

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

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HEARINGS BEFORE THE COMMITTEE ON EDUCATION AND LABOR HOUSE OF REPRESENTATIVES

NINETIETH CONGRESS

FIRST SESSION

ON

H.R. 8311

C-177

6605 C-11

AND VARIOUS BILLS TO PROVIDE AN IMPROVED CHARTER
FOR ECONOMIC OPPORTUNITY ACT PROGRAMS, TO AUTHOR-
IZE FUNDS FOR THEIR CONTINUED OPERATION, TO EXPAND
SUMMER CAMP OPPORTUNITIES FOR DISADVANTAGED CHIL-
DREN, AND FOR OTHER PURPOSES

PART 1

HEARINGS HELD IN WASHINGTON, D.C.,
JUNE 12 AND 16, 1967

Printed for the use of the Committee on Education and Labor

CARL D. PERKINS, *Chairman*



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ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

MONDAY, JUNE 12, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C.

The committee met at 10 a.m., pursuant to call, in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the committee) presiding.

Present: Representatives Perkins, Green, Dent, Pucinski, Daniels, Hawkins, Gibbons, Ford, Hathaway, Scheuer, Quie, Goodell, Bell, Reid, Erlenborn, Scherle, Dellenback, Esch, Gardner, and Steiger.

Also present: H. D. Reed, Jr., general counsel; Robert E. McCord, senior specialist; Louise Maxienne Dargans, research assistant; Benjamin Reeves, editor of committee publications; Austin Sullivan, investigator; Marian Wyman, special assistant; Charles W. Radcliffe, minority counsel for education; and John Buckley, minority investigator; Dixie Barger, minority research assistant; and W. Phillips Rockefeller, minority research specialist.

(Text of bills H.R. 8311 and H.R. 10682 follows:)

[H.R. 8311, 90th Cong., first sess.]

A BILL To provide an improved charter for Economic Opportunity Act programs, to authorize funds for their continued operation, to expand summer camp opportunities for disadvantaged children, 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 Amendments of 1967".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. For the purpose of carrying out programs under the Economic Opportunity Act of 1964 (other than part C of title I of such Act), there is hereby authorized to be appropriated for the fiscal year ending June 30, 1968, the sum of \$2,060,000,000, of which subject to the provisions of section 616 of such Act, the amounts appropriated or made available by appropriation Act shall not exceed \$874,000,000 for the purpose of carrying out the provisions of title I of such Act, \$1,022,000,000 for the purpose of carrying out title II, \$47,000,000 for the purpose of carrying out title III, \$70,000,000 for the purpose of carrying out title V, \$16,000,000 for the purpose of carrying out title VI, and \$31,000,000 for the purpose of carrying out title VIII.

TITLE I—AMENDMENTS TO THE ECONOMIC OPPORTUNITY ACT

JOB CORPS AMENDMENTS

Sec. 101. Part A of title I of the Economic Opportunity Act of 1964 is amended to read as follows:

"PART A—JOB CORPS

"STATEMENT OF PURPOSE

"SEC. 101. This part establishes a Job Corps for low-income, disadvantaged young men and women, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling, and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. Its purpose is to assist young persons who need and can benefit from an unusually intensive program, operated in a group setting distinct from their current environment, to become more responsible, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of National, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

"ESTABLISHMENT OF THE JOB CORPS

"SEC. 102. There is hereby established within the Office of Economic Opportunity a 'Job Corps.'

"INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

"SEC. 103. To become an enrollee in the Job Corps, a young man or woman must be a person who—

"(1) is a permanent resident of the United States who has attained age sixteen but not attained age twenty-two at the time of enrollment;

"(2) is a low-income individual or member of a low-income family who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular schoolwork, qualify for training programs suitable to his needs or satisfy Armed Forces requirements;

"(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife or other disorienting conditions as to substantially impair his prospects for successful participation in any other program providing needed training, education, or assistance;

"(4) is determined, after careful screening as provided for in sections 104 and 105, to have the present capabilities and aspirations needed to complete and secure the full benefit of the program authorized in this part, and to be free of medical and behavioral problems so serious that he could not or would not be able to adjust to the standards of conduct and discipline or pattern of work and training which that program involves;

"(5) meets such other standards for enrollment as the Director may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

"SCREENING AND SELECTION OF APPLICANTS—GENERAL PROVISIONS

"SEC. 104. (a) The Director shall prescribe necessary rules for the screening and selection of applicants for enrollment in the Job Corps. To the extent practicable, these rules shall be implemented through arrangements which make use of public or private nonprofit agencies and organizations such as community action agencies, public employment offices, professional groups, and labor organizations. The rules shall establish specific standards and procedures for conducting screening and selection activities; shall encourage recruitment through agencies and individuals having contact with youths over substantial periods of time and able, accordingly, to offer the reliable information as to their needs and problems; and shall provide for necessary consultation with other individuals and organizations, including courts, probation and parole offices, law enforcement authorities, schools, welfare agencies, and medical agencies, and advisers. They shall also provide for—

"(1) an interview with each applicant for the purpose of—

"(A) determining whether his educational and vocational needs can best be met through the Job Corps or any alternative program in his home community;

“(B) obtaining from the applicant pertinent data relating to his background, needs, and interests for evaluation in determining his eligibility and potential assignment; and

“(C) giving the applicant a full understanding of the Job Corps program and making clear what will be expected of him as an enrollee in the event of his acceptance.

“(2) the conduct of a careful and systematic inquiry concerning the applicant's background for the effective development and, as appropriate, clarification of information concerning his age, citizenship, school and draft status, health, employability, past behavior, family income, environment, and other matters related to a determination of his eligibility.

“(b) The Director shall make no payments to any individual or organization solely as compensation for the service of referring the names of candidates for enrollment in the Job Corps.

“SCREENING AND SELECTION—SPECIAL LIMITATIONS

“SEC. 105. (a) No individual shall be selected as an enrollee unless it is determined that he can participate successfully in group situations and activities with other enrollees, that he is not likely to engage in actions or behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between any center to which he might be assigned and surrounding communities, and that he manifests a basic understanding of both the rules to which he will be subject and of the consequences of failure to observe those rules. An individual shall be considered not to meet these requirements if he has a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addition or other major behavioral aberrations. The rules or regulations issued by the Director under this section shall specify, in detail, the actions or attributes which shall preclude selection, and those rules or regulations shall be binding upon all agencies authorized to screen or select persons for enrollment. The Director may authorize screening and selection agencies to refer to him cases where notwithstanding the fact that the individual is not subject to specific disqualification set forth in those rules or regulations, they believe that there may be doubt as to whether he should be accepted; and cases where, notwithstanding a specific disqualification, they believe there may be unusual circumstances warranting an exception to permit selection. Exceptions, however, shall be granted by the Director only where he determines that selection would be fully consistent with the standards relating to the interests of other enrollees, the maintenance of discipline and satisfactory community relations, as set forth in this section.

“(b) An individual who otherwise qualifies for enrollment may be selected even though he is on probation or parole, but only if his release from the immediate supervision of the cognizant probation or parole officials is mutually satisfactory to those officials and the Director and does not violate applicable laws or regulations, and if the Director has arranged to provide all supervision of the individual and all reports to State or other authorities that may be necessary to comply with applicable probation or parole requirements.

“(c) The Director shall maintain a continuing review of the criteria and procedures established under this part for the screening and selection of Job Corps applicants both with respect to their adequacy and the effectiveness with which they are applied, and he shall take such actions as may be necessary to assure that all agencies which are assigned screening and selection functions comply fully with those criteria and procedures.

“ENROLLMENT AND ASSIGNMENT

“SEC. 106. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Director may authorize in special cases.

“(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the University Military Training and Service Act (50 U.S.C. App. 451 et seq.).

“(c) Each enrollee (other than a native and citizen of Cuba described in section 609(3) of this Act) must take and subscribe to an oath or affirmation in the following form: ‘I do solemnly swear (or affirm) that I bear true faith and allegiance

to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic.' The provisions of section 1001 of title 18, United States Code, shall be applicable to this oath or affirmation.

"(d) Each enrollee shall be assigned to a center appropriate to his needs, as determined by the Director, which (taking into account current vacancies and requirements for the efficient program operation) is closest to the residence of such enrollee.

"(e) Assignments of male enrollees shall be made so that, at any one time, at least 40 per centum of those enrollees are assigned to conservation centers, as described in section 107, or to other centers or projects where their work activity is primarily directed to the conservation, development, or management of public national resources or recreational areas and is performed under the direction of personnel of agencies regularly responsible for those functions.

"JOB CORPS CENTERS

"SEC. 107. The Director may make agreements with Federal, State, or local agencies, or private organizations for the establishment and operation of Job Corps centers. These centers shall be primarily residential in character and shall be designated and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling and other services appropriate to their needs. The centers shall include conservation centers to be located primarily in rural areas and to provide, in addition to other training and assistance, programs of work experience focused upon activities to conserve, develop, or manage public natural resources or public recreational areas or to assist in developing community projects in the public interest. They shall also include men's training centers to be located in either urban or rural areas and to provide activities which shall include training and other services appropriate for enrollees who can be expected to participate successfully in training for specific types of skilled or semiskilled employment; and women's training centers, to be located in either urban or rural areas, and which shall provide education, training, and other activities appropriate to the special needs and potentialities of young women.

"PROGRAM ACTIVITIES

"SEC. 108. (a) Each Job Corps center shall be operated so as to provide enrollees with an intensive, well-organized and fully supervised program of education, vocational training, work experience, planned avocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program for each enrollee shall include activities designed to assist him in choosing realistic career goals, coping with problems he may encounter in his home community or in adjusting to a new community, and planning and managing his daily affairs in a manner that will best contribute to long-term upward mobility, and shall aggregate at least sixty hours a week. Center programs shall include required participation in center maintenance support and related work activity as appropriate to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

"(b) To the extent practicable, the Director may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes where these institutions or institutes can provide training comparable in cost and substantially equivalent in quality to that which he could provide through other means.

"(c) Arrangements for education shall, to the extent feasible, provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school; and the Director, with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to enrollees who have satisfactory completed their services in the Job Corps and which will reflect the enrollee's level of educational attainment.

"(d) The Director shall prescribe regulations to assure that Job Corps work-experience programs or activities do not displace presently employed workers or impair existing contracts for service and will be coordinated with other work-experience programs in the community.

"ALLOWANCE AND SUPPORT

"SEC. 109. (a) The Director may provide enrollees with such personal travel and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. Personal allowances shall be established at a rate not to exceed \$50 per month, except in unusual circumstances as determined by the Director; shall be graduated up to the maximum so as to encourage achievement and the best use by the enrollee of the funds so provided; and shall be subject to reduction in appropriate cases as a disciplinary measure. To the degree reasonable, enrollees shall be required to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

"(b) The Director shall prescribe specific rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months service in the Job Corps.

"(c) The Director may provide each former enrollee, upon termination, a readjustment allowance at a rate not to exceed \$50 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance, however, unless he has remained in the program at least ninety days, except in unusual circumstances as determined by the Director. The Director may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowance as the Director deems necessary to meet extraordinary financial obligations incurred by that enrollee; and he may also, pursuant to rules or regulations, reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

"(d) Under such circumstances as the Director may determine, a portion of the readjustment allowance of an enrollee not exceeding \$25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a spouse or child of an enrollee or to any other relative who draws substantial support from the enrollee, and any sum so paid shall be supplemented by the payment of an equal amount by the Director.

"STANDARDS OF CONDUCT

"SEC. 110. (a) Within Job Corps centers, standards of conduct and deportment shall be provided and stringently enforced. In the case of violations committed by enrollees, dismissals from the Corps or transfers to other locations shall be made in every instance where it is determined that retention in the Corps, or in the particular Job Corps center, will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other enrollees.

"(b) In order to promote the proper moral and disciplinary conditions in the Job Corps, the individual directors of Job Corps centers shall be given full authority to take appropriate disciplinary measures against enrollees including, but not limited to, dismissal from the Job Corps, subject to expeditious appeal procedures to higher authority, as provided under regulations set by the Director.

"COMMUNITY PARTICIPATION

"SEC. 111. The Director shall encourage and shall cooperate in activities designed to establish a mutually beneficial relationship between Job Corps centers and surrounding or nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Youth participation in advisory council affairs shall be encouraged and where feasible separate youth councils may be established, to be composed of representative enrollees and representative young people from the communities. The Director shall establish necessary rules and take necessary action to assure that each center is operated in a manner consistent with this section with a view to achieving, so far as possible, objectives which shall include: (1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community;

(2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees; (3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community; (4) encouraging the fullest practicable participation of enrollees in programs or projects for community improvement or betterment, with adequate advance consultation with business, labor, professional, and other interested community groups and organizations; (5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together; (6) providing community residents with opportunities to work with enrollees directly, as part-time instructors, tutors, or advisers, either in the center or in the community; (7) developing, where feasible, job or career opportunities for enrollees in the community; and (8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools, educational institutions, and agencies serving young people.

"PLACEMENT AND FOLLOWTHROUGH

"SEC. 112. The Director shall provide or arrange for necessary services to assist enrollees to secure suitable employment or further training opportunities, to return to school or pursue their education, or undertake some other activity having a career potential. To the extent feasible, placement services shall be undertaken through or in cooperation with agencies or organizations, including the public employment service, which will be in a position to provide enrollees with reasonable followthrough necessary or appropriate to aid them in making a satisfactory initial adjustment with particular attention to those enrollees who in the course of completing their enrollment in a satisfactory manner have demonstrated the motivation to overcome special handicaps, or who face unusual adjustment problems, as in a new community.

"EVALUATION; EXPERIMENTAL AND DEVELOPMENTAL PROJECTS

"SEC. 113. (a) The Director shall provide for the careful and systematic evaluation of the Job Corps program, with a view to measuring specific benefits, so far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation. In carrying out such evaluations, the Director shall consult with other agencies and officials in order to compare the relative effectiveness of Job Corps techniques with those used in other programs, and shall endeavor to secure, through employers, schools, or other Government and private agencies specific information concerning the residence of former enrollees, their employment status, compensation, and success in adjusting to community life. He shall also secure, to the extent feasible, similar information directly from enrollees at appropriate intervals following their completion of the Job Corps program.

"(b) The Director may undertake or make grants or contracts for experimental, research, or demonstration projects directed to developing or testing ways of securing the better use of facilities, of encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in the period of their enrollment, of reducing transportation and support costs, or of otherwise promoting greater efficiency and effectiveness in the program authorized under this part. These projects shall include one or more projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis. Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects. They may be undertaken jointly with other Federal or federally assisted programs, including programs under part B of this title, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available to projects under this section to the extent they include the same or substantially similar activities. The Director may waive any provision of this title which he finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. He shall either in his annual report or a separate annual document, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

"ADVISORY BOARDS AND COMMITTEES

"SEC. 114. The Director shall make use of advisory committees or boards in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever he determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities. Nothing in this section shall be considered as limiting the functions of the National Advisory Council, established pursuant to section 605 of this Act, with respect to any matter or question involving the Job Corps; but this shall not prevent the establishment through or in cooperation with the National Advisory Council of one or more boards or committees under this section.

"PARTICIPATION OF THE STATES

"SEC. 115. (a) The Director shall take necessary action to facilitate the effective participation of States in the Job Corps program, including, but not limited to, consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, the development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

"(b) The Director may enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to regulations, pay part or all of the operative or administrative costs of such programs.

"(c) No Job Corps center or other similar facility designed to carry out the purpose of this Act shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor, and such plan has not been disapproved by him within 30 days of such submission.

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 116. (a) Except as otherwise specifically provided in the following paragraphs of this subsection, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter I of chapter 81 of title 5 of the United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except as follows:

"(A) The term 'performance of duty' shall not include any act of an enrollee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Job Corps;

"(B) In computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

"(C) Compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

"(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

"(b) When the Director finds a claim for damage to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, he may adjust and settle it in an amount not exceeding \$500.

"(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

"SPECIAL LIMITATIONS

"SEC. 117. (a) The Director shall not use any funds made available to carry out this part for the fiscal year ending June 30, 1968, in a manner that will increase above forty-five thousand the enrollee capacity of Job Corps centers.

"(b) The Director shall take necessary action to insure that on or before June 30, 1968, of the total number of Job Corps enrollees in residence and receiving training, at least 25 per centum shall be women.

"(c) The Director shall take necessary action to insure that for any fiscal year the direct operating costs of Job Corps centers which have been in operation for more than nine months do not exceed \$7,300 per enrollee.

"(d) The Director shall take necessary action to insure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the operation of any conservation or training center shall become the property of the United States.

"POLITICAL DISCRIMINATION AND POLITICAL ACTIVITY

"SEC. 118. (a) No Officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

"(b) No officer, employee, or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee, or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee, or Federal employee who solicits funds for political purposes from members of the Corps, shall be in violation of the Corrupt Practices Act.

"(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions."

WORK AND TRAINING PROGRAMS

SEC. 102. Parts B and D of title I of the Economic Opportunity Act of 1964 are consolidated as a new part B of such title and amended to read as follows:

"PART B—WORK AND TRAINING FOR YOUTH AND ADULTS

"STATEMENT OF PURPOSE

"SEC. 120. The purpose of this part is to provide useful work-experience and work-training opportunities, together with related services and assistance, that will assist low-income youths to continue or resume their education, and to help unemployed, underemployed, or other low-income and severely disadvantaged persons, both young and adult, to obtain and hold regular competitive employment, with maximum opportunities for local initiative in developing programs which respond to local needs and problems, including programs using both public and private resources to overcome the complex problems of the most severely disadvantaged in areas having high concentrations of unemployment, underemployment, and low income.

"NEIGHBORHOOD YOUTH CORPS

"SEC. 121. The Director may provide financial assistance for—

"(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) and who are in need of the earnings to permit them to resume or maintain attendance in school; and

"(2) programs to provide unemployed individuals (aged sixteen through twenty-one years at the time of enrollment) with useful work experience and on-the-job training, combined where needed with educational and training assistance, including basic literacy and occupational training, designed to assist those individuals to develop their maximum occupational potential.

"COMMUNITY EMPLOYMENT AND TRAINING PROGRAMS

"SEC. 122. (a) The Director may provide financial assistance for community employment and training projects. These projects shall provide work experience, on-the-job, or work training for unemployed, underemployed, or low-income persons (including projects involving both adults and youths age sixteen or over). They shall be designed to assist participants to secure or qualifying for—

"(1) permanent, meaningful employment without further assistance under this section, and

"(2) wherever possible, entry-level jobs involving the use or acquisition of skills needed for subprofessional or other career opportunities offering promise of regular or continued advancement.

"(b) Where feasible and consistent with the objectives of subsection (a), projects under this section shall be designed so that participants acquire work skills or experience in activities that involve, or will lead to permanent employment in, fields where there are critical or unmet community needs. These fields may include, without limitation, the management, conservation, or development of natural resources, recreational areas, public parks, highways, or other lands; neighborhood redevelopment; the provision of health, education, welfare, or public safety services; or other activities directed to bettering or beautifying a community or area or improving its physical, social, economic, or cultural condition.

"(c) Projects under this section shall include related supportive services, including basic education, occupational training, health services, and special counseling, as needed to assist participants to attain the objectives described in subsection (a).

"(d) In determining whether, in what amount and on what conditions, to assist projects or parts of projects otherwise eligible under this section, the Director shall consider—

"(1) in all cases, the degree to which efforts have been made to provide assurances of regular employment at the earliest feasible time, and the degree to which the project has been developed and realistically structured so as to take account of the desires, needs, and capabilities of participants;

"(2) in the case of projects or parts of projects involving activities related to physical improvements, whether the improvements will be substantially used by the low-income persons and families or will contribute substantially to amenities or facilities in areas or neighborhoods having concentrations of low-income persons and families;

"(3) in the case of projects or parts of projects involving the development of entry-level employment opportunities, the extent to which the proposed activities will not only benefit those directly participating but will also contribute or give promise of contributing to the broader adoption of new methods of structuring jobs or providing job ladder opportunities, the development and recognition of new types of careers for low-income and disadvantaged persons, or the elimination of artificial barriers in the community to employment and advancement on the part of those persons.

"SPECIAL URBAN EMPLOYMENT IMPACT PROGRAMS

"SEC. 123. (a) The Director may provide necessary financial assistance, as provided in this section, to meet costs of developing, planning, and carrying out projects which are designed to assist in meeting some of the critical problems facing urban areas, and to stimulate the fuller and more effective use of the

resources which are or can be made available in those areas to permit a substantial increase in employment opportunities for the disadvantaged.

"(b) Projects under this section must—

"(1) be carried on in an urban area or neighborhood (defined without regard to political or other subdivision boundaries) having especially large concentrations of unemployed, underemployed, or low-income individuals, or be primarily designed to serve the needs of such individuals residing in such areas;

"(2) be supported by specific commitments of cooperation on the part of public and private employers in the community, including assurances that, to the maximum extent feasible, permanent employment opportunities have been or will be developed that are commensurate with the size, scope, schedule, and objectives of the program.

"(3) provide for the maximum feasible use of resources under other programs relating to the training of individuals to improve or restore their employability, including commitments of specific training opportunities under the Manpower Development and Training Act of 1962;

"(4) be appropriately focused to assure that work and training opportunities are extended, so far as possible, to the most severely disadvantaged individuals who can reasonably be expected, given the other services or support available, to benefit from such training;

"(5) include or provide for expanded, more intensive, or improved supportive services not generally available, including day care for children, transportation, job orientation, health services, and intensive and continuing counseling, both before and after job placement, as necessary to assist participants to develop necessary job attitudes and the capability to secure, hold, and advance in regular competitive employment;

"(6) comply with other requirements prescribed by the Director to assure that programs are realistically structured to take account of the desires, needs and capabilities of participants; are directed so far as possible to specific, measurable goals and subject to adequate provisions for continuing local evaluation; are supported by assurances of needed cooperation from all relevant State or local governmental and private agencies; and will otherwise be administered and carried on in an efficient and effective manner.

"(c) In addition to necessary costs of developing or planning projects, financial assistance under this section may be used to meet—

"(1) costs of initiating or expanding projects or activities which are eligible for financial assistance under other sections of this part;

"(2) costs of expanding projects or activities under other programs related to the training of individuals for the purpose of improving or restoring employability;

"(3) costs of providing required supportive services not otherwise available; and

"(4) such other costs of administering, coordinating, or evaluating projects, including the provision of necessary related equipment or facilities, as may be specifically authorized in regulations of the Director.

"COORDINATION

"SEC. 124. Programs under this part shall be carried on with appropriate assistance from other Federal agencies having related responsibilities and shall be coordinated with other local and community programs, including maximum coordination with community action programs. They shall include necessary arrangements to best assure that individuals are recruited, referred, and provided with training, work experience, and other assistance in the manner that most accurately reflects each person's capacity to benefit from several programs authorized under this title and from other programs available to him which provide services designed to enhance or restore employability.

"PROGRAM PARTICIPANTS: APPLICATION OF FEDERAL LAWS

"SEC. 125. (a) Participants in programs under this part must be individuals who are permanent residents of the United States. For purposes of determining eligibility for participation in programs under this part, any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

"(b) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

"GENERAL CONDITIONS FOR PROGRAM APPROVAL

"Sec. 126. The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

"(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

"(4) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"Sec. 127. (a) The Director shall establish criteria designed to achieve an equitable distribution of assistance under sections 121 and 122 among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels.

"(b) Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Director shall reserve not to exceed 25 per centum for the purpose of carrying out section 123; but not more than 12½ per centum of the funds so reserved for any fiscal year shall be used within any one State.

"TECHNICAL ASSISTANCE AND TRAINING

"Sec. 128. The Director may provide (directly, through contracts or other appropriate arrangements) such technical assistance or training for personnel as he determines is necessary to assist in the initiation or effective operation of programs under this part. He shall, in exercising this authority, give special consideration to the problems of rural areas, with a view to simplifying procedures and other technical requirements wherever feasible; developing model programs or projects; assisting rural areas to secure or better use resources under other programs relating to increasing or restoring employability and to combine those with projects or programs under this part; and generally assisting agencies in rural areas to develop and carry on the most effective programs consistent with local conditions.

"LIMITATIONS ON FEDERAL ASSISTANCE

"Sec. 129. (a) Federal financial assistance to any program or activity carried out pursuant to sections 121, 122, and 123 of this part shall not exceed 90 per centum of the cost of such program or activity, including costs of administration. The Director may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that this is necessary in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"(b) In the case of on-the-job training projects with other than public or private nonprofit organizations, the Director may authorize or enter into agreements to pay reasonable training costs, but not wages paid to participants for services performed.

"(c) The Director shall prescribe regulations to assure that programs under this part are carried on subject to adequate internal controls, accounting requirements, and rules governing personnel standards and policies as may be necessary or appropriate to promote efficiency and the effective use of funds.

"(d) Financial assistance under this part shall be extended only to projects which are sponsored by public or private nonprofit agencies. The Director may, however, contract in special cases for the carrying out of projects or parts of projects by other private organizations where he finds such a contract to be justified on the basis of efficiency and economy and otherwise consistent with the provisions and purposes of this part.

"EVALUATION

"SEC. 130. The Director shall provide for the continuing evaluation of the programs under this title, including their effectiveness in achieving stated goals and their impact on other related programs. He may, for this purpose, contract for independent evaluations of those programs or individual projects."

COMMUNITY ACTION AMENDMENTS

SEC. 103. Title II of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

"STATEMENT OF PURPOSE

"SEC. 201. This title provides for community action agencies and programs, prescribes the structure and describes the functions of community action agencies, and authorizes financial assistance to community action programs and related projects and activities. Its basic purpose is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas, to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient. Its specific purposes are to promote, as methods of achieving a better focusing of resources on the goal of individual and family self-sufficiency—

"(1) the strengthening of community capabilities for planning and coordinating Federal, State, and other assistance related to the elimination of poverty, so that this assistance, through the efforts of local officials, organizations, and interested and affected citizens, can be made more responsible to local needs and conditions;

"(2) the better organization of a range of services related to the needs of the poor, so that these services may be made more effective and efficient in helping families and individuals to overcome particular problems in a way that takes account of, and supports their progress in overcoming, related problems;

"(3) the greater use, subject to adequate evaluation, of new types of services and innovative approaches in attacking causes of poverty, so as to develop increasingly effective methods of employing available resources;

"(4) the development and implementation of all programs and projects designed to serve the poor or low-income areas with the maximum feasible participation of residents of the areas and members of the groups served, so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries; and

"(5) the broadening of the resource base of programs directed to the elimination of poverty, so as to secure, in addition to the services and assistance of public officials, private religious, charitable, and neighborhood organizations, and individual citizens, a more active role for business, labor, and professional groups able to provide employment opportunities or otherwise influence the quantity and quality of services of concern to the poor.

"PART A—COMMUNITY ACTION AGENCIES AND PROGRAMS

"ESTABLISHMENT OF COMMUNITY ACTION AGENCIES; COMMUNITY ACTION PROGRAMS

"SEC. 210. (a) The Director shall encourage communities to establish public or private nonprofit agencies, to be known as community action agencies. A community action agency shall be responsible for, and must be capable of, planning,

coordinating, evaluating, and administering a program, to be known as a community action program. A community action program is a community based and operated program—

“(1) which includes or is designed to include a sufficient number of projects or components to provide, in sum, a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;

“(2) which has been developed, and which organizes and combines its component projects and activities, in a manner appropriate to carry out all the purposes of this title; and

“(3) which conforms to such other supplementary criteria as the Director may prescribe consistent with the provisions of this title.

“(b) Components of a community action program may be administered by the community action agency, where consistent with sound and efficient management and applicable law, or by other agencies. They may be projects eligible for assistance under this title, or projects assisted from other public or private sources; and they may be either specially designed to meet local needs, or designed pursuant to the eligibility standards of a State or Federal program providing assistance to a particular kind of activity which will help in meeting those needs.

“(c) The community in which a community action agency is established to carry on a community action program may be a city, county, multicounty, multicounty, or other governmental unit, an Indian reservation, or a neighborhood or other area (whether or not its boundaries correspond with those of any political subdivision); but it must in any event provide the organizational base and process the commonality of interest needed for an efficient and effective program conforming to the requirements of this section.

“STRUCTURE OF COMMUNITY ACTION AGENCIES

“Sec. 211. (a) Each community action agency shall be established and constructed so as to assure broad, continuing, and effective community participation in all phases of the community action program for which it is responsible, and to assure that the program as developed and implemented is fully responsive to community needs and conditions. Each such agency shall have, for this purpose, a governing board organized to provide for membership of the chief elected official or officials of the community and other appropriate public officials, or their representatives, of officials or representatives of private groups and agencies engaged in providing assistance to the poor, and of appropriate representatives of business, labor, religious, or other major groups and interests in the community. At least one-third of the membership of the board shall be persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the community. All members of the governing board selected to represent specific geographic areas within a community must reside in the areas they represent. Each community action agency shall establish procedures by which community agencies and representative groups of the poor, including but not limited to minority groups, the elderly and (where applicable) rural residents, which feel themselves inadequately represented may petition for the representation they consider appropriate.

“(b) The powers of every community action agency governing board shall include the power to appoint persons to senior staff positions, to determine major personnel, fiscal, and program policies, to approve overall program plans and priorities, and to assure compliance with conditions of and approve proposals for financial assistance under this title.

“SPECIFIC POWERS AND FUNCTIONS OF COMMUNITY ACTION AGENCIES

“Sec. 212. (a) In order to carry out its overall responsibility for planning, coordinating, evaluating, and administering a community action program, a community action agency must have authority under its charter or applicable law to receive and administer funds under this title, funds and contributions from private or local public sources which may be used in support of a community action program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this part could act as grantee, contractor, or spon-

sor of projects appropriate for inclusion in a community action program. A community action agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

"(b) In exercising its powers and carrying out its overall responsibility for a community action program, a community action agency shall have, subject to the purposes of this title, at least the following functions:

"(1) Planning systematically for and evaluating the program, including actions to develop information as to the problems and causes of poverty in the community, determine how much and how effectively assistance is being provided to deal with those problems and causes, and establish priorities among projects, activities and areas as needed for the best and most efficient use of resources.

"(2) Encouraging agencies engaged in activities related to the community action program to plan for, secure and administer assistance available under this title or from other sources on a common or cooperative basis; providing planning or technical assistance to those agencies; and generally, in cooperation with community agencies and officials, undertaking actions to improve existing efforts to attack poverty, such as improving day-to-day communication, closing service gaps, focusing resources on the most needy, and providing additional opportunities to low-income individuals for regular employment or participation in the programs or activities for which those community agencies and officials are responsible.

"(3) Initiating and sponsoring projects responsive to needs of the poor which are not otherwise being met, with particular emphasis on providing central or common services that can be drawn upon by a variety of related programs, developing new approaches or new types of services that can be incorporated into other programs, and filling gaps pending the expansion or modification of those programs.

"(4) Establishing effective procedures by which the poor and area residents concerned will be enabled to influence the character of programs affecting their interests, providing for their regular participation in the implementation of those programs, and providing technical and other support needed to enable the poor and neighborhood groups to secure on their own behalf available assistance from public and private sources.

"(5) Joining with and encouraging business, labor, and other private groups and organizations to undertake, together with public officials and agencies, activities in support of the community action program which will result in the additional use of private resources and capabilities, with a view to such things as developing new employment opportunities, stimulating investment that will have a measurable impact in reducing poverty among residents of areas of concentrated poverty, and providing methods by which residents of those areas can work with private groups, firms, and institutions in seeking solutions to problems of common concern.

"STATE AND REGIONAL AGENCIES

"SEC. 213. A State or regional agency may be a community action agency for the purpose of programs in a number of rural areas or smaller communities if the Director determines that the agency is structured and capable of operating in a manner consistent with the purposes of this part, including the participation and representation requirements of section 211(a), and that the operation of a State or regional program in the areas or communities concerned is justified on the basis of efficiency and effectiveness.

"ADMINISTRATIVE STANDARDS

"SEC. 214. (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 purposes of this title and

the objective of providing assistance effectively, efficiently and free of any taint of partisan political bias or personal or family favoritism. Each community action agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each community action agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. And each community action agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties of advocacy on behalf of the poor in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

"(b) The Director shall prescribe rules or regulations to supplement subsection (a), which shall include regulations governing matters relating to partisan political activities and elections referred to in section 603(b) of this Act, and which shall be binding on all agencies carrying on community action program activities with financial assistance under this title. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. These special requirements shall not, however, affect the applicability of rules governing conflicts of interest, use of position or authority for partisan political purposes or participation in direct action, regardless of customary practices or rules among agencies in the community. The Director shall consult with the heads of other Federal agencies responsible for programs providing assistance to activities which may be included in community action programs for the purpose of securing maximum consistency between rules or regulations prescribed or followed by those agencies and those prescribed under this section.

"EVALUATION OF COMMUNITY ACTION AGENCIES AND PROGRAMS

"SEC. 215. (a) In determining whether, in which amount, and on what conditions, to extend financial assistance to a new community action program, the Director shall consider evidence of the extent of poverty in the community and the probable capacity of the agency to undertake an efficient and effective program in full conformity to the purposes of this title. In renewing or supplementing that financial assistance, he shall consider the progress made in carrying on such a program, consistent with needs and with due allowance for the special problems of rural and smaller communities, and the efficiency with which the agency has discharged its specific functions and duties to this end. The Director shall prescribe standards for evaluation of overall effectiveness and specific agency operations in accordance with this subsection. In developing those standards he shall consider, but not be limited to, the use of criteria covering: the number and incomes of persons or families served and seeking to be served and the length of their participation; the extent to which those persons and families have been aided in establishing specific goals and have in fact attained those goals; the extent to which resources have been committed which are over and above the contributions required by this title; the degree to which full use has been made of sources of financial assistance other than this title; the degree to which agencies, groups, and organizations, including the poor and area representatives, have actively participated in the formulation and implementation of the program in question; the extent and effectiveness of followthrough arrangements among agencies operating different components and related agencies in the community; and the extent to which activities or approaches initiated as part of the program have been incorporated in other ongoing programs in the community.

"(b) In addition to evaluations undertaken directly by him or by community action agencies, the Director may provide for, or require community action agencies to provide for, independent evaluations. Where appropriate, he may also require a community action agency to establish an independent group or committee to provide evaluation and advisory services on either a short-term or continuing basis.

"PART B—FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS AND RELATED ACTIVITIES

"DEVELOPMENT OF COMMUNITY ACTION PROGRAMS

"SEC. 220. The Director may provide financial assistance to community action agencies to assist them in developing community action programs in accordance with this title. He may also provide financial assistance to other public or private nonprofit agencies to aid them in planning for the establishment of a community action agency or participation in a community action program, including assistance to local governments in connection with planning activities and organizational changes to support or improve the effectiveness of such programs.

