had something to do with the slowing down of real debate over this policy.

Mr. HERMAN. Senator McGOVERN, you talked about further action in Congress, a select committee. How about the national movement for peace, is it going to stay in the streets, is it going to take a new direction, and what role will you place in it?

Senator McGOVERN. It is my own conclusion, Mr. Herman—and I have thought about this a great deal over the last few weeks—that it is not fruitful from here on out to organize large marches or mobilizations any further. I think we have reached the high water mark in terms of the November Mobilization, which I regard as largely a peaceful, effective and proper way for large numbers of thoughtful people to show their opposition to the war. But I think it would be self-defeating to repeat that kind of an exercise in December, and I am pleased to see that the young men who are providing leadership for the so-called Moratorium have suggested that in December a different method be used, that they go out into the local communities and into the congressional districts and talk with members of Congress, involve the churches, the local organizations, and I think this is the most hopeful way to approach it.

I would expect and I would hope that the 1970 congressional elections, both in the primaries and in the fall, would again raise the issue of American foreign policy and bring the issue to focus within our political process rather than outside of that process.

Mr. MORTON. Senator, some of the people at the Moratorium are talking about going to work in a really nuts and bolts political organizing way. Do you see a third party developing out of the peace movement, and would you be interested in one, if it did?

Senator McGOVERN. No, I don't see a third party emerging, providing one or both of the major parties carry out fundamental reform. This is why I attach such great significance to the reform recommendations that our party has made and which I expect to be carried out. I think we have done very well with the reform commission, with the diverse group of people, and I expect to see the Democratic Party become more responsive to the interests of those who now may be flirting with the idea of a third party. Let me add one other point on that: I see many of the young people and older people who are involved in the peace movement turning their attention to some of the great domestic challenges before this country. The great issue of preserving our environment against pollution and contamination may very well be the next chapter in the activist political movement in this country. I think you are going to see this spring, on college campuses and in high schools and in communities and in all centers of discussion across this country, a new emphasis on improving the quality of life here at home. And I would hope that the issue of the 1970's would turn around the question of how we can move away from foreign adventurism into a new effort in this country to lift the quality of life for all of our citizens.

Mr. KOTZ. Senator McGOVERN, two and a half years ago a Senate subcommittee went to Mississippi and reported that Americans were hungry in that state and later reported hunger all around the country. They called for the President to declare a national emergency. This morning's newspaper headlines have another committee calling on another President to declare a national emergency. What is it going to take for us to do something about the problem of hunger?

Senator McGOVERN. Mr. Kotz, I think it is going to take two things: It is obviously going to take the kind of public attention that has been focused on hunger over the past two years. I frankly share the impatience of those citizens who think that we have had too much in the way of rhetoric and not enough in the way of action. Nevertheless, I think it was imperative that we have the kind of public attention given to this issue, that is the public spotlight turned on the issue of hunger, which has happened beginning with the Mississippi investigations that you referred to two and a half years ago. I also think the work in my Committee on Nutrition and Human Needs has been most helpful in alerting the Nation to this problem.

I would hope that the President's Conference on Nutrition, that gets under way this week, would serve that purpose. But what is really needed now is legislative action; the most urgent single step that can be taken right now is for the House of Representatives to pass the bill that has already passed the Senate, the massive increase in food stamp assistance, that I think can go a long way towards putting an end to hunger in this country.

Mr. HERMAN. What is the political block, Senator? You would think that the American people, of all the people in the world, would be the most sympathetic to hunger, would be the people who say "How can we possibly have hunger in this country?" And, yet, the figures that you and others have brought up are anywhere from 5 to 25 million Americans in various degrees of hunger. What stops the Nation from turning its attention to this?

Senator McGOVERN. Mr. Herman, I think the best answer that I have seen to that is provided in Mr. Kotz' book, a new book that is coming out, "Let Them Eat Promises." We have had the kind of political leadership,

both in the Executive Branch and in the Congress, that has been too much concerned about special interests in this country and not enough concern about the broad range of human need. That is really the problem.

Mr. MORRISON. Well, Senator, you just said that the most important thing that can happen right now would be for the House to pass the food stamp bill that the Senate approved. Is that likely to happen? Is the administration with you?

Senator MCGOVERN. We have got, in my judgment, some double talk and some double action going on as far as the administration is concerned. During the time the Senate was debating the food assistance reform bill that fall, the administration, from the Vice President on down, were in the Capitol lobbying against the passage of that bill. Once it passed, the next day the President's Press Secretary said the President was delighted and that the administration had no plans for any alternative proposal. The full implication of that was that they were going to get behind the passage of this bill in the House of Representatives, after it had cleared the Senate. Now, the truth of the matter is that the administration is now circulating a memorandum—which I have a copy of—from the Department of Agriculture, calling for the defeat of the Senate bill, which was my bill, using its influence to defeat that legislation in the House on the grounds that "we can't afford it." Now, I say to you that, if we can afford the billions of dollars involved in putting a man on the moon in 1969, that we can afford to spend a fraction of that amount in putting an end to hunger here in the United States. And I call on the administration to stop this double talk and get behind a serious effort to push that bill through the House of Representatives, where it is now blocked.

