

tion units in two State schools for the mentally retarded. It also has a special program for the mentally retarded and others in Harlan County. These programs could be extended with funds appropriated under H.R. 10440.

In Minnesota a significant project at the Kenny Institute has demonstrated significant rehabilitation potential in applicants for and recipients of social security disability benefits. The division of vocational rehabilitation is currently seeking financial support to extend its program to this group of the disabled. Similar research projects have been carried on at Tulane University and the Ohio University Rehabilitation Centers. Projects of this kind are appropriate in all of the States. In considering an all-out attack on poverty, special concern must be given to the approximately 1 million individuals who are already drawing social security for disability benefits and the almost equal number who have made application for such benefits but have been denied services on the grounds that they are capable of some substantial gainful employment.

It is significant that State rehabilitation agencies are ready to go on programs such as we have described. Pilot projects are underway or have been completed. This program has leadership and direction. It has experience. It has contracts and/or effective working relations with all of the professions and community facilities, medical, educational, and vocational, that are needed to get the job done.

In New York City, a special project recently completed has demonstrated techniques effective in the rehabilitation of older workers. This program could be extended to other areas. Such projects would be appropriate in most of the States.

Many other illustrations may be given: Projects can be developed to extend services to special categories of the handicapped, such as to the mentally ill or to the mentally retarded; or to groups in certain settings, such as recipients of public assistance or social security disability benefits. Projects may also be developed to improve community facilities for serving the handicapped, such as workshops and rehabilitation centers.

RESULTS ANTICIPATED

We are not asking additional appropriations to implement this amendment. We do suggest, however, that \$20 million of sums appropriated be allotted to the Secretary of Health, Education, and Welfare to implement this program during this first year. Experience will show how much will eventually be needed to do a complete job. Twenty million dollars is necessary if allotments to States are to be large enough that significant projects may be developed. Small allotments has been one of the difficulties in the administration of section 3 of the present act up to the present time.

This committee, naturally, is interested in what might be expected as a result of this expenditure. The average cost of rehabilitating an individual at the present time is approximately \$1,000, which includes all salaries and administrative costs. The average cost under the new program should not be substantially higher. This would mean that between 15,000 and 20,000 additional rehabilitations may be expected per year. Again this means successful cases, actually working at the time of closure, not just people who are served with the hope that they will find employment. Incidentally, it is significant that vocational rehabilitation agencies are providing comprehensive rehabilitation services on an individual basis at a lower average cost than is estimated for vocational training programs only in other sections of this act.

Finally, Mr. Chairman, I want to emphasize that this amendment is consistent with the express purposes of H.R. 10440, its administrative framework, and its drafting procedures. The amendment will help achieve the purposes of the bill by stepping up the war against poverty in that portion of the economically deprived who are physically and mentally handicapped. It will do so by using an experienced successful program already devoted to the alleviation of poverty. It will be administered in the manner consistent with other provisions of the bill, that is, by the transfer of funds to an already existing department of Government. The drafting form is similar to other titles and uses almost the same language as found in the present title V. The Federal share of expenditures is also consistent with the provisions of title V. We shall appreciate the careful consideration of our proposal and will be glad to furnish any additional information which the committee may require in making its judgment.