"GENERAL PROVISIONS FOR FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS

"SEC. 221. (a) In order to aid in the implementation of community action programs, the Director may provide general financial assistance to those programs in accordance with the provisions of this section. This assistance may be used, as approved by the Director, by community action agencies in order to enable them to carry out their planning, coordination, evaluation, and overall administration responsibilities as described in Part A of this title. It may also be used for the development and operation of approved program components which are necessary for a fully effective program and for which assistance is not available, as needed, from other sources. These component projects may involve, without limitation, activities providing services, together with necessary related facilities, designed to assist families and individuals to secure and retain meaningful employment; to make better use of available income in connection with efforts for self-advancement; to attain basic educational skills needed for employment, family self-help, or successful participation in school; to better secure, use, and maintain housing required for a suitable living environment; to undertake family planning consistent with personal and family goals, religious and moral convictions; and to make more frequent and effective use of programs available to help in overcoming specific problems. Components providing these or other services may be focused upon the needs of specific low-income groups, such as the very young, youth, the elderly, the unemployed, and persons receiving public assistance, but shall wherever feasible be structured so as to foster family participation and progress.

"(b) The Director may provide financial assistance to a public or private nonprofit agency other than a community action agency for activities of the kind described in subsection (a) where he determines, after receiving and considering comments of the community action agency, if any, that there is good cause for the granting of such assistance and that such action would be in furtherance of the policies applicable to this title.

"(c) The Director shall prescribe necessary rules or regulations governing applications for assistance under this section to assure that every reasonable effort is made by each applicant to secure the views of local public officials and agencies in the community having a direct or substantial interest in the application and to resolve all issues of cooperation and possible duplication prior to its submission.

"SPECIAL PROGRAMS AND ASSISTANCE

"SEC. 222. (a) In order to stimulate actions to meet or deal with particularly critical needs or problems of the poor which are common to a number of communities, the Director may develop and carry on special programs under this section. This authority shall be used only where the Director determines that the objectives sought could not be effectively achieved through the use of authorities under sections 220 and 221, including assistance to components or

projects based on models developed and promulgated by him. It shall also be used only with respect to programs which (1) involve activities which can be incorporated into or be closely coordinated with community action programs, (2) involve significant new combinations of resources or new and innovative approaches, and (3) are structured in a way that will, within the limits of the type of assistance or activities contemplated, most fully and effectively promote the purposes of this title. Subject to such conditions as may be appropriate to assure effective and efficient administration, the Director may provide financial assistance to public or private nonprofit agencies to carry on local projects initiated under such special programs; but he shall do so in a manner that will encourage, wherever feasible, the inclusion of the assisted projects in community action programs, with a view to minimizing possible duplication and promoting efficiencies in the use of common facilities and services, better assisting persons or families having a variety of needs, and otherwise securing from the funds committed the greatest possible impact in promoting family and individual self-sufficiency. Programs under this section shall include those described in the following paragraphs:

"(1) A program to be known as 'Project Headstart' focused upon children who have not reached the age of compulsory school attendance which will provide such comprehensive health, nutritional, educational, social, and other services, as the Director finds will aid the children to attain their full potential, together with appropriate activities to encourage the participation of parents of such children and permit the effective use of parent services.

"(2) A 'legal services program' to provide legal advice and legal representation to persons when they are unable to afford the services of a private attorney, together with legal research and information, as appropriate to mobilize the assistance of lawyers or legal institutions, or combinations thereof, in furtherance of the cause of justice among persons living in poverty. Projects involving legal advice and representation shall be carried on in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession. The Director shall establish procedures to assure that the principal local bar associations in the area to be served by any proposed project for legal advice and representation are afforded an adequate opportunity to submit comments and recommendations on the proposal before it is approved or funded.

"(3) A 'comprehensive health services program' to aid in developing and carrying out comprehensive health services projects focused upon the needs of urban and rural areas having high concentrations of poverty and a marked inadequacy of health services for the poor. These projects shall be designed—

"(A) to make possible, with maximum feasible use of existing agencies and resources the provision of comprehensive health services, including but not limited to preventive medical, diagnostic, treatment, rehabilitation, mental health, dental, and follow-up services, together with necessary related facilities and services; and

"(B) to assure that these services are made readily accessible to the residents of such areas, are furnished in a manner most responsive to their needs and with their participation and wherever possible are combined with, or included within, arrangements for providing employment, education, social, or other assistance needed by the families and individuals served.

Funds for financial assistance under this paragraph shall be allotted according to need, and capacity of applicants to make rapid and effective use of that assistance, and may be used, as necessary to pay the full costs of projects. Before approving any project, the Director shall consult with appropriate Federal, State, and local health agencies and take such steps as may be required to assure that the program will be carried on under competent professional supervision and that existing agencies providing related services are furnished all assistance needed to permit them to plan for participation in the program and for the necessary continuation of those related services.

"(4) A program to be known as 'Upward Bound' designed to generate skills and motivation necessary for success in education beyond high school among young people from low-income backgrounds and inadequate secondary school preparation. Projects must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. They must include a curriculum designed to develop the critical

thinking, effective expression and attitudes toward learning needed for post-secondary education success, necessary health services and such recreational and cultural and group activities as the Director determines may be appropriate.

"(b) In developing programs under subsection (a), the Director shall give priority to programs involving services or activities whose effectiveness has been tested in one or more community action programs, or in connection with other Federal, State, or local programs, public or private. The Director shall also cooperate with Federal and State agencies with a view to developing, pursuant to subsection (a), programs which will supplement or improve programs for which those agencies are responsible. Where appropriate, he shall provide for the operation of programs under subsection (a) by other Federal or State agencies, pursuant to delegations of authority or suitable agreements.

"(c) Programs under subsection (a) may include essential training, research, and technical assistance directly related to program development and implementation, and funds allocated for this purpose may be allotted and used in the manner otherwise provided under this title with respect to training, research, and technical assistance activities.

"(d) The Director shall provide for the continuing evaluation of the effectiveness of all programs under this section, including their impact in terms of the needs or problems at which they are directed, and their relationship to and effect upon related programs. For this purpose, he shall consult with other Federal agencies, or where appropriate with State agencies, in order to provide wherever feasible for jointly sponsored objective evaluation studies on a National or State basis. The reports of such studies, together with the comments of the Director and other agencies, if any, thereon, shall be public records and shall be reflected in the annual report of the Director.

"ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

"SEC. 223. (a) Of the sums which are appropriated or allocated for assistance in the development and implementation of community action programs pursuant to sections 220 and 221, and for special program projects referred to in section 222(a), and which are not subject to any other provision governing allotment or distribution, the Director shall allot not more than 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. He shall also reserve not more than 20 per centum of those sums for allotment in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the average number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families with incomes of less than \$1,000 in each State as compared to all States. That part of any State's allotment which the Director determines will not be needed may be reallocated, at such dates during the fiscal year as the Director may fix, in proportion to the original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallocated among the other States.

"(b) The Director may provide for the separate allotment of funds for any special program referred to in section 222(a). This allotment may be made in accordance with the criteria prescribed in subsection (a), or it may be made in accordance with other criteria which he determines will assure an equitable distribution of funds reflecting the relative incidence in each State of the needs or problems at which the program is directed, except that in no event may more than 12½ per centum of the funds for any one program be used in any one State.

"(c) Unless otherwise provided in this part, financial assistance extended to a community action agency or other agency pursuant to sections 220, 221, and 222(a), for the period ending June 30, 1967, shall not exceed 90 per centum of the approved cost of the assisted programs or activities, and thereafter shall not exceed 80 per centum of such costs. The Director may, however, approve assistance in excess of such percentages if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

"(d) No program shall be approved for assistance under sections 220, 221, and 222 (a) unless the Director satisfies himself (1) that the services to be provided under such program will be in addition to, and not in substitution for, services previously provided without Federal assistance, and (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community will not be diminished in order to provide any contributions required under subsection (c) or otherwise qualify for assistance under this part. The requirement imposed by the preceding sentence shall be subject to such regulations as the Director may adopt and promulgate establishing objective criteria for determinations covering situations where a strict application of that requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

"PART C—SUPPLEMENTAL PROGRAMS AND ACTIVITIES

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 230. The Director may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under this title, and (2) training for specialized or other personnel which is needed in connection with those programs or which otherwise pertains to the purposes of this title. Upon request of an agency receiving financial assistance under this title, the Director may make special assignments of personnel to the agency to assist and advise it in the performance of functions related to the assisted activity; but no such special assignment shall be for a period of more than two years in the case of any agency.

"STATE AGENCY ASSISTANCE

"SEC. 231. (a) The Director may provide financial assistance to State agencies designated in accordance with State law, to enable those agencies—

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

"(2) to assist in coordinating State activities related to this title;

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

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

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

"RESEARCH AND PILOT PROGRAMS

"SEC. 232. (a) The Director may contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this title. He may also contract or provide financial assistance for research pertaining to the purposes of this title.

"(b) The Director shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Director shall consult with other Federal agencies for the purpose of minimizing duplication among similar activities or projects and determining whether the findings resulting from any research or pilot projects may be incorporated into one or more programs for which those agencies are responsible. As part of the annual report required by section 608, or in a separate annual report, the Director shall submit a description for each fiscal year of the current plan required by this section, of activities

subject to the plan, and of the findings derived from those activities, together with a statement indicating the time and, to the extent feasible, the manner in which the benefits of those activities and findings are expected to be realized.

"(c) Not more than 10 per centum of the sums appropriated or allocated in any fiscal year for this title shall be used for the purposes of subsection (a).

"PART D—GENERAL AND TECHNICAL PROVISIONS

"RURAL AREAS

"SEC. 240. (a) In exercising authority under this title, the Director shall take necessary steps to further the extension of benefits to residents of rural areas, consistent with the extent and severity of poverty among rural residents, and to encourage high levels of managerial and technical competence in programs undertaken in rural areas. These steps shall include, to the maximum extent practicable, (1) the development under section 222(a) of programs particularly responsive to special needs of rural areas; (2) the establishment, pursuant to section 232(a), of a program of research and pilot project activities specifically focused upon the problems of rural poverty; (3) the provision of technical assistance so as to afford a priority to agencies in rural communities and to aid those agencies, through such arrangements as may be appropriate, in securing assistance under Federal programs which are related to this title but which are not generally utilized in rural areas; and (4) the development of special or simplified procedures, forms, guidelines, model components, and model programs for use in rural areas.

"(b) In order to further implement the policy described in subsection (a), the Director shall establish criteria designed to achieve an equitable distribution of assistance under this title within the States between urban and rural areas. In developing those criteria, he shall consider the relative numbers in the States or areas therein of (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; and (6) persons rejected for military service.

"(c) Notwithstanding any other provision of this title, the Director is authorized to provide financial assistance in rural areas to public or private non-profit agencies for any project for which assistance to community action agencies is authorized, if he determines that it is not feasible to establish a community action agency within a reasonable period of time. The assistance so granted shall be subject to such conditions as the Director deems appropriate to promote adherence to the purposes of this title and the early establishment of a community action agency in the area.

"(d) The Director shall encourage the development of programs for the interchange of personnel, for the undertaking of common or related projects, and other methods of cooperation between urban and rural communities, with particular emphasis on fostering cooperation in situations where it may contribute to new employment opportunities, and between larger urban communities with concentrations of low-income persons and families and rural areas in which substantial numbers of those persons and families have recently resided.

"COORDINATION—FEDERAL AGENCIES ; USE OF STATE FUNDS

"SEC. 241. (a) The heads of all Federal agencies shall cooperate with the Director in carrying out his responsibilities under this title and shall, to the extent permitted by law, exercise their powers so as to encourage implementation of the purposes of this title with respect to all programs appropriate for inclusion in community action programs. The Director may call upon other Federal agencies from advice, information, or assistance, including the establishment of working groups of Federal personnel, in dealing with specific problems of coordination arising under programs authorized in this title. Cooperative actions or undertakings initiated pursuant to this subsection may include evaluation of local programs on a common or joint basis, and actions to assist particular communities in overcoming problems arising out of diverse Federal requirements, or in developing long-range plans where justified by prior progress.

"(b) Pursuant to regulations prescribed by the President, where funds are advanced for a single project by more than one Federal agency to a community action agency or other agency assisted under this title, any one Federal agency

may be designated to act for all in administering the funds advanced. In such cases, a single local share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

"(c) 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 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.

"SUBMISSION OF PLANS TO GOVERNORS

"SEC. 242. In carrying out the provisions of this title, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this part. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

"FISCAL RESPONSIBILITY AND AUDIT

"SEC. 243. (a) No funds shall be released to any agency receiving financial assistance under this title until it has submitted to the Director a statement certifying that the assisted agency and its delegate agencies (or subcontractors for performance of any major portion of the assisted program) have established an accounting system with internal controls adequate to safeguard their assets, check the accuracy and reliability of the accounting data, promote operating efficiency and encourage compliance with prescribed management policies and such additional fiscal responsibility and accounting requirements as the Director may establish. The statement may be furnished by a certified public accountant, a duly licensed public accountant or, in the case of a public agency, the appropriate public financial officer who accepts responsibility for providing required financial services to that agency.

"(b) Within three months after the effective date of a grant to or contract of assistance with an organization or agency, the Director shall make or cause to be made a preliminary audit survey to review and evaluate the adequacy of the accounting system and internal controls established thereunder to meet the standards set forth in the statement referred to in paragraph (a). Promptly after the completion of the survey, the Director shall determine on the basis of findings and conclusions resulting from the survey whether the accounting systems and internal controls meet those standards and, if not, whether to suspend the grant or contract. In the event of suspension, the assisted agency shall be given not more than six months within which to establish the necessary systems and controls, and, in the event of failure to do so within such time period, the assistance shall be terminated by the Director.

"(c) At least once annually the Director shall make or cause to be made an audit of each grant or contract of assistance under this title. Promptly after the completion of such audit, he shall determine on the basis of resulting findings and conclusions whether any of the costs of expenditures incurred shall be disallowed. In the event of disallowance, the Director may seek recovery of the sums involved by appropriate means, including court action or a commensurate increase in the required non-Federal share of the costs of any grant or contract with the same agency or organization which is then in effect or which is entered into within twelve months after the date of disallowance.

"(d) The Director shall establish such other requirements and take such actions as he may deem necessary and appropriate to carry out the provisions of this section and to insure fiscal responsibility and accountability, and the effective and efficient handling of funds in connection with programs assisted

under this title. These requirements and actions shall include (1) necessary action to assure that the rate of expenditure of any agency receiving financial assistance does not exceed the rate contemplated under its approved program; and (2) appropriate requirements to promote the continuity and coordination of all projects or components of community action programs receiving financial assistance under this title, including provision for the periodic reprogramming and supplementation of assistance previously provided.

"SPECIAL LIMITATIONS

"SEC. 244. The following special limitations shall apply, as indicated, to programs under this title.

"(1) Financial assistance under this title may include funds to provide a reasonable allowance for attendance at meetings of any community action agency governing board, neighborhood council or committee, as appropriate to assure and encourage the maximum feasible participation of members of groups and residents of areas served in accordance with the purposes of this title, and to provide reimbursement of actual expenses connected with those meetings; but those funds (or matching non-Federal funds) may not be used to pay allowances in the case of any individual who is a Federal, State, or local government employee, or an employee of a community action agency, or for payment of an allowance to any individual for attendance at more than two meetings a month.

"(2) The Director shall issue necessary rules or regulations to assure that no employee engaged in carrying out community action program activities receiving financial assistance under this title is compensated from funds so provided at a rate in excess of \$15,000 per annum, and that any amount paid to such an employee at a rate in excess of \$15,000 per annum shall not be considered in determining whether the non-Federal contributions requirements of section 223 have been complied with; the Director may, however, provide in those rules or regulations for exceptions covering cases where, because of the need for specialized or professional skills or prevailing local wage levels, application of the foregoing restriction would greatly impair program effectiveness or otherwise be inconsistent with the purposes sought to be achieved.

"(3) No officer or employee of the Office of Economic Opportunity shall serve as member of a board, council, or committee of any agency serving as grantee, contractor, or delegate agency in connection with a program receiving financial assistance under this title; but this shall not prohibit an officer or employee from serving on a board, council, or committee which does not have any authority or powers in connection with a program assisted under this title.

"(4) In granting financial assistance for projects or activities in the field of family planning, the Director shall assure that family planning services, including the dissemination of family planning information and medical assistance and supplies, are made available to all low-income individuals who meet the criteria for eligibility for assistance under this part which have been established by the assisted agency and who desire such information, assistance, or supplies. The Director shall require, in connection with any such financial assistance, that—

"(A) no individual will be provided with any information, medical supervision, or supplies which that individual indicates is inconsistent with his or her moral, philosophical, or religious beliefs; and

"(B) no individual will be provided with any medical supervision or supplies unless he or she has voluntarily requested such medical supervision or supplies.

The use of family planning services assisted under this title shall not be a prerequisite to the receipt of services from or participation in any other programs under this Act.

"(5) No financial assistance shall be extended under this title to provide general aid to elementary or secondary education in any school or school system; but this shall not prohibit the provision of special, remedial, and other noncurricular assistance.

"(6) In extending assistance under this title the Director shall give special consideration to programs which make maximum use of existing schools, community centers, settlement houses, and other facilities during times they are not in use for their primary purpose.

"DURATION OF PROGRAM

"SEC. 245. The Director shall carry out the programs provided for in this part during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

AMENDMENTS TO TITLE III—RURAL AREAS PROGRAMS

SEC. 104. (a) Title III of the Economic Opportunity Act of 1964 is amended by (1) inserting immediately under the title heading a new part heading to read "PART A—RURAL LOAN PROGRAM", and (2) striking out the heading immediately before section 302 and inserting in lieu thereof a new heading to read "LOANS TO FAMILIES".

(b) Section 301 of such Act is amended to read as follows :

"STATEMENT OF PURPOSE

"SEC. 301. It is the purpose of this part to meet some of the special needs of low-income rural families by establishing a program of loans to assist in raising and maintaining their income and living standards."

(c) Section 302(a) of such Act is amended by inserting the word "principal" after the word "aggregate".

(d) Section 606 of such Act is transferred from title VI thereof to the end of part A of title III, is redesignated as section 306, and amended by striking out "titles III of this Act" in subsections (a) and (d) and inserting in lieu thereof "this part".

(e) Part B of title III of such Act is amended to read as follows :

"PART B—ASSISTANCE FOR MIGRANT, AND OTHER SEASONALLY EMPLOYED, FARMWORKERS AND THEIR FAMILIES

"STATEMENT OF PURPOSE

"SEC. 311. The purpose of this part is to assist migrant and seasonal farmworkers and their families to improve their living conditions and develop skills necessary for a productive and self-sufficient life in an increasingly complex and technological society.

"FINANCIAL ASSISTANCE

"SEC. 312. (a) The Director may provide financial assistance to assist State and local agencies, private nonprofit institutions and cooperatives in developing and carrying out programs to fulfill the purpose of this part.

"(b) Programs assisted under this part may include projects or activities—

"(1) to meet the immediate needs of migrant and seasonal farmworkers and their families, such as day care for children, education, health services, improved housing and sanitation, legal advice and representation, and consumer training and counseling;

"(2) to promote increased community acceptance or migrant and seasonal farmworkers and their families; and

"(3) to equip unskilled migrant and seasonal farmworkers through education and training to meet the changing demands in agricultural employment brought about by technological advancement and to take advantage of opportunities available to improve their well-being and self-sufficiency by gaining regular or permanent employment or by participating in available Government training programs.

"LIMITATIONS ON ASSISTANCE

"SEC. 313. (a) Assistance shall not be extended under this part unless the Director determines that the applicant will maintain its prior level of effort in similar activities.

"(b) The Director shall establish necessary procedures or requirements to assure that programs under this part are carried on in coordination with other programs or activities providing assistance to the persons and groups served.

"TECHNICAL ASSISTANCE, TRAINING, AND EVALUATION

"SEC. 314. (a) The Director may provide directly or through grants, contracts, or other arrangements, such technical assistance or training of personnel as may be required to implement effectively the purposes of this title.

"(b) The Director shall provide for necessary evaluation of projects under this title and may, through grants or contracts, secure independent evaluation for this purpose."

AMENDMENTS TO TITLE VI—ADMINISTRATION AND COORDINATION

SEC. 105. (a) Section 601(a) of the Economic Opportunity Act of 1964 is amended by striking out "four" in the third sentence and inserting in lieu thereof "six".

(b) Section 609 of such Act is amended to read as follows:

"DEFINITIONS

"SEC. 609. As used in this Act—

"(1) the term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I and part A of title II the meaning of 'State' shall also include the Trust Territory of the Pacific Islands; except that when used in section 223 of this Act this term means only a State or the District of Columbia. The term 'United States' when used in a geographical sense includes all those places named in the previous sentence, and all other places continental or insular, subject to the jurisdiction of the United States;

"(2) the term 'financial assistance' when used in titles, I, II, and III-B includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services; and

"(3) the term 'permanent resident of the United States' when used in titles I-A and I-B shall include any native and citizen of Cuba who arrived in the United States from Cuba as a nonimmigrant or as a parolee subsequent to January 1, 1959, under the provisions of sections 214(a) or 212(d) (5), respectively, or any person admitted as a conditional entrant under section 203(a) (7), of the Immigration and Nationality Act."

(c) Section 610-1(a) of such Act is amended by inserting the words "a substantial number of the" immediately before the word "persons" the second and third time that word appears.

(d) Section 616 of such Act is amended to read as follows:

"TRANSFER OF FUNDS

"SEC. 616. Notwithstanding any limitation on appropriations for any program or activity under this Act or any Act authorizing appropriations for such program or activity, not to exceed 10 per centum of the amount appropriated or allocated from any appropriation for the purpose of enabling the Director to carry out any such program or activity under the Act may be transferred and used by the Director for the purpose of carrying out any other such program or activity under the Act; but no such transfer shall result in increasing the amounts otherwise available for any program or activity by more than 10 per centum."

(e) Title VI of such Act is amended by—

(1) striking out section 604;

(2) striking out the heading "PART B—COORDINATION OF ANTIPOVERTY PROGRAMS" and sections 611, 612, 613, and 614; and

(3) inserting at the end thereof a new part B to read as follows:

"PART B—COORDINATION

"STATEMENT OF PURPOSE

"SEC. 630. This part establishes an Economic Opportunity Council, provides for an information center, and prescribes certain duties and responsibilities. Its purpose is to promote better coordination among all programs related to this Act, with a view to making those programs more effective in reaching and serving the poor, assisting State and local agencies to adapt diverse Federal programs to

varying local problems and conditions, stimulating new and more imaginative ways of combining complementary Federal resources in the solution of specific problems, and generally improving cooperation and communication among all levels of government, agencies, and institutions in matters related to the purposes of this Act.

"ECONOMIC OPPORTUNITY COUNCIL

"Sec. 631. (a) There is established an Economic Opportunity Council. The Council shall include the Director who shall be Chairman, the Attorney General, the Secretaries of Defense, the Interior, Agriculture, Commerce, Labor, Health, Education, and Welfare, and Housing and Urban Development, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, and the Director of Selective Service. The President, in his discretion, may from time to time revise the membership of the Council to take account of changes in functions or otherwise assure representation on the Council that will best promote the purposes of this part. Each member shall designate an alternative to sit in his stead in the event of his unavoidable absence.

"(b) It shall be the responsibility of the Council to consult with and advise the President and the Director in carrying out their functions, including the coordination of antipoverty efforts by all segments of the government. In doing so, the Council shall—

"(1) advise generally on the coordination of Federal programs related to this Act;

"(2) review and make recommendations, as appropriate, with respect to major policy issues and questions of basic priorities involving the coordination of programs related to this Act;

"(3) initiate, consider, recommend, and, to the extent feasible, arrange for the carrying out of specific actions or projects designed to improve coordination among programs related to this Act; and

"(4) provide general guidance and advice in connection with the operation of the information center provided for in this part and assist the Director in making the center more effective.

"(c) The Council may be provided a staff by the Director. Employees of other executive departments and agencies may be detailed to the Council from time to time for temporary assistance.

"(d) As directed by the President, or from time to time as it deems appropriate, the Council shall report to the President concerning specific actions which it has taken, or proposes to take, in carrying out its responsibilities. To the extent appropriate, a report of the Council's activities shall be reflected in the Director's annual report to the President and the Congress or in a separate report to the President for transmittal to the Congress.

"RESPONSIBILITIES OF THE DIRECTOR

"Sec. 632. In addition to his other powers under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies, the Director shall—

"(1) undertake special studies of specific coordination problems at the request of the President or the Council, or on his own initiative; and

"(2) carry on a continuing evaluation of all activities under this Act, and consult with interested agencies and groups, including State agencies described in section 231 of this Act and the National Advisory Council, with a view to identifying coordination problems may warrant consideration by the Council or the President and, to the extent feasible or appropriate, initiate action for overcoming those problems, either through the Office of Economic Opportunity or in conjunction with other Federal, State, or local agencies.

"COOPERATION OF FEDERAL AGENCIES

"Sec. 633. (a) Federal agencies administering programs related to this Act shall—

"(1) cooperate with the Director and with the Council in carrying out their duties and responsibilities; and

"(2) carry out their programs and exercise their functions so as to assist in carrying out the provisions and purposes of this Act, to the fullest extent permitted by other applicable law.

"(b) The Council and the Director may call upon Federal agencies to supply statistical data, program reports, and other materials as they deem necessary to discharge their responsibilities under this Act.

"(c) The President may direct that particular programs and functions, including the expenditure of funds, of Federal agencies shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

"COMBINATIONS AMONG PROJECTS AND PROGRAMS

"SEC. 634. In order to encourage efficiencies, close unnecessary service gaps, and generally promote more effective administration, the Director shall require, to the fullest extent feasible, that projects or programs assisted under this Act be carried on so as to supplement one another, or where appropriate other related programs or projects, and be included within or otherwise carried on in combination with community action programs. In the case of other programs related to this Act, the heads of the Federal agencies responsible for those programs shall, to the extent permitted by law, similarly provide assistance for projects and activities in a manner which encourages combinations with other related projects and activities, where appropriate, and with community action programs. The Economic Opportunity Council shall, in carrying out its responsibilities under this part, make a continuing review of the operation of this section with a view to (1) determining particular groups of programs which, because of their objectives, or similarities in target groups or areas, are especially appropriate for combined or closely coordinated operation at the State or local level, and making recommendations accordingly to the President or appropriate Federal officials; (2) evaluating Federal agency procedures for carrying out this section, and developing or recommending additional or common procedures, as appropriate; and (3) determining whether, and to what extent, consolidations of Federal programs may be justified and making recommendations respecting such consolidations to the Director and the President.

"INFORMATION CENTER

"SEC. 635. (a) The Director shall establish and operate an information center for the purpose of insuring that maximum use is made of Federal programs related to this Act and that information concerning those programs and other relevant information is readily available to public officials and other interested persons. The Director shall collect, prepare, analyze, correlate, and distribute information as described above, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset of that cost), and may make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulations. In connection with operation of the center, the Director may carry on research or studies concerning the improvement of information systems in support of the purposes of this Act, the adequacy of existing data, ways in which data generated on the State and local level may be incorporated into Federal information systems, and methods by which data may be made more readily available to State and local officials or used to further coordination objectives.

"(b) The Director shall publish and maintain on a current basis, a catalog of Federal programs relating to individual and community improvement. He may also make grants, from funds appropriated to carry out title II of this Act, to States and communities to establish information service centers for the collection, correlation, and distribution of information required to further the purposes of this Act.

"(c) In order to assure that all appropriate officials are kept fully informed of programs related to this Act, and that maximum use is made of those programs, the Director shall establish procedures to assure prompt distribution to State and local agencies of all current information, including administrative rules, regulations, and guidelines, required by those agencies for the effective performance of their responsibilities.

"PROHIBITION

"SEC. 636. In order to assure that existing Federal agencies are used to the fullest extent possible in carrying out the purposes of this Act, no funds appro-

priated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

"SPECIAL RESPONSIBILITIES : TRAINING PROGRAMS

"SEC. 637. (a) It shall be the responsibility of the Director, the Secretary of Labor, the Secretary of Health, Education, and Welfare, and the heads of all other departments and agencies concerned, acting through such procedures or mechanisms as the President may prescribe, to provide for, and take such steps as may be necessary and appropriate to implement, the effective coordination of all programs and activities within the executive branch of the Government relating to the training of individuals for the purpose of improving or restoring employability.

"(b) The Secretary of Labor, pursuant to such agreements as may be necessary or appropriate (which may include arrangements for reimbursement), shall—

"(1) be responsible for assuring that the Federal-State employment service provides and develops its capacity for providing maximum support for the programs described in subsection (a) ; and

"(2) obtain from the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Director of the Office of Economic Opportunity, and the head of any other Federal agency administering a training program, such employment information as will facilitate the placement of individuals being trained.

"DEFINITIONS

"SEC. 638. As used in this part, 'programs related to this Act' and 'coordination' shall include the programs and actions described in this section :

"(1) 'Programs related to this Act' include programs under this Act and all Federal or federally assisted programs which have objectives which are, in whole or substantial part, complementary to the purposes of this Act, or which provide resources which may be used in combination with resources under this Act to assist in achieving any of the purposes of this Act.

"(2) 'Coordination' includes, but is not limited to—

"(A) actions to improve the common effectiveness of programs in reaching and serving the poor, such as actions : to extend services to new areas, provide them in a common place, or structure them so that they are more readily accepted or widely utilized ; to eliminate procedures or requirements that may be inappropriate for or result in unnecessary hardship to disadvantaged persons with limited education or other special handicaps ; to establish common eligibility standards among programs serving substantially similar groups or operating in the same areas ; or to develop methods of operation or administration that will provide new employment incentives or opportunities for the poor ;

"(B) actions to promote better use at the State or local level of Federal assistance available under diverse programs, such as actions to establish procedures for cooperation among State or local agencies seeking assistance from different Federal sources with a view to eliminating unnecessary duplication and service gaps and promoting common or complementary priorities ; or to modify or improve technical or administrative requirements imposed by different Federal agencies that may operate to increase unnecessarily the burdens of State or local agencies, minimize their opportunities for the imaginative use of Federal assistance, or discourage their cooperation with one another ;

"(C) actions to promote simplification and efficiencies through the joint or combined use of Federal resources, such as actions to develop new methods of processing requests for assistance or granting assistance that will enable Federal agencies more generally to use resources jointly in support of common objectives ; to establish common priorities for purposes of program planning, research and demonstration activities ; and to effect combinations among or redirect Federal programs or activities for the purpose of eliminating unnecessary duplication ;

"(D) actions to improve communication and general cooperation, such as actions to strengthen ties among regional offices of different Federal agencies and among such offices and other regional agencies or organizations ; to develop and improve procedures by which Federal agencies

may act together in promulgating or making available items of information, including information as to the availability and allocation of funds, which are closely related to one another for purposes of State or local planning and budgeting; or to develop procedures by which State and local agencies may be afforded new opportunities to participate in Federal policy decisions, including decisions on recommended legislation, affecting their capacity to operate efficiently and effectively."

AMENDMENT TO TITLE VII

SEC. 106. (a) Title VII of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE VII—TREATMENT OF INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

"STATEMENT OF PURPOSE

"SEC. 701. It is the purpose of this title to provide incentives to welfare recipients to participate in programs under this Act which are designed to enable them to become self-supporting, and to complete such programs and become self-supporting within a reasonable period of time.

"STATE PLANS

"SEC. 702. Notwithstanding the provisions of titles I, IV, X, XIV, XVI, and XIX of the Social Security Act, a State plan approved under any such title shall include provisions consistent with the rules prescribed or under this title.

"DEFINITIONS

"SEC. 703. For the purposes of this title—

"(a) 'Public assistance' shall mean any aid or assistance payable pursuant to a State plan approved under title I, IV, X, XIV, XVI, or XIX of the Social Security Act.

"(b) 'Trainee' shall mean any person enrolled in any program under title I, II, or III-B of this Act or employed in any such program as a resident nonprofessional or in any other combined work-and-training capacity.

"(c) 'Qualifying income' shall mean (1) any amount paid as wages under title I of this Act to a trainee in a program described in paragraph (1) of section 121 of the Act (relating to Neighborhood Youth Corps programs for youth attending school); (2) any amount paid under this Act as wages, training allowance, or stipend to any other trainee during his first eighteen months as such a trainee; and (3) the net income derived, during the first eighteen months following initial receipt of assistance under title III-A of this Act, by any assisted family from the assisted farm or nonagricultural enterprise.

"(d) 'Poverty line' shall mean an amount of monthly income determined by the Director, representing an approximation of the minimum level of income which is necessary to support a family of given size so that it can live out of poverty.

"ATTRIBUTION OF INCOME

"SEC. 704. Unless otherwise provided in regulations prescribed by the Secretary of Health, Education, and Welfare, no payment made under this Act to or on behalf of any trainee shall be regarded as income or resources of any other individual under a State plan approved under title I, IV, X, XIV, XVI, or XIX except to the extent that the payment is made available to or used for the benefit of such other individual.

"AMOUNT OF PUBLIC ASSISTANCE

"SEC. 705. (a) The amount of public assistance payable for any month to any person having qualifying income shall be the higher of (1) the amount determined under the State plan without regard to this section, or (2) the amount determined under subsection (b).

"(b) The amount of public assistance which is payable for any month to any person who receives qualifying income shall be computed, for purposes of this subsection, as follows:

"(1) The amount of public assistance, excluding assistance for medical care, shall be computed under the State plan as if the qualifying income had not been received (and without any provision for expenses connected with earning the qualifying income).

"(2) The qualifying income for the month shall be converted into a percentage of the monthly poverty line.

"(3) The amount of public assistance payable (other than assistance for medical care) shall be the amount determined under clause (1) above, reduced by the percentage determined under clause (2) or, if the State plan so provides, by eight-tenths of that percentage.

"(4) Assistance for medical care shall be provided in accordance with a State plan. In States where the plan provides that assistance for medical care depends upon eligibility for other public assistance, such eligibility shall be determined in accordance with this subsection.

"(5) If more than one member of a family receives qualifying income, the qualifying income of all members of the family shall be aggregated in determining the percentage referred to in subsection (b) (2). The foregoing sentence shall apply in cases in which its application would be inconsistent with section 704.

"SAVING PROVISION

"c. 706. If, at the time the rules prescribed in section 705 become effective in his State, a trainee's public assistance is being computed in accordance with the prior version of this title, it shall continue to be so computed until (1) his rights under the prior version expire, or (2) he completes his participation in the particular program in which he is a trainee, whichever occurs sooner. Thereafter, if he receives additional qualifying income, his public assistance shall be determined in accordance with section 705."