Mr. KOTZ. Senator, isn't there a basic institutional problem in Congress, though? You're a member of the Senate Agriculture Committee. Both the Senate and the House Agriculture Committees have, over the years, repeatedly refused to pass legislation. Do you think that these committees should be left with jurisdiction over whether hungry people should get fed?

Senator MCGOVERN. Well, Mr. KOTZ, as you know, in the Senate this year we overturned the Senate Agriculture Committee on the Senate floor. I want to give Senator Ellender, the Chairman of the Senate Agriculture Committee, credit for bringing out a greatly improved bill over what we now have. He has been very attentive, both to the work of my committee and to the work of his Committee on Agriculture. But it is a fact that those two committees in the House and the Senate are much more conservative, in my judgment, than the House and the Senate as a whole. And I do regard them as the principal bottlenecks at the present time to adequate food assistance reform—that, plus the lack of real leadership in the Executive Branch. And I do think a good argument could be made for transferring the permanent jurisdiction of food assistance programs over to those committees that deal with the whole range of health, education and welfare measures. I do think that would be a more proper focus.

Mr. HERMAN. Senator, the question of food is largely a question of money, is it not? You have to, either with stamps or with some other kind of cash, you have to buy food. Is the food that we are able to buy today as nourishing per dollar as it ought to be? Is it good, clean, nourishing food?

Senator MCGOVERN. I think we could do a better job, Mr. Herman, than we have, both in terms of using new techniques to fortify food, to add to its protein and vitamin content, and we could also do a better job on the nutritional front. But that is not the key problem. The key problem is that somewhere between 15 million and 25 million

Americans do not have the money to buy a decent diet. Now, we could feed those people adequately with the kind of reform food assistance legislation that is already passed in the Senate. It wouldn't do the entire job, but it would do most of it. We need to combine with a good food stamp program, school lunch programs and pre-school feeding what we're spending on war, what we are spending on space exploration, we could, in effect, bring an end to hunger and malnutrition in the United States. Let me add this suggestion: I would like to see this country declare, as a matter of national policy, both in the Executive Branch and in the Congress, that within one year's time we're going to put an end to hunger and malnutrition in the United States. Let's set next Thanksgiving of 1970 as the target date and make that a true Thanksgiving, not just a Thanksgiving for those of us that are overfed but a Thanksgiving for those millions of people who won't have a table to sit down to at Thanksgiving next year unless you and I act.

Mr. HERMAN. How does the amount of hunger relate to the amount of agricultural surplus? In other words, do we have the food to feed these hungry people?

Senator MCGOVERN. Oh, there is no question about it. One of the great tragedies in American life the last fifteen years is that we have been worrying about food surpluses and where we were going to put them. We have been paying hundreds of millions of dollars to store them. We have been paying farmers billions of dollars a year not to produce. And, yet, we refuse to divert those funds into a program to put an end to hunger.

Mr. HERMAN. We don't have much time left, but I just wanted to ask you one question. Some of your speeches here are so fervent, so strongly put, so emotionally put that they sound a little bit like politics as well as earnest endeavor. Are you going to be a political candidate on the basis of your strongly felt feelings on this and other subjects in 1972?

Senator MCGOVERN. Well, I am going to speak out on the issues. I am not going to wait until 1972, Mr. Herman. I haven't made any judgment about being a candidate, but I have made a judgment to continue speaking out on these issues, and I think the great focus is going to shift to problems right here at home in the years ahead, and I want to be a part of that action.

Mr. HERMAN. Thank you very much, Senator MCGOVERN, for being with us here today on Face the Nation.

ANNOUNCER. Today, on Face the Nation, Senator George McGovern, Democrat of South Dakota, was interviewed by CBS News Correspondent Bruce Morton, Nick Kotz of the Washington Bureau of the Des Moines Register & Tribune, and CBS News Correspondent George Herman. Next week, another prominent figure in the news will Face the Nation. Face the Nation originated, in color, from CBS Washington.

Now, let us go through all of the questions again. They are, in order, as follows:

Mr. HERMAN. Senator MCGOVERN, President Nixon's gradual withdrawal policy in Vietnam seems to have been winning increasing popular support. Now the reported massacre at My Lai has stirred up new emotions in the country. Do you think this incident may bring new pressures on the President for faster withdrawal?

Here Mr. Herman obviously knows he is playing right into the hands of Senator MCGOVERN and this is an obvious setup to allow the Senator to give his own views. This is all right for a start but note there is no followup by Mr.

Herman or anyone else to question the soundness or accuracy of the reply.

Mr. HERMAN. Senator MCGOVERN, you mentioned two factors there. One was Lt. Calley, an individual, and the other was a question of sort of collective guilt, whether of the men fighting over there or of the whole Nation. Do you think it is possible that the United States might try to purge some of that collective worry, fear and guilt by giving an unduly harsh sentence to somebody like Lt. Calley, try to make him a scapegoat for all of us?

Not a very good question, but the best that Mr. Herman could offer for his contribution to the program. Each question Mr. Herman asked was a setup. Nothing probing, no effort to question the accuracy or propriety of any view expressed by Senator MCGOVERN. No effort to pin down, differentiate, or explain. Mr. Herman has done little except feed questions to Senator MCGOVERN which are right down his political and philosophic line. This might be expected of some press aide on your own staff but not on a program which is supposed to develop and present issues. Certainly on a program which holds itself out with such a title as "Face the Nation." Judging by Mr. Herman's question, the program should be called "Face the Patsies."

Mr. KOTZ. Senator MCGOVERN, you have been a critic of the Vietnam war since 1964, I believe. What do you suggest we do right now? Shall we pull all of our troops out of Vietnam? What is the answer?

Note this well. Mr. Kotz asked for the answer, get that, the answer. Senator MCGOVERN's reply was evidently the answer because it elicited not one "But, Senator, what about?" or "If we do that, won't we take a chance that?" Not one peep out of this panelist. Nothing should indict a panelist so quickly as to open up such a broad, difficult issue to what he calls "the answer" and then let that answer stand cold without reply—no rebuttal.

Mr. MORRISON. Senator, in the past the Senate has been something of a forum for discussion of Vietnam policy. Lately it has been very quiet. The Foreign Relations Committee is not having public hearings on Vietnam. What do you think the reasons are for the truce, and do you think there is a role for the Senate at this point?

Any eighth grader could think up a better setup question than that. Again, no followup to the answer.

Mr. HERMAN. Would it look beyond also to our involvement in Laos and Thailand, to examine them right now?

This is Mr. Herman's third setup question of the program.

Mr. HERMAN. But wouldn't your select committee, which is looking into causes, find perhaps some parallels between Vietnam and Laos and want to examine them together as history?

This is Mr. Herman's fourth setup question of the program.

Mr. KOTZ. Senator, when you call for the creation of a special committee, are not you in effect criticizing the institutions of Congress, the Foreign Relations Committees, the Armed Services Committees, saying that they are not doing their jobs properly?

Now, if you were Senator MCGOVERN, would you not like a question like this fed to you?

Mr. MORTON. Senator, we talked a minute ago about the relative silence on Vietnam this year in the Senate. Is part of the reason for that, do you think, an effort by the administration to stifle dissent, to make everybody be quiet?

Now here is a real friend. Mr. Morton let his political bias show. We have not expected him to be a lion when it comes to asking pointed, direct—possibly embarrassing—questions, but he should not directly lie either. This charge against the administration is a direct lie. Note that he refers to an "effort by the administration to stifle dissent, to make everybody be quiet?" Mr. Morton obviously set up Senator McGOVERN for a political reply. Just how is the Nixon administration, Mr. Morton, trying to "make" everybody be quiet? This is demagoguery at its worst, reporting at its worst, bias at its worst—the low point of a show which started low and kept falling with each question.

Mr. HERMAN. Senator McGOVERN, you talked about further action in Congress, a select committee. How about the national movement for peace, is it going to stay in the streets, is it going to take a new direction, and what role will you play in it?

This is Mr. Herman's fifth setup question.

Mr. MORTON. Senator, some of the people at the Moratorium are talking about going to work in a really nuts and bolts political organizing way. Do you see a third party developing out of the peace movement, and would you be interested in one, if it did?

Here is Mr. Morton's third setup question.

Mr. KOTZ. Senator McGOVERN, two and a half years ago a Senate subcommittee went to Mississippi and reported that Americans were hungry in that state and later reported hunger all around the country. They called for the President to declare a national emergency. This morning's newspaper headlines have another committee calling on another President to declare a national emergency. What is it going to take for us to do something about the problem of hunger?

Note how Mr. Kotz identifies himself with Senator McGOVERN. "What is it going to take for us" he asks. Even assuming he is referring to "us" as all of the people in the United States it is rather interesting to note how he set up Senator McGOVERN to express his already often stated position.