"(b) In the case of any State whose State plan meets the requirements of section 701 of the Economic Opportunity Act of 1964 in effect prior to the amendment made by subsection (2) of this section, no funds to which the State is otherwise entitled under title I, IV, X, XIV, XVI, or XIX of the Social Security Act shall be withheld prior to January 1, 1968, as a result of such amendment; nor shall funds be withheld from any such State by reason of any action taken pursuant to a State statute which prevents the State from complying with the requirements of such amendment until the first day of the fourth month after the State legislature next adjourns following the effective date of this Act.

VOLUNTEER PROGRAMS

Sec. 107. Title VIII of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE VIII—DOMESTIC VOLUNTEER SERVICE PROGRAMS

"VOLUNTEERS IN SERVICE TO AMERICA

"STATEMENT OF PURPOSE

"Sec. 801. This title provides for a program of full-time volunteer service, for programs of part-time or short-term community volunteer service, and for special volunteer programs, together with other powers and responsibilities designed to assist in the development and coordination of volunteer programs. Its purpose is to strengthen and supplement efforts to eliminate poverty by encouraging and enabling persons from all walks of life and all age groups, including elderly and retired Americans, to perform meaningful and constructive service as volunteers in part-time or short-term programs in their home or nearby communities, and as full-time volunteers serving in rural areas and urban communities, on Indian reservations, among migrant workers, in Job Corps centers, and in other agencies, institutions, and situations where the application of human talent and dedication may help the poor to overcome the handicaps of poverty and to secure and exploit opportunities for self-advancement.

*AUTHORITY: ESTABLISHED UNDER THE NATIONAL DEFENSE AUTHORITY ACT OF 1961

"Sec. 810. (a) The Director may recruit, select, and train persons to carry out full-time volunteer programs, and upon request of Federal, State, or local agencies, or private nonprofit organizations, may assign such volunteers to carry out

or private nonprofit organizations, not to engage in commercial activities, and (c) in meeting the health, education, welfare, or recreational needs of persons living on reservations, or migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, the American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands;

(2) in the care and rehabilitation of the severely ill or mentally retarded under treatment at non-profit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and

(13) in connection with programs or activities authorized, supported or funded in whole or in part by a Federal agency, or the authorized, supported or funded activity of a character eligible for assistance under this Act.

(4) The assignment of volunteers under this section shall be on such basis and conditions (including restrictions on participation) as the State shall determine, and shall recognize the special status of volunteers under Federal law, including the service provided by programs to which they have been assigned, as the director or a volunteer under the part shall determine and assign or direct or in any State without the consent of the Governor.

TERMS OF SERVICE

"Sec. 811. (a) Volunteers under this part shall be required to make a full and personal commitment to combating poverty. This shall include a commitment to live among and at the economic level of the people served and to be readily available for service without regard to regular working hours and to times and their term of service, except for authorized periods of leave.

“(b) Volunteers under this part shall be eligible for and bear portions of service, exceeding time devoted to training. The board may, however, allow persons who are unable to make a full one-year commitment to perform limited service for periods of service of not less than one month and not more than six months. That this more limited service will be for a limited period of time, and that the

"(c) All volunteers under the age of 18 shall not be required to make an affirmation in the form prescribed by subsection (b) of this section of the provisions of section 1001 of title 18, unless and where there is a bona fide religious belief related to that oath or affirmation.

1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 26

"Sec. 812. (a) The Director may provide a stipend to volunteers and to part-time staff while they are in training and normal duties. The stipend shall not exceed \$50 per month during the volunteer's first year of service, and thereafter a stipend not to exceed 87½ per month in the case of a volunteer who has completed at least one year and who, in accordance with the provisions of this section, shall have been designated volunteer leaders in the program. Stipends shall be based on skills. The Director may also provide volunteers with transportation, including travel to and from the place of training, and food, lodging, and such other supplies, equipment, subsistence, clothing, health and dental care, or such other support, as he may deem necessary or appropriate to their needs.

(b) Stipends shall be payable only upon completion of a term of service, except that in extraordinary circumstances the Director may from time to time advance accrued stipend or any portion thereof to a candidate or volunteer. In the event of the death of a candidate during service, the unpaid stipend shall be paid in accordance with the provisions of the Uniformed Services of America Act of August 2, 1950 (5 U.S.C. 5592).

"(c) The Director may provide for training of persons requiring educational counseling of volunteers and recent volunteers; encourage them to use the skills and experience which they have derived from their military and service in the national interest, and particularly in connection with the needs of the helping professions.

“PART B—AUXILIARY AND SPECIAL VOLUNTEER PROGRAMS

“COMMUNITY SERVICE PROGRAMS

“SEC. 820. (a) The Director shall develop programs designed to expand opportunities for persons to participate in a direct and personal way, on a part-time basis or for shorter periods of service than is required for enrollment under section 810, and in their home or nearby communities, in volunteer activities contributing to the elimination of poverty. Pursuant to appropriate plans, agreements, or arrangements the Director may provide financial, technical or other assistance needed to carry on projects that are undertaken in connection with these programs. These projects may include, without limitation, activities designed (1) to encourage greater numbers of persons to participate, as volunteers, in local programs and projects assisted under this Act, with particular emphasis upon programs designed to aid youth or promote child development; (2) to encourage persons with needed managerial, professional, or technical skills to contribute those skills to programs for the development or betterment of neighborhoods or areas having especially large concentrations of the poor, with particular emphasis upon helping residents of those neighborhoods or areas to develop the competence necessary to take advantage of public and private resources which would not otherwise be available or used for those programs; and (3) to assist existing national and local agencies relying upon or in need of volunteers to obtain volunteer services more readily, or to provide specialized short-term training, with particular emphasis on agencies serving the most seriously disadvantaged, operating in areas of the most concentrated poverty, or having similar critical needs.

“(b) Persons serving as volunteers under this section shall receive no living allowance or stipend and only such other support or allowances as the Director determines, pursuant to regulations, are required because of unusual or special circumstances affecting the project.

“(c) The services of any person, if otherwise allowable as a non-Federal contribution toward the cost of any program or project assisted under this or any other Federal Act, shall not be disallowed merely by reason of actions of the Director under this section in providing for or assisting in the recruitment, referral, or preservice training of such person.

“SPECIAL VOLUNTEER PROGRAMS

“SEC. 821. The Director is authorized to conduct, or provide by grant or contract for, special volunteer programs designed to stimulate and initiate improved methods of providing volunteer services and to encourage wider volunteer participation, in furtherance of the purposes of this title. Not to exceed 10 per centum of the sums appropriated or allocated from any appropriation to carry out this title for any fiscal year may be used for programs under this section.

“PART C—GENERAL PROVISIONS

“COORDINATION WITH OTHER PROGRAMS

“SEC. 831. The Director shall take necessary steps to coordinate volunteer programs authorized under this title with one another, with community action programs, and with other related Federal, State, local, and national programs. These steps shall include, to the extent feasible, actions to promote service by volunteers or former volunteers in the full-time programs authorized under part A in providing necessary support to programs under part B, and actions to encourage persons serving as part-time or short-term volunteers to make commitments under part A as regular or associate full-time volunteers. The Director shall also consult with the heads of other Federal, State, local, and national agencies responsible for programs related to the purpose of this Act with a view to encouraging greater use of volunteer services in those programs and establishing in connection with them systematic procedures for the recruitment, referral, or necessary preservice orientation or training of part-time volunteers serving pursuant to this part.

"PARTICIPATION OF OLDER PERSONS"

"SEC. 832. In carrying out this title, the Director shall take necessary steps, including the development of special projects where appropriate, to encourage the fullest feasible participation of older persons in the various programs and activities authorized under this title.

"APPLICATION OF FEDERAL LAW"

"SEC. 833. (a) Except as provided in subsection (b), volunteers under this title shall not be deemed Federal employees and shall not be subject to the provisions of laws relating to Federal employment.

"(b) Individuals who receive either a living allowance or a stipend under part A shall, with respect to such services or training, (1) be deemed, for the purposes of subchapter III of chapter 73 of title 5 of the United States Code, persons employed in the executive branch of the Federal Government, and (2) be deemed Federal employees to the same extent as enrollees of the Job Corps under section 116(a) (1), (2), and (3) of this Act, except that for purposes of the computation described in 116(a)(2)(B) the monthly pay of a volunteer shall be deemed to be that received under the entrance salary for GS-7 under section 5332 of title 5, United States Code.

"SPECIAL LIMITATIONS"

"SEC. 834. (a) The Director shall prescribe regulations to assure that service under this title is limited to activities which would not otherwise be performed and which will not result in the displacement of employed workers or impair existing contracts for service.

"(b) All support, including transportation provided to volunteers under this title, shall be furnished at the lowest possible cost consistent with the effective operations of volunteer programs.

"(c) No agency or organization to which volunteers are assigned hereunder, or which operates or supervises any volunteer program hereunder shall request or receive any compensation for services of volunteers supervised by such agency or organization.

"DURATION OF PROGRAM"

"SEC. 835. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

TITLE II—SUMMER CAMPS FOR DISADVANTAGED CHILDREN

SHORT TITLE

SEC. 201. This title may be cited as the "Summer Camp Act of 1967".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 202. Millions of acres of forest and park lands throughout the Nation are the property of all the people. Yet the circumstances of poverty frequently prevent the utilization of these lands by those most in need, particularly disadvantaged children who would benefit from outdoor and camping experiences. It is the purpose of this title to provide and assist in the provision of camp facilities which permit greater use of such public lands under Federal, State, and local administration in behalf of these children.

BASIC AUTHORITY

SEC. 203. (a) The Director of the Office of Economic Opportunity (hereinafter referred to as the "Director") may allocate funds to other Federal agencies, or extend financial assistance to State or local public agencies, to enable them to provide camp facilities for use by disadvantaged children. The following basic conditions shall apply to the exercise of this authority—

(1) the facilities (except as may be necessary in connection with access roads, utility lines, or similar installations) must be on public lands;

- (2) the facilities must be so located in relation to population centers as to permit their efficient, meaningful, and substantial use in connection with camping programs, projects, or activities for disadvantaged children; and
- (3) the facilities must be provided and operated subject to a use plan, conforming to the requirements of section 205, which provides reasonable assurance of their continuing availability, under the sponsorship of one or more public or private nonprofit agencies, for such camping programs, projects, or activities.

ALLOCATION AND USE OF FUNDS

SEC. 204. (a) Funds appropriated under this title may be allocated by the Director to the Secretaries of Agriculture, the Interior, or to the Army, to pay the cost of camp facilities on public lands under their administration, or to the head of any other Federal agency responsible for the administration of public lands which are determined by the Director and the head of that agency to be appropriate for use in providing camp facilities pursuant to this Act. Funds may also be provided, by grant or contract, to State or local public agencies responsible for administration of public lands and having the legal, technical, and financial capacity to undertake projects for the provision of camp facilities in accordance with this title.

(b) Funds allocated to a Federal agency, or made available for any State or local project, may be used for—

- (1) the construction, renovation, or improvement (including furnishing and equipping) of camp facilities;

- (2) the purchase or lease of privately owned facilities on public lands which are or may be made suitable for use as camp facilities; and

- (3) essential maintenance and supervision of camp facilities to the extent, as may be agreed upon by the Director and the agency concerned, that such maintenance and supervision is not otherwise available or cannot otherwise be reasonably provided.

(c) Funds allocated or made available under this title may not be used for the administration or operation of any camping program or project, nor may they be used for the purchase of land; but this shall not preclude their use in acquiring necessary rights in connection with access roads, utility lines, or similar installations.

USE PLANS

SEC. 205. (a) Funds shall not be allocated and used by a Federal agency for any facility, and the Director shall not extend financial assistance to any State or local agency project, unless the facility or project is covered by a use plan or agreement approved by the Director in accordance with this section. In the case of facilities to be provided by a Federal agency, the plan shall contain such information and understandings concerning the character of the facility, the type and extent of use to be made of it, the number and nature of and procedure for selecting sponsoring organizations, conformity with the rules and regulations of the administering agency, and other matters, as may be agreed upon by the Director and the head of that agency. In the case of projects of State or local public bodies, the plan shall contain, at a minimum, information and commitments necessary to assure—

- (1) that the facilities will be adequate, and reasonable in cost, in relation to their proposed use;

- (2) that the facilities and their proposed use will comply with all applicable laws and regulations and be consistent with any applicable plans or planning, including any statewide outdoor recreation plans approved pursuant to the Land and Water Conservation Act of 1965;

- (3) that the facilities will be available for use in accordance with this title over an appropriate minimum period, consistent with their cost, and that they will not be converted to any other use during that period except with the approval of the Director and subject to such additional conditions or requirements (which may include required repayment of all or part of the financial assistance, as determined after opportunity for hearing) as the Director may prescribe;

- (4) that the agency seeking financial assistance will retain sufficient continuing control over the facilities to assure their continuing use in accordance with this title over the applicable minimum period; and

(5) that there are public or private nonprofit sponsoring organizations (which may include the applicant agency) which are able and willing to assume responsibility for operating or coordinating the operation of the facilities so as to assure their effective and efficient use for camping programs for disadvantaged children, and that there are adequate methods or procedures for selecting those sponsoring organizations.

(b) The Director, after consultation with the heads of interested Federal agencies, may by regulation prescribe additional or supplementary requirements or criteria for use plans. Such regulations may include descriptions of different types of camping programs for which facilities provided or assisted under this title may be used, general standards for these various types of programs, and requirements or procedures for selecting sponsoring organizations in accordance with their capacity to provide or arrange for the staff, health care, food, transportation, and other supportive services needed for such programs. The regulations may also require specific approval of sponsoring organizations by the Director.

USE OF FACILITIES BY OTHER THAN THE DISADVANTAGED

SEC. 206. Facilities provided or assisted under this title shall not be used for groups other than disadvantaged children unless it is determined, by the Director or in accordance with regulations promulgated by him establishing criteria for such determinations, that the facilities would otherwise not be adequately utilized, that it is not reasonably possible to expand their use for disadvantaged children, and that use by other organizations or groups would not preclude or be inconsistent with the fullest practicable use of the facilities for disadvantaged children. The Director shall consult with the Federal agencies concerned and, where feasible, with interested State and local agencies in issuing regulations under this section. Those regulations may provide for use by groups other than disadvantaged children on a fee basis, and may require in the case of any State or local public agencies that fees so collected be applied in reduction of the amount of financial assistance provided under this title.

EMPLOYMENT OF LOW-INCOME PERSONS

SEC. 207. To the extent feasible, the Director shall encourage the provision, maintenance, supervision, and use of camp facilities in a manner that will promote new or additional employment or training opportunities for low-income individuals, including individuals enrolled in the Job Corps, the Neighborhood Youth Corps, and other programs designed to improve or restore employability.

LIMITATION ON FINANCIAL ASSISTANCE

SEC. 208. Financial assistance under this title to any State or local public agency for any project or activity shall not exceed 80 per centum of the approved cost of such project or activity. Nor shall the Director provide such assistance to any such agency unless he satisfies himself that the prior level of agency expenditures in connection with other facilities available to disadvantaged children has not been and will not be reduced and that contributions or expenditures in connection with those other facilities will not be diminished in order to provide any non-Federal contributions required under this section. Non-Federal contributions required by this section may be in cash or kind, fairly evaluated, including but not limited to materials, equipment, and services.

LABOR STANDARDS

SEC. 209. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

GENERAL PROVISIONS

SEC. 210. To the extent necessary or appropriate to carry out the provisions of this title, the Director shall have the powers and duties conferred upon him by section 602 of the Economic Opportunity Act of 1964, except that he may make arrangements with, reimburse, or delegate any powers to, the heads of other Federal agencies, including agencies to which funds are allocated under section 204(a), and authorize redelegations, without regard to the provisions of section 602(d) of such Act.

DEFINITIONS

SEC. 211. For purposes of this title—

(1) The term "camp facilities" includes permanent or semipermanent structures, sanitary, water, cooking, electrical or similar installations or fixtures, access roads and utility lines and installations necessary for adequate development of a site, recreational installations appropriate to a campsite, and such other furnishings, equipment, installations, or structures as may be required to provide a site appropriate for regular or repeated use in connection with camping programs for disadvantaged children;

(2) The term "State or local public agency" means a State, county, municipality, or other governmental entity or public body, an Indian tribe, or two or more such entities, bodies, or tribes, having necessary control over public lands and otherwise authorized to undertake the commitments required pursuant to this title with respect to any camp facility;

(3) The term "public lands" means those lands under the ownership, control, or administration of Federal, State, or local public agencies or Indian tribes;

(4) The term "sponsoring organization" means a welfare, youth, charitable, church, or labor organization, a school, civic club, or community action agency established pursuant to title II of the Economic Opportunity Act of 1964, or any other public or private nonprofit agency (other than a political party) which has authority to operate, administer, or coordinate camping programs for disadvantaged children using facilities provided under this title; and

(5) The term "disadvantaged children" means children from low-income families, and includes groups predominantly or principally composed of such children.

AUTHORIZATIONS

SEC. 212. For the purposes of carrying out this title, there is hereby authorized to be appropriated the sum of \$20,000,000 for the fiscal year ending June 30, 1968; and for the fiscal year ending June 30, 1969, and the succeeding fiscal year, such sums as may be necessary. Sums so appropriated shall remain available until expended.

TITLE III—CRIMINAL PROVISIONS

SEC. 301. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under the Economic Opportunity Act, as amended, embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to the Economic Opportunity Act, as amended, shall be fined not more than \$10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Economic Opportunity Act, as amended, induces any person to give up any money or thing of any value to any person (including such grantee agency), shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

[H.R. 10682, 90th Cong., first sess.]

A BILL To mesh the combined efforts of government at all levels with private endeavors to provide jobs and dignity for the poor

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 "Opportunity Crusade Act of 1967".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. It is 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.

It is therefore the policy of the United States to provide individuals at low levels of income and education with the power and hope necessary to raise themselves above the levels of poverty.

To accomplish this objective it is the intent of Congress that the needs of the very young be given first priority. Sensible and diverse programs emphasizing education, health, strengthening of the family and productive jobs for heads of the family must have maximum local and private participation. Community action, involving the poor at policymaking levels officials and citizens of talent and experience, is the indispensable ingredient of success. Attention must also be focused on the elderly poor and efforts to coordinate and initiate programs greatly needed to assist them to lead productive lives.

Permanent, productive jobs, with personal dignity and independence must be provided primarily by private enterprise. It is the role of government to stimulate, educate and provide incentives. All levels of government must participate in a meaningful way. It is the intent of Congress that this Act shall launch an opportunity crusade for the isolated Americans who are imprisoned in our society by poverty.

TITLE I—COUNCIL OF ECONOMIC OPPORTUNITY ADVISERS TO THE PRESIDENT

DECLARATION OF POLICY

SEC. 101. The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of opening the opportunity for a self-supporting, independent life of dignity for all Americans. It is the finding of Congress that no independent agency of government can effectively coordinate the manifold and multiformed Federal programs oriented to the elimination of poverty, and that such an objective can only be accomplished through the Office of the President.

COUNCIL OF ECONOMIC OPPORTUNITY ADVISERS TO THE PRESIDENT

SEC. 102. (a) In order to assist the President in the overall coordination of Federal programs oriented to the elimination of poverty in the United States, and to provide continuing surveillance, evaluation and redirection of such of such program, there is hereby created in the Executive Office of the President a Council of Economic Opportunity Advisers (hereinafter called the "Council"). The Council shall be composed of three members who shall be appointed by the

President by and with the advice and consent of the Senate, and each of whom shall be a person who, as a result of his training, experience, and attainments is exceptionally qualified to analyze and interpret factors affecting the impoverished, to appraise programs and activities of the Government in the light of the goals set by this Act, and to formulate and recommend the national anti-poverty policy. The President shall designate one of the members of the Council as Chairman and one as Vice Chairman. The Chairman of the Council shall receive compensation at the rate of \$30,000 per annum and the other two members shall receive compensation at the rate of \$27,000 per annum.

(b) The Council is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for the carrying out of its functions under this Act, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and is authorized to employ and fix the pay, subject to such provisions of such title 5, of such other officers and employees as may be necessary to carry out its functions under this Act.

(c) The Council is authorized to contract with private organizations or individuals for such research and evaluation studies as may be desired by the Council.

(d) It shall be the duty and function of the Council—

(1) to gather timely and authoritative information concerning conditions of poverty existing throughout the Nation;

(2) to appraise the various antipoverty programs and activities of the Federal Government, for the purpose of determining the extent to which such programs and activities are contributing, or not contributing, to the alleviation of poverty;

(3) to develop and recommend policies to foster coordination among Federal, State, and local antipoverty programs, mobilizing to the maximum extent feasible the efforts of industry, agriculture, and labor in a massive coordinative effort; and to recommend to the President and the Congress administrative changes to eliminate waste and duplication that exists in the antipoverty programs in the various departments and agencies of the Federal Government;

(4) to develop and recommend to the President national policies to change and improve programs as determined by the Council to be most effective in approaching the solution of the poverty problem; and

(5) to make and furnish to the Congress such studies, reports, and recommendations with respect to operation of the antipoverty program, and to elevate the impact of various antipoverty programs and antipoverty policies, together with recommendations for legislative changes, as the President may request.

(e) The Council shall make an annual report to the President in December of each year.

(f) In exercising its powers, functions, and duties under this Act—

(1) the Council may constitute such advisory committees and may consult with such representatives of industry, agriculture, labor, consumers, State and local governments, and other groups, as it deems advisable; and

(2) the Council shall, to the fullest extent possible, utilize the services, facilities, and information (included statistical information) of other Government agencies as well as of private research agencies, in order that duplication of effort and expense may be avoided.

(g) To enable the Council to exercise its powers, functions, and duties under this title, there are authorized to be appropriated (except for the salaries of the members and the salaries of officers and employees of the Council) such sums as may be necessary. For the salaries of members and the salaries of officers and employees of the Council, there is authorized to be appropriated not exceeding \$500,000 in the aggregate for each fiscal year.

ECONOMIC OPPORTUNITY REPORT OF THE PRESIDENT

Sec. 103. (a) The President shall transmit to the Congress during the month of December each year (commencing with the year 1968) an Economic Opportunity Report setting forth—

- (1) conditions of poverty and unemployment throughout the United States and territories and such factors as may contribute to this condition ;
 - (2) a review of the antipoverty programs of the Federal Government, State and local governments, the coordination and cooperation between such programs, and the effects of such programs toward alleviating poverty ; and
 - (3) a program for carrying out the purposes of this Act together with such recommendations for legislation as may be deemed necessary or desirable.
- (b) The President may transmit from time to time to the Congress reports supplementary to the Economic Opportunity Report, each of which shall include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the goals desired by this Act.

TITLE II—RESIDENTIAL TRAINING PROGRAM

STATEMENT OF PURPOSE

SEC. 201. The purpose of this title is to provide residential centers to assist young men and women who are unable, in their present family or community environments, to prepare for the responsibilities of citizenship, to increase their skills for employment, to enhance their ability to respond to programs of education, training, and work experience, and to prepare themselves for jobs in a free enterprise economy.

PART A—RESIDENTIAL SKILL CENTERS

ESTABLISHMENT OF PROGRAM

SEC. 211. In order to carry out the purposes of this title, there is hereby established a Residential Skill Centers program (hereinafter referred to as the "program") in the Department of Health, Education, and Welfare to be administered in coordination with programs carried out under the Vocational Education Act of 1963, by the Commissioner of Education (hereinafter in this part referred to as the "Commissioner").

ESTABLISHMENT OF CENTERS

SEC. 212. The Commissioner shall provide, through contracts, for the establishment and operation of Residential Skill Centers at which trainees will be provided—

- (a) basic education curriculums designed to bring trainees to high school graduate equivalency ;
- (b) vocational training curriculums including classroom instruction and on-the-job training and work experience under simulated or actual employment conditions which will provide trainee with the knowledge, skills, and experience necessary to qualify for employment in those respective vocations ; and
- (c) continuous counseling, education, and activities designed to develop motivation, proper attitudes, work discipline, and habits necessary to realizing a successful and long-term career in meaningful, remunerative employment.

QUALIFICATIONS OF TRAINEES IN RESIDENTIAL SKILL CENTERS

SEC. 213. (a) Trainees in Residential Skill Centers shall be young men and women who—

- (1) have, at the time of admission to the Center, attained age sixteen but not attained age twenty-two ;
 - (2) are economically deprived according to standards of income as prescribed by the Commissioner ;
 - (3) are permanent residents of the United States or are natives and citizens of Cuba who arrived in the United States from Cuba as nonimmigrants or as parolees under section 214(a) or 212(d)(5), respectively, of the Immigration and Nationality Act ;
 - (4) meet such other standards for admission to a Center as may be prescribed by the Commissioner or contractor ; and
 - (5) have agreed to comply with rules and regulations prescribed by the Commissioner and contractor.
- (b) No person may be a trainee in the program for more than two years, except as the contractor may determine in special cases.

OPERATION OF CENTERS

SEC. 214. (a) For the establishment and operation of Residential Skill Centers the Commissioner shall enter into contracts with the State or with a political subdivision of a State, or with a public or private, nonprofit agency or organization.

(b) The Commissioner shall encourage States and political subdivisions to enter into reciprocal agreements or joint contracts for operation of centers under this part where such agreements would be desirable.

(c) Each such contract shall contain provisions to insure that the State or States, political subdivision of subdivisions, and public or private, nonprofit agency or organization which is to operate a center (hereinafter referred to as the "Skill Center Contractor") will meet the requirements of this part.

(d) The Commissioner is authorized to pay 100 per centum of the costs of contracts under this part until July 1, 1970, and after such date the Commissioner shall pay such portion of the costs of such contracts as he deems necessary.

SEC. 215. (a) Except as otherwise specifically provided in this part, a trainee in a Residential Skill Center shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(b) Trainees shall be deemed to be employees of the United States for the purpose of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.), and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as such a trainee shall be deemed for such purposes to be performed in the employ of the United States.

(c) (1) Trainees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employee of the United States within the meaning of the term "employee" as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

(2) For purposes of this subsection:

(A) The term "performance of duty" in the Federal Employees' Compensation Act shall not include any act of a trainee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction or supervision of the Skill Center Contractor.

(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of a trainee shall be deemed to be \$150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS-2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d)(1) of the former Act (5 U.S.C. 756(d)(1) shall apply to trainees.

(C) Compensation for disability shall not begin to accrue until the day following the date on which the injured trainee's participation in the program is terminated.

(d) A trainee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 23, United States Code.

ALLOWANCE AND MAINTENANCE

SEC. 216. (a) Each trainee shall be provided by the Skill Center Contractor with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital and other health services, and other expenses as the Commissioner may deem necessary or appropriate for his needs. The Skill Center Contractor should graduate living allotments in a manner which will provide monetary incentive for excellent and exceptional achievement. Reasonable transportation and travel allowances may also be provided, in such circumstances as the Commissioner may determine, for applicants for admission to a Residential Skill Center to or from the Center, and for former trainees from the Center to their homes, provided that travel arrangements and expenses are as economical as possible consistent with the circumstances and shall not be more

generous than similar provisions available to members of the United States Armed Forces.

(b) Upon termination of his or her participation in the program, each trainee shall be entitled to receive from the Skill Center Contractor a readjustment allowance at a rate not to exceed \$50 for each month of satisfactory participation therein as determined by the Commissioner: *Provided, however*, That under such circumstances as the Commissioner may determine, a portion of the readjustment allowance of a trainee not exceeding \$25 for each month of satisfactory service may be paid during the period of service of the trainee directly to a member of his or her family and any sum so paid shall be supplemented by the payment of an equal amount by the Commissioner. In the event of the trainee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

PART B—ADMINISTRATION

SELECTION AND ASSIGNMENT

SEC. 221. (a) Each Skill Center contractor shall provide for the selection of trainees for his Center. He shall select for training only persons he believes are unlikely to be able to benefit from education or training in any other facility or program which is available to them; have the desire and ability to reap the most benefit from such a training opportunity; and require a change of family or neighborhood environment in order to respond adequately to education or training.

(b) Each Skill Center contractor shall screen applicants in accordance with criteria which the Commissioner shall recommend.

(c) Criminal violations by an applicant shall not disqualify him or her from participating in the program, but special evaluation of the distinctive nature of said applicant's problems shall be made and provision made for suitable treatment and handling. A Skill Center contractor may reject any applicant who he feels, due to behavioral or sociological problems, could jeopardize the enforcement of standards of conduct and deportment within the Center or diminish the opportunity of other trainees.

(d) Each trainee (other than a trainee who is a native and citizen of Cuba described in section 213(a)(2) of this Act) must take and subscribe to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic." The provisions of section 1001 of title 18, United States Code, shall be applicable to the oath or affirmation required by this section.

(e) A Skill Center contractor shall make no payments to any individual or to any organization solely as compensation for the services of referring the names of candidates for participation in the program.

(f) Upon a trainee's acceptance to a Center, the Skill Center contractor shall provide testing and counseling necessary to determine the educational and sociological needs of the trainee and to insure that he is enrolled in the training program which best conforms to his aptitudes and interests.

(g) In the selection of training programs for enrollees, the contractor shall take due consideration of child labor laws and other restrictions on employment relating to age which will inhibit job opportunities for trainees in certain skill categories.

USE OF LOCAL PUBLIC AND PRIVATE EDUCATION AND TRAINING AGENCIES

SEC. 222. (a) Wherever practicable, educational and vocational training for trainees in Residential Skill Centers shall be provided through local public or private educational agencies or by vocational institutions or technical institutes where such institutions or institutes can provide substantially equivalent training unless such education or training can be provided within the Residential Skill Center more effectively or with reduced Federal expenditures.

(b) It is the intent of Congress that, to the extent possible, the Residential Skill Centers provided for enrollees under this title shall be combined with area vocational schools, technical institutes, and other training facilities, for resident and nonresident trainees, in order to avoid isolation or stigmatizing of said enrollees and to develop a concept of community and area training centers.

COORDINATION WITH PRIVATE INDUSTRY

Sec. 223. Skill Center Contractors shall develop close liaison with private industry in the geographical area of the Center in order to—

- (A) determine what vocational skills are needed by area industry so that the program may be aligned accordingly; and
- (B) to develop job opportunities for placement of graduates who plan to remain in the area.

COMMUNITY ADVISORY GROUPS

Sec. 224. (a) The Commissioner shall promote the formation of community advisory groups to consult with the administrators, contractors and any sub-contractors of Residential Skill Centers directly concerned with community relations, with a view to achieving, so far as possible, the following objectives:

- (1) giving community officials appropriate advance notice of changes in Center rules, procedures, or activities that may affect or be of interest to the community;
- (2) affording the community a meaningful voice in Center affairs of direct concern to it;
- (3) promoting interchanges of information and techniques among, and cooperative projects involving the Center and community schools, educational institutions, and agencies serving young people; and
- (4) developing, where feasible, job or career opportunities for enrollees and further training for graduates in the community.

(b) Wherever possible, such advisory groups shall be formed by and coordinated under the local community action board.

COUNSELING AND JOB PLACEMENT

Sec. 225. (a) The Skill Center Contractor shall provide counseling and testing of each trainee at regular intervals to follow his progress in, and satisfaction with, the educational and vocational program.

(b) The Contractor shall counsel and test prior to the scheduled termination of a trainee to determine his capabilities and shall place him in a job in the vocation he was trained for and in which it is felt he will have the best chance of succeeding. In placing trainees in jobs, the Skill Center Contractor should utilize the United States Employment Service to the fullest extent possible.

(c) The Contractor shall arrange with graduates for post-graduate interviews and/or contacts through which the graduates' status, progress, needs for further education, training, and counseling may be determined.

(d) Upon termination of a trainee's training, a copy of all records pertaining to such trainee (including data derived from his counseling and testing) shall be made available immediately to the officials of the Department of Health, Education, and Welfare administering the program nationally. Contractors shall periodically compile information obtained from contacts with graduates and make same available to the officials of the Department of Health, Education, and Welfare.

REGULATIONS: STANDARDS OF CONDUCT

Sec. 226. (a) The Commissioner shall require Skill Center Contractors to enforce such rules and regulations as he deems necessary to govern the conduct of trainees in the Residential Skill Centers, subject to the limitations and special provisions in this title. The Commissioner shall also establish standards of safety and health for trainees which he shall require Contractors to observe. He shall also require Contractors to furnish or arrange for the furnishing of health services.

(b) In the case of trainees who are charged with violation of State criminal statutes while in training at a Center, the Contractor shall provide the cost of attorney and other legal services only in circumstances where adequate provision for such representation of indigent defendants is not provided under applicable State law.

(c) Any trainee who is convicted of a felony committed during the period of his training at a Center shall be immediately dismissed from the Center.

(d) The Commissioner shall require that standards of conduct and deportment shall be provided and stringently enforced within Centers. In the case of

violations committed by trainees, dismissals from the Center shall be made in every instance where it is determined that retention in the Center will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other trainees.

(e) The Skill Center Contractor shall have full authority to take appropriate and reasonable disciplinary measures against trainees, including, but not limited to, dismissal from the Center.

RELATIONS WITH STATES

SEC. 227. (a) No Residential Skill Center shall be established under this title within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission.

(b) The Commissioner shall establish appropriate procedures to insure that participation by a trainee in the program shall in no way result in a violation of parole or probationary procedures of any State. In the event procedures have been established under which the participation in the program by a youth subject to parole or probationary jurisdiction is acceptable to appropriate State authorities, the Commissioner shall require the Contractor to provide for regular supervision of the trainee and reports to the State authorities to conform with the appropriate parole and probationary requirements in such State.

DISCRIMINATION PROHIBITED

SEC. 228. In the selection of trainees or staff in the Residential Skill Centers, and in the administration of the program, no discrimination shall be permitted on the basis of a person's race, color, religion, sex, or national origin.

PART C—MILITARY CAREER CENTERS

STATEMENT OF PURPOSE

SEC. 231. It is the purpose of this part to provide an opportunity for youths who are unqualified for the military service to volunteer for education, training, and other activities which will upgrade their physical or mental qualifications and make them eligible for the military service.

ESTABLISHMENT OF MILITARY CAREER CENTERS

SEC. 232. For the purpose of carrying out this part, there is hereby established within the Department of Defense, Military Career Centers to be administered by the Secretary of Defense.

ENROLLMENT IN CENTERS

SEC. 233. Enrollees in Military Career Centers shall be persons who—

- (1) have evidenced an interest in the possibility of qualifying for a military career or have expressed a special preference to become an enrollee in the Military Career Center program; and
- (2) are not qualified for military service, but who show promise of becoming qualified for such service through preparation received in a Military Career Center; and
- (3) meet standards of enrollment prescribed by section 213(a) (1) and (2);
- (4) are permanent residents of the United States or are natives and citizens of Cuba who arrived in the United States from Cuba as non-immigrants or as parolees under section 214(a) or 212(d) (5), respectively, of the Immigration and Nationality Act; and
- (5) meet such other standards of enrollment as may be prescribed by the Secretary of Defense; and
- (6) have agreed to remain in the center for a minimum period of time as prescribed by the Secretary of Defense; and
- (7) have agreed to comply with rules and regulations prescribed by the Secretary of Defense.