Mr. HERMAN. What is the political block, Senator? You would think that the American people, of all the people in the world, would be the most sympathetic to hunger, would be the people who say "How can we possibly have hunger in this country?" And, yet, the figures that you and others have brought up are anywhere from 5 to 25 million Americans in various degrees of hunger. What stops the Nation from turning its attention to this?

This is Mr. Herman's sixth setup question. It is the type that you would expect some patsy at a ward meeting to feed to his candidate so he could come out loud and clear for motherhood and country but not on a show where the guest is supposedly facing the Nation. There are many questions that could have been asked in followup or rebuttal. For example, admitting the problem in hunger, why could not Mr. Herman ask

Senator McGOVERN what can be done about the population problem, whether it is feed to the hunger problem, whether he thought families of 15 to 20 children might be encouraged by his program, whether he would advocate birth control and so forth. Many other factors relate to hunger and overpopulation but no panelist even came close to touching on any of them.

Mr. MORTON. Well, Senator, you just said that the most important thing that can happen right now would be for the House to pass the food stamp bill that the Senate approved. Is that likely to happen? Is the administration with you?

Note Mr. Morton again. "Is the administration with you?" he asks. There are only 99 other Senators and the President is only the President of 200 million people but Mr. Morton wants to know if the administration is with you? He is fawning over Senator McGOVERN like a teenage adolescent.

Mr. KOTZ. Senator, isn't there a basic institutional problem in Congress, though? You're a member of the Senate Agriculture Committee. Both the Senate and the House Agriculture Committees have, over the years, repeatedly refused to pass legislation. Do you think that these committees should be left with jurisdiction over whether hungry people get fed?

Here is Mr. Kotz' fourth setup question.

Mr. HERMAN. Senator, the question of food is largely a question of money, is it not? You have to, either with stamps or with some other kind of cash, you have to buy food. Is the food that we are able to buy today as nourishing per dollar as it ought to be? Is it good, clean, nourishing food?

"Is it good, clean, nourishing food?" With all of the questions that Mr. Herman could feed to Senator McGOVERN, you would think he would zero in on something halfway controversial as the program starts to draw to a conclusion. This is Mr. Herman's seventh setup question.

Mr. HERMAN. How does the amount of hunger relate to the amount of agricultural surplus? In other words, do we have the food to feed these hungry people?

Here is one so obviously set up that it should offend everybody.

Mr. HERMAN. We don't have much time left, but I just want to ask you one question. Some of your speeches here are so fervent, so strongly put, so emotionally put that they sound a little bit like politics as well as earnest endeavor. Are you going to be a political candidate on the basis of your strongly felt feelings on this and other subjects in 1972?

For a minute I got a stir when I heard this question. Mr. Herman actually appeared to be giving up his lapdog role of feeding sucker questions and appeared to question the statements as "political." Then he made it obvious what he was talking about, it was to set up the McGOVERN presidential question. Note the laudatory manner he asked the question. The Senator is referred to as uttering statements which were "fervent," "strongly put," and "emotional" as well as being congratulated for his "earnest endeavor." How is that for slipping in a big pat on the back?

Mr. Speaker, here we see a sickening display of bias in the news media. These

so-called reporters might well wonder why the public is with Vice President AGNEW in his famous speeches on the news media. Nothing could better typify the problem than the three panelists on last week's "Face the Nation." Nothing could better illustrate why Vice President AGNEW hit dead center.

Not one biting question was asked. Not one really probing question was asked. Not one question was asked which would have put the guest on the spot. Not one question was asked which could raise any doubt as to what the guest had proposed or stood for.

Let me make it clear. I am not in any way castigating the good Senator from South Dakota. I do not believe that he has in any way connived with these three panelists. More power to him. If you can get three sycophants to feed you laudatory, setup questions for half an hour, hooray for him. But this exercise in back scratching should not be pawed off on the public as a real question and answer show.

Whether the guest is a liberal, a conservative or a radical of the new left, any reporter with any pride in his profession and the ability to look one inch beyond the handout press release could think up at least one good question that would make the man on the spot shake just a little bit. Nothing is that black and white, no answer is that certain or that easy.

There was a time when the press considered itself as a bulldog sitting outside every public door. When it heard a strange noise, it barked and the public was alerted. The Washington press crew as illustrated by the three panelists last Sunday has shrunk to the role of pipsqueak pups with nary a bark at any sound, strange or otherwise, when it comes from a liberal. I cannot believe they are inept, it must be bias.

It would be quite interesting to compare this ludicrous panel treatment of a well-known, highly regarded Senator who presents a valid, popular point of view to what would happen if Senator GEORGE MURPHY were to come on "Face the Nation" and discuss his famous Murphy amendment or if Senator GOLDWATER or some conservative were to appear. The lapdogs would suddenly emerge from their liberal kennels and field a dozen difficult questions based on what somebody had said in Keokuk, Iowa, in 1964 or what someone else in his own party had said, and so forth.

OK, boys, you have exposed yourselves right well. Vice President AGNEW was 100 percent accurate. You are biased and it shows. The public should be alerted and it should make its complaints heard.

INVESTIGATION OF DISTURBANCES ON MILITARY BASES

(Mr. ANNUNZIO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, my distinguished colleague from New York, Hon. MARIO BIAGGI, has made some cogent observations on a serious situation which exists at Fort Dix, N.J.

Yesterday, during a special order taken by Mr. BIAGGI, he reviewed in detail the circumstances relevant to military justice, stockade conditions, and the security of servicemen against violence on military bases.

We who know MARIO BIAGGI are proud of his distinguished record as a police officer and an investigator, and we also know that he is an expert in the assembling of information. He has expended considerable time, personal funds, and a great deal of effort in trying to bring to light any instances of injustice which have occurred on our military installations. We are indebted to Mr. BIAGGI for his efforts and for his wholehearted commitment to protecting the public interest.

Today, I talked with his office and was told that he is in Fort Dix continuing his investigation, and it is my feeling that as Members of Congress we should listen to each others' voices in order that we may more effectively curb the abuses that exist on our military bases.

I have supported the Armed Services Committee on every bill coming out of that committee since I was elected to Congress. Some 4 years ago, as a member of the Banking and Currency Committee, I and my colleagues on the committee investigated loans being made to American servicemen. We found that servicemen were being charged exorbitant interest rates, as high as 70 and 80 percent, by unscrupulous moneylenders. The outstanding chairman of our committee, Hon. WRIGHT PATMAN, and the members of our committee were persistent in their efforts to get the Defense Department to establish an official policy on loans to American servicemen. We were finally successful in our efforts and were able to clean up a \$50 million racket so that today we have Federal credit unions established on our military installations all over the world, with deposits on hand of over \$40 million, with loans on hand of \$10 million, and with a maximum interest rate of 1 percent per month on the unpaid balance being charged to our fighting men.

Mr. Speaker, I ask that the members of the Special Subcommittee on Disturbances on Military Installations of the Armed Services Committee, who are investigating the charges and reports of injustices brought forth by my distinguished colleague, MARIO BIAGGI, give every possible consideration to these charges because we do have in America the finest group of fighting men of any country in the world. These men are defending freedom and democracy throughout the world and the least we can do is provide the best that we can for them—not only with equipment and training—but with the respect they deserve as human beings who are defending their country.

I commend and congratulate MARIO BIAGGI for his efforts to bring to light any injustices that exist on our military installations and I join him in asking that the Secretary of Defense and the Secretary of the Army continue their investigations at Fort Dix in order to correct a deplorable situation.

CLEAR, CLEAR WATER

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, advocates of water pollution control will hail the recent announcement of the successful completion of a noteworthy water purification experiment in Connecticut.

This experiment, made possible through a grant of \$66,000 by the Connecticut Research Commission, was carried on by the Anaconda American Brass Co. and involved the treatment of brass mill effluents to reduce pollution of streams.

The process developed will neutralize acids, remove waste oils and eliminate solid materials. The immediate experiment has also revealed that further breaking down of complex chemicals will be possible. An important result of the process will be the recovery of 130,000 pounds of copper a year from the discharge of a medium-size brass mill.

I know that the country will welcome news of this successful experiment which has involved a fruitful cooperation between Government and private industry and that our citizens, particularly those in Connecticut, will look forward eagerly to the time when the scientific knowledge and the necessary equipment will have been spread throughout the entire brass industry to speed the purification of our streams and waterways.

JOZEF LETTRICH

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, supporters of a free Czechoslovakia will mourn the death on November 29 of Jozef Lettrich, the chairman of the Assembly of Captive European Nations. Dr. Lettrich was one of the thousands of tragic figures who bore the brunt of the Nazi and Communist oppression in the hapless country of his birth. Through the difficult years of the mid-forties, he was strongly consistent in that his efforts in behalf of the freedom of his country led him into conflict with the totalitarians first from Germany and then from Russia.

He was one of the leaders of the Slovak national uprising against the Germans in 1944, and was sentenced to death by the Nazis for his activities, but managed to escape their grasp.

In 1945, he became President of the Slovak National Council and a member of the Czechoslovakian Parliament. He also founded the Slovak Democratic Party.

After its brief postwar experience with freedom, Czechoslovakia suffered the invasion of Russian power with the Communist coup of 1948. As the pro-Russian elements gradually took over, Dr. Lettrich was forced for the second time into an underground movement and finally threatened with trial for treason. Dis-

guising himself as a truckdriver, he then fled to Vienna. Shortly thereafter, he came to the United States.