OPERATION OF CENTERS

SEC. 234. The Secretary of Defense shall design and administer programs of basic education, physical development and other activities which will contribute to the upgrading of enrollees in Military Career Centers to meet the required standards for military induction.

APPLICABILITY OF OTHER SECTIONS

SEC. 235. Sections 215 and 216 of this Act shall apply to trainees in Military Career Centers.

PART D—TRANSFER AND PHASING-OUT OF JOB CORPS

TRANSFER

SEC. 241. (a) All functions of the Director of the Office of Economic Opportunity under part A of title I of the Economic Opportunity Act of 1964 are hereby transferred to the Commissioner to be carried out in coordination with programs carried on under the Vocational Education Act of 1963.

(b) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, held, used, available, or to be made available, in connection with the functions transferred by subsection (a) as the Director of the Bureau of the Budget shall determine shall be transferred to the Office of Education at such time or times as said Director shall direct.

TRANSITION OF JOB CORPS CENTERS

SEC. 242. (a) The Commissioner shall take such action as may be necessary to provide a transition from existing Job Corps administration to full administration under the Vocational Education system of all Job Corps Centers by July 1, 1969. In carrying out the preceding sentence, the Commissioner shall, wherever feasible, utilize capital facilities and equipment, including Job Corps Centers themselves, in establishing the Residential Skill Centers operated under this title.

When real property owned by the United States ceases to be used for Job Corps purposes, it shall first be made available to the Commissioner for acquisition by Skill Center contractors. If not desired for such purposes, such facilities shall be made available to the Secretary of Defense if he should deem such facilities suitable for use in connection with his operation of Military Career Centers.

(c) The Commissioner shall make arrangements under which personal property, equipment, and supplies used by Job Corps camps and centers will be made available for acquisition by Skill Center contractors when such Job Corps Centers are discontinued.

PART E—AUTHORIZATION OF APPROPRIATION

SEC. 251. For the purpose of carrying out this title (other than part C) there is hereby authorized the sum of \$190,000,000 for the fiscal year ending June 30, 1968. For the purpose of carrying out part C of this title there is hereby authorized to be appropriated the sum of \$40,000,000 for such fiscal year. For the fiscal year ending June 30, 1969, and for the fiscal year ending June 30, 1970, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE III—WORK-STUDY PROGRAM

PART A—SECONDARY SCHOOL WORK STUDY

STATEMENT OF PURPOSE

SEC. 301. It is the purpose of this part to enable needy young men and women to continue or resume their education at the secondary school level through work-study programs, carried out in the school or by public or private nonprofit organizations, which contribute to an undertaking or service in the public interest that would not otherwise be provided, or contribute to the conservation and development of natural resources and recreational areas and to provide part-time employment in private enterprise for needy students.

ESTABLISHMENT OF WORK STUDY

SEC. 302. In order to carry out the purposes of this part, there is hereby established in the Office of Education a work-study program for secondary school students to be administered by the Commissioner of Education (hereinafter referred to as the Commissioner).

ALLOTMENTS TO STATES

SEC. 303. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall reserve such amount, not in excess of 2 per centum, as he may determine, and shall allot the amount so reserved among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs for assistance under this title. The remainder of such sums shall be allotted among the other States so that the allotment to each such State will be an amount which bears the same ratio to such remainder as the number of related children aged fourteen to twenty-one, both inclusive, living in families with annual incomes of less than \$3,000 in such State bears to the number of related children of such ages living in such families in all such States.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this part shall be available for reallocation from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amounts for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. Any amount reallocated to a State under this subsection during a year from funds appropriated pursuant to section 321 shall be deemed part of its allotment under subsection (a) for such year.

STATE PLANS

SEC. 304. (a) Any State which desires to receive grants under this part shall submit to the Commissioner a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates the State educational agency as the agency which shall, either directly or through arrangements with other State or local public agencies, act as the sole agency for the administration of the plan;

(2) sets forth a plan under which funds paid to the State from its allotment under section 303 will be expended for work-study programs meeting the requirements set forth in section 305, and such funds will be held apart from general State funds;

(3) sets forth principles for determining the priority to be accorded applications from local educational agencies for work-study programs, which principles shall give preference to applications submitted by local educational agencies serving large numbers of children from low-income families;

(4) 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 any such funds paid by the State to any other public agency) under this title;

(5) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(6) provides a standard of income of participants and their families that takes due account of the number of children, dependents, and other special circumstances substantially affecting the ability of individuals and families to be self-sustaining, subject to the Commissioner's approval.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

ENROLLEES IN PROGRAM

SEC. 305. (a) Selection for enrollment in programs assisted under this part shall be made by participating school systems in accordance with agreements with the Secretary.

(b) No person may participate as an enrollee in programs under this part unless—

- (1) he is a student in ninth through twelfth grades;
- (2) his and his family's income does not exceed the standard established under section 304(a) (6);
- (3) he is in need of remunerative employment to resume or continue his secondary level education.

(c) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(d) Where appropriate to carry out the purposes of this part, the Secretary may provide for testing, counseling, job development, and referral services to youths through public agencies or private, nonprofit organizations.

QUALIFICATIONS OF WORK-STUDY PROGRAMS

SEC. 306. A work-study program shall be eligible for assistance under this part if—

(1) the program will enable students to resume or maintain school attendance;

(2) the program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

(3) the students will be employed either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private, nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place of religious worship, or involving the conduct of any sectarian religious activity;

(4) the program will not result in the displacement of employed workers, jeopardize the potential employment of workers not aided under this part, or impair existing contracts for service;

(5) the rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical area, and proficiency of the employee, and in no event shall exceed the rate of pay for regular employees performing similar services;

(6) the program will be coordinated to the maximum extent feasible, with vocational training and educational services adapted to the special needs of students in such program and sponsored by State or local public or private educational agencies: *Provided, however,* That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or where appropriate, pursuant to agreement with, the Secretary of Health, Education, and Welfare;

(7) the employer shall pay at least 25 per centum of the student's wage; and

(8) in States in which participation of all nonpublic school students is permitted, students in such nonpublic schools are admitted to the program on an equitable basis.

PAYMENTS TO STATES

SEC. 307. (a) From the amounts allotted to each State under section 303, the Commissioner shall pay to the State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(b) In the event that, in the opinion of the Commissioner, State constitutional, legislative, or administrative restrictions prevent full participation of private agencies or organizations in the operation of work study programs under this title, the Commissioner shall withhold the allocation provided for that State until a satisfactory plan or implementation meets the requirements of the Commissioner. In the absence of such satisfactory plan and implementation, the Commissioner is authorized to make grants from such State allocation directly to community action boards in order that work-study programs may be provided by contract arrangements or otherwise.

ADMINISTRATION OF STATE PLANS

SEC. 308. (a) The Commissioner shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State agency administering the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 304(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provision, the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this part until he is satisfied that there is no longer any such failure to comply.

JUDICIAL REVIEW

SEC. 309. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 304(a) or with his final action under section 308(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner shall thereupon 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.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be 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.

OATH OF ALLEGIANCE

SEC. 310. The provisions of section 221(d) shall apply with respect to enrollees in programs assisted under part A of this title and to all officers and employees any part of whose salaries are paid from sums made available under this title.

PART B—COORDINATOR

STATEMENT OF PURPOSE

SEC. 311. It is the purpose of this part to assist needy youths to find part-time employment with private enterprises on a work-study arrangement, which will enable them to continue or resume their education at the secondary level, through the services of a coordinator who will counsel, test, and coordinate with the employment services to locate employment.

OPERATION OF PROGRAM

SEC. 312. (a) To carry out the purpose of this part, the Commissioner is authorized to contract with local public or private, nonprofit, educational agencies for the hiring of a coordinator, to be located in the school, who will (1) provide counseling and testing to determine students' capabilities and needs, (2) coordinate with the employment services in obtaining suitable jobs on a work-study basis for students with private employers, with such employers paying 100 per centum of the students' wages.

(b) The Commissioner shall give preference to applications submitted by local public or private, nonprofit, educational agencies serving large numbers of youths from low-income families.

(c) The Commissioner shall not approve the application of a local public or private, nonprofit, educational agency which is already carrying on a program described in section 311 unless he has received satisfactory assurances that such agency will not reduce its expenditures for such program.

(d) In no event shall the Federal payment under this part exceed 50 per centum of the salary paid to the coordinator.

PART C—AUTHORIZATION OF APPROPRIATION

SEC. 321. The Commissioner shall carry out the programs provided for in this title during the fiscal year ending June 30, 1968, and the two succeeding fiscal years. For the purposes of carrying out part A of this title, there is hereby authorized to be appropriated \$115,000,000 for the fiscal year ending June 30, 1968. For the purposes of carrying out part B of this title there is hereby authorized to be appropriated \$25,000,000 for the fiscal year ending June 30, 1968. For the fiscal year ending June 30, 1969, and the fiscal year ending June 30, 1970, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE IV—WORK TRAINING

STATEMENT OF PURPOSE

SEC. 401. It is the purpose of this title to provide for needy, unskilled, and unemployed young men and women who have terminated their formal education, programs of on-the-job training which will enable them to become self-sustaining while obtaining the training necessary for a successful career in a vocation.

ESTABLISHMENT OF WORK TRAINING

SEC. 402. In order to carry out the purposes of this title, there is hereby established in the Department of Labor a work training program for out-of-school youths to be administered in coordination with programs carried out under the Manpower Development and Training Act of 1962 under the Secretary of Labor (hereinafter referred to as the "Secretary").

DEVELOPMENT OF PROGRAMS

SEC. 403. (a) The Secretary shall encourage and assist in the development of work training programs which will qualify for assistance under this title through contracts with qualified community action boards. In the absence of a qualified community action board, the Secretary shall develop such programs through direct contracts with public or private nonprofit agencies which the Secretary determines to be qualified.

(b) Any qualified applicant desiring assistance for a work training program shall submit an application to the Secretary which shall contain such information as the Secretary may require.

INDUSTRY YOUTH CORPS

SEC. 404. (a) The Secretary shall establish an Industry Youth Corps to provide employment for unskilled needy youths between the ages of sixteen and twenty-two in programs of on-the-job training with private, profitmaking enterprises.

(b) The Secretary shall encourage farmers to participate under this section by hiring youths for training in farm occupations for which there is a potential of long-term employment.

APPROVAL OF APPLICANTS

SEC. 405. The Secretary shall approve an application under this title only if he finds that—

(a) Enrollees in the program will be employed under a contract or agreement between either a qualified community action board, where existing, or the Secretary and

(1) a public agency; or

(2) a private, nonprofit organization, other than a political party, provided that no such project shall involve the construction, operation of maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship; or

(3) a private, profitmaking employer, as provided under section 404.

(b) Enrollees in the program shall be employed under a contract or agreement providing that the enrollees will be given on-the-job training that meets the following requirements:

(1) The community action board is satisfied that an integral part of the program will consist of skill development and job training, that the training component of the program will involve reasonable progression for the enrollee consistent with his individual performance, that there is a reasonable likelihood that an enrollee who successfully completes the program will be qualified for suitable long-term employment by the employer, that enrollees will not displace employed workers or impair existing contracts for services and that conditions are such as to preclude exploitation of enrollees in any fashion.

(2) The employer is given full assurance that he shall have the same authority with reference to discipline, assignment of work, working conditions, and discharge of enrollees as he has for regular employees of comparable status.

(3) The community action board is satisfied that enrollees will be compensated at reasonable rates comparable to, but in no event in excess of, the rates of pay for regular employees performing similar services.

(4) No enrollee will be permitted to participate in the program for more than one year, except that an enrollee may be permitted to participate for one additional year if it is ascertained that (A) he will benefit from an additional year under the program, (B) his employer is making adequate provision for his possible long-term employment, (C) he is unable to qualify for suitable employment without part of his wages being paid from sources other than his employer or for other training suitable to his needs, and (D) consideration has been given to the feasibility of the employer paying a larger portion of his wages in view of his experience and training.

(5) The program shall be administered through a grant to the local community action board which shall, in turn, negotiate the terms and conditions of the contracts with private employers with due consideration for minimizing forms and technical procedures imposed upon employers.

(6) Community action boards shall be satisfied that, where appropriate, supplementary classroom instruction is provided enrollees.

(7) Under no circumstance shall an enrollee be employed under this program unless the components of training or supplemental education for the enrollee are provided.

(8) In the event the employer is a private, profitmaking concern, the employer shall pay at least 75 per centum of the enrollee's wage.

(9) In the event the employer is a public or nonprofit agency, the employer shall pay at least 25 per centum of the enrollee's wage during the fiscal year ending June 30, 1968, and at least 50 per centum of his wage during each succeeding fiscal year.

(c) In the absence of a local community action board, the Secretary shall be authorized to make direct contracts with employers in order to fulfill the requirements of this section.

SELECTION OF ENROLLEES

SEC. 406. (a) Selection for enrollment in programs assisted under this title shall be made by qualified community action boards or other qualified applicants in accordance with agreements with the Secretary.

(b) No person may participate as an enrollee in programs under this title unless—

(1) he has attained age sixteen but has not attained age twenty-two;

(2) his income and his family's income does not exceed the standard of poverty established by the Secretary that takes due account of the number of children, dependents, and other special circumstances substantially affecting the ability of individuals and families to be self-sustaining;

(3) he is unemployed and in need of interim, remunerative employment; and

(4) he has not regularly attended school for a period of at least six months, and the local authorities after pursuing all appropriate procedures, including guidance and counseling, have concluded that further school attendance by him in any regular academic or vocational program is no longer practicable under the circumstances.

(c) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(d) Where appropriate to carry out the purposes of this title, the Secretary may provide for testing, counseling, job development, and referral services to youths through public agencies or private, nonprofit organizations.

PAYMENTS

SEC. 407. The Secretary shall establish criteria designed to achieve an equitable distribution of assistance under this title among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this title shall be used within any one State.

OATH OF ALLEGIANCE

SEC. 408. The provisions of section 221(d) shall apply with respect to enrollees in programs assisted under this title and to all officers and employees any part of whose salaries are paid from sums made available under this title.

AUTHORIZATION OF APPROPRIATION

SEC. 409. The Secretary shall carry out the program provided for in this title during the fiscal year ending June 30, 1968, and the two succeeding fiscal years. For the purposes of carrying out this title, there is hereby authorized to be appropriated the sum of \$100,000,000 for the fiscal year ending June 30, 1968, of which \$70,000,000 shall be reserved to administer and conduct programs provided under section 305. For the fiscal year ending June 30, 1969, and the fiscal year ending June 30, 1970, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE V—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

PART A—GENERAL

STATEMENT OF PURPOSE

SEC. 501. It is the purpose of this title to stimulate the creation and continuation of agencies having a special capacity for identifying unique and distinctive problems in the community and for making use of education and training programs, welfare and health programs, and benefits through research and planning, and, in close coordination with private industry and through the use of the agencies so created, to provide stimulation and incentive for new and imaginative programs for both urban and rural communities to mobilize their resources to combat poverty through total involvement of individuals and groups concerned and meaningful communication, planning, and implementation at the local level.

ADMINISTRATION AT FEDERAL LEVEL

SEC. 502. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") shall establish a separate agency in the Department of Health, Education, and Welfare which shall be headed by an Assistant Secretary and shall be the principal agency in the Department concerned with community action programs.

PART B—URBAN COMMUNITY ACTION PROGRAMS

QUALIFIED URBAN COMMUNITY ACTION BOARDS

SEC. 511. A community action board shall be qualified to conduct, administer, or coordinate programs under this Act, or any other provision of law, only if—

(a) the membership of the board contains representatives of local government, social welfare and public service agencies, local school systems, the general public, and representatives of the poor comprising at least one-third of the membership of the board;

(b) the representatives of the poor are selected by the residents in areas of concentration of poverty, with special emphasis on participation by the residents of the area who are poor; and

(c) in communities where substantial numbers of the poor reside outside of areas of concentration of poverty, provision is made for selection of representatives of such poor through a process, such as neighborhood meetings, in which the poor participate to the greatest possible degree.

APPROVAL OF COMMUNITY ACTION PROGRAMS

SEC. 512. (a) Subject to the provisions of subsection (b), the Secretary may approve a community action program for support under this part if he determines that such program—

(1) includes component programs all of which are focused upon the needs of low-income individuals and families and which provide expanded and improved services, assistance, and other activities, and facilities necessary in connection therewith;

(2) has, if policy is determined by smaller constituent groups of the community action board, such as an executive committee, true representation of the poor proportionate to that attained on the community action board itself;

(3) provides that any component board which exercises jurisdiction only in a single impoverished area or neighborhood of the community, is representative primarily of and selected by the residents of such area, and is given power to initiate and disapprove programs for that area;

(4) includes provisions for reasonable access of the public to information, including, but not limited to, reasonable opportunity for public hearings at the request of appropriate local community groups, and reasonable public access to books and records of the board engaged in the development, conduct, and administration of the program, in accordance with regulations of the Secretary;

(5) is organized and designed to coordinate, to the extent feasible, all programs at the community level primarily affecting the poor, and to eliminate duplication, conflict, and waste in such programs as well as to assist in altering or eliminating ineffectual programs;

(6) includes arrangements with a reputable private and independent auditing firm to preaudit all grants and programs under this part to insure that adequate records are kept and fiscal controls enforced;

(7) includes provision for a complete audit of the books six months after the initiation of a program and annually thereafter;

(8) requires such sums granted under this section to be expended in a manner conforming to, and at a rate not in excess of that proposed under, its approved program;

(9) includes a program giving emphasis, on a high priority basis, to meet the urgent needs of the elderly poor residing in the area to be served by the community action board;

(10) provides a program to mobilize community resources in creating suitable, full-time job opportunities for the unemployed poor. This shall include special emphasis, where appropriate, on the elimination of conditions which inhibit or preclude the poor from seeking full-time employment such as the lack of day care facilities for children of mothers who might otherwise qualify for self-supporting employment;

(11) any legal services program provided for under this title shall provide legal advice and legal representation to persons who are unable to afford the services of a private attorney, together with legal research and information, as appropriate to mobilize the assistance of lawyers or legal institutions, or combinations thereof, in furtherance of the cause of justice among persons

living in poverty. Projects involving legal advice and representation shall be carried on in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession. The Secretary shall establish procedures to assure that the principal local bar associations in the area to be served by any proposed project for legal advice and representation are afforded an adequate opportunity to submit comments and recommendations on the proposal before it is approved or funded. Any legal services program shall be administered locally by a legal services board broadly representative of the community with at least one-third of its membership comprised of representatives of the poor selected by the residents of the area to be served. Such legal services board shall be created by the local community action board, if one exists, in the community to be served.

(12) programs may be provided (1) which will provide work experience and on-the-job work training that will lead to permanent employment opportunities for those unemployed poor who have poor employment prospects and are unable, because of age or otherwise, to secure appropriate employment or training assistance under other programs, (2) which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management, conservation, or development of natural resources, recreational areas, public parks, highways, and other lands, and (3) which are conducted in accordance with standards adequate to assure that the program is in the public interest and otherwise consistent with policies applicable under this Act for the protection of employed workers and the maintenance of basic rates of pay and other suitable conditions of employment.

(b) The Secretary shall not approve a community action program to be carried out by an independent agency without the approval of a qualified community action board already serving an area unless he determines that—

(1) the proposed program is of a demonstration or experimental nature and does not conflict with any component program being carried on by the community action board;

(2) the program is of such a nature as to be unsuitable for inclusion in the overall community action program, or

(3) the program is required to meet an urgent and temporary emergency need of the poor.

(c) The Secretary may approve a community action program to be carried out by an independent agency without the approval of a qualified community action board in any area which is not served by a qualified community action board (or, if served by such a board, the program meets the requirements of subsection (b)) and the proposed program would qualify as a component of a community action program.

DEFINITION

SEC. 413. For the purposes of this part, the term "urban community" means an area determined by the Secretary, on the basis of the latest information available from the Bureau of the Census, to have a population of more than seventy-five thousand, except where the Secretary, under authority of section 423, designates an area having a population of more than seventy-five thousand and less than one hundred and fifty thousand as a rural area.

PART C—RURAL COMMUNITY ACTION PROGRAMS

QUALIFIED RURAL COMMUNITY ACTION BOARDS

SEC. 421. A community action board shall be qualified to conduct, administer, or coordinate programs under this Act, or any other provision of law, only if—

(a) the membership of the board contains representatives of local government, social welfare and public service agencies, local school systems, the general public, cooperative extension services, technical action panels under rural community development, and representatives of the poor comprising at least one-third of the membership of the board;

(b) the representatives of the poor are selected by a process such as neighborhood meetings in areas of concentration of poverty in which the poor participate to the greatest degree possible in light of the special problem of separation, isolation, and communication which prevail in rural areas.

APPROVAL OF COMMUNITY ACTION PROGRAMS

SEC. 422. Subject to the provisions of subsection (b), the Secretary may approve a community action program for support under this part if he determines such program—

(a) meets the requirements set forth in paragraphs (1), (2), (4), (5), (6), (7), (8), (9), (10), (11), and (12) of section 412(a) and 412(b);

(b) provides that any community action board operating within established county or municipal borders under a qualified overall board with broader geographical jurisdiction shall meet the requirements of section 521 and is given power to initiate and disapprove programs for that area.

DEFINITION

SEC. 523. For purposes of this part, the term "rural area" means any area determined by the Secretary, on the basis of the latest information available from the Bureau of the Census, to have a population of seventy-five thousand or less, except that in exceptional circumstances he may designate as a rural area any area having a population of less than one hundred and fifty thousand.

PART D—ADMINISTRATION

ALLOTMENTS TO STATES

SEC. 531. (a) From the sums appropriated to carry out this title for a fiscal year, the Secretary shall reserve the amount needed for carrying out sections 532 and 533. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Secretary among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this title. Twenty per centum of the amount so reserved shall be allotted among the States as the Secretary shall determine. The remainder of the sums of the sums so reserved shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Secretary among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of public assistance recipients in such State bears to the total number of public assistance recipients in all the States;

(2) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the annual average number of persons unemployed in such State bears to the annual average number of persons unemployed in all the States; and

(3) the remaining one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with incomes of less than \$1,000 in such State bears to the number of related children under eighteen years of age living in families with incomes of less than \$1,000 in all the States.

(c) The Secretary shall divide each State's allotment under subsection (b) into two parts, one of which may be used only for urban community action programs, and one of which may be used only for rural community action programs. Each such part shall bear the same ratio to the amount allotted as the urban population or rural population, as the case may be, of the State bears to the population of the State, as determined on the basis of the best data available from the Bureau of the Census.

(d) The portion of any State's allotment under subsection (a) for a fiscal year which the Secretary determines will not be required for such fiscal year for carrying out this title shall be available for reallocation from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Secretary estimates such State needs and will be able to use for such year for carrying out this title; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so

reduced: *Provided, however,* That any amount originally included in that part of the State's allotment reserved for use for urban community action programs may be used only for such programs when reallocated, and any amount originally included in that part of the State's allotment originally reserved for rural community action programs may be used only for such programs when reallocated. Any amount reallocated to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(e) For the purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

FINANCIAL ASSISTANCE FOR DEVELOPMENT OF COMMUNITY ACTION PROGRAMS

SEC. 532. The Secretary is authorized to make grants to, or to contract with, qualified community action boards to pay part or all of the costs of development of community action programs.

FINANCIAL ASSISTANCE FOR CONDUCT AND ADMINISTRATION OF COMMUNITY ACTION PROGRAMS

SEC. 533. (a) The Secretary is authorized to make grants to, or to contract with, qualified community action boards to pay part or all of the costs of community action programs which have been approved by him pursuant to this title, including the cost of carrying out programs which are components of a community action program and which are designed to achieve the purposes of this title, except that where the Secretary approves a program under section 512(c) he may make grants to, or contract with, public or private nonprofit agencies to pay part or all of such programs.

(b) No grant or contract authorized under this title may provide for general aid to elementary or secondary education in any school or school system, or provide for any preschool or early-school program, whether or not designed to prepare educationally deprived children.

(c) In determining whether to extend assistance under this section the Secretary shall consider among other relevant factors the incidence of poverty within the community and within the areas or groups to be affected by the specific program or programs, and the extent to which the applicant is in a position to utilize efficiently and expeditiously the assistance for which application is made. In determining the incidence of poverty the Secretary shall consider information available with respect to such factors as: the concentration of low-income families, particularly those with children; the extent of persistent unemployment and underemployment; the number and proportion of persons receiving cash or other assistance on a needs basis from public agencies or private organizations; the number of migrant or transient low-income families; school dropout rates, military service rejection rates, and other evidences of low educational attainment; the incidence of disease, disability, and infant mortality; housing conditions; adequacy of community facilities and services; and the incidence of crime and juvenile delinquency.

(d) In extending assistance under this section the Secretary is authorized to make grants for the payment of a reasonable allowance per meeting for attendance at community action agency board meetings or neighborhood community action council or committee meetings and for the reimbursement of other necessary expenses of attendance at such meetings to members of such boards, councils, or committees who are residents of the areas and members of the groups served in order to insure and encourage their maximum feasible participation in the development, conduct, and administration of community action programs: *Provided, however,* That no such payments shall be made for attendance at more than two meetings in a month, or to any person who is an employee of the United States Government, of a community action agency, or of a State or local governmental agency.

(e)(1) In making grants for programs in the field of family planning the Secretary shall assure that family planning services, including the dissemination of family planning information and medical assistance and supplies, are made available to all individuals who meet the criteria for eligibility for assistance under this part which have been established by the community action agency and who desire such information, assistance, or supplies.

(2) Not such grant shall be approved unless it contains and is supported by reasonable assurances that in carrying out any program assisted by any such grant, the applicant will establish and follow procedures designed to insure that—

(A) no individual will be provided with any information, medical supervision, or supplies which such individual states to be inconsistent with his or her moral, philosophical, or religious beliefs, and

(B) no individual will be provided with any medical supervision or supplies unless such individual has voluntarily requested such medical supervision or supplies.

(3) The use of family planning services provided by the applicant under such grant shall not be a prerequisite to the receipt of services from or participation in any other programs under this Act.

(f) In extending assistance under this section, the Secretary shall require that community action boards—

(1) adopt administrative standards and regulations governing employee's wages, benefits, and actions in performance of duty;

(2) insure that employees are informed of (and abide by) laws, regulations, and such standards as set out per subsection (1) which relate to the performance of their duties;

(3) insure that no official or employee being paid out of sums appropriated for this Act shall in any way participate in connection with performance of their duties in picketing, protesting, or other related activities in violation of the law.

TECHNICAL ASSISTANCE

SEC. 534. The Secretary is authorized to provide (1) technical assistance to communities in developing, conducting, and administering community action programs, and (2) training for specialized personnel needed to develop, conduct, or administer such programs or to provide services or other assistance thereunder through grants to, or contracts with, qualified community action boards, or, in communities not served by such a board, through grants to or contracts with public or private, nonprofit agencies.

SEC. 535. The Secretary is authorized to conduct, or to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of research and demonstrations pertaining to the purposes of this part. Expenditures under this section in any fiscal year shall not exceed 5 per centum of the sums appropriated or allocated for such year to carry out the purposes of this part. No grant or contract for a research or demonstration project shall be made under this section except pursuant to an overall plan setting forth specific objectives to be achieved under this section and setting forth priorities among such objectives. Such plan, to the extent it contemplates activities or programs that may be undertaken by other Federal agencies or the making of grants or contracts that might be made by other Federal agencies having demonstration and research responsibilities, shall be approved by the Secretary only after consultation with such agencies. The Secretary shall include as part of the annual report required by section 1105 or as a separate and simultaneous report, a description of the principal research and demonstration activities undertaken during each fiscal year under this part, a statement indicating the relation of such activities to the plan and the policies of this Act, and a statement with respect to each such category, describing the results or findings of such research and demonstration activities, or indicating the time or period, and to the extent possible the manner, in which the benefits or expected benefits of such activities will or are expected to be realized. The Secretary shall require that all applications or proposals for research or demonstrations shall be filed with the Assistant Secretary who shall review and make recommendations with respect thereto within fifteen days from the date of filing.

LIMITATIONS ON FEDERAL ASSISTANCE

SEC. 536. (a) Assistance pursuant to sections 532 and 533 for the fiscal year ending June 30, 1968, and for each fiscal year thereafter shall not exceed 80 per centum of the costs referred to in those sections, respectively, unless the Secretary determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this title. Non-

Federal contributions may be in cash or in kind, fairly evaluated, including, but not limited to, plant, equipment, and services.

(b) The Secretary is authorized to prescribe regulations establishing objective criteria pursuant to which assistance may be reduced below 80 per centum for such community action programs or components as have received assistance under section 533 for a period prescribed in such regulations.

(c) The expenditures or contributions made from non-Federal sources for a community action program or component thereof shall be in addition to the aggregate expenditures or contributions from non-Federal sources which were being made for similar purposes prior to the extension of Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt and promulgate establishing objective criteria for determinations covering situations where a literal application of such requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

PARTICIPATION OF STATE AGENCIES

SEC. 537. (a) The Secretary shall establish procedures which will facilitate effective participation of the States in community action programs including, but not limited to, consultation with appropriate State agencies on the development, conduct, and administration of such programs.

(b) The Secretary is authorized to make grants to, or to contract with, appropriate State agencies for the payment of the expenses of such agencies in providing technical assistance to communities in developing, conducting and administering community action programs.

(c) In carrying out the provisions of this title, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title: *Provided, however*, That this section shall not apply to contracts, agreements, grants, loans; or other assistance to any institution of higher education in existence on the date of the approval of this Act.

QUALIFIED COMMUNITY ACTION BOARDS

SEC. 538. The Secretary shall certify the name and area served by each board which is a community action board as defined in section 511 and which he finds to be competent to carry out the functions assigned qualified community action boards by any provision of this Act.

PART E—VOLUNTARY ASSISTANCE PROGRAM FOR NEEDY CHILDREN

STATEMENT OF PURPOSE

SEC. 541. The purpose of this part is to allow individual Americans to participate in a personal way in this opportunity crusade, by voluntarily assisting in the support of one or more needy children, in a program coordinated with city or county social welfare agencies.

AUTHORITY TO ESTABLISH INFORMATION CENTER

SEC. 542. (a) In order to carry out the purposes of this part, the Secretary is authorized to establish a section within the Department to act as an information and coordination center to encourage voluntary assistance for deserving and needy children.

(b) The Secretary shall appoint an administrator whose full-time duty shall be to give effect to this program.

(c) It is the intent of the Congress that the section established pursuant to this part shall act solely as an information and coordination center and that nothing in this part shall be construed as interfering with the jurisdiction of State and local welfare agencies with respect to programs for needy children.

PART F—STATE BONUS COMMUNITY ACTION PROGRAM

STATEMENT OF PURPOSE

SEC. 551. It is the purpose of this part to provide assistance to the States to enable them to join as partners with the Federal Government in programs carried out under this title.

ALLOTMENTS TO STATES

SEC. 552. (a) From the sums available to carry out this part for a fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to the amount being allotted as the amount allotted such State under section 531 (other than subsection (d) thereof) bears to the amount allotted all the States under such section for such fiscal year.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Secretary determines will not be required for such fiscal year for carrying out this part shall be available for reallocation from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Secretary estimates such State needs and will be able to use for such year for carrying out this part; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced.

STATE PLANS

SEC. 553. (a) Any State which desires to receive a grant under this part shall submit to the Secretary a State plan which—

(1) provides for the creation of a State office of economic opportunity (hereinafter referred to as the "State agency") which shall be the sole State agency responsible for carrying out the State plan;

(2) provides that in formulating its program to be carried out under this part, priority shall be given programs to meet the special needs of the State;

(3) provides for carrying out, or supplementing the financing of, community action programs which are eligible for assistance under other parts of this title, but are not being, or are being inadequately, assisted thereunder;

(4) provides for the establishment of a commission in the State to make a study to determine means by which programs carried on under this title may be effectively coordinated with other local, State, and Federal programs, and to report its recommendations to the State agency within one year;

(5) provides that the State agency will make such reports to the Secretary, in such form and containing such information, as may reasonably be necessary to enable the Secretary to perform his duties under this part and will keep such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of such reports;

(6) provides 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 under this part;

(7) provides for the establishment of a program to insure that salaries of professional staff personnel shall be reasonable with due consideration of salary incomes of said individuals in previous employment.

(b) The Secretary may approve any State plan which meets the requirements of subsection (a), but he shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State agency reasonable notice and opportunity for a hearing.

PAYMENTS

SEC. 554. (a) The Secretary shall pay to each State which has a plan approved under this part, from its allotment under section 552, an amount equal to the expenditures of the State in carrying out such plan. Such payments shall be made in advance on the basis of estimates by the Secretary; and may be made in such installments as the Secretary may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments.

(b) The Federal share for each State shall be 50 per centum, except that with respect to expenditures on account of the State commission provided for in section 553 (a) (4), the Federal share shall be 90 per centum.

OPERATION OF STATE PLANS; HEARINGS AND JUDICIAL REVIEW

SEC. 555. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering a State plan approved under this part, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 553, or

(2) in the administration of the plan there is a failure to comply substantially with such provision, the Secretary shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

(b) A State agency dissatisfied with a final action of the Secretary under section 553 or subsection (a) of this section 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 Secretary, or any officer designated by him for that purpose. The Secretary 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 Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary 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 Secretary to take further evidence, and the Secretary 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 Secretary 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 order by the court, operate as a stay of the Secretary's action.

PART G—AUTHORIZATION OF APPROPRIATION

SEC. 561. The Secretary shall carry out the programs provided for in this title during the fiscal year ending June 30, 1968, and the two succeeding fiscal years. For the purpose of carrying out this title (other than part F) there is hereby authorized to be appropriated the sum of \$450,000,000 for the fiscal year ending June 30, 1968. For the purpose of carrying out part F of this title there is hereby authorized to be appropriated the sum of \$100,000,000 for such fiscal year. For the fiscal year ending June 30, 1969, and for the fiscal year ending June 30, 1970, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VI—VOLUNTEERS IN SERVICE TO AMERICA

STATEMENT OF PURPOSE

SEC. 601. It is the purpose of this title to enable and encourage volunteers to participate in a personal way in the war on poverty by living and working among deprived people of all ages in urban areas, rural communities, on Indian reservations, in migrant worker camps, and Residential Skill Centers; to stimulate, develop, and coordinate programs of volunteer training and service; and, through such programs, to encourage individuals from all walks of life to make a commitment to combating poverty in their home communities, both as volunteers and as members of the helping professions.

AUTHORITY TO ESTABLISH VISTA PROGRAM

SEC. 602. (a) The Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the "Secretary") is authorized to recruit, select, train and—

(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in connection with programs or activities authorized, supported, or of a character eligible for assistance under this Act.

(b) The referral or assignment of volunteers under this section shall be on such terms and conditions (including restrictions on political activities that appropriately recognize the special status of volunteers living among the persons or groups served by programs to which they have been assigned) as the Secretary may determine; but volunteers shall not be so referred or assigned to duties or work in any State, or shall programs under section 605 be conducted in any State without the consent of the Governor.

SEC. 603. The Secretary is authorized to provide to all volunteers during training pursuant to section 602(a)(2) such stipend, not to exceed \$50 per month (or, in the case of volunteer leaders designated in accordance with standards prescribed by the Secretary not to exceed \$75 per month) such living, travel, and leave allowances, and such housing, transportation (includes travel to and from place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Secretary may deem necessary or appropriate for their needs.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 604. (a) Each volunteer under section 602 shall take and subscribe to an oath or affirmation in the form prescribed by section 121(d) of this Act, and the provisions of section 1001 of title 18, United States Code, shall be applicable with respect to such oath or affirmation; but except as provided in subsection (b) of this section, such volunteers shall not be deemed to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, and Federal employee benefits.

(b) All volunteers during training pursuant to section 602(a) and such volunteers as are assigned pursuant to section 602(a)(2) shall be deemed Federal employees to the same extent as trainees in Residential Skill Centers under section 215 of this Act, except for purposes of the computation described in paragraph (2)(B) of section 215 the monthly pay of a volunteer shall be deemed to be that received under the entrance salary for GS-7 of the General Schedule of section 5332, title 5, United States Code.

(c) For the purposes of subchapter III, chapter 73 of title V of the United States Code, a volunteer under this title shall be deemed to be a person employed in the executive branch of the Federal Government.

SPECIAL PROGRAMS AND PROJECTS

SEC. 605. (a) The Secretary is authorized to conduct, or to make grants, contracts, or other arrangements with appropriate public or private nonprofit organizations for the conduct of special programs in furtherance of the purposes of this title. Such programs shall be designed to encourage more effective or better coordinated use of volunteer services, including services of low-income persons, or to make opportunities for volunteer experience available, under proper supervision and for appropriate periods, to qualified persons who are unable to make long-term commitments or who are engaged in or preparing to enter work where such experience may be of special value and in the public interest. Individuals who serve or receive training in such programs shall not, by virtue of such service or training, be deemed to be Federal employees and shall not be

subject to the provisions of laws relating to Federal employment, including those related to hours of work, rates of compensation, and Federal employee benefits; except that such individuals who receive their principal support or compensation with respect to such service or training directly from the Secretary or his agent for payment shall be deemed Federal employees to the same extent as volunteers assigned pursuant to section 602(a)(2) of this Act. Not to exceed 15 per centum of the sums appropriated or allocated from any appropriation to carry out this title for any fiscal year may be used for programs under this subsection.

HOMETOWN VISTA

SEC. 606. (a) The Secretary shall also carry out a program under which persons shall be permitted to volunteer under this title for service in the community in which they reside at the time of enrollment.

(b) Under this program, such volunteers should, to the extent possible, be trained and oriented in those fields of service which the community action board recommended as being most beneficial to the community.

TRANSITIONAL PROVISIONS

SEC. 607. (a) Primary responsibility for carrying out this title shall be vested by the Secretary in the agency in the Department of Health, Education, and Welfare having primary responsibility for carrying out community action programs.

(b) The program provided for in this title shall be considered a continuation of the program provided for in title VIII of the Economic Opportunity Act of 1964; and any order, rule, regulation, right, agreement, or application in effect under such title immediately prior to the effective date of this Act shall continue in effect to the same extent as if this section had not been enacted.

AUTHORIZATION OF APPROPRIATION

SEC. 608. The Secretary shall carry out the program provided for in this title during the fiscal year ending June 30, 1968, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of \$26,000,000 for the fiscal year ending June 30, 1968, and for the fiscal year ending June 30, 1969, and the fiscal year ending June 30, 1970, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VII—HEAD START AND EARLY YEARS PROGRAMS

PART A—GENERAL

ALLOTMENT OF FUNDS

SEC. 701. (a) From the funds appropriated to carry out this title for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine and shall allot such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands, according to their respective needs under this title. From the remainder of such sums the Commissioner shall make allotments among the States as follows:

(1) he shall allot for each State an amount which bears the same ratio to 50 per centum of such remainder as the number of children aged three to eight, inclusive, in the State bears to the number of such children in all the States, and

(2) he shall allot for each State an amount which bears the same ratio to 50 per centum of such remainder as the number of families having an annual income of less than \$3,000 in the State bears to the number of such families in all the States.

For the purpose of this subsection, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa and the Virgin Islands.

(b) The number of children aged three to eight, inclusive, and the number of families having an annual income of less than \$3,000 in a State, and in all the States, shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(c) The amount allotted for any State under subsection (a) for any fiscal year which the Commissioner determines will not be required for the period for which that amount is available shall be available for reallocation from time to time, on such dates during that period as the Commissioner may fix, among other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that period; and the total of these reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. Any amount reallocated to a State under this subsection from funds appropriated pursuant to section 701 for any fiscal year shall be deemed to be a part of the amount allotted to it under subsection (a) for that year.

USES OF FEDERAL FUNDS

SEC. 702. Grants under this title may be used, in accordance with applications approved under section 705 for—

- (a) planning for and taking other steps leading to the development of preschool and early elementary school programs for economically deprived children, as described in paragraph (b), including pilot projects designed to test the effectiveness of plans so developed; and
- (b) the establishment, maintenance, and operation of programs, including the lease or rental of necessary facilities and the acquisition of necessary equipment and supplies, designed to provide preschool education for economically deprived children and followup programs for such children in the first three grades of elementary school, including activities and services such as—

- (1) comprehensive health services and special medical and dental assistance for children needing such assistance in order to profit fully from their educational opportunities;
- (2) food and nutritional services, including family consultations to improve nutrition in the home environment;
- (3) specialized social services designed to improve the home environments of such children and to involve parents in the educational process;
- (4) the provision of special teachers, counseling personnel, and other services and programs for economically deprived children in the first three grades of elementary school to maintain the advances realized in preschool programs and to assist such children to overcome educational handicaps; and
- (5) other specially designed health, social, and educational programs for economically deprived children both in school and out of school (including summer, weekend, and vacation programs), which meet the purposes of this title.

STATE COMMISSIONS AND PLANS

SEC. 703. (a) Any State desiring to participate in the grant program under this title shall designate (or create) for that purpose a State agency which is broadly representative of public and private education (including the State educational agency), community action boards established under title III of this Act, and public and private child welfare and health agencies in the State, and submit to the Commissioner through the agency so designated or created (hereinafter in this title referred to as the "State commission"), a State plan for such participation. The Commissioner shall approve any such plan which—

- (1) provides that it shall be administered by the State commission;
- (2) sets forth objective standards and methods for determining the school attendance areas in the State having the highest concentrations of economically deprived children, and a method for determining the highest priorities for preschool and early elementary school programs among such areas;
- (3) provides (A) for assigning priorities solely on the basis of such criteria, standards, and methods to eligible programs submitted to the State commission and deemed by it to be otherwise approvable under the provisions of this title, and (B) for approving and recommending to the Commissioner, in order of such priority, applications covering such eligible programs;

(4) provides for affording to every applicant which has submitted a program to the State commission an opportunity for a hearing as to any determination of the State commission adversely affecting such applicant; and

(5) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for Federal funds paid to the State commission under this title, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his functions under this title.

(b) The Commissioner is authorized to expend not exceeding \$5,000,000 during each of the fiscal years of this program under this title in such amounts as he may consider necessary for the proper and efficient administration of the State plans approved under this title, including expenses which he determines were necessary for the preparation of such plans.

APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

SEC. 704. (a) Applications for grants under this title may be submitted by (1) community action boards, (2) local educational agencies with the approval of a community action board, or (3) a local educational agency in an area where there is no established community action board, at such time or times and in such manner as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to make determinations required of him under this title.

(b) The Commissioner shall approve an application which—

(1) has been approved and recommended by the State commission;

(2) has been assigned, in accordance with the State plan, a priority that is higher than that of all other applications within such State (chargeable to the same allotment) which meet all the requirements of this section (other than this clause) and for which Federal funds have not yet been reserved;

(3) provides that the funds under this title will be administered by the applicant agency and that at least 10 per centum of the cost of the program (which may be in the form of goods, services, or the reasonable rental value of facilities) shall be met from non-Federal funds in administering this subsection. The value of buildings, facilities, equipment and other in-kind contributions from non-Federal sources shall be assessed and appropriately credited as part of the non-Federal contribution required herein;

(4) sets forth a program for carrying out the purposes described in section 703 and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

(5) provides assurances that in the planning of such program there has been, and in the carrying out of such program there will be, active participation of parents of economically deprived children in the areas to be served;

(6) provides satisfactory assurances that the educational program will be carried out by public or nonprofit private agencies possessing educational capabilities necessary to the success of the program;

(7) provides, with respect to any program carried out by a local educational agency, that adequate methods are employed to involve eligible children in the area served by such program who attend nonpublic schools, and that in no case shall economically deprived children in such area be denied the benefits of the program because of their attendance in nonpublic schools;

(8) in the event that, in the opinion of the Commissioner, State constitutional, legislative, or administrative restriction prevent full participation of private agencies or organizations in the operation of Headstart or Early Years programs under this title, the Commissioner shall withhold the allocation provided for that State until a satisfactory plan and implementation meet the requirements of the Commissioner. In the absence of such satisfactory plan or implementation, the Commissioner is authorized to make grants from such State allocation directly to community action boards in order that Headstart and Early Years programs may be provided by contract arrangements or otherwise;

(9) provides satisfactory assurances that in the administering of programs provided for herein, there shall be no discrimination, among administrators, teachers, employees, or student participants, on the basis of race, color, sex, religion, or national origin;

(10) in the event that, in the opinion of the Commissioner, a State plan or the implementation of a State plan fails or will fail to meet the needs of eligible children without regard to race, color, sex, religion, or national origin, in the operation of Headstart or Early Years programs provided herein, the Commissioner shall withhold the allocation provided for that State until a satisfactory plan and implementation meet the requirements of the Commissioner. In the absence of such satisfactory plan or implementation, the Commissioner is authorized to make grants from such State allocation directly to community action boards in order that Headstart and Early Years programs may be provided on an equitable basis by contract arrangements or otherwise.

(11) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(12) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the effectiveness of the program in meeting the purposes of the title, and for keeping such records and affording such access to as the Commissioner may find necessary to assure the verification of such reports.

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

(d) During the fiscal year ending June 30, 1968, the Commissioner may approve applications of eligible agencies in those States for which there is no approved State plan, providing that the application meets all the requirements of this title except those relating to a State plan, and for any fiscal year thereafter the Commissioner may in like manner approve applications in any State which has failed to designate or create a State commission.

PAYMENTS

SEC. 705. (a) From the amounts allotted to each State under section 701 the Commissioner shall pay to each applicant in that State which has an application approved under this title an amount (subject to the requirements of section 704(b)(3)) equal to the total sums expended by the applicant under the application for the purposes set forth therein.

(b) Payments under this title may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(c) The Commissioner shall immediately cut off funds to any applicant agency when he determines that such agency is not complying with the conditions for grant approval in section 704(b).

(d) Payments made under this title are to be considered and treated by the State commission as Federal funds and shall be kept entirely separate from any State funds.

ADVISORY COMMITTEE

SEC. 706. (a) The Commissioner shall establish in the Office of Education an Advisory Committee on preschool and early elementary programs, consisting of the Commissioner, who shall be chairman, and eight members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary.

(b) The Advisory Committee shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including the development of criteria for approval of applications thereunder. The Commissioner may appoint such special advisory and technical experts and consultants as may be useful in carrying out the functions of the Advisory Committee.

(c) Members of the Advisory Committee shall, while serving on the business of the Advisory Committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding \$100 per day, including travel time; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

BONUS GRANTS

SEC. 707. (a) In addition to the sums authorized to be appropriated by section 711, there is hereby authorized to be appropriated the sum of \$100,000,000 for the fiscal year ending June 30, 1968, and for each of the three succeeding fiscal years for increasing the amount available to States making an additional effort.

(b) A State's allotment under section 701 for a fiscal year, shall be increased, through the use of funds appropriated under this section, by an amount equal to 50 per centum of the aggregate amount by which expenditures made during the fiscal year by applicants in the State for carrying out programs described in their applications exceeded 120 per centum of the State's allotment (including any reallocation) for such year.

(c) In the event the sums appropriated for a fiscal year to carry out this section are less than the amount necessary to make all the increases in allotments required by subsection (b), the amount of each increase under subsection (b) shall be reduced pro rata.

DEFINITIONS

SEC. 708. As used in this title—

(1) "economically deprived children" means children of families having an annual income (as determined by the State commission pursuant to criteria established by the Commissioner) insufficient to provide a home environment conducive to learning, or who are recipients of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, except that, in no case shall a local educational agency or a private nonprofit school be required to apply an income test to establish the eligibility of elementary school children in need of the services provided under this title;

(2) "the first three grades of elementary school" may in addition include kindergarten school in those areas in which kindergarten is provided as a part of a program of free, public education; and

(3) "community action board" means an agency established and funded pursuant to title V of this Act.

AUTHORIZATION

SEC. 709. (a) The Commissioner is authorized to make grants pursuant to the provisions of this title during the fiscal year ending June 30, 1968, and the three succeeding fiscal years, for the purpose of assisting State commissions to arrange for the conduct of preschool and early elementary school programs for economically deprived children and for the funding of such programs.

(b) The Commissioner shall carry out the programs provided for in this title during the fiscal year ending June 30, 1968, and the two succeeding fiscal years. For the purpose of carrying out this title there is hereby authorized the sum of \$475,000,000 for the fiscal year ending June 30, 1968. For the fiscal year ending June 30, 1969, and for the fiscal year ending June 30, 1970, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VIII—RURAL LOANS AND MIGRANT AND SEASONAL WORKER PROGRAMS

STATEMENT OF PURPOSE

Sec. 801. It is the purpose of this title to provide a separate program of specialized assistance to residents of rural areas relying substantially on agricultural pursuits for income, who show promise of maintaining their livelihood in agriculture, or, with the liberalized benefits provided herein, show promise of ability to supplement their income or maintain or support themselves in non-agricultural enterprises.

PART A—RURAL LOANS

FAMILY LOANS

SEC. 811. (a) The Secretary of Agriculture (hereinafter in this part referred to as the "Secretary") is authorized, acting through the Farmers Home Administration, to make loans having a maximum maturity of fifteen years and in amounts not exceeding \$3,500 outstanding at any one time to any low-income rural

family where, in the judgment of the Secretary, such loans have a reasonable possibility of effecting a permanent increase in the income of such families by assisting or permitting them to—

- (1) acquire or improve real estate or reduce encumbrances or erect improvements thereon,
 - (2) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or
 - (3) participate in cooperative associations; and/or to finance nonagricultural enterprises which will enable such families to supplement their income.
- (b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.
- (c) In carrying out this part in areas served by qualified community action boards, the Secretary shall utilize the services of such boards in developing programs under this part.

COOPERATIVE ASSOCIATIONS

SEC. 812. The Secretary is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

LIMITATIONS OF ASSISTANCE

SEC. 813. No financial or other assistance shall be provided under this part unless the Secretary determines that—

- (a) the providing of such assistance will materially further the purposes of this part, and
- (b) in the case of assistance provided pursuant to section 812, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

LOAN TERMS AND CONDITIONS

SEC. 814. Loans pursuant to sections 811 and 812 shall have such terms and conditions as the Secretary shall determine, subject to the following limitations—

- (a) there is reasonable assurance of repayment of the loan;
- (b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;
- (c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;
- (d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Treasury may determine to be consistent with its purposes;
- (e) with respect to loans made pursuant to section 812, the loan is repayable within not more than thirty years; and
- (f) no financial or other assistance shall be provided under this part to, or in connection with, any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes: *Provided*, That packing, canning, cooking, freezing, or other processing used in preparing or marketing edible farm products, including dairy products, shall not be regarded as manufacturing merely by reason of the fact that it results in the creation of a new or different substance.

REVOLVING FUND

SEC. 815. (a) To carry out the lending and guaranty functions authorized under this title, the revolving fund created by section 606 of the Economic Opportunity Act of 1964 is continued in existence. The capital of the fund shall consist of such amounts as may be advanced to it by the Director or the Secretary from funds appropriated to carry out the title and shall remain available until expended.

(b) The Secretary shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate deter-

mined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

(c) Whenever any capital in the fund is determined by the Secretary to be in excess of current needs, such capital shall be credited to the appropriation from which advanced, where it shall be held for future advances.

(d) Receipts from any lending and guaranty operations under this Act (except operations carried on by the Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures of the Secretary for loans, participations, and guaranties authorized under this title of this Act.

PART B—ASSISTANCE FOR MIGRANT AND OTHER SEASONALLY EMPLOYED AGRICULTURAL EMPLOYEES AND THEIR FAMILIES

DEVELOPMENT OF PROGRAMS

SEC. 821. (a) The Secretary of Health, Education, and Welfare (hereinafter in this part referred to as the "Secretary") is authorized to develop and implement programs of loans, loan guarantees, and grants to assist State and local agencies, private nonprofit institutions, and cooperatives in establishing, administering, and operating programs which aid migratory workers and seasonal farm laborers and their families, by bettering or helping them to better their present living conditions and providing programs which develop individual skills for permanent employment as well as developing permanent employment possibilities.

(b) The Secretary is authorized to make grants under this part to States to encourage them to develop a program, coordinated through regional arrangements or State compacts, to provide minimum standards of housing, sanitation, education, transportation, and other environmental conditions.

(c) The Secretary is authorized to make grants under this part for special programs (1) that will operate on a mobile basis, following a migrant community through its entire seasonal flow, or (2) that provide return transportation and other appropriate assistance for migrants employed in seasonal operations who remain in an area after termination of their seasonal employment with the expectations of permanent employment, but are thereafter terminated from such employment.

(d) From the sums appropriated or allocated to carry out this part, the Secretary may reserve up to \$1,000,000 to be used to conduct a study of methods of decasualizing the labor market, including, but not limited to, studies of the migrant labor streams and alternate occupations for migrants which will effect considerable reductions in the distance traveled by the worker, of training programs to adapt the worker to mechanized agricultural processes, and of training programs to prepare workers for complete removal from the migrant stream.

PART C

AUTHORIZATION OF APPROPRIATIONS

SEC. 831. The programs provided for in this title shall be carried out during the fiscal year ending June 30, 1968, and the two succeeding fiscal years. For the purposes of carrying out part A of this title there is hereby authorized to be appropriated the sum of \$16,000,000 and for the purpose of carrying out part B there is hereby authorized to be appropriated the sum of \$27,000,000 for the fiscal year ending June 30, 1968. For the fiscal year ending June 30, 1969, and the fiscal year ending June 30, 1970, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE IX—SPECIAL SMALL BUSINESS LOANS AND INCENTIVES

STATEMENT OF PURPOSE

SEC. 901. It is the purpose of this title to supplement the Human Investment Act of 1967 by assisting in the establishment, continuation, expansion, and strengthening of small business concerns owned by individuals who qualify under

poverty standards set by the Secretary of Health, Education, and Welfare, and to assist in the establishment, or expansion of small business concerns which, by the nature of their business, hold substantial and continuing promise of employing substantial numbers of individuals with inadequate backgrounds of educational experience or skills.

SEC. 902. (a) The Administrator of the Small Business Administration is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on employment of the long-term unemployed; *Provided, however*, That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed \$25,000. The Administrator of the Small Business Administration may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administrator of the Small Business Administration may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administrator of the Small Business Administration. The Administrator of the Small Business Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

(b) The Administrator is authorized to make grants to, or contract with, public or private nonprofit agencies, or combinations thereof, to pay all or part of the costs necessary to enable such agencies to provide screening, counseling, management guidance, or similar assistance with respect to persons or small business concerns which receive or may be eligible for assistance under subsection (a). Financial assistance under this subsection shall be subject to the provisions of section 536 of this Act.

LOAN TERMS AND CONDITIONS

SEC. 903. Loans made pursuant to section 902 (including immediate participation in and guaranties of such loans) shall have such terms and conditions as the Administrator of the Small Business Administration shall determine, subject to the following limitations—

- (a) there is reasonable assurance of repayment of the loan;
- (b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;
- (c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;
- (d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Administrator of the Small Business Administration may determine to be consistent with its purposes: *Provided, however*, That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and
- (e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

LIMITATION ON FINANCIAL ASSISTANCE

SEC. 904. No financial assistance shall be extended pursuant to this title where the Administrator of the Small Business Administration determines that the assistance will be used in relocating establishments from one area to another or in financing subcontractors to enable them to undertake work theretofore performed in another area by other subcontractors or contractors.

DURATION OF PROGRAM

SEC. 905. The Administrator of the Small Business Administration shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years.

TITLE X—AUTOMATION OF JOB OPPORTUNITY DATA

SEC. 1001. Section 106 of the Manpower Development and Training Act of 1962 is amended to read as follows:

"SEC. 106. (a) The Secretary of Labor is directed, using every appropriate facility, to develop, compile, and make available information regarding skill requirements, occupational outlook, job opportunities, labor supply in various skills, and employment trends on a National, State, area, or other appropriate basis which shall be used in the educational, training, counseling, and placement activities performed under this Act. In the administration of this Act, the Secretary shall give the highest priority to performing the duties prescribed by this section with particular emphasis on identifying and publishing those occupations, skills, industries, and geographic areas in which the supply of qualified workers is insufficient to meet existing and foreseeable future needs. The sum of \$5,000,000 is hereby authorized to be appropriated for the purpose of carrying out the provisions of this subsection.

"(b) The Secretary of Labor is further directed to develop and establish in the United States Employment Service a program for matching the qualifications of job applicants with employer requirements on a local, interarea, and nationwide basis. Such program shall be designed to provide a quick and direct means of communication among local offices of the Service in the interarea and nationwide referral, recruiting, and placement of unemployed and underemployed workers, and the referral of workers to industries which need them wherever located throughout the Nation. In the development of such program, the Service shall establish a network utilizing electronic data processing and telecommunication systems for the storage, retrieval, and communication of job and worker information. The sum of \$20,000,000 is hereby authorized to be appropriated for the purpose of carrying out the provisions of this subsection."

SEC. 1002. Section 107 of said Act, as amended, is amended to read as follows:

"SEC. 107. The Secretary of Labor shall make such reports and recommendations to the President as are appropriate pertaining to manpower requirements, resources, use, and training; and the President shall transmit to the Congress within sixty days after the beginning of each regular session (commencing with the year 1968) a report pertaining to manpower requirements, resources, utilization, and training. Such reports shall contain a specific and detailed account of the administration, utilization, and operation of the functions and activities prescribed by section 103 of this Act."

TITLE XI—ADMINISTRATION AND COORDINATION

PART A

REPEALERS; EFFECTIVE DATES

SEC. 1101. (a) The Economic Opportunity Act of 1964 is hereby repealed, effective June 30, 1967.

(b) This Act shall become effective June 30, 1967.

(c) Notwithstanding subsection (a), during the period between June 30, 1967, and January 1, 1968, the authority granted under the Economic Opportunity Act of 1964 may continue to be utilized to the extent necessary to permit the orderly transformation of programs being carried on under that Act into programs to be carried on under this Act. The authority to carry on a program under the Economic Opportunity Act of 1964 until January 1, 1968, shall be exercised by the officer charged with carrying out a similar program under this Act.

AUTHORITY OF SECRETARY

SEC. 1102. In addition to the authority conferred upon him by other sections of this Act, the Secretary of Health, Education, and Welfare is authorized, in carrying out his functions under this Act, to—

(a) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, shall be entitled to receive compensation and travel expenses;

(b) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665 (b)) ;

(c) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such form as he shall deem appropriate, to public agencies, private organizations, and the general public;

(d) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Secretary shall not utilize the authority contained in this subparagraph—

(1) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which it is needed; and

(2) prior to having written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

DISCRIMINATION PROHIBITED

SEC. 1103. In the administration of all programs operating in whole or in part with funds authorized under this Act, no discrimination shall be permitted on the basis of a person's race, color, religion, sex, or national origin.

LABOR STANDARDS

SEC. 1104. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 498, as amended; 40 U.S.C. 276(c)).

REPORTS

SEC. 1105. Not later than one hundred and twenty days after the close of each fiscal year, each officer charged with carrying out a program under this Act shall prepare and submit to the President for transmission to the Congress a full and complete report on the program he carries out for such fiscal year.

DEFINITIONS

SEC. 1106. As used in this Act:

(a) The term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title II and part A of title V such term includes the Trust Territory of the Pacific Islands; and the term "United States," when used in a geographical sense, includes the foregoing and all other places, continental or insular, including the Trust Territory of the Pacific Islands, subject to the jurisdiction of the United States.

(b) The term "agency," unless the context requires otherwise, means department, agency, or other component of a Federal, State, or local government entity.

(c) The term "family," in the case of trainee in a Residential Skill Center means—

- (1) the spouse or child of a trainee, and
- (2) any other relative who draws substantial support from the trainee.

(d) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(e) The term "secondary school" mean a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(f) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

PREFERENCE TO COMMUNITY ACTION PROGRAMS

SEC. 1107. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference for any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title V of this Act.

PROHIBITED ACTIVITIES

SEC. 1108. (a) No officer or employee in the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or belief of any person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by a law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

(b) No person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act shall take an active part in political management, political campaigns, voter registration drives, or other political activities, and no such officer or employee shall use his official authority or influence for the purpose of interfering in any way with an election at any level of government or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. This section shall not apply to officers or employees of the United States.

(c) No person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act shall, during hours for which he is compensated under this Act, engage in activity designed to influence other persons to join a labor union, or refrain from joining a labor union.

(d) Whenever the United States Civil Service Commission finds that any person has violated subsection (b) or (c), it shall, after giving due notice and opportunity for explanation to the person concerned, certify the facts to the Director with specific instructions as to the discipline or dismissal or other corrective action.

LIMITATION ON FEDERAL ADMINISTRATION EXPENSES

SEC. 1109. The total administrative expenses, including the compensation of Federal employees, incurred by Federal agencies under the authority of this Act for any fiscal year shall not exceed 10 per centum of the amount authorized

to be appropriated by this Act for that year: *Provided, however*, That grants, subsidies, and contributions, and payments to individuals other than Federal employees, shall not be counted as an administrative expense.

PART B—COORDINATION OF ANTIPOVERTY PROGRAMS

SEC. 1111. (a) In order to insure that all Federal programs related to the purposes of this Act are carried out in a coordinated manner—

(1) the Secretary of Health, Education, and Welfare is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsibilities under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies;

(2) Federal agencies which are engaged in administering programs related to the purposes of this Act, or which otherwise perform functions relating thereto, shall (A) cooperate with the Secretary in carrying out his duties and responsibilities under this Act; and (B) carry out their programs and exercise their functions in such manner as will, to the maximum extent permitted by other applicable law, assist in carrying out the purposes of this Act; and

(3) the President may direct that particular programs and functions, including the expenditure of funds, of the Federal agencies referred to in paragraph (2) shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

(b) In order to insure that all existing Federal agencies are utilized to the maximum extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

(c) It shall be the responsibility of the Secretary of Labor, the Secretary of Health, Education, and Welfare, and the heads of all other departments and agencies concerned, acting through the President's Committee on Manpower, to provide for, and take such steps as may be necessary and appropriate to implement, the effective coordination of all programs and activities within the executive branch of the Government relating to the training of individuals for the purpose of improving or restoring employability.

(d) The Secretary of Labor, pursuant to such agreements as may be necessary or appropriate (which may include arrangements for reimbursement), shall—

(1) be responsible for assuring that the Federal-State employment service provides and develops its capacity for providing maximum support for the programs described in subsection (c); and

(2) obtain from the Secretary of Commerce, the Director of the Office of Economic Opportunity, and the head of any other Federal agency administering a training program such employment information as will facilitate the placement of individuals being trained.

INFORMATION CENTER

SEC. 1112. (a) In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Secretary is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Secretary's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

(b) The Secretary shall publish and maintain on a current basis, a catalog of Federal programs relating to individual and community improvement. The Secretary is further authorized to make grants from funds appropriated to carry out title V of this Act, to States and communities to establish information service centers for the collection, correlation, and distribution of information required to further the purposes of this Act.

(c) In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum possible extent, and in order to insure

that all appropriate officials are kept fully informed of such programs, the Secretary shall establish procedures to assure prompt distribution to States and local agencies of all current information, including administrative rules, regulations and guidelines, required by such agencies for the effective performance of their responsibilities.

EVALUATION AND RESEARCH REPORTS

SEC. 1113. (a) All administrators of programs under this Act are directed to utilize to the fullest extent possible data retrieval systems and other advanced evaluative techniques.

(b) Reports of all completed evaluations or research studies contracted for under authority of this Act, shall be made immediately available to Congress for review.

PROHIBITION OF FEDERAL CONTROL

Sec. 1114. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

TRANSFER OF FUNDS

Sec. 1115. Notwithstanding any limitation on appropriations under any title of this Act, or any Act authorizing appropriations for any such title not to exceed 10 per centum of the amount appropriated or allocated from any appropriation for the purpose of enabling the Secretary to carry out programs or activities under any such title may be transferred and used by the Secretary for the purpose of carrying out programs or activities under any other such title; but no such transfer shall result in increasing the amounts otherwise available under any title by more than 10 per centum.

PRIVATE ENTERPRISE PARTICIPATION

Sec. 1116. The Secretary and the heads of any other Federal departments or agencies to which the conduct of programs described in this Act have been delegated shall take such steps as may be desirable and appropriate to insure that the resources of private enterprise are employed to the maximum feasible extent in the programs described in this Act. The Secretary and such other agency heads shall submit at least annually to the Congress a joint or combined report describing the actions taken and the progress made under this section.

TITLE XII—TREATMENT OF INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

PUBLIC ASSISTANCE

SEC. 1201. (a) Notwithstanding the provisions of titles I, IV, X, XIV, XVI, and XIX of the Social Security Act, a State plan approved under any such title shall provide that—

(1) the first \$85 plus one-half of the excess over \$85 of payments made to or on behalf of any person for or with respect to any month under title II, III, IV, or V of this Act or any program assisted under such title shall not be regarded (A) as income or resources of such person in determining his need under such approved State plan, or (B) as income or resources of any other individual in determining the need of such other individual under such approved State plan;

(2) no payments made to or on behalf of any person for or with respect to any month under such title or any such program shall be regarded as income or resources of any other individual in determining the need of such other individual under such approved State plan except to the extent made available to or for the benefit of such other individual; and

(3) no grant made to any family under title VIII of this Act shall be regarded as income or resources of such family in determining the need of any member thereof under such approved State plan.

(b) No funds to which a State is otherwise entitled under title I, IV, X, XIV, or XVI of the Social Security Act for any period before July 1, 1965, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a).

Chairman PERKINS. The committee will come to order. A quorum is present.

We have with us this morning Sargent Shriver, Director of the Office of Economic Opportunity.

First, I wish to apologize about the schedule. Mrs. Green has done her best to take the higher education bill out of the Special Education Subcommittee but unexpectedly she was unable to move the bill over the weekend. So, she has called another meeting of the Special Education Subcommittee this afternoon.

We have 15 members of this committee tied up on the Special Education Subcommittee considering the higher education bill. Time is of the essence in moving that bill. So, we will run here through the first quorum call today with Sargent Shriver and then we will let the witness and his assistants stand by until after the subcommittee and the full committee mark up the higher education bill.

We anticipate that the subcommittee may be able to move the bill tonight and the full committee in all probability tomorrow or the latest by Wednesday.

I regret the interruption in the schedule but, as I stated there are many reasons why we need to move the higher education bill and time is of the essence.

Mr. SCHEUER. Mr. Chairman, on behalf of myself and several other members, in fact a fairly substantial number of members, I wish to express my deep unhappiness at the Office of Economic Opportunity coming over here and presenting us with hundreds and hundreds of pages of vital information immediately before the hearing. It cripples us severely in asking intelligent questions and nullifies to a large extent the very purpose of these hearings. We are entitled to this information a minimum of 48 hours before the commencement of the hearings.

Our rules are transparently and unmistakably clear on the subject.

Mr. GIBBONS. Wait, that is not right.

Mr. SCHEUER. It certainly is.

Mr. GIBBONS. It is not right. The 48-hour rule that you refer to, Mr. Scheuer, pertains to executive sessions of the full committee when the committee is receiving a report from a subcommittee and does not pertain to receiving testimony from witnesses.

Mr. SCHEUER. We are supposed to have the testimony of any witness 48 hours before the start of a hearing.

Chairman PERKINS. We are extremely pleased today to welcome to the committee the Honorable Sargent Shriver, Director of the Office of Economic Opportunity to explain to us provisions of the administration's proposals for extending and amending the Economic Opportunity Act, as well as to give the committee benefit of efforts by the Office of Economic Opportunity to carry out the programs authorized by the Economic Opportunity Act of 1964. I want to personally observe at this time that I believe the former Director of the Peace Corps, our distinguished witness today, Sargent Shriver has done an outstanding job of administering programs which truly open up new frontier of governmental effort to secure economic opportunity for millions of American citizens whose families have been literally on a cyclical treadmill of poverty. For many American families the process of technological change, automation, and the declining opportu-

nities on the farm accompanied by urbanization and centralization of population, has posed severe economic hardships that are handed down from generation to generation.

The President as well as our leadoff witness today and many Members of Congress have recognized that the solution of economic disadvantage in these millions of American families does not lie in the traditional approaches taken by government. New times and new problems demand imaginative new solutions. I believe that the programs authorized under the Economic Opportunity Act because they are designed to turn welfare recipients into taxpaying citizens through programs designed to increase their earning capacity, will return to the treasury many times over in the years to come the funds expended to provide occupational training, education, health services, and other constructive benefits. As I have said I believe progress has been made in effectively administering the programs Congress first authorized in 1964. Because this was an entirely new program seeking novel approaches to problems that had defied former methods of solution. I think it was reasonable to anticipate that there would be initiative administrative problems. I think for the most part the Director of the Office of Economic Opportunity has done an extremely effective job in meeting and solving those problems as they arose. We are delighted to have you today Mr. Shriver and you may proceed in any manner you wish. Let me ask that members refrain to propose questions during the presentation with the assurance that on the conclusion of Mr. Shriver's testimony adequate time will be allotted for this purpose. The committee will recall Mr. Shriver at a suitable time if that should be necessary.

The committee will recess at the appropriate time in order to afford the Special Subcommittee on Education adequate time to resume executive session to mark up the Higher Education Amendments of 1967.