A graduate of the University of Bratislava, Lettrich received his doctor's degree in that university. He was the author of "History of Modern Slovakia" and many articles.

I came to know Dr. Lettrich in recent years since we were brought together through my membership on the House Committee on Foreign Affairs and his continuing pursuit of the cause of Czechoslovak self-determination. Without detailing the problems and the setbacks that this cause has received over the years, it is sufficient to say that Dr. Lettrich retained a persistent belief in the eventual freedom of Czechoslovakia.

As one who shared that hope with him and continues to support the cause of individual freedom, economic development, and national self-determination for Czechoslovakia, I take this opportunity to mark the passing of Dr. Jozef Lettrich and to pay my tribute to this dedicated man who devoted the best part of his life to working and fighting against the forces of oppression and tyranny and for the freedom of his fellow men in Czechoslovakia.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DENNEY (at the request of Mr. GERALD R. FORD), from 4 p.m. today and the balance of the week, on account of official business as a member of the House Select Committee on Crime.

Mr. WIGGINS (at the request of Mr. GERALD R. FORD), for December 4, 5, and 8, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mrs. GREEN of Oregon, for 60 minutes, today; to revise and extend her remarks and include extraneous matter.

Mr. QUIE, for 1 hour, today.

Mr. AYRES, for 60 minutes, today.

(The following Members (at the request of Mr. McDONALD of Michigan) and to revise and extend their remarks and include extraneous matter:)

Mr. CONTE, for 10 minutes, today.

Mr. MILLER of Ohio, for 1 hour, today.

Mr. HALPERN, for 20 minutes, today.

Mr. STAGGERS, for 20 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. GIALMO, for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. KOCH, for 60 minutes, on December 10; to revise and extend his remarks and include extraneous matter.

Mr. STEIGER of Wisconsin, for 60 minutes, today.

Mr. GONZALEZ (at the request of Mr. GIAIMO), for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN and to include an editorial.

Mr. FLYNT and to include extraneous material.

Mr. KLEPPE following Mr. DAVIS of Wisconsin on the conference report, amendment No. 5.

Mr. RANDALL in three instances.

Mr. AYRES during his remarks on his special order and to include extraneous material.

Mr. SCHERLE during his remarks on Mr. AYRES' special order and to include extraneous material.

Mrs. GREEN of Oregon during her special order and to include extraneous matter.

Mr. GIAIMO and to include extraneous matter.

Mr. QUIE and to include extraneous matter.

(The following Members (at the request of Mr. McDONALD of Michigan) and to include extraneous matter:)

Mr. HOGAN.

Mr. SCHWENDEL in two instances.

Mr. ROUDEBUSH in two instances.

Mr. BROCK.

Mr. CRANE.

Mr. RHODES.

Mr. BUSH.

Mr. MORSE.

Mr. BROWN of Ohio in three instances.

Mr. QUILLEN.

Mr. DELLENBACK.

Mr. NELSEN.

Mr. PELLY.

Mr. HORTON.

Mr. WYMAN in two instances.

Mr. MINSHALL in two instances.

Mr. CONTE.

(The following Members (at the request of Mr. STEIGER of Wisconsin) and to include extraneous matter:)

Mr. WATSON in two instances.

Mr. ASHBROOK.

Mr. MICHEL.

Mr. KEITH in two instances.

(The following Members (at the request of Mr. JONES of North Carolina) and to include extraneous matter:)

Mr. OTTINGER.

Mr. FRIEDEL in two instances.

Mr. KOCH.

Mr. JACOBS.

Mr. MIKVA in six instances.

Mr. FUQUA.

Mr. MARSH in two instances.

Mr. SMITH of Iowa in two instances.

Mr. DIGGS in two instances.

Mr. WALDIE.

Mr. UDALL.

Mr. STEPHENS in two instances.

Mr. TUNNEY in two instances.

Mr. REUSS in four instances.

Mr. POWELL in two instances.

Mr. FEIGHAN in five instances.

(The following Members (at the request of Mr. GIAIMO) and to include extraneous matter:)

Mrs. CHISHOLM.

Mr. DINGELL.

Mr. PICKLE.

Mr. GALLAGHER.

Mr. OLSEN in two instances.

Mr. GONZALEZ.

Mr. DORN in two instances.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 564. An act for the relief of Mrs. Irene G. Queja;

S. 2019. An act for the relief of Dug Foo Wong; and

S. 2185. An act to authorize a Federal contribution for the effectuation of a transit development program for the National Capital region, and to further the objectives of the National Capital Transportation Act of 1965 (79 Stat. 663) and Public Law 89-774 (80 Stat. 1324).