Mr. PUCINSKI. Mr. Chairman, I feel particularly glad to have Mr. Shriver here this morning since we in Chicago claim him pretty much as our own although he has won the admiration of the hearts of all the people all over the country because of the tremendous job he and his staff have done in giving thousands upon thousands of people in this country a completely new lease on life and a new hope.

Recently some of my colleagues and I were in Chicago. We recall the late Mr. Hilliard told us during our discussions that he as director of public welfare in the county of Cook was able to remove 17,000 people from the public dole because of many of the programs that the Office of Economic Opportunity had brought to Chicago, Cook County.

I daresay while there are those who would like to tinker with this program today, history will show that indeed President Johnson and President Kennedy, had the vision, the understanding of the real need of our society.

Sargent Shriver has put into meaningful action the great hopes that both President Kennedy and President Johnson had for this great democracy of ours. It is the first country in the world to try to reduce poverty to an absolute minimum.

I think we are all privileged to have you here this morning to give us an accounting of your stewardship. I know that if the day ever comes when Sargent Shriver decides to leave this office whoever is going to

follow him will have a tremendously difficult job because of the high standards of perfection that he has set for this office.

Mr. DENT. Some of us want to praise Sargent Shriver, some of us want to bury him. I move the regular order so that we can proceed. Chairman PERKINS. Proceed, Sargent Shriver.

STATEMENT OF SARGENT SHRIVER, DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY

Mr. SHRIVER. Mr. Chairman, I am grateful for the comments which have just been made by you and by others.

Before I proceed with my actual statement I would appreciate, if it is agreeable to you, to respond just briefly to Congressman Scheuer's criticism.

All the agencies of the Federal Government I think have some difficulty determining how much material to supply to various committees. I think the record will show that the bill H.R. 8311 on which I appear to testify was presented to the Congress on the 10th of April, some 2 months ago.

The congressional presentation of my agency was submitted to the Congress last Thursday afternoon. It is true that everything is not in this folder. It is also true that there is a great deal of information in this folder on each of the programs.

We do not hold out, Congressman Scheuer, that everything you would want to know is in here but we are always trying to balance the amount of interest that the particular committee members will have against total request of an individual member.

Mr. SCHEUER. We just received all of this at this very moment.

Mr. SHRIVER. This was delivered last week. This is not the whole story. Don't misunderstand me.

We have a huge presentation just on the Job Corps which I hope we will have time to go into in some detail. We have a huge presentation on Community Action and so forth. But the problem, as I was trying to say, is that we are continually confronted by how much to give.

We thought that this was a good beginning at least which went into the program in some detail. The other material was made available this morning but it is much more than most members will want.

I am not trying to claim that we do it right all the time but I am trying to say there was substantive and substantial amounts of information available more than 48 hours in advance of the hearing.

This was delivered to the committee staff.

The next time we will deliver it not only to the individual staff but to your individual offices.

I am here, Mr. Chairman, in support of H.R. 8311 which would authorize \$2.06 billion for continuation and expansion of the various programs which have been inaugurated by the Office of Economic Opportunity.

Three years ago this committee of the House of Representatives shaped the legislation which began America's war against poverty. At that time I believe there was little understanding in this country about poverty.

Many people denied the existence of any substantial poverty within the borders of the United States. Many others said that even if poverty existed it really never could be eliminated, that the poor would always be with us.

Experts in the field of economics and sociology and other fields differed as to the causes of poverty and they differed as to the remedies that ought to be applied.

But this committee in my judgment steered a firm and intelligent course through the shoals of disagreement and debate. Landmark legislation was developed and passed. Money was authorized and appropriated.

The war on poverty was begun.

No one at that time believed it was going to be a quick and easy victory. Members of Congress especially know how long and how arduous are this Nation's struggles against the problems which beset it, the problems of farmers and small businessmen, the problems of labor and management, the problems of urban sprawl and rural abandonment, the problems of water and air pollution, the problems of railroads and utilities.

If we stop for a moment to reflect I think we would all agree that the problems of America's poor are even more difficult than many of these other problems. Most of us knew the job would not be easy but in two legislative sessions you have expressed your determination that the job must be done.

No other committee of any other legislature in the history of the world so far as I have been able to determine has ever urged the mobilization of the total resources of the Nation toward the elimination of poverty.

Ancient Rome gave bread and circuses to the poor.

The Ancient Greeks threw their surplus grain to the poor.

William the Conqueror divided up and gave some lands to the serfs in the 11th century.

The Knights of Templar invented the first flophouse.

The followers of St. Francis invented the breadline.

Nineteenth century England developed the dole.

But the Congress of the 20th century America had the courage and the vision to demand that poverty itself be eliminated and the great President of 20th century America asked that it be done. And that same Congress put the challenge and the responsibility to a new agency which it called the Office of Economic Opportunity.

Now 3 years later you are beginning discussion of new legislation. Where originally you only had theories and speculation to go on, today you do have the results of 2½ years of effort.

You have the proven effectiveness of Headstart and the Neighborhood Youth Corps. You have proof in the existence of 53,000 young men and women who have gone on from the Job Corps to become constructive and contributing members of society. You have proof in—

You have 27,000 youngsters in the Upward Bound program now on their way to higher education.

You have the commitment of 6,500 Americans who have served as volunteers in VISTA.

You have the commitment of 90,000 Americans who are serving today free of charge on community action agencies across the length and breadth of the land.

You have the evidence of 1 million Americans who have freely pitched in to help on a thousand different fronts as volunteers.

You have the evidence of 1,200 lawyers now serving more than 600 neighborhood legal service centers bringing justice, new opportunities for justice to the poor.

You have the evidence of 21 neighborhood health centers in-being or in the process of being established.

You have the evidence of 1,050 community action agencies giving needed services to the poor people, bringing services of various departments of government to bear in a combined coordinated way.

You have the evidence of 3,300 foster grandparents who are themselves finding a new meaning to their lives and bringing compassion and a new life to young children.

This evidence has been compiled statistically and analytically. You have that record before you. I believe it is a document in which you can take pride because you made it possible.

And I believe that there is no responsible member of this committee or the Congress as a whole who is going to vote to eliminate Headstart or Foster Grandparents or any of the other prudent programs inaugurated by OEO.

Nobody is going to tell the million volunteers to go home. Nobody is going to shut up 700 neighborhood multiservice centers which are across this whole country, in rural as well as urban America.

Nobody is going to tell a thousand young men who want to be in the Job Corps that there is not going to be any Job Corps for them or tell 300,000 plus youngsters that the Neighborhood Youth Corps is going out of existence, that there won't be any work for them of that type, or to close up the law offices or the neighborhood health centers or the family planning clinics or the Upward Bound classes.

These programs which you brought into being have become a part of the fabric of American life. I believe you will see to it that they endure.

There are new Headstarts, new community action programs still to be invented. I believe you will see to it that the source of innovation is not destroyed.

It seems to me that a single basic issue faces the Congress this year in connection with the war against poverty. It is this: Will the agency you brought into being to serve the poor, to speak for the poor, to marshal America's resources on behalf of the poor, continue to do the job which you set for it?

As you begin your deliberations, you have before you two pieces of proposed legislation. Each supports a major Federal effort and expenditure on behalf of the poor. Each calls for the cooperation and involvement of all segments of our national life. Each proposes to continue with minor changes all or nearly all the innovative programs initiated by this agency which you created 2½ years ago.

The most significant differences in these two bills, one sponsored by the administration, one sponsored by some Republican members,

is this: The administration bill proposes a strengthened OEO with its coordinating power improved, with its administration made more effective, and the range of national involvement in its programs broadened.

The other proposes to eliminate OEO and destroy the central command post of the war against poverty. This difference to me, at any rate, strikes at the heart of the entire effort. The reasons for OEO are very simple.

First of all, the poor are the least articulate, the least influential, the least powerful of all our national minorities. They need an independent advocate, a strong, authoritative voice to speak on their behalf.

The well-to-do whose support is absolutely essential, need a constant, coherent reminder of the reality of the problem of poverty and their responsibility in helping to solve it.

Local communities need a single, national source of information, innovation, evaluation, and encouragement as well as financing to help them sustain the momentum of their fight against hometown poverty.

The established agencies of Government, the organizations in relevant fields of education, health, social work, and justice, now welcome a unified command post which supports them in directing the thrust of their efforts toward the difficult task of helping the poor.

The Nation as a whole needs to keep its attention focused on curing poverty at a time when the distractions of affluence are almost irresistible.

Before OEO, America had the same skills, the same resources, the same strength of purpose as we do today but our Nation did not bring into being a Headstart, or an Upward Bound, or a Job Corps, or VISTA, or the neighborhood legal services, or the neighborhood health center, or local community action programs. It took the Congress and OEO to get these going and to make them work.

It is a simple matter of practical commonsense. When our Nation has determined to tackle a specific problem Congress has given the job to a single responsible authority, responsibility I might add to the Congress. A Social Security Administration. A Securities and Exchange Commission. A TVA. A Department of Transportation. A NASA.

And an OEO.

Because of this commonsense act of Congress in establishing OEO, and because of the results which it has achieved it is not surprising that an overwhelming majority of Americans have rallied behind the effort.

As a nation we may be divided on the strategies for civil rights. We may be fragmented on the issues of war and peace, between hawks and doves. We may be isolated by the generation gap. But as a nation we are united on the need for the eradication of poverty. This is largely, I believe, because you gave to the war against poverty a single voice, a central responsibility.

So, in statement after statement, resolution after resolution, involvement upon involvement, the various sects and sectors, interests and organizations, of this diverse and varied Nation have declared their support for the total war against poverty operated under OEO.

The American Medical Association through its president, Dr. Charles Hudson, the American Bar Association, through the last four

or five presidents of the bar, the League of Women Voters, the National Councils of Negro Women, Catholic Women, Jewish Women, United Church Women, YWCA and dozens of other organizations are not only currently running poverty programs but have indorsed the central effort.

The U.S. conference of mayors, the Urban League, NAACP, National Jaycees, Association of United Funds and Community Chests, PTA have all indorsed their program and NEA is working very closely with us in many of our programs.

Industry and labor both have provided indispensable resources both material and intellectual. All of these groups are united in the support of the war on poverty because they have been given a chance to do something themselves, to use their own skills, to operate programs, to have their ideas listened to and acted upon.

They have had a place to go. An ear to hear them, and a source for funds, if their programs warrant funding.

OEO has not fought this battle alone but it has stood at the center of the action. OEO has not had a monopoly on the good ideas but the programs, most of the programs it has initiated have worked and are helping millions of Americans right now to make the long journey out of poverty.

OEO has not been immune to mistakes but it has worked hard to eliminate error. It has leaned heavily on the administrative expertise of both the private and the public sector.

The bill you have before you incorporates into the practical experience which has been gained by OEO in 2½ years of operations.

As you begin consideration of the Economic Opportunity Amendments for 1967, I ask you to contemplate the significance of this unparalleled national consensus which has unified us as a people at a time when so many conflicts are dividing us as a world.

We no longer have to be shown that there is poverty in America. That debate is over. We no longer have to argue whether or not the programs we have launched are effective. That record speaks for itself.

The central question now is whether having revealed the poverty, launched the programs and achieved the consensus, we are going to tear apart the engine which has powered our progress.

In the current issue of Look magazine there is a vigorous and unequivocal editorial entitled, "We Can't Quit Now." Editors of Look magazine spoke to their 8 million readers last week. They said this.

It is up to the Office of Economic Opportunity, not only to cope with the problems of poverty, but to argue the just demands of the poor from within the Government . . . We must make up our minds to do the whole job. It will be costly. It can't be done overnight. Business as much as government must help. But we can end welfare waste, earn back our investment from the taxes and increased production of millions of new consumers. We have promised to let the poor in—and we can't quit now.

This is what the OEO stands for. This is what you have begun and what we are pledged to continue. Much remains to be done.

We can't quit now.

That is the end of my prepared statement, Mr. Chairman. I would welcome the opportunity, if it is agreeable to you, Mr. Chairman, to start our presentation of the detailed program today with the Director of the Job Corps, William Kelly, who would be prepared to go into as

much detail as any members of the committee may wish on that particular program.

We chose that program as a starter because we thought it was one of those that had evoked as much controversy or difference of opinion as any other and that by starting with it we could cover at least one of the important areas in which there has been discussion and controversy.

Chairman PERKINS. The committee has heard Sargent Shriver make the statement and his suggestion that his planned presentation includes his assistants, the Director of Job Corps next. Is there objection to this procedure or do the members want to interrogate Sargent Shriver at this time.

Mr. DENT. I think it is proper now to let the committee members get off their chest anything they might have. It would be better to do it now. We could discuss it with him. There is testimony to be made as to the necessity of the program. Let us start that first before we get into the details.

The details will be a question of whether or not we are satisfied with the program as such but let us establish now, while Mr. Sargent is presenting his remarks, the necessity of the program before we get into the details. The details won't matter if the program is not necessary.

Chairman PERKINS. I personally feel we should let Sargent Shriver go ahead and present the case but since there has been objection—

Mr. DENT. No objection.

Chairman PERKINS. We will adhere to the 5-minute rule.

Mrs. Green.

Mrs. GREEN. Mr. Chairman, I would hold my questions, with the exception of one, until the statements are made on the individual programs.

Mr. Shriver, on page 6 you speak of the various groups that support the war on poverty. In the material you have supplied this committee do you have a list of grants and/or contracts which have been given to these various organizations and the amount of money and the purpose for which the contracts were given?

For instance, do you give contracts or grants to NEA, PTA, the National Council of Jewish Women, the United Jewish Women, et cetera?

Mr. SHRIVER. I am not absolutely sure that that is in front of you but it can easily be made available to you.

Mrs. GREEN. Fine.

Then I would ask for that, Mr. Chairman and I will yield back my time.

Chairman PERKINS. Mr. Quie.

Mr. QUIE. First, I would like to set the record straight.

The difference between the opportunity crusade and the administration bill is not merely which agency of the Federal Government will be administering the programs. There are other substantial differences that people ought to know.

There is greater involvement by private industry in the opportunity crusade and greater involvement by the State in the bonus plan in our bill. Also, we talk about the OEO being the command post. Our proposal is that the President have a Council of Economic Opportunity

Advisers to help him the same way as he now has the Council of Economic Advisers which has functioned well.

As we compare these two proposals we will see that the opportunity crusade will both seek to eliminate poverty, and wherever possible bring people who are poor to a state of affluence. There are substantial differences in the way in which the two programs are operated. One of the comments you made quotes the editor of Look magazine as saying, "We have promised to let the poor in."

As you know I have been extremely interested in letting the poor in, especially in community action. This to me is the most important feature of the entire effort which has been done in the area of poverty and which OEO originated.

I would be interested now in your evaluation of the over 1,000 community action agencies in the country. How many of them now comply with the requirement of the amendment that I introduced last year that one-third of the members of the community action board be representative of the poor? How many actually now comply?

Mr. SHRIVER. First of all, Congressman Quie, the overwhelming majority actually do comply with the statutory requirement and many go beyond the statutory requirement. When I say the overwhelming majority, it is my memory which I will ask the Director for Community Action to check me on; it is my memory that there are not more than a dozen out of a thousand that are not in actual compliance with your amendment as of today.

Mr. Berry, will you tell me what the actual figures are?

STATEMENT OF THEODORE M. BERRY, ASSISTANT DIRECTOR, COMMUNITY ACTION PROGRAMS

Mr. BERRY. As of today there are only eight.

Mr. SHRIVER. In other words, we have approximately 1,050 of these agencies. As of today you have just heard that there are eight.

Mr. QUIE. Would you at this point in the record put in the five methods that a community action agency can use in the selection of the poor, the ones in your guidelines?

Mr. SHRIVER. Yes, sir, we will be happy to put that in the record. For the benefit of the committee members who may not be familiar with this we issued a memorandum to all community action agencies in the United States, to all State technical assistance officers, and so on, 5 months ago in which we outlined some specific ways in which we thought these agencies could fulfill the requirements of Congressman Quie's amendment.

They were issued and distributed across the country and we will be happy to put them in the record as you suggest.

Mr. QUIE. On March 6, I asked the OEO Regional Director in Chicago and also Chicago's Community Action Director, Mr. Brooks, to furnish me with the listing of the executive steering committees and advisory council to the agencies, neighborhood centers, and an explanation of the manner in which they are selected.

I haven't received this information. I would be interested if you would furnish us with information on how Chicago's Committee on Urban Opportunity compliance with the OEO guidelines and in particular the one-third representation of the poor.

Reading the transcript in the Senate record when Senator Javits was questioning Mayor Daley I did not see the kind of answers which would indicate that they actually are in compliance. But rather than make any criticism, whether they are or not, I would like to have you furnish me with this information. Also any answer you might have now on Chicago's Community Action Agency would be helpful.

Mr. SHRIVER. First of all we will be happy to supply you with a detailed memorandum on the specifics in Chicago. It was my impression from reading the record and from having people at the Senate hearings from Chicago that the question of the compliance of that city with the one-third participation of the poor had been effectively answered.

However, that is just my impression. We will give you a detailed memorandum on that subject through the legal office.

Could I advert to this chart for a minute since it is on the subject which Mr. Quie brought up? Let me just say that historically we were given this mandate to achieve maximum feasible participation of the poor but nobody told us how they thought that was to be done.

Consequently, over a period of a few years now we have been attempting to do it in a variety of different ways. This chart gives you an overview of the different ways which we have developed for involving the poor.

The first item there tells about the fact that we have a National Committee of Community Representatives who serve with us right in Washington. They meet four or five times a year. They are actually poor people who themselves have been elected in their local communities to serve on the local community action agencies as representatives of the poor.

There are now 10,000 approximately—I hope everybody realizes these are block figures—10,000 poor persons serving on local community action agency boards. They would be those that fulfill your amendments requirement, Congressman Quie, about the one-third.

Second, there are approximately 30,000 additional poor people who serve on neighborhood policy advisory councils. Now these are not just councils that advise the local CAA. For example, in addition to that kind of advisory council we have advisory council for a neighborhood health center.

Congressman Hawkins, I am sure, is familiar with the advisory council composed of the residents of the Watts area of Los Angeles who sit not just as advisory council but as a policy board determining the policies and practices carried on or to be carried on in the neighborhood health center, itself.

They have actual authority over what is going on.

The next way in which we thought it would be helpful to involve the poor was by actually employing the poor in community action work. Fifty thousand poor people are currently employed in those jobs. I think most members of the committee probably have been to neighborhood centers where they have seen so-called out reach workers at work.

Nearly all these "out reach" workers, poor workers, are poor people actually involved in community action.

There is in addition to that 50,000 poor people employed in summer Headstart alone. There are many other programs which employ the poor people. This is just one example.

In addition to that, from the beginning many people pointed out that the poor would not be qualified in their judgment to serve on these boards, that they wouldn't know enough by education or background or by experience. Recognizing the validity of this criticism, at least in some ways and in some places, OEO has developed a large-scale training program the purpose of which is to teach poor people how to participate better as members of local action agency boards or advisory councils or in other ways.

In the first 2½ years you will see that approximately 125,000 poor persons have participated in training programs to enable them to be more effective participants, to become better involved in the work against poverty.

Chairman PERKINS. Mr. Dent.

Mr. DENT. Mr. Chairman, first I want to congratulate the Director on his efforts to keep this program in a groove we started to put it in when we created it a few years ago.

However, at this time we recognize that we are fighting on two fronts. We have a war on poverty and we have a war on the war on poverty. Somewhere between these two wars we hope to come out with some kind of victory.

I have personally favored the program. I also want it clearly understood that after a certain length of time when a new program has been instituted by Congress it becomes more and more the problem of the legislative process rather than the problem of the administration of that program.

While we know that criticism is always hard to really define and answer, legislators as a rule must be on the defensive in the question of this type of program because as you have stated they are new, they are innovations, this is the first time it has been really tried in the history of mankind.

However, I for one believe we now have reached a legislative point in this program where the programs that you have started have to be coordinated and finalized in such a manner that they are working toward the end that we started to achieve and that while we recognize that in 3 years we have only scratched the surface of the types of programs needed to help the poor become part of the mainstream of society, I personally believe that we have to have a period during the operation of the program when new programs to be advanced must be presented to the Congress through the committee.

If we don't do that we get ourselves into the kind of criticism that we have been getting into, although up to this point I don't think the criticism is valid. I say that unreservedly. However, at this time I just want the Director to know that, while I support everything he has done and everything he plans, I for one would rather that the new programs be submitted to the committee in order that it is not always on the defensive but can take the position of being aggressive in the matter.

I think he will in time, if he thinks about it, understand that this is the kind of war that the people who are interested in it have the least amount of weapons to fight it with.

Those who are opposed to it are the better armed. Therefore, I suggest to the Director that any new thought he might have on new

direction in which the war on poverty may take in the coming months, that at least the committee ought to be notified, someone in the committee leadership ought to be told about it before it cracks the newspapers and we are asked questions about what does this particular new program entail, what does it cover, what does it mean?

You have started a series of programs that can do a wonderful job and, in my opinion, some of it is doing an excellent job.

I recognize as other members of this committee do I believe, that it has to be a sustaining program. It has to be something in our planning at all times. Some want to see the poor in. It depends where they want them in, what they want them in. Do they want them in the mainstream of economy or do they want them in the holes of poverty through a different designation.

I think the committee will give you support. I know this member will. So long as we have a clear understanding of what we are doing. It is not easy to ask questions on subject matters you are not informed about. That is the only criticism that I have, that I have too often been caught in the position of not knowing just what the programs are aimed to do outside of reading it in the paper, and I have had some experience in the newspapers, they don't always hear the same we do.

At least, if they hear it, they don't write it. That is the only thing I want to get clear in the record in the beginning. I will give the program all the support where support is needed and all the criticism where criticism is needed.

Mr. SHRIVER. Mr. Chairman, may I make a brief comment on Mr. Dent's statement?

Chairman PERKINS. Go ahead.

Mr. SHRIVER. First of all, we have been making an effort to inform Congress in advance of even the new things we try on an action level. For example, we inaugurated a program not long ago called success insurance which was a method of insuring employers against losses incurred in job training.

We invited a number of members of this committee to come down and participate in the discussion leading up to that announcement. It is not a large program, but it is an experimental one. We did send over some material about them both before and after it was announced.

So we are attempting to do a little bit of what you have said, Congressman Dent.

The second point I would like to emphasize is this. One of the basic ideas of local community action is that we would permit the local people to inaugurate programs of their own on the theory that the local people would have many good ideas about how to combat poverty in their locality.

These might not be programs that are useful nationally, but on the idea that local people know best about what to do about local problems we have encouraged local initiative.

Now it is possible that they would start programs at the local level under a general framework which could cause discussion or controversy but I would hate to see the idea of prior congressional approval carried to the point where all the local communities in the country would have to get approval for what they do from the Congress before they try out at the local level.

Congressman Pucinski just a few minutes ago mentioned the program in Chicago which took people off relief. It was called jobs now. That program started in Chicago. Nobody down in Washington thought of that program. That program started there. It turned out to be a success there and it became the basis for a national program modeled on jobs now in Chicago which has been taken by the Labor Department to a hundred or more cities in the United States.

Now that program was not approved by us or by Congress before it was started. It was done under a local initiative idea.

Finally, let me just say I remember vividly one of the first times I came over here Congressman Goodell being complimentary about Headstart. He claimed, I remember, that it was really his idea, that he had attempted for 3 or 4 years to get it approved by the Congress.

If I remember correctly he said if we had waited for Congress to approve it we never would have started it. So he actually commended us for doing the opposite of what you suggest we not do.

I just wanted to aline the Congressman with us on this important matter.

Mr. GOODELL. You are in trouble now with me.

Mr. SHRIVER. Well, sir, I am delighted to have you on our side.

Mr. GOODELL. I do agree with your comment. You are perfectly accurate on how it started. I don't agree with the gentleman from Pennsylvania. I do believe these programs have a high degree of flexibility.

There must be power in the law for local people to initiate new programs and set their own priorities. I will say in just the short time I have—as you imagine I have a good many questions I want to ask you—statistics can be used for a variety of purposes and they can give a false impression.

For instance, I think the chart you have put up here indicates 50,000 persons who were poor are employed as CAP workers. It is my understanding the Anglovitch fund studies of nonprofessionals of CAP reflected that only 16 percent of the nonprofessional CAP's were filled by people whose income was less than \$4,000.

Yesterday I read in the New York Times a story that emanated from OEO that 53 percent of Job Corps graduates had jobs. Fifty-three percent sounds impressive. It is my understanding that the Lew Harris poll on the Job Corps graduates indicated that before they went in, 58 percent of them had jobs. Fifty-three percent of the graduates having jobs does not sound very impressive when you look at 58 percent who had jobs before they went into the Job Corps.

Less than one-quarter of those working after they got out of the Job Corps say they are using Job Corps training. This is a significant aspect.

We are spending a lot of money. I am sure it is helping a good many youngsters. We have the obligation to see that the money is spent effectively. The fact that only one-quarter of those who got out of Job Corps use Job Corps training is pretty bad. Actually they are only 15 percent of the total number of enrollees in Job Corps—one-quarter of the graduates.

I would like in the short time available today to concentrate on the specific thing that is current and very important.

The CEP program started out as UCEP and now it is concentrated employment program. I am deeply concerned about it. We are about to

finish our third year of the war on poverty. Many of us have complained about the administrative bungling and the fast approval of programs without thought, without planning, and the waste involved.

This separate program we are now pushing real hard to get underway. It is not a summer program but we are pushing it for the summer months so that it will help in our long hot summer. I will quote from several people and I would like your comments.

James Banks, former UPO Director here in Washington says:

The Government's whole method of approaching summer is a crazy, illogical, emotional response to a problem which deserves more serious consideration. There is something rather immoral about it. The Government's response is "Let us keep down riots and violence" rather than let us eliminate the causes of riots and violence.

Mitchell Sviridoff, director of the New York City Human Resources Administration:

It's a hell of a way to run a public program. It is unhealthy. What it does is inform people that the way to get some money is to have a riot or threaten one.

(The following letter was received for the record from Mr. Sviridoff:)

THE CITY OF NEW YORK HUMAN RESOURCES ADMINISTRATION,
New York, N.Y., July 19, 1967.

Congressman CARL D. PERKINS,
Chairman, House Education and Labor Committee, Rayburn Building, Washington, D.C.

DEAR MR. CHAIRMAN: I understand that I was quoted on June 12 and June 22 during the hearings held by the House Education and Labor Committee on H.R. 8311, and would like to make certain that my position is clear.

In my opinion, the Concentrated Employment Program is one of the most promising manpower efforts ever initiated by the Department of Labor. I enthusiastically support it. I also support summer programs. It's just that I do not believe that in themselves, summer programs are enough.

I would appreciate it if you would include this letter as part of the official record.

Sincerely,

MITCHELL SVIRIDOFF, *Administrator.*

Mr. GOODELL. Out in Los Angeles—I know Mr. Hawkins has been involved in this—they were first told it was \$10 million, then told they would get \$15 million, finally \$8 million.

Recently, the AFL-CIO representative on the community action board said:

I think the whole thing is going to be a failure. All we are doing is spending \$8 million to put poor people in competition with other people already out of jobs.

This kind of thing happening now, in our third year, at the conclusion of the third year, is rather incredible. It bothers a great many of us. It is part of the reason why many of us are proposing some new administrative measures here.

Not long ago Dr. Frank Reisman of NYU, who was the author or co-author of "New Careers for the Poor" posed the issue. He said:

Switching emphasis from Community Action poses an enormous danger that we will have just another make work, anti-riot, keep summer cool program.

I would like your comments on the buildup here of the concentrated employment program known as CEP and why we have had this kind of operation in setting it up.

Mr. SHRIVER. I am very happy to respond, Congressman Goodell.

First of all, I would agree with you that it would be helpful if we did spend enough time, for example, on the Job Corps so that the conflicting figures which you quote would no longer be in conflict, they would be explained, so that it would be clear to all.

Mr. GOODELL. Since I won't have a chance to go into it today in depth, I wanted to throw some of them out as a counterbalance.

Mr. SHRIVER. I think you are right. I think when you get a statistic here and a statistic there and some other statistics from another place that it is very confusing.

That is the reason why I am suggesting we take the Job Corps and go into it in detail. I think you would get the resolution of what appears to be in conflict.

Mr. GOODELL. Mr. Chairman, if he can have 1 minute to comment on the CEP program.

Mr. SHRIVER. I will be very happy to have Jack Howard who is the man in the Department of Labor in charge of the work program department talk to you about CEP. He will come forward I hope and do that now.

While he is coming let me just say that it has been the position of this agency that we are not interested in an antiriot type of program initiated just for the summer. That is our basic position.

I testified on both sides to that effect. I agree with those who think if you are just doing that you are making a mistake.

Mr. GOODELL. There are authorities who are very unhappy with the way it is being set up.

STATEMENT OF JACK HOWARD, ADMINISTRATOR, BUREAU OF WORK PROGRAMS, DEPARTMENT OF LABOR

Mr. HOWARD. Mr. Chairman, we should point out at the outset that the CEP program is not a summer program.

Mr. GOODELL. I understand that but you are trying to get it started so that it will help in the summer.

Mr. HOWARD. We are trying to get it started as soon as we can get it started, correct. Hopefully we will get it going in June before the summer. In some areas it will take time to start up.

But the important thing to consider, I believe, is that this is not a palliative nor is it the kind of "adhesive tape" program to which some of the remarks I believe read by Mr. Goodell refer, that is the short-term quick-summer job program.

The CEP program is designed, as was testified earlier by Sargent Shriver, to incorporate some of the lessons from the jobs now experienced in Chicago.

What we are talking about is some training, some orientation, a period of experience on the job and exposure to training so that a person is then able to move into the private competitive employment and to join the society.

Now this is not a 1-month or 2-month or 6-month program. We envision these programs as taking as long as a year or 2 years and the individuals in the program will move.

Mr. GOODELL. The comments I read were directed toward the efforts to get the CEP summer program coordinated and started before summer. I am well aware this is a long-term program but it does not justify falling all over yourself and causing all the confusion and chaos which has been evident from the testimony of these individuals.

Chairman PERKINS. Mr. Shriver.

Mr. SHRIVER. I don't think they were referring to the CEP program, were they? I think they were talking about the fact that, for example, we get our appropriations very late in the year, we are not able to give the communities advanced information they need to plan properly. We got the supplemental late in the year.

Mr. GOODELL. They all referred to the summer program and inclusion of CEP in the summer program.

Mr. SHRIVER. CEP is not a summer program.

Mr. GOODELL. CEP is being folded into the summer program.

Chairman PERKINS. The Chair recognizes the gentleman from Illinois, Mr. Pucinski.

Mr. PUCINSKI. I would like to join my colleagues in congratulating Mr. Shriver for an excellent statement here. I do wish, Mr. Shriver, that you would accommodate Mr. Quie on his questions about representation in Chicago.

Mr. Quie and the minority have investigated Chicago now for 3 years. He has been there personally. Mr. Goodell has been there. They have had more minority committee investigation in Chicago than any part of the country. They have had auditors. They have been combing through their program hoping that in some way they can find something so that they can attack the Chicago program.

I challenge these men to put in this record the complete, unedited reports from their own investigators on the Chicago program. They have been in Chicago, and their Senators were in Chicago asking a lot of questions, but they all come back with one conclusion. They all come back with the conclusion that Chicago is the pace setter for the country in this war on poverty.

Every time we talk to them privately they say, "Well, not every city has a Dick Daley to manage the program." Publicly they make these statements about the great concern for the poor.

Let us not kid ourselves. Their only purpose has been and continues to be to drive a wedge into the effectiveness of the Chicago program.

We will put that program in Chicago against any test, any scrutiny, any investigation they want to make. I might say that the critics are talking big words with a Madison Avenue slogan—"Opportunity Crusade."

From 1952 to 1960 they had all the opportunity they wanted and took the country in three recessions. Since then we have had 7 years of continued economic prosperity.

Mr. PUCINSKI. I would like to ask you one question.

I maintain this program is now working well. I think the cities and the communities have found the formula. I would like to know, Mr. Shriver, what do you mean on page 40 of the bill when you say:

At least one-third of the membership of the Board shall be persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the community.

What do the words "democratic selection procedures" mean?

Mr. SHRIVER. That was clarified by us we hope and believe in a special memorandum we sent to all CAP agencies about 4 or 5 months ago. It is the memorandum which I said a little while ago in response to a request from Congressman Quie that we would put in the record. I am now having it handed to me. I will be glad to read it.

We interpret "as democratically selected by residence of the area" as permitting at least four or five different ways in which that could be done.

We did not intend to imply that these were the only ways but these were four or five different ways.

For example, No. 1 was nominations and elections either within neighborhoods or within the community as a whole. No. 2 was selection at a meeting or conference to which all neighborhood residents and especially those who are poor are invited. No. 3 was selection of representatives of the communitywide board members of the neighborhood or subarea boards who are themselves selected by neighborhood or subarea residents. No. 4 was selection of representatives on small area basis who in turn select the neighborhood group that in turn selects members of a communitywide board.

I will submit this all for the record.

Mr. PUCINSKI. Will you be good enough to submit also for the record at this point the various programs that the gentleman from Minnesota and the gentleman from New York have in their respective districts and to what extent one-third of the local boards are chosen by any one of those five methods.

Finally, Mr. Chairman, I would like to say this. I hope that our colleagues who are sponsoring this opportunity crusade won't want to disturb a program that is working well across the country.

I hope they will be given an opportunity to bring their witnesses before this committee. I would like to hear their witnesses. I would like to have the opportunity to cross-examine these witnesses. Let us find out just exactly how much support they have for that program they are fooling around with in the face of a time tested, well-developed program that we know is now working, and working best of all in Chicago.

Chairman PERKINS. Mr. Bell.

Mr. BELL. Mr. Chairman, I yield my time to Mr. Goodell.

Mr. GOODELL. Let me say to my colleague from Chicago, unlike you I have spent a great deal of time in my district to see to it that there is representation of the poor on the local boards. I believe you will find they are all qualified.

Mr. PUCINSKI. The record will speak for itself.

Mr. GOODELL. One other point the gentleman made about our submitting our reports. We did submit the report in the form of poverty memos and I will be glad to have the gentleman look them over, on Neighborhood Youth Corps, Headstart, community action programs and the involvement or lack of involvement of the poor in Chicago. The statistics were not very impressive in all of those areas. He is welcome to look at them.

As far as Chicago is concerned I would like to ask, Mr. Shriver, if Chicago is one of the eight not qualified at this point.

Mr. SHRIVER. No. sir.

Mr. GOODELL. Then we will go into some questions about Chicago. I yield to the gentleman from Minnesota.

Mr. QUIE. It is interesting to read the testimony at the Senate hearing where Senator Javits asked Mayor Daley if there was any election of the poor, in any area, of any representative on the committee.

Mayor Daley's reaction is:

No, Senator, the most disgraceful thing facing our nation.

He speaks about how undesirable it is to have election by the poor because they would have to identify themselves.

Senator Javits says:

Has there been any election in any community organization in the poor neighborhood of any representative on policy making.

He says:

Yes, there have. Maybe you don't know how we would select them. There is no need to go out and tell the people in the neighborhood. We contact the same people that you would.

Judging from what he explained here I would like to know who these individuals are and the names of those individuals who are representatives of the poor to see if it actually has been done in Chicago or not.

Prior to this requirement it seems to me that one of the most glaring examples of abuse in the country was lack of involvement of the poor in Chicago. I hope now they do permit the poor to have some voice and some involvement in their program.

Mr. SHRIVER. Knowing of your great personal interest in Chicago we have paid a little bit of attention to that situation, ourselves. We would be delighted to go into detail about how the representatives in Chicago are selected.

As the memorandum indicates from which I just read we do not require that there be general elections in order to get representation from the poor. We tried that in a number of places. A couple of places it worked pretty well. A couple of other places it did not work at all. It did not have anything to do with politics.

What we were trying to do was to find different ways which would meet the legislative requirement and still conform to the needs of different cities without trying to impose some Federal dictation over how this was to be done. That is how it has happened.

Different communities do it different ways. We will be glad to go into detail on the Chicago way when we have time to go into depth on it. In fact, if you want to, we will bring people here from Chicago.

Mr. QUIE. Every member of the board however was appointed by the director in Chicago, is that correct?

Mr. SHRIVER. No, sir, that is not correct.

Mr. QUIE. Then I will be interested in seeing a detailed report because I have here the Chicago Committee on Urban Opportunity in which they say each Senate director makes all appointments of persons who serve on the Neighborhood Advisory Council as representatives of the poor from a list of persons recommended as herein set forth.

Mr. SHRIVER. I thought you meant the director of the program as a whole does that. That is correct, what you have just read. It is a pro forma, a ministerial appointment. The man who you describe as a Senate director can only appoint from a list of people who have been

democratically selected so that he could not appoint somebody who has not been democratically selected under the system running in that city.

We have the same system in Chicago for appointing people to the school board. This was considered a great triumph by the school people because at one time the mayor of Chicago, as some other mayors, had the right to appoint anybody he chose to the school board.

But the groups got together and they made arrangements whereby the mayor still appointed them but he had to appoint from a list of people presented to him by leaders of the community, so that for every opening on the school board there were only two nominees. One of them he had to choose.

So if there are three openings there would be six names. He had to choose three of those. Those names were prepared and given to him.

Chairman PERKINS. Mr. Daniels?

Mr. DANIELS. Thank you, Mr. Chairman.

Mr. Chairman, I wish to join many of the members of this committee in complimenting Sargent Shriver for a very fine statement and also for doing an excellent job with a very difficult problem; that is, the problem of the poor.

We know the poor have many problems which are at best most difficult and there is no one answer to these problems. In the short period of time that Sargent Shriver has had the Office of Employment Opportunity handling this innovative program, I feel he has done the same excellent job as Director of same as he has done as Director of the Peace Corps. He deserves our praise and compliments.

There is no question that some mistakes have been made and he has recognized that in his statement. It is our function here as legislators to endeavor to correct those mistakes and improve the program as best we know how.

I must disagree with my colleague on my right, Mr. Pucinski, who praises the Chicago program as being the most outstanding program in the Nation. I think we have a very outstanding program in the city of Jersey City where I come from. I think Director Earl Bird is doing a splendid job there.

The program which has been instituted in Jersey City has received the praise of all of our business and professional men and many, many community organizations.

Mr. PUCINSKI. I am very happy that Mr. Shriver called attention to the fact that in some areas this business of trying to elect the one-third has been a failure and in some it has been a success.

My friend from California, Mr. Bell, recalls the experience they had over there and the people in Philadelphia recall the experiences they have had over there.

I say in my judgment it is demagoguery for anybody to suggest that these people ought to be elected and the mayor of Chicago put the whole thing in its proper light when he said he can't think of anything more embarrassing to an American than to have to come before some voting place and say, "I am poor and therefore I am eligible to vote in this election."

We Americans have a great deal of pride and even the poor have pride.

My colleagues from Minnesota and New York keep hammering away that we don't have elections in Chicago. I hope that we never have this system that they are advocating for the poor people. We have elections for all the people.

Dr. DANIELS. Let us get back to Jersey City.

I might say, though, that the State of New Jersey through the assistance and the good graces of a very wonderful Governor, Mr. Hughes, has established in the State of New Jersey also an office of community affairs which works very closely with your office. It has been most helpful with all our programs in the State of New Jersey dealing with poverty.

Chairman PERKINS. Mr. Reid.

Mr. REID. Thank you, Mr. Chairman.

First, I would like to welcome Mr. Shriver. I am sorry I was not here to hear your earlier remarks.

First, might I ask, what is the status of the variable CAP funds because it was my impression in some areas that they had been cut by about 50 percent.

Mr. SHRIVER. I think all the members of the committee know that the amount of money available was actually reduced in the fiscal year 1967 as compared to 1966. I can't remember offhand the percentage cut but it added up to something like, it seems to me, \$164 million less than the previous year.

This came about, as you know, I think, because of a combination of circumstances. But it is true that since the variable funds were cut some programs were not only cut 50 percent but some were absolutely cut out altogether.

Local programs were just eliminated because there was no more money to finance them.

Mr. REID. I would like to comment on this principle if I may. If we do have this program in being and funds for x number of months, cannot the OEO make an effort to see that that program is completed if it is once started and commitments made?

Otherwise I am afraid hopes will be dashed.

Mr. SHRIVER. I think you are 100 percent correct, in fact hopes have been dashed, not because we want to dash them but because there was not enough money to keep them alive.

Frankly, you cannot continue all the programs which are in being and which, let us say, are getting reasonably good results, you cannot continue them all if in fact the amount of money you have for the continuation is less than the needs of all those programs added up across the country.

That is what happened to us this past year. So some of those programs were cut.

Mr. GOODELL. Will the gentleman yield?

Mr. REID. Yes.

Mr. GOODELL. Is it not true, Mr. Shriver, that Congress increased the overall community action total funds last year and that the reason for these cutbacks was that so much of the money in community action was earmarked that it reduced the unearmarked funds available for existing programs.

Mr. SHRIVER. That was part of it but that was not all of it, Congressman.

Not only was a large proportion of the money earmarked for particular programs but the total amount appropriated was less than what was needed to continue the ones already in operation.

Mr. GOODELL. It was more than you had in the previous years. The earmarking created a situation which just was not taken care of by the appropriation. If there hadn't been any earmarking you would have had more total community action money available, so you would not have had to cut back.

Mr. SHRIVER. It was not the Appropriations Committee that made the earmarking.

Mr. GOODELL. I know it. I want to say that we on this side opposed that earmarking throughout the writeup last year. I believe in other places we were in agreement with OEO.

Mr. SHRIVER. Fine. I did not mean to contest that. What I meant was that it was not only the earmarking that ended up by cutting down the amount of local initiative funds. The total cut was only about 8 percent but the cut came on the local initiative fund, so that the total, although more, was less than was needed to analyze the programs the way that Congressman Reid says.

Mr. REID. Let me ask one double-barreled question in terms of some of the creative and innovative programs such as neighborhood health centers, Upward Bound, legal services, the poor, multiservice neighborhood centers, family planning clinics, etc.

Are we providing anywhere near the amount that should be appropriated for these programs or have you not put in what are merely beginning amounts of money?

Second, could you comment about the number that have been placed in jobs as a result of other aspects of the antipoverty program?

Mr. SHRIVER. The answer to the first question is yes, we are really just moving ahead very slowly on these programs. We are not anywhere, to use your phrase, near meeting the total need, let us say for legal services or health centers or whatever other items you mentioned.

Second, with respect to the specific number of jobs, I don't have that figure on the tip of my tongue but I will be happy to supply it for the record.

Mr. REID. I would appreciate it.

Thank you very much. I yield the balance of my time to Mr. Goodell.

Chairman PERKINS. The time has expired.

Mr. GOODELL. Thank you, Mr. Reid.

Chairman PERKINS. Mr. Hawkins.

Mr. HAWKINS. Mr. Chairman, may I first say that I believe Sargent Shriver has done an excellent job and that his agency is to be commended. I think we must recognize that this program does constitute a social revolution and that a majority of the members of Congress are not willing to support it financially.

I think that therefore the program will always have difficulty. During these hearings there are a few points that I at least intend to offer amendments to.

One is involvement of the poor. I still believe that the poor are not being meaningfully involved in this program. I believe this is largely the fault of administration. It is not the fault of Federal officials in

Washington but of local officials who apparently have the veto power over the program.

Now I can understand why in some areas, I would not refer to Chicago but I would in this respect because I believe Chicago is doing a good job, that some local officials I think have some dedication to the problem but in many areas local officials are afraid of arousing the poor. They have read of the poor being articulate and expressing themselves and for that reason they are keeping the poor from any meaningful participation in the program.

I think in those areas where such local officials are to have the veto power that they should either have it according to the law or else they should participate in the funding of the program.

But to tell the poor people in some areas, including Los Angeles, that they have involvement and yet the local officials are running the program as they see fit and not always efficiently and in behalf of the poor, to me is telling people that we have given them something and we lead them to expect something and then they do not obtain it.

I think this is largely the cause of the unrest and disorders that have occurred in Los Angeles. We should do something about it.

Secondly, I also want to join in a criticism of innovation for innovation's sake.

I think that the new concentrated employment program was badly handled. It was launched under rather strange circumstances. I think it has made for much confusion and it is an accumulation of many programs, many of which have been in operation for more than a year.

We have a right to ask why these benefits were not made available to the areas before now and why it is that suddenly these programs are put together and then launched in a sense as a new program.

It is difficult obviously when you concentrate certain job programs in some areas, to explain to persons who live in those areas where they do not benefit, why we are taking certain programs and benefits and services away from one area and putting them in another area.

It is impossible to tell poor people who live on 67th Street why they don't qualify when persons who are better off who live on 65th Street do qualify. It is difficult to tell certain individuals who are engaged in building manpower development programs why they are not included, why they are overlooked by local administration.

I think we should give a second look to constant development of new programs involving a lot of waste and planning and retooling when we do not concentrate on making the older programs work.

I certainly believe that we should in a sense slow down in the starting of many new programs. The time has come when we should concentrate on the older programs and particularly on getting jobs for the unemployed. That to me is the basic reason behind the War on Poverty.

Mr. PUCINSKI. Will you yield?

Mr. HAWKINS. I yield if I have any time.

Mr. PUCINSKI. The statement about the participation of the poor, one of the most revealing statements made today, certainly is the best measure of the degree to which the poor have been involved in the program. The statement made by Mr. Berry and Mr. Shriver that out of some 1,000 community action programs across the country your study shows that only eight have not reached the minimal criteria.

I have no reason to doubt these figures. I am sure they are correct. I am sure we can all agree that these figures showing that 992 programs are making full use of involving the poor in the programs is a real tribute to the management of this program across the country.

I think Mr. Shriver has every right to be extremely proud of this accomplishment.

Chairman PERKINS. Mr. Erlenborn.

Mr. ERLNBORN. Thank you, Mr. Chairman.

Mr. Shriver, Congressman Pucinski earlier suggested that you identify the programs that OEO is operating in Mr. Quie's and Mr. Goodell's areas so that they can find out if the poor are represented there.

In line with this I also note in your statement that you find that the most significant difference between the Republican opportunity crusade and the current war on poverty is that the one sponsored by the administration proposes to strengthen OEO with its coordinating power improved.

Later on you say that local communities need a single national source of information. Now along this line as far as the information we get from the OEO is concerned I would like to relate to you the experience I have had with your Information Dissemination Office. Earlier this year your office issued a report as to what Federal funds were spent in the State of Illinois, broken down county by county, to combat poverty.

My county of Du Page, which is about the fourth wealthiest county in the U.S., was listed as receiving some \$29 million which gave me cause for concern.

I wondered just how this happened to be. I had my staff contact your office and we got a breakdown of what those funds were. First of all almost all of the \$29 million was social security benefits; it surprised me these were included in the War on Poverty but this was almost the total sum.

There was one item there, \$44,000, for a TB project in Du Page County. We issued a press release, it was printed in the TB sanitarium district. They called the office and said, "Who got the money? We didn't."

We started to run this down. We were advised by your office that you just had the machine readable forms from the other agencies of the Government, you couldn't identify the project.

We were sent to HEW. They said it must be the Communicable Disease Center in Atlanta. We spent about 3 months trying to locate this \$44,000. We finally were told that it was spent in a school district in Cook County.

We thought we had the funds located until we contacted the school district in Cook County and they said they didn't get the funds either.

Now it finally turned out that these were funds that were obligated rather than spent. The press release was a little misleading. But the sum and substance of this whole thing is that the information we received showed \$44,000 spent to combat TB in Du Page County and instead it was a special reading and education expenditure from HEW in Cook County.

If this is the kind of information we are going to get from the OEO, I am not certain it qualifies as an agency for our support.

Along the same line we have the community action program in the city of Joliet in my district. I think it has been very poorly run. We have one community group that has spent innumerable hours establishing their program. Each time it is submitted it is sent back saying that they have failed to fulfill some guidelines that were not published or else they have been furnished the wrong forms.

Finally they were rejected because their program was too sophisticated.

We have had boys apply to the Job Corps who have waited for a year and still they have not been accepted or rejected. We have tried to find out how much has been spent in the last fiscal year on the War on Poverty in the city of Joliet.

We have three different sets of figures. One from your national office, one from the Chicago regional office and one from the community action program in Joliet.

We have not yet been able to get any of these figures of what has been spent in the past to agree. We are getting closer. The other day the community action director in Joliet, when he found out which reports we were reading, said:

You can't follow those figures. That is a report I just threw together the other day for a report to the City Council. They are not accurate.

It was obvious they weren't.

It is obvious that we have a real barrier here. I am not certain that your agency is giving the proper information. I am not certain in the first place that you should be spending your time getting information as to how much social security funds are being spent and issuing releases to indicate they were spent on the War on Poverty.

One of the members of my staff spent some time in your office trying to find the original press release. They have not been able to locate it. That gives me a sour taste for the Office of Economic Opportunity and really does not convince me that you are doing the job of a central information agency.

Mr. SHRIVER. Could I respond to that, Mr. Chairman.

Chairman PERKINS. I think he wanted to make a speech.

Mr. GOODELL. Mr. Chairman, somebody has to balance Mr. Pucinski. Chairman PERKINS. Mr. Gibbons.

Mr. GIBBONS. Mr. Shriver, if you would like to respond on my time, if you please.

Mr. SHRIVER. I would not think of taking your time. I will respond to that later and in detail. Not on your time.

Chairman PERKINS. Go ahead and respond.

Mr. SHRIVER. No, it is not that important. The observations weren't that important.

Mr. GIBBONS. I notice in the budget over here that apparently in the rural programs under title III your request is less this year than the actual for 1966. I notice the estimate for 1967. It is on the first page. Will you explain that?

Mr. SHRIVER. Are you talking about the rural loan program?

Mr. GIBBONS. Migrant workers and rural loan program.

Mr. SHRIVER. The rural loan program does not have to be as big each year as the first year because it is a revolving fund and some money gets paid back into it.

Under the migrant heading, a part of it having to do with migrant education was transferred out by this committee and put into I believe the Office of Education as a special program over there.

In fact, the comparable figures so far as the Government as a whole is concerned would have to include both ourself plus that which is assigned by this committee to the Office of Education to carry out.

I can't remember what the figure was. It seems to me it was \$30 million that you put into the Office of Education for education of migrants.

Mr. GIBBONS. These Menominee Indians down here for eight-tenths of a million dollars, how do they get into our midst?

Mr. SHRIVER. One, because of Congressman Laird; two, in fact the Menominee Indians were on a reservation in Wisconsin. They were being dealt with as reservation Indians until about 4 years ago when they changed into becoming a county of the State of Wisconsin called Menominee County.

Menominee County is one of the poorest counties in America. It is almost wholly composed of the reservation Indians of Menominee. We undertook a program there because we could treat it almost as if it were a reservation. In fact, it had been up until recently.

In addition to that the entire congressional delegation both on the Senate side and House side from Wisconsin were interested in our doing a maximum job in that particular county because of the very low per capita income there.

Mr. GIBBONS. I will yield the rest of my time, Mr. Chairman, until we get on the Job Corps.

Chairman PERKINS. Mr. Dellenback.

Mr. DELLENBACK. Thank you, Mr. Chairman.

Mr. Chairman, I recognize that I come before this hearing today as a freshman. This, of course, has certain weaknesses of lack of background but at the same time it seems to me that it may also have certain advantages and certain strengths.

As we have now been spending the last hour and a half listening here together it seems to me that the purpose of what we are really trying to do here is to review the record, to search out proper attainable goals in relationship to the special problems and special needs of the poor and then decide as a matter of Government policy how best we are going to meet these problems and needs.

I hope that our purpose is not to engage in an intensified partisanship and I hope we are not going to get this on either side of this particular committee.

If these are the right goals, then this requires a thorough and careful analysis of what has been and what amendments are proposed in H.R. 8311 and what amendments are proposed in H.R. 10682.

My first question, Mr. Chairman, is not of the witness but my first question would be of you if I may, sir.

Can you outline for me as one member of this committee just exactly what our program is going to be on these bills the rest of today and the next weeks that lie ahead, if necessary?

Chairman PERKINS. The purpose is to consider the extension of the Economic Opportunities Act enacted in 1964. Certainly we will consider the amendments suggested in H.R. 8311 and all aspects.

The hearings will be in depth to extend the present programs. They are not sacrosanct. There may be amendments to the programs, new programs, but the hearings are on the extension of the 1964 act and on H.R. 8311 and any other bill that may come before the committee.

Mr. DELLENBACK. For the sake of those on the committee, Mr. Chairman, can you outline for us how much time we are going to have? The purpose of my questioning is really this. As I look at this program and I see what is involved in it and I see the vast amount of energy and vast amount of money that has gone into this and recognize what I think is a very important program, I earnestly hope that we are going to take the time that may involve days and weeks, if necessary, to plunge in depth into this.

We have spent about an hour and a half this morning, and I recognize the difficulty of the Chair in this regard because you wanted to get on with the testimony, but we have here a battery of people who know the intricacies and details about this program.

For one I want to know what the record has been.

Chairman PERKINS. I will say to the gentleman that I have shared with the minority, Congressman Goodell and Congressman Quie, I have told those gentlemen that we would have hearings, they would be allowed a reasonable number of witnesses, all aspects of this program will be gone into.

Mr. DELLENBACK. And we will have a chance to hear the detailed testimony all the way down the line?

Chairman PERKINS. You certainly will. There is no undertaking on the part of anybody to cut off testimony without adequate hearings.

Mr. GOODELL. I want to say we appreciate very much the assurance that the gentleman from Kentucky made. We think it is absolutely imperative that we have full and complete hearings.

Chairman PERKINS. I told the gentleman last week that we would get together today and agree on a certain number of witnesses, a reasonable number. I don't want this thing to go along here until fall. But we will go along and the hearings will be in depth.

Mr. DELLENBACK. Again I am not being partisan on this. I just want to know. I think in fairness to Mr. Shriver and his people we want them to be assured that they are going to have a chance to take all the reasonable time that is necessary to tell this committee everything we ought to know about this program.

Chairman PERKINS. I am sure the gentleman and all the committee members want the members that have not sat through these hearings before to know how the Job Corps is working, the Neighborhood Youth Corps and all the other programs. I think the gentleman will be satisfied when the hearings are concluded.

Mr. DELLENBACK. Thank you, Mr. Chairman.

Mr. Shriver, it is good to see you again. May I ask one question. I don't think this is the time to go into specifics yet.

As we talk in terms of how you analyze and characterize the one set of proposals against the other, is it your feeling that OEO should be a permanent agency of the Government?

Mr. SHRIVER. I never like the word "permanent" because frankly I hope that the time will come when there won't have to be a program of this type carried on for poor people because poor people will have

been brought into the mainstream. Therefore, I have never looked upon OEO, or for that matter the Peace Corps when I ran it, as being something that should be permanently the part of the Government like, say, the Justice Department.

But I do believe it is going to take a number of years to accomplish the objectives of OEO. Therefore, I think of it as being something that must continue for a reasonable length of time.

Mr. DELLENBACK. You don't think it is the purpose of OEO to innovate programs and when they have been established and proven themselves, then to transfer them to another department?

Mr. SHRIVER. I did not mean to imply that either. I did not know I was speaking on that particular question. I think the record already shows we have started some programs which we did transfer out of the department. So there is no philosophical objection to that.

On the other hand there is always the question of judgment really rather than science as to whether a program should or should not be delegated.

Chairman PERKINS. Mr. Ford.

Mr. FORD. Thank you, Mr. Chairman.

I would like to join the Chairman and other members on this side in adding my compliments and condolences, Sargent Shriver, for the kind of job that you and your staff have been doing in cooperation with certain people of this country at the State and local level on the war on poverty.

Once again as last year the crusaders have taken to horse to save you and the others in the Office of Economic Opportunity, and like their historic counterparts they are going to save you even if they have to kill you in the process.

I am a little bit reminded of the story of the fellow who was throwing geraniums in the aquarium. When he was asked why he was throwing geraniums in his aquarium, this fellow's answer was, "Well, originally I bought the aquarium for my son's goldfish, but never having had any experience with goldfish but some experience with other kinds of animals my son decided that it would be good for the goldfish to take it out for a walk and give it some fresh air. That is why we are now throwing geraniums in our aquarium."

One of their principal pieces of surgery would be to excise the universally accepted and successful Headstart from Community Action and for reasons that are yet vague to transfer the program to the Office of Education.

Assuming that we transferred the Headstart program, both the year round and summer program, to the Office of Education under circumstances in which that legislation carried the same safeguards that all other legislation could furnish, to wit, that only public agencies could be the recipient of funds, could you tell us how many of the present on-going Headstart programs would not qualify because they are not in fact being funded directly through a public school agency?

Mr. SHRIVER. The answer to that question, Congressman Ford, is this. Fifty-five percent of all the year-round Headstart programs today are not run by any schools, public or parochial schools. Ten percent are run by parochial schools which would bring that figure to 65 percent. The remainder year-round programs are run by public schools.

Mr. FORD. Are the 10 percent in parochial schools being funded directly through an agency connected with that school and by teachers and other people who would normally be a part of that school system?

Mr. SHRIVER. If I understood the question correctly I think the answer is "Yes." Could you repeat it for me.

Mr. FORD. In effect when a parochial school is the operative agency under Community Action, or a parochial school agency which may cover more than one school, is it public school employees or parochial employees who function in the program?

Mr. SHRIVER. For the most part I would certainly think they would be parochial school employees although I imagine in some cases there might be some work back and forth. There would be people from one school system that would be working in the other one at one time or another.

I would say basically, if I understand the great majority, 99 percent of them, would be people who work in that school system permanently just the way as they are in the public schools.

Mr. FORD. With respect to the Headstart program that you carry on in such places, for example, as an Indian tribe served by the Bureau of Indian Affairs school rather than the public school system, what kind of agency normally operates Headstart under those circumstances?

Mr. SHRIVER. On an Indian reservation we have Headstart run by the Indians themselves in community centers which the Indians themselves have created.

We have the phenomenon, if you will, of VISTA volunteers who are working on the Indian reservation who themselves are teachers in the Headstart program. I have seen those Headstart programs being conducted in neighborhood centers or community centers on Indian reservations. I don't know whether they are being run in Bureau of Indian Affairs schools but I could find out.

Mr. FORD. My question is not whether they are Bureau of Indian Affairs schools but whether they are being operated for children who are normally served by Bureau of Indian Affairs schools.

Mr. SHRIVER. Yes. This is Jule Sugarman, Director of Headstart.

STATEMENT OF JULE M. SUGARMAN, DIRECTOR, HEADSTART PROGRAM

Mr. SUGARMAN. The answer is that most Bureau of Indian Affairs schools do not operate at the present school level. These are programs really additional to what they would be provided. They are serving children who may eventually go to Bureau of Indian Affairs schools.

Mr. FORD. Do we have any State in which the public school agency has up until now not submitted an application to operate the Headstart program?

Mr. SUGARMAN. The applications are submitted by local agencies rather than by the State agencies. We have full-year Headstarts and summer Headstarts in every State in the Nation and in all the territories at this point.

Mr. FORD. In the State of Mississippi, how many Headstart programs are we operating?

Mr. SUGARMAN. My recollection is that we have at the present time 22 grantees for full-year programs.

Mr. FORD. How many children are we serving?

Mr. SUGARMAN. 30,000.

Mr. FORD. Of those 30,000, how many are in programs operated exclusively by public school agencies?

Mr. SUGARMAN. In terms of full-year programs, less than 5 percent.

Chairman PERKINS. Mr. Esch.

Mr. ESCH. Thank you very much, Mr. Chairman.

Mr. Shriver, I am also, you might surmise, very pleased to be here with my Republican colleagues this year. I think we have an opportunity to take a more objective look at the war on poverty and its progress. We are all concerned with giving each individual an opportunity to become a contributing member of his own community.

You voiced concern over the Republican proposals and suggested that the real problem was that they would destroy the central command post of the war on poverty and perhaps indirectly eliminate the job of the general and the sergeant.

At the heart of this matter, I think is when you said that the difference is that the poor are recognized under OEO, and you continued this thesis throughout the remainder of your testimony, concluding with it as your major point.

You are then suggesting, are you not, that the poor are not now adequately cared for under the Department of HEW and the Department of Labor?

Mr. SHRIVER. The answer is not what I think. The answer is that Congress passed the law because poor people, about 30 million, 34 million of them at that time, needed special attention in order to get them into the full economic and social life of the Nation.

We do have in the U.S. Government, Congressman, something called the Veterans' Administration. There are veterans hospitals, veterans educational programs, et cetera. This is not to say that veterans are not adequately or that HEW is not doing something properly.

It is just to say that this Nation has decided that veterans need some special attention for special reasons. I think this Congress made a similar decision with respect to the poor, that since they are the least able, least articulate, least powerful, they need special attention.

That is what was done. It was not intended by us or by Congress to be exclusively or primarily a criticism of somebody else.

Mr. ESCH. At the present time you are suggesting we continue programs for an indefinite period of time because the poor need special attention other than what HEW or Labor can give them.

Mr. SHRIVER. Other than which anybody has given them over the last 50 years. Let me say I am not worried about my job. I have offered to resign from this job many times just as I did with the Peace Corps. I can find other work that is pleasant and rewarding.

Mr. ESCH. I am glad you have joined the ranks of Mr. O'Brien in that regard.

Mr. SHRIVER. Let me put it the other way around—he joined my ranks.

Mr. ESCH. You suggest that a large number of groups, 14 in number, support the war on poverty?

Mr. SHRIVER. Fourteen in number?

Mr. ESCH. You suggested that such things as American Medical Association.

Mr. SHRIVER. I just picked them out from a hundred or more.

Mr. ESCH. You are not suggesting these groups categorically and without qualification support all the programs of the war on poverty, are you?

Mr. SHRIVER. No, I am not.

Mr. ESCH. You are suggesting in effect they have supported some programs and they, too, recognize the need for improvement within the programs.

Mr. SHRIVER. No, sir; I am not making that suggestion. I am making the suggestion that the American Bar Association, for example, has not only supported the legal services program but supports the continued existence of OEO as being essential for the legal services program.

I asked them specifically whether they would like to see the legal services program somewhere else in the Government. They have specifically said "No" and they have testified to that effect.

Mr. ESCH. You are suggesting, then, each one of these organizations involved in the program thinks the program should continue?

Mr. SHRIVER. Not only am I suggesting that, that is a fact. I am also adding to that suggestion an additional fact, that most of these organizations except the AMA which has not acted as an organization, not only supported the programs that they are interested in but the entire concept and essential administration of the totality of these programs.

Mr. ESCH. Could we go into one other specific area, Mr. Shriver? It has been suggested that in the Headstart program, which all of us recognize as a worthwhile function, there have been a large number of poor involved as aides.

Do you think that the poor should be hired in this Headstart program as teachers aides because they are poor, or should we work to get in the Headstart program those people who might be selected on the basis of having the interest and the qualification and the aptitude and the training necessary to be most effective for that job?

Mr. SHRIVER. We take as a matter of principle that these people who are employed do have the most aptitude, do have the most qualifications, not only because they are poor but because they live in the community.

One of the traumatic shocks that any child suffers no matter what kind of family he comes from is when he first goes to school. Everybody knows that. If a child is younger than 6 years of age, say 4 or 5, and goes into Headstart, that shock is even greater.

If that child, let us say, is a Spanish-speaking Mexican who goes to an English-speaking classroom for the first time in his life that multiplies the shock. If that child is poor in addition, the shock is even greater.

So, the involvement of the parents of the children of the poor from the neighborhood is not to involve somebody who is not as qualified as a Northwestern College senior or a Harvard Ph. D.

It is to involve somebody who gives a community sense to the program, who makes the child feel at home, who provides psychological support to a child at a very crucial point in that child's intellectual and social development.

Therefore, this is not a frill or something that we do in lieu of doing something better. We do it because it is better than doing what was just suggested.

Chairman PERKINS. Mr. Hathaway.

Mr. HATHAWAY. Thank you, Mr. Chairman.

Mr. Shriver, it is a pleasure to have you testify before us. I have enjoyed your statement and I agree with it a hundred percent.

I want to give you this opportunity, if you will excuse the expression, to elaborate on your answer to Mr. Dellenback's question which is my question also.

I assume that for the long run you have formulated a general philosophy with respect to the spinoff of various functions that are now held by OEO. If you could give us your thoughts on this matter I would certainly appreciate it.

Mr. SHRIVER. I will be happy to.

Let me start off by saying that when a program is in the community action section, you might say, of our total effort we either think it belongs in there because it is a community program or we don't have it in there to begin with.

Consequently, when we open up a neighborhood health center it is not just another clinic like a well baby clinic financed by the Children's Bureau or the USPHS. The same thing is true about the legal program. When we open up a legal program it is not just a legal program whereby some lawyers are paid to go help poor people with their representation needs.

It has to be a community program or it does not belong in community action.

Now we have a series of charts here if you will give me 5 minutes. I don't want to necessarily get into this in depth right now, Mr. Chairman, which attempt to explain why, for example, Headstart is a community action program. It does not make too much difference to me frankly and personally whether community action as a whole necessarily reports to me.

But I think it would be a tragedy if community action were decimated so that there was no longer a series of programs which are truthfully community programs rather than health programs or legal programs or education programs or social welfare programs.

The very first one there on that chart indicates why we think, at any rate, that Headstart is a community action program. In the first place there being something like a half million people to volunteer and work in Headstart. We calculated last year that the value of the services rendered by volunteers, if calculated on a dollar and a quarter an hour, that exceeded the total Federal contribution to the program and the involvement of volunteers is an attempt to make it a community program rather than just a professional program.

Second, Headstart has been effective in developing new careers, which Congressman Scheuer is interested in, as teachers aides from among the people in the community, from among people who never before thought of working in what we call early childhood development.

There are now, for example, a number of universities which have early childhood development courses, which used to have vacancies for applications to go into those courses but which are now swamped with applications to go into early childhood development.

I could give you 10 universities where they don't have the space any longer to take applicants to go to work in this field. Many of these people become interested in the field by being aides in these courses, again affecting the community, not just the child.

The next thing is the parent involvement. I tried to explain to Congressman Esch, who seems to have gone, what we think are some of the significant aspects of parent involvement, especially for poor children.

We estimate there are probably as many as a hundred thousand poor parents, either paid workers or volunteers, in Headstart alone. This not only has the effect which I was trying to describe to Congressman Esch. It also has a terrifically valuable effect on their children in the family and on the home, itself.

We have lots of evidence which indicates that the attitude of the parent about the other children changes, the parents themselves become interested for the first time and willing for the first time to go to adult education classes because they are not so embarrassed any longer about not knowing things.

Second, they want to keep up with their own kids so that they can help their children with homework. So now they go to adult education classes when before they would not go.

Why?

Because for the first time they are actually in a school building. They have been welcomed in a school building from which heretofore they have been excluded.

In addition, in their own home the way they handle the other children in the house has modified substantially because they were involved in this program. That is changing the community item by item, home by home you might say, changing the community for the better, this weakness for the better.

There is a great deal more not only on this one but on other programs which are in community action which leads me to recommend to this committee as I have on previous occasions that they be kept together as community action programs, not fragmented into being health, education, early childhood or whatever else it may be, programs.

Chairman PERKINS. Mr. Gardner.

Mr. GARDNER. I was quite interested in your statement that you would hope that OEO would not be a permanent organization, that we would be able to phase it out over a period of time.

I remember back in 1960 during the presidential campaign at that time we were told there were 15 million Americans in the poverty area. By 1964 it climbed to approximately 30 million Americans during the 1964 presidential campaign.

Do you have any idea as far as time or in sums of money what it will take to eliminate poverty in America?

Mr. SHRIVER. Yes, I do.

Mr. GARDNER. We seem to be going in reverse. I was just wondering.

Mr. SHRIVER. I don't know whom you were listening to in the 1960 campaign. You could not have been listening to President Kennedy who never said there were 15 million poor people in the United States in that campaign.

Mr. GARDNER. Did he quote any figures at that time? It seems to me I remember the statement was made that 15 million Americans went to bed at night without proper food and various other things.

Mr. SHRIVER. Regardless of what you remember or I remember, the actual figures are as follows:

Let me say when we started this program the Council of Economic Advisers estimated there were $34\frac{1}{2}$ million people who were living below what they picked as a statistical differentiation between those who were poor and those not poor.

The statistical differentiation was based simply on the \$3,000 per annum cash flow to a family of four. That standard has since been improved but the number remains approximately the same; namely, the numbers were right at the beginning, they still are right.

In the $2\frac{1}{2}$ years we have been in existence, that figure has gone from 34.5 down closer to 31.7 or 32. So there has been both a numerical reduction and a percentage reduction in the total number of poor people since the start of this program.

We don't claim the credit for having taken all those people out of poverty but I am very glad that they have come out because if in the same period more people have gone into poverty I think I would be in much tougher shape with this committee than I am. Whether we were responsible for them going into poverty or not I would be blamed or we would be blamed.

Third, there has been a steady reduction in the total number of people in poverty and the percentage of people in poverty since 1961 when President Kennedy came into office.

Mr. GARDNER. I yield to my colleague from New York.

Mr. GOODELL. I would like to put this matter in perspective. The report of the Council of Economic Advisers refers to the percentage of poor families in the United States based upon the \$3,000 income figure that you refer to.

In 1950 there were 29.9 percent of our people in poverty. By 1960, it was down to 20.3 percent, roughly from 30 to 20 percent.

Since 1960 it has gone down to 16.5 percent. So actually in the last 6 years our pace of eliminating poverty has slowed in this country over the pace from 1950 to 1960.