ADJOURNMENT

Mr. GIAIMO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Thursday, December 4, 1969, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1375. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of the Interior for "Resources management," Bureau of Indian Affairs, for the fiscal year 1970, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1376. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of the Interior for "Management of lands and resources," Bureau of Land Management, for the fiscal year 1970, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1377. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of the Interior for "Management and protection," National Park Service, for the fiscal year 1970, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1378. A letter from the Secretary of Health, Education, and Welfare, transmitting a report of actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment purposes for the

quarter ended September 30, 1969, pursuant to the provisions of subsection 201(h) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

1379. A letter from the Comptroller General of the United States, transmitting a report of improvements needed in negotiating prices of noncompetitive contracts over \$100,000 on the basis of contractors' catalog or market prices, Department of Defense; to the Committee on Government Operations.

1380. A letter from the Comptroller General of the United States, transmitting a report on policies covering the collection of dollar claims from the Government of Vietnam, Agency for International Development, Department of State; to the Committee on Government Operations.

1381. A letter from the Chairman, Securities and Exchange Commission, transmitting a draft of proposed legislation to provide for the transfer to the Federal Power Commission of all functions and administrative authority now vested in the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935; to the Committee on Interstate and Foreign Commerce.

1382. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to the provisions of section 204(d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

1383. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to the provisions of section 212(d)(6) of the act; to the Committee on the Judiciary.

1384. A letter from the Administrator, National Aeronautics and Space Administration; transmitting a report on contracts negotiated for experimental and research and development work under 10 U.S.C. 2304(a)(11) and (16) for the period January 1 through June 30, 1969, pursuant to the provisions of section 2304(e); to the Committee on Science and Astronautics.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS:

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and referenced to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. H.R. 15090. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes (Rept. No. 91-98). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:
H.R. 15064. A bill to give identical authority to the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board to regulate premiums and giveaways used in soliciting deposits; to the Committee on Banking and Currency.

By Mr. DADDARIO:

H.R. 15065. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve intergovernmental relationships between the United States and the States and municipalities, and the economy and efficiency of Government, by providing Federal cooperation and assistance in the establishment and strengthening of State and local offices of consumer protection; to the Committee on Government Operations.

H.R. 15066. A bill to amend the Federal Trade Commission Act to extend protection against fraudulent or deceptive practices, condemned by that act to consumers through civil actions, and to provide for class actions for acts in fraud of consumers; to the Committee on Interstate and Foreign Commerce.

H.R. 15067. A bill to permit State agreements for coverage under the hospital insurance program for the aged; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 15068. A bill to amend title II of the Social Security Act to increase, in the case of individuals having 40 or more quarters of coverage, the number of years which may be disregarded in computing such individual's average monthly wage, and to provide that, for benefit computation purposes, a man's insured status and average monthly wage will be figured on the basis of an age-62 cutoff (the same as presently provided in the case of women); to the Committee on Ways and Means.

By Mr. McEWEN:

H.R. 15069. A bill to authorize the Thousand Islands Bridge Authority to construct, maintain, and operate an additional toll bridge across the St. Lawrence River at or near Cape Vincent, N.Y.; to the Committee on Foreign Affairs.

By Mr. MIKVA (for himself and Mr. ECKHARDT):

H.R. 15070. A bill to amend the Clean Air Act to provide for the adoption of national standards governing emissions from stationary sources, to create a Federal duty not to pollute the atmosphere, to provide additional public and private remedies for the abatement of air pollution, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS (for himself and Mr. BYRNES of Wisconsin):

H.R. 15071. A bill to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones; to the Committee on Ways and Means.

By Mr. OTTINGER:

H.R. 15072. A bill to provide for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by Federal and federally assisted programs and to establish uniform and equitable land acquisition policies for Federal and federally assisted programs; to the Committee on Public Works.

By Mr. PATMAN (for himself, Mr. BARRETT, Mrs. SULLIVAN, Mr. ASHLEY, Mr. MOORHEAD, Mr. STEPHENS, Mr. ST GERMAIN, Mr. GONZALEZ, Mr. MINISH, Mr. GETTYS, Mr. ANNUNZIO, Mr. REES, Mr. GRIFFIN, Mr. HANLEY, Mr. BRASCO, Mr. HARRINGTON, Mr. HALPERN, and Mr. BLACKBURN):

H.R. 15073. A bill to amend the Federal Deposit Insurance Act to require insured banks to maintain certain records, to require that certain transactions in U.S. currency be reported to the Department of the Treasury, and for other purposes; to the Committee on Banking and Currency.

By Mr. PRICE of Illinois:

H.R. 15074. A bill to amend title 10, United States Code, in order to improve the judicial

machinery of military courts-martial by removing defense counsel and jury selection from the control of a military commander who convenes a court-martial and by creating an independent trial command for the purpose of preventing command influence or the appearance of command influence from adversely affecting the fairness of military judicial proceedings; to the Committee on Armed Services.

By Mr. ST. ONGE:

H.R. 15075. A bill to amend title XVIII of the Social Security Act to authorize payment under the program of health insurance for the aged for services furnished an individual by a home maintenance worker (in such individual's home) as part of a home health services plan; to the Committee on Ways and Means.

By Mr. TUNNEY:

H.R. 15076. A bill to amend the Voting Rights Act of 1965 to secure the right to vote of certain persons who are literate in a language other than English notwithstanding English language literacy requirements; to the Committee on the Judiciary.

By Mr. UTT:

H.R. 15077. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. CLANCY:

H.R. 15078. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 15079. A bill to amend title XVIII of the Social Security Act to include payment under part A thereof for the costs of services needed for the treatment of any dental condition or affliction; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 15080. A bill to amend section 601 of the Federal Aviation Act of 1958 to require the Administrator of the Federal Aviation Administration to prescribe rules and regulations providing for the mandatory installation of transponder equipment aboard all aircraft; to the Committee on Interstate and Foreign Commerce.

By Mr. KING (for himself, Mr. DEVINE, Mr. CLANCY, Mr. McEWEN, and Mrs. REID of Illinois):

H.R. 15081. A bill to prohibit the use of the name of any certain deceased serviceman unless consent to so use the name is given by the next of kin of the serviceman; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 15082. A bill to amend title II of the Social Security Act to increase, in the case of individuals having 40 or more quarters of coverage, the number of years which may be disregarded in computing such individual's average monthly wage, and to provide that, for benefit computation purposes, a man's insured status and average monthly wage will be figured on the basis of an age-62 cutoff (the same as presently provided in the case of women); to the Committee on Ways and Means.

H.R. 15083. A bill to amend title II of the Social Security Act to provide a 15-percent across-the-board increase in monthly benefits, with subsequent cost-of-living increases in such benefits and a minimum primary benefit of \$80; to the Committee on Ways and Means.

By Mr. TUNNEY:

H.R. 15084. A bill to provide for the establishment of a Commission on Mexican-American History and Culture, and for other

purposes; to the Committee on Education and Labor.

By Mr. WIGGINS:

H.R. 15085. A bill to amend title 39, United States Code, to authorize, under regulations of the Postmaster General, the transmission of mail by executive departments and agencies under a simplified form of address in emergency situations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MAHON:

H.R. 15090. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

By Mr. KOCH:

H.J. Res. 1020. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. ANNUNZIO (for himself, Mr. BROWN of California, Mr. BUTTON, Mr. CLAY, Mr. COLLIER, Mr. CONYERS, Mr. DIGGS, Mr. DONOHUE, Mr. EVINS of Tennessee, Mr. HANLEY, Mr. HOLIFIELD, Mr. McDADE, Mr. MADDEN, Mr. OLSEN, Mr. PEPPER, Mr. ROYBAL, Mr. RYAN, and Mr. ST. ONGE):

H. Con. Res. 462. Concurrent resolution expressing the sense of Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER (for himself, Mr. ASHLEY, Mr. BURTON of California, Mr. CLAY, Mr. COUGHLIN, Mr. CONYERS, Mr. EDWARDS of California, Mr. FARBER, Mr. GAYDOS, Mr. GILBERT, Mr. HARRINGTON, Mr. HICKS, Mr. JACOBS, Mr. LEGGETT, Mr. LOWENSTEIN, Mr. MOORHEAD, Mr. NIX, Mr. PIKE, Mr. REES, Mr. SCHEUER, Mr. STOKES, Mr. THOMPSON of New Jersey, Mr. TIERNAN, Mr. VIGORITO, and Mr. WHALEN):

H. Con. Res. 463. Concurrent resolution to express the sense of the Congress that the President of the United States should take prompt and effective action to correct all inequities in the case of A. E. Fitzgerald, and for other purposes; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROTZMAN:

H.R. 15086. A bill for the relief of Robert E. Middleton; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 15087. A bill for the relief of Hugo Chang; to the Committee on the Judiciary.

By Mr. BURTON of California:

H.R. 15088. A bill for the relief of Mi Ja Paik; to the Committee on the Judiciary.

By Mr. GERALD R. FORD:

H.R. 15089. A bill for the relief of Louis A. Gerbert; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII.

348. The SPEAKER presented a petition of Bernard F. Halligan, Oakland, Calif., relative to survivor annuities, which was referred to the Committee on Post Office and Civil Service.