Now, that is from the report of the Council of Economic Advisers in terms of the percentage of poor families. You modestly said you don't attribute the drop entirely to poverty programs since the poverty program got underway. I think it is very clear that there are a great many other factors involved in the reduction in the percentage of poor families in this country.

Mr. SHRIVER. Let me add to that that the rate of reduction will probably get slower and slower because the people we are now dealing with are harder and harder to take out of poverty. It is a little bit like sending up a rocket or airplane or going down in the submarine.

It is easy to get the first 500 or a thousand feet under the water. But the problems as you go deeper don't go up arithmetically; they go up geometrically.

The same thing is true in space. We are going to find no matter how good this program is or the total effort of this program or even if the opportunity crusade were enacted we are going to find I guarantee you that the rate will not be as easy in the future as it has in the past.

The work gets tougher every year because we are dealing with more difficult cases.

Mr. GOODELL. You know I agree with that. The dispute is just what is the best way to go about it.

Mr. SHRIVER. I don't think the record made it clear that you did agree with me.

Chairman PERKINS. Mr. Scheuer.

Mr. SCHEUER. I think the question is exactly the last sentence that my colleague from New York was describing the best way the Government should go about it. That is why I have always sat back in rapt amazement when our Republican colleagues tell us that we should let local communities handle the problem of poverty.

It is obvious to me for half a century the local communities, State communities, have been ignoring the problem of poverty.

I would like to welcome you today, Mr. Shriver and congratulate you, too, but for something other than what you have been congratulated on before.

I wouldn't congratulate you on the smoothness with which this program has been administered or the fact that some mistakes have been made. As you have said this is not a smooth, neat program, it is not susceptible of a smooth, neat answer. Mistakes have been made. The problems are ugly problems, complicated problems.

I think our colleagues on the other side of the aisle like to see nice, neat, simple answers to the problems of our society. Unfortunately the problems are not very susceptible to nice, neat, simple answers. We don't know all the answers. We don't know many of the answers to get the people out of poverty.

What I want to congratulate you on, and this is the indispensable and unique role that your agency plays, is the courage and professionalism and resourcefulness and creativity with which you go after the unique, sensitive and sometimes explicit problems of poverty.

This is the overlying reason why these programs cannot simply be atomized and given back to the regular executive branch agency.

I want to congratulate you. I am not going to ask you whether you want to be congratulated because maybe you don't want to be congratulated. The thing I think you deserve the most congratulation on is your willingness to be a change agent, to change the institutions of our society that have failed the poor, to change the education establishment which under the competition they become more and more enthusiastic every month. They are accepting the parent outreach which for decades the education establishment refused to accept.

Your changing the institution of health services, your community health services in the Bronx and in Denver and Boston are starting a ripple of change in the education establishment.

The AMA finally now has gotten into the business of providing health services in the community with the involvement of the poor. The same thing goes for the whole business of job training and employment.

You have been a change agent. That has radically affected the establishment. The State employment agencies, perhaps the most hide bound, rock-ribbed conservative entrenched bureaucracies that the mind of man has ever devised, are beginning to think of how to do the job differently, how they can design jobs that will attract the poor, make it possible for the poor to break out of their structure of unemployment.

The same thing in welfare services. You have proven that we can get people off of welfare into jobs if they are given the motivation. The welfare institution, the welfare establishment now is thinking about changing its way of doing business.

I want to congratulate you for your courage above and beyond the call of duty, with all the mistakes that have been made, with all the things we have bragged about, what you have been willing to do is to experiment, to take chances, to take risks, to push our established institutions to go through the agonizing reappraisal of how they can do their job better.

The very fact that they want to grab these programs now, the very fact that OE wants to grab Headstart is a measure of the spectacular success which your innovative efforts have produced.

Mr. SHRIVER. Thank you very much, Mr. Congressman.

Chairman PERKINS. Mr. Steiger.

Mr. STEIGER. Mr. Shriver, the question that was asked previously as to the removal of persons from the poor category, according to a release printed in the Los Angeles Times on December 31, 1966, "The White House announced Friday, 2-year-old war on poverty takes 3.4 million persons out of poverty."

My concern here is why the announcement that this many people had been taken out of poverty was made not by the Office of Economic Opportunity which according to your testimony works as a unified command post in the war on poverty but rather the Office of Education and the Department of Health, Education, and Welfare.

Mr. SHRIVER. The statistics we have are available to all the departments of Government. You will find out. Congressman, the longer you are down here, you will find out that various people make announcements at various times to suit the needs of the situation.

We don't hoard these statistics. We make them available to everybody. It is not surprising that the Secretary or somebody else made the statement. I didn't happen to see it but that does not mean it is improper for them to make it.

Mr. STEIGER. If your agency is supposed to act as a unified command post it seems to me somewhat unusual that somebody other than that unified agency would make that kind of announcement or that kind of analysis.

Mr. SHRIVER. Not only is it not unusual; it is usual.

Mr. STEIGER. Do you have any information on whether or not the report by Secretary Gardner which indicated that the administration hoped to remove 500,000 more persons from poverty from January 1 to July 1 has been successful?

Mr. SHRIVER. That statement, Bob Levine informs me sotto voce, was based on his analysis of what would happen if the Social Security Administration amendments were enacted by the Congress.

Since they have not been enacted I guess it won't happen by the 1st of July.

Mr. STEIGER. The urban community action programs received the bulk of title IV funds during the full fiscal year 1965 and 1966. In fiscal year 1967 the programs were funded as I understand it on the basis of having programs continue.

As a result of that the rural communities in my State at least have complained that there has been an inequitable distribution of anti-poverty money. I have two questions.

No. 1, what percentage of community action money went to rural programs in fiscal year 1967? No. 2, do you plan to increase the funds for rural community action programs in fiscal year 1968?

Mr. SHRIVER. In fiscal 1967 it was 35 percent. In 1968 we hope to get it up to at least 36 percent.

Mr. STEIGER. Thirty-five percent?

Mr. SHRIVER. I am giving you the OEO totals. Were you asking for something different than that?

Mr. STEIGER. No.

What percentage of CAP money?

Mr. SHRIVER. Excuse me, I am sorry. I was giving you the total. The community action money was 32 percent in fiscal 1967. We hope to have it at 36 percent in fiscal 1968. The overall figure for all OEO programs rural versus urban, 35 percent went to rural of all OEO programs, this past fiscal year. We hope to get that up to another percentage point in 1968.

Mr. STEIGER. You are increasing the percentage allocated for rural community action programs by 1 percent, is that correct?

Mr. SHRIVER. No, sir. I am confusing you. I am sorry. Community action this past year was 32 percent. We hope to get it up, we plan to get it up to 36 percent. So that is 4 percentage points.

Mr. STEIGER. For all community action?

Mr. SHRIVER. Yes, for community action.

Mr. STEIGER. What I am asking is what percentage of the 32 percent in fiscal year 1967 went to rural community action programs?

Mr. SHRIVER. That is what did go. Let us say you take community action which is run by Mr. Berry, one of our programs, 32 percent of all the money for community action went to the rural areas in 1967. We planned to get 36 percent of all that money to rural America in 1968.

Mr. STEIGER. So you are increasing the percentage 4 percent between fiscal year 1967 and fiscal year 1968?

Mr. SHRIVER. That is right.

Mr. QUIE. Will you yield?

Mr. STEIGER. Yes.

Mr. QUIE. I would like to have an identification of what you mean by rural.

Mr. SHRIVER. It is 5,000, towns of 5,000 in counties outside of the standard metropolitan statistical areas. In other words, any town with 5,000 persons or less is counted as a part of rural America in order to determine how many people live in rural America.

Here is another chart which happens to involve at the end these rural areas. That does not answer your question precisely but it is relevant.

Chairman PERKINS. Sargent Shriver, let me thank you for your appearance. I hate to request that you stand by. We hope to be back with you Thursday a.m.

At this time the committee will recess until 10 a.m. tomorrow, for a full committee meeting.

Mr. SHRIVER. I would like to extend an invitation if I may. There is a luncheon going on here at 12:15 involving the members of the new Sports Advisory Council to OEO, right here in the building someplace and anybody in the Congress who would like to come is welcome.

We have some people like Rocky Marciano who would make you feel safe at lunch and other leading sport celebrities. It is in room B-369 at 12:15.

(Whereupon, at 12:05 p.m. the committee recessed to reconvene at 10 a.m., Friday, June 16, 1967.)

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

FRIDAY, JUNE 16, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C.

The committee met at 10:35 a.m., pursuant to call, in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the committee) presiding.

Present: Representatives Perkins, Green, Brademas, Gibbons, Ford, Hathaway, Mink, Meeds, Ayres, Quie, Goodell, Bell, Scherle, Dellenback, and Steiger.

Also present: H. D. Reed, Jr., general counsel; Robert E. McCord, senior specialist; Louise Maxienne Dargans, research assistant; Benjamin F. Reeves, editor of committee publications; Austin Sullivan, investigator; Marian Wyman, special assistant to the chairman Charles W. Radcliffe, minority counsel for education; John R. Buckley, chief minority investigator; Dixie Barger, minority research assistant; and W. Phillips Rockefeller, minority research specialist.

Chairman PERKINS. The committee will come to order. A quorum is present.

Again, Mr. Sargent Shriver, I am delighted to have the opportunity to welcome you back before the committee to continue your presentation which you started the other day on a very important bill. We may have to interrupt you again Monday in the event that you are unable to complete all aspects of your testimony today and tomorrow, because Monday morning we intend to mark up the bill reported from Mrs. Green's subcommittee involving the Teaching Professions Act in title V of the Higher Education Act and including the Teacher Corps. That order of business commands top priority at this time.

I think it was understood that you have the Director of the Job Corps and of the Neighborhood Youth Corps with you.

Will you proceed and handle your testimony in any way you prefer.

STATEMENTS OF SARGENT SHRIVER, DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY; BERTRAND M. HARDING, DEPUTY DIRECTOR; WILLIAM P. KELLY, DIRECTOR, JOB CORPS; DONALD M. BAKER, GENERAL COUNSEL; ROBERT A. LEVINE, ASSISTANT DIRECTOR, RESEARCH, PLANS, PROGRAMS, AND EVALUATION; AND DAVID GOTTLIEB, ASSISTANT TO THE JOB CORPS DIRECTOR

Mr. SHRIVER. Thank you, Mr. Chairman.

I might just observe for your information that we are scheduled to testify on the Senate side about the Office of Economic Opportunity and our programs on Monday at 9:30 I suspect.

Chairman PERKINS. If it is all right with you, should we fail to finish with you today, we will invite you back here tomorrow.

Mr. GIBBONS. I have no objection.

Chairman PERKINS. If there is any objection among the members, let me know. I am going home tomorrow night.

Go ahead, Mr. Shriver.

Mr. SHRIVER. So far as we are concerned, Mr. Chairman, you know that we are ready and willing to testify at the convenience of the committee, tomorrow or any other time. I just mentioned about Monday because we already have a commitment to testify on the Senate side on Monday. That is the only reason I brought it up.

Chairman PERKINS. Go ahead.

Mr. SHRIVER. Thank you very much, Mr. Chairman.

As you will remember, and other members of the committee will recall, it was my suggestion that this year it would be helpful I hoped for the committee to have an extended period of time to go into each of the programs that we have been attempting to operate. One of those which is quite large and has occasioned a lot of discussion is the Job Corps.

I thought it would be helpful if we started, therefore, today with the Director of the Jobs Corps, William Kelly, as our first witness, and after his statement, with the committee's permission, we would like to go into the details about the Job Corps that members of the committee I think would be interested in hearing.

So if it is agreeable to you, Mr. Chairman, I would like to introduce William Kelly, who is the Director of the Job Corps.

In introducing him, I might say that he is, to me at any rate, a very unusual career government civil servant for many reasons. One of the most interesting I believe is the fact that he started off in the Government as a GS-2 and from GS-2 he has gone to the point where he now is a Presidential appointee operating the Job Corps. He has gone from GS-2 to a Presidential appointee without the benefit of any waiver of the Whitten amendment at any step along the way, so that he has gone up every rank that there is in the civil service to his present position.

Mr. Kelly.

Mr. KELLY. Thank you, Mr. Shriver.

Mr. Chairman, members of the committee, the Congress showed great wisdom, vision, and statesmanlike action in the creation of the Job Corps and in its recognition that the Job Corps was not merely a vocational education program.

It was recognized that the extraordinary deprivation of the youth to be involved in this program was such as to necessitate an undertaking in total human renewal.

In this past Sunday's Parade magazine, there is an article by Lloyd Shearer. I quote from the third paragraph:

Recently 161 Negro girls were graduated from vocational high school in Washington, D.C. They had acquired acceptable skills in typing, filing, other clerical work. Of this number, only two were found to be employable by civil service, the telephone company, retail outlets, etc.

Do you know the reason why they were unemployable?

The article goes on to say that the reason these young women could not be placed was that, although they were Americans, they could not speak their own language.

A local service industry, desiring to hire some of these girls, contacted Howard University and asked Dr. Charles Hurst, Jr., if he could provide a course in communication. Dr. Hurst, in turn, called Job Corps and requested our curriculum material on communication.

Communication skill is one aspect of human renewal.

Health is another aspect of human renewal.

The development of dignity is still another objective of human renewal.

The development of proper social behavior is another part of human renewal.

Teaching respect for law and order is still another aspect of human renewal.

Teaching totally illiterate youngsters to read and write is one of the great challenges of human renewal.

Teaching youngsters proper work habits must be a part of human renewal.

Teaching young people a marketable skill is human renewal.

Teaching youngsters such fundamental things as how to dial a telephone, how to read a newspaper, and how to fill out an employment application are all aspects of human renewal.

How not to be deceived by a loan shark is an important link in human renewal.

Providing young women with the wherewithal to be good wives and mothers is part of this human renewal—how to plan a budget, how to cook a meal, how to organize a household, and how to care for children.

These are the ingredients necessary for human renewal. Human renewal is not cheap. Mere vocational education is cheaper. Human renewal is not easy. It has its failures. We have had our share.

But that's what the Job Corps is all about—Human renewal!

I would like to take a few minutes of your time to tell you about the youngsters we have in the Job Corps—what they are doing and what has happened to them as a result of the Job Corps experience.

I have here an actual photograph of a Job Corps enrollee as we received him at Camp Parks, Calif. His likelihood of being hired even if he had a skill, with this physical appearance, is very small. As you can see from this second photograph taken later, even if we did nothing else for him, we did provide him with teeth—so that he could eat and make a decent appearance when he went to apply for a job. This is at least one of the things we did for this youngster.

If you will look to my right, you will see the first chart that we would like to discuss with the committee. This is a chart titled "Profile of a Job Corps Enrollee." Of the 38,000-plus youngsters we have in the Job Corps today, the males have had 8.8 years of school and the females have had 9.8 years of school.

The reading level among males, even though they may have had eight grades is only four grades; among the females, six.

The math level is four and five grades. They have come from rural areas—in the case of the males, 19 percent of them, in the case of the

females, 5 percent. They have come from small towns or medium-sized cities—40 percent and 35 percent, respectively, and from large metropolitan areas, 100,000 or more—41 percent and 60 percent.

Employment with full or part-time job prior to the Job Corps—65 percent of the males and 50 percent of the females, of those reporting. Sixty percent said they made less than \$1.25 an hour. The pre-Job Corps earnings reported to the Social Security Administration averaged only \$639 a year with 2.5 quarters being worked.

Of those eligible for the Armed Forces, 47 percent failed the test. Thirty percent failed for educational reasons, the mental test, and 17 percent failed for physical reasons.

Eighty percent of our enrollees had not seen a doctor or dentist in the past 10 years. Sixty percent come from broken families. For 63 percent, the head of the household is unemployed. Thirty percent of our youngsters cannot read or write. They are illiterate. Thirty percent are illiterate.

Looking at the next chart, titled "Enrollees on Board June 12, 1967" we have a breakdown of the current enrollment. You can see that in men's urban centers we have 15,120, which is 39 percent of the total. In women's urban centers we have 8,113, which is 22 percent of the total, and I am sure you are all aware of the fact that we have an amendment from last year's legislative action which requires us to have 23 percent women on board by the start of the coming fiscal year.

In the conservation centers we have 13,701, which is 36 percent of the total, but 49 percent of all male enrollees. Again it is part of existing legislation that at any given time no less than 40 percent of the male enrollees of the Job Corps must be assigned to conservation centers.

We also have 950 in State-related centers and 503 in demonstration centers.

Now, those figures were as of June 12. I was told this morning that we have 39,100 young people in the Job Corps as of midnight last night.

This chart titled "Job Corps Gets Younger," has considerable significance to the Job Corps. One of the things that it points out is that recent Job Corps enrollees are younger than those of a year ago and that fact has all kinds of ramifications for us in terms of employment, employability, State laws, bonding requirements, and so on.

You can see that about 30 percent of our youngsters right at this moment are 16 years old and 25 percent are 17 years old, so that 55 percent of our population falls into the 16- and 17-year-old category. And you can see that over time the Job Corps has tended to become younger because the percentage has moved up as you move from left to right on the chart.

It might be helpful for the members of the committee to note, in terms of the booklet (Job Corps Reports, June 1967) that we provided to you on Monday, that the chart we are looking at now, titled "Rate of Achievement in Education," is on page 58 of that long, thin booklet, if you would like to use your own volume. This chart indicates the rate of achievement in education that the Job Corps has been able to create.

The public school norm is that for every 10 months in school the average pupil gains one grade level. Prior to the Job Corps, for every 10 months in school the average Corpsman gained six-tenths of a grade in reading and math. In the Job Corps, for every 10 months in Job Corps, the average gain is 1.5 grades in reading and 1.8 grades in math.

The range among centers is from four-tenths of a grade to four grade levels in reading and from two-tenths of a grade to five grade levels in mathematics. In other words, we have some centers where, in a period of 10 months, the enrollee gains four grade levels in reading and five grade levels in math.

We were never able to do this before, but as of the 1st of March we are able now to arrange our centers in terms of the gains that they make in teaching the basic educational components.

That is going to have, and is having, for us great value in terms of making the necessary shifts and changes inside those centers to improve the program.

One of the things that makes this a program in total human renewal is the attention that we pay to social development. You can find this chart, titled "Social Development," on page 59 in your booklet. We rate all of our corps men and women on such points as punctuality, cooperation, need for supervision, speaking habits, neatness, appearance, reaction to criticism and suggestion, politeness, table manners, and reaction to difficult problems.

We have a scale on which we rate them. For example, Does the corpsman get places on time? On the left-hand side of the scale you can see, "Rarely or never. He comes in late and never notifies anyone beforehand. He rarely has a good reason for being late." And then you see on the right-hand side, "Always very punctual. If he must be late, he notifies ahead of time and has a good excuse." That is the scale on punctuality.

Why do we concentrate on this? Because it is extremely important in the world of work, and we have been told by some employers that this is the most important aspect of training, that if you can get a young man or woman who is punctual, who is neat, who knows how to deal with his fellow employees, knows how to take care of his tools, knows good social behavior, then the employer has an employee that he can do nearly anything with by way of training.

Again this chart, titled "Vocational Gains in Job Corps," is on page 60 in your booklet. We have been able since the 1st of March to plot basic milestones in vocational gains in the Job Corps and this chart indicates first of all what are some of the milestones such as in automotive: Basic engines. That part of the curriculum is just an introduction to the engine. "This is the carburetor," and so on, so that a youngster can identify those things. Engine tuneup is the next step. How do you take out the plugs and clean them, take out the points and replace them? How do you use a device in order to check the timing on the automobile; elemental engine tuneup.

Then he can move to transmissions, to front-end alinement, brakes, then engine overhaul, automotive machine shop where you actually tear down and rebuild engines, such as planing heads, reboring the engine block itself.

So that every time a youngster moves through one of these steps there is a record of his having satisfactorily completed that step in terms of the vocational program he is in.

The next chart, titled "Follow-up Statistics," is on page 63 in your booklet. This is a presentation of our followup statistics to May 1, 1967. The Job Corps has put out, put through the system since its inception, 75,410 youngsters. That includes youngsters that may have only stayed 1 day, but in any case we have had 75,410 boys and girls in and out of the Job Corps.

Our data show that 70 percent or 52,985 of these young people entered jobs, school or the military. Of that amount 40,000-plus or 76 percent entered jobs; 5,000-plus or 10 percent entered the military; 7,000 or 14 percent entered school or returned to school. It also shows that our Job Corps enrollees obtained better jobs with higher skills, better wages, \$1.71 per hour on the average versus \$1.19 previously reported as pay.

At the moment we have 22,415 youngsters who are not in jobs, school, or the military. The majority of them are not Job Corps completers. They dropped out. Twenty percent are under 18 years of age, and this is very significant because if you are under 18 years of age in this country, it is extremely difficult to get employment regardless of your training. We will cover that in just a couple of minutes. Nineteen percent of these 22,000 had a police record, and that is a problem wherein a youngster faces employment resistance if he has a police record. Fifty-three percent of them face low employment opportunities at their home location and are not old enough to be mobile or have not gained the degree of sophistication or maturity to be mobile. They went back to the ghetto, and I think everybody is aware of the tremendously high unemployment rates in the ghetto even among older people.

Ninety-one percent lack high school diplomas or equivalent which is again a problem, a barrier to successfully getting a job.

On page 64 of the booklet it is interesting to note from this chart, titled "Verified Placements in Jobs, School, or Military," that the longer you stay in Job Corps, the better your chances are of being placed in jobs, school, or in the military. You will note that of those people who left in less than 3 months from Job Corps, only 52 percent of them are employed. You see a dramatic increase and really kind of a peaking when you look at the bar that says 6 but less than 9 months, and 9 but less than 12 months. The youngsters that stay that length of time in the Job Corps, 80 percent of them and 82 percent of them, respectively, have jobs.

You will see for the youngsters who stay the longest, when you move over to the last bar which is 15 months or longer, that 88 percent of those youngsters have jobs.

On page 65 we have a chart depicting the "Starting Hourly Wages After Training." Hourly rates are plotted against time in Job Corps. The scale on the bottom shows months in Job Corps. It will be noted that the lowest wage scales are among those youngsters who left before they were there 3 months.

You will note again that, in terms of time, the longer you stay, the more you learn, the more you earn.

On page 71, titled "Conservation Work Performed by Corpsmen," is a depiction of the contributions that have been made by our young people working in the Job Corps conservation centers. The actual appraised value by the Departments of Agriculture and the Interior to May 1, 1967, is some \$26 million. You can see that in beautification they have planted trees and landscaped 13,000 acres; they have built 10,000 picnic tables, fireplaces, and cabins. They have improved 15,000 acres of fish and wildlife habitat. But in addition to this many of our Job Corps enrollees have participated in work in their local communities.

For example, in Clinton, Iowa, when the floods hit that city last March, we had 250 girls from the Clinton Job Corps center down on the levee for 4 days filling sandbags. That is not reflected here. Job Corps enrollees have cleaned up after tornadoes in Wisconsin and in Iowa and in other places. Again, the value of that work is not indicated here.

Another contribution that has been made by the Job Corps, which is really a kind of a fallout because there really wasn't ever a dollar appropriated to the Job Corps for this kind of thing and it has been just a kind of echo effect, a bonus, is in our educational materials.

Our materials will be used by Project New Start in Canada, which is the Canadian version of the Job Corps. The Air Training Command is using our basic curriculum for math and reading. Twenty-five school systems selected by the NEA and the National Association of Secondary School Principals are going to be using our basic educational materials and the District of Columbia is going to use them in their summer school program this summer.

On page 80, in addition, educational materials have been requested by and distributed to 58 public school systems, 12 Community Action agencies and so forth. There are many other organizations that have our materials, including the NDEA institute for teachers of disadvantaged youth. This is page 40 of your booklet, titled "Job Corps Direct Operating Cost." I am sure you will all recall that in conference report No. 2298, page 29, dated October 17, 1966, a statutory limitation on enrollee costs was levied upon the Job Corps. The statutory definition and where we have come with it are depicted in this chart. From January to June 1966, our center operating costs and enrollee direct costs on centers in operation more than 9 months, which are those that are defined, were \$8,470 per enrollee man-year.

From July 1966 to May 1967, they come to \$6,950 per enrollee man-year.

Our fiscal year 1968 plan indicates a further reduction based on the same definition to \$6,700 per enrollee man-year.

On page 42 of your booklet you will see the men's urban centers direct operating cost, and you will see that from the inception of the Job Corps to December 1965 the average dollar cost per enrollee man-year was \$10,740. From January to June 1966 it moved to \$9,600; from July 1966 to May 1967, \$7,630 and our fiscal year 1968 plan calls for \$6,700.

The direct operating cost for women's urban centers is depicted in the same way on page 43. From inception to December 1965, \$9,990; January to June 1966, \$6,686; July 1966 to May 1967, \$8,642. Now we

have there a slight increase. The reason why we have had it is that not only have we brought onstream about eight women's centers in the last 4 or 5 months but we have also expanded existing centers in order to meet the requirements of the 23-percent amendment.

Our fiscal year 1968 plan, which we believe we can meet, calls for \$7,200 per enrollee man-year in women's centers.

Conservation centers direct operating cost from inception to December 1965, \$6,150; January to June 1966, \$6,550; July 1966 to May 1967, \$6,112; and the fiscal year 1968 operating plan calls for \$5,900.

Mr. Chairman, that is what we believe to be the highlight of our presentation. We would be delighted to answer any questions that you or other members of the committee would like to ask. Thank you.

Chairman PERKINS. I would think that the members of the committee at this time may want to interrogate you before we go ahead with the Neighborhood Youth Corps. So that, I have a few questions myself. We will operate strictly on the 5-minute rule.

I personally have always had a great admiration for the Job Corps dating back to the predecessor in a sense, dating back to the old Civilian Conservation Corps. I recall back in 1933 when times were really hard that I drove six youngsters from right around my home, drove 125 miles to Middleburg, Ky., so that they could enroll at that time in the Civilian Conservation Corps and they had to go far away from home in California, but the training was so valuable.

Then a little later, the civilian conservation work was brought closer to home. All that good work stands out today as you drive into eastern Kentucky. Then within 30 miles of my home in the Buckhorn section the forest that was planted by those youngsters at that time could be utilized today on land that was completely wasted at that time.

That is not the point here today as I see it. We have a program that has adequate room and we need to make a massive effort to do something about the disadvantaged youngster, and in conducting the hearings back in 1963 on the vocational educational bill and the Job Corps and prior to that time, back in 1961 and 1962, personally I never could see any overlapping between the Job Corps and the vocational education because of the tremendous amount of work to be done if we are going to do something about getting these youngsters off the street that are really disadvantaged and not turn our backs on these youngsters which I don't feel the Congress can afford to do.

It developed during those hearings in my way of thinking that in vocational education there was lack from the standpoint of, we may say, know-how, to reach this really disadvantaged youngster. I think that that stands out today. I think that that is the problem that we have to cope with, that vocational educators have to come up with better programs to reach the real hard core.

I am very much impressed with the statement that you have made about the curriculum that you have developed that has worked so satisfactorily. Do you see where this program could be replaced at this time by residential school centers, or if that was done, would there not be a tremendous gap where the real hard-core youngster with very little education entered a vocational school; would he not be completely overlooked?

Mr. KELLY. I think that is correct, Mr. Chairman. I think it would be a national tragedy to dismantle the Job Corps because it is only within the last 6 months that we have been able to gather the kind of data, been able to measure the kind of effect that the Job Corps has, been able to identify exactly what our population is like, that 30 percent of our kids cannot read or write.

It is also interesting to note that the highest arrest rate in this country is in the 15- and 16-year-olds, and it just strikes me that even though we have had some failures that are not entirely our fault because of the fact that we have been dealing with 16- and 17-year-olds that are harder to place in employment because of State laws, that to just abandon these children, to abandon these youngsters would be, in my judgment, a very, very wrong thing to do.

Chairman PERKINS. I think you will agree with me that we do not have under our vocational education system residential centers established in this country that could begin to meet the special and very critical needs of these youngsters and that one of the greatest problems that vocational educators have been unable to concentrate on is an effective way to give useful training and meaningful learning experiences to the disadvantaged youngster. Am I correct?

Mr. KELLY. That is right, yes, sir.

Chairman PERKINS. Well, to what extent, how long, in your judgment, would it take to develop residential centers in this country as a substitute for the Job Corps? If you feel that that could satisfactorily be done, how many years would that take?

Mr. KELLY. Let me, Mr. Chairman, if I may, introduce one of my colleagues. This is Dr. David Gottlieb, on my left. Dr. Gottlieb is a well-known authority on adolescence and an author of a number of books on the subject and Assistant to the Director of the Job Corps in Plans and Programs. The Job Corps program falls within his purview, and he is an educator by profession.

Would you like to respond to the chairman's question?

Mr. GOTTLIEB. Yes, sir. How long it would take to develop such centers physically, I am not qualified to say. I would say this, however, in answer to the question. One of the major things that we have learned in Job Corps is that if you are dealing with youth who are so deprived and so impoverished, you have to take them out of that environment where they have found themselves up to the time they came in Job Corps, that just giving them education and vocational training alone in that kind of setting is not going to cut them off from the other negative influences of the ghettos and of poverty. It is a total rehabilitation program and one curriculum and one counseling system is not sufficient.

We are talking about health services, mental health services, work attitudes, vocational training and basic education, and to try to replicate this now seems rather strange to me since this more than appears to be a more than efficient system of doing it now in the Job Corps.

Mr. KELLY. May I add to that, Mr. Chairman?

Again the Job Corps is a total program. We have performed nearly 300 emergency appendectomies in the Job Corps. Many of those, if they were in a hollow in Appalachia, would have been administered castor oil, and I think everybody knows the result of that.

We have given over 200,000 inoculations for diphtheria, for smallpox, for tetanus. We showed you the pictures of the youngster's teeth. That is not atypical. That is a typical youngster.

I was talking to the center director at Camp Atterbury, which is out in Indiana, run by Westinghouse for us. He said that for 400 out of the last 600 kids they got into that center, their mouths were in such condition that they couldn't eat ordinary meals without major dental work. It costs over \$300 per enrollee man-year just to take care of these people medically.

So the point I am trying to make is that this is not merely a program aimed at vocational training. It is a program where you are trying to renew a human being, not very old, but who has been so deprived that he is virtually a human wreck when we receive him in many cases.

Chairman PERKINS. Considering the degree of deprivation we have among many of these youngsters in the country between the ages of 16 and 22, does not a massive attack from all sources become necessary if we are to really perform the job that we should perform?

Mr. KELLY. I think you are absolutely correct. As a matter of fact, Mr. Chairman, I suppose if the Job Corps made a serious mistake, the most serious mistake it made was that it had no notion how poor the poor were. Job Corps did not really recognize at the outset and didn't recognize it during the first year of the operation that we were going to get 30 percent of the youngsters in this program who could not read or write. We didn't realize that we were going to get 80 percent of the youngsters in the program who had never seen a doctor or dentist in the last 10 years.

If the program has been expensive, that is one of the reasons. We miscalculated how poor the poor really were.

Chairman PERKINS. To get this job done is going to take the co-operation of everybody that is working in this area to do something about this impoverished child.

Mr. KELLY. Yes, sir.

Chairman PERKINS. Mrs. Green.

Mrs. GREEN. Thank you, Mr. Chairman.

First of all, may I say that I like the language in the new proposal tightening up some of the provisions. In the criteria which are used for the admission of youngsters to the Job Corps program, and you outlined that, I believe, on pages 20 and 21, do you follow the requirements that they must be out of school and out of work?

Mr. KELLY. We have followed the requirement that they must be out of school. Since last February, when we updated and modified our mission requirements, we have not taken anyone who was in school.

In the case of work, if the youngster has a marginal job, a job that is obviously a dead end job, and he recognizes that and is motivated to the degree that he wants to get something better, even though he may be employed, if he volunteers, we will take him.

Mrs. GREEN. Do you have a breakdown among all of your charts and figures on the percentage of high school graduates who have been admitted to the Job Corps? The percentage of employed people who have been admitted? I notice on one of the charts that you give the wages after they have graduated.

I believe somewhere you have a chart showing the wages of the youngsters who were employed at the time they went into the Job Corps. Is that chart available to the committee?

Mr. KELLY. Yes. Let me answer the first question first.

As I recall, Mrs. Green, and we have the figure here somewhere, 10 percent of the youngsters that have come into the Job Corps are high school graduates.

Mrs. GREEN. Ten percent?

Mr. KELLY. Ten percent, but the average Job Corps youngster even though he may have finished high school, the average of all of them are still much lower than 12 grades in terms of their reading attainment and their math attainment.

Mrs. GREEN. As I recall, the original program was designed for youngsters that were out of school and out of work. Are there not sufficient young men and women who are not high school graduates? I am curious as to why the 10 percent of the 39,000 would be high school graduates.

Mr. KELLY. We have admissions criteria, Mrs. Green, that are published in the admissions manual which we just got out last January.

Mrs. GREEN. I think you have that on page 20 of your charts.

Mr. KELLY. On page 9 of the admissions manual are the Job Corps admissions criteria. He must be at least 16 and not yet 22, a resident of the United States, must have dropped out of school and have been out at least 3 months at the time of application.

Mrs. GREEN. This is at the point where I wonder why 10 percent are high school graduates.

Mr. KELLY. Let me let Dr. Gottlieb, my educational expert here direct himself to that question.

Mr. GOTTLIEB. Mrs. Green, the high school graduates that we have taken score significantly lower in reading and math than many of the youngsters we have who have only gone to 8 years of school. We have found for youngsters who come out of poverty that there is very little correlation between how many years they went to school, how well they read, how they solve math problems, and their communications skills.

We have youngsters who come out of some of the richest school systems in this country who have high school diplomas in their hands and cannot fill out our application form. Those are some of the youngsters we take under our criteria because without that kind of ability, regardless of the certificate they have, they will continue in poverty.

Mr. KELLY. I think it is interesting that the Department of Defense told me last week that 20 percent of the young people they reject on the written examination are high school graduates.

Mrs. GREEN. Where is the number who are actually employed when they were recruited or when they joined the Job Corps? I did not find that chart here. Do you have it, and is this available to the committee?

Mr. KELLY. We have it here, Dr. Gottlieb is retrieving it.

Mrs. GREEN. Let me ask you this: Isn't it true that there were some of them that were up in the \$1.75 an hour or \$2 an hour wage bracket at the time they were recruited into the Job Corps?

Mr. KELLY. Mrs. Green, really page 10 of your booklet reflects this data. Sixty-five percent of our male youngsters had full-time or part-

time jobs prior to Job Corps. Sixty percent said they made less than \$1.25.

Mrs. GREEN. Can you tell me how many made \$1.75?

Mr. KELLY. I am sure that there were youngsters that made \$1.75. I do not have that data in front of me, but will get it for the record (The information to be supplied follows:)

JOB CORPS ENROLLEES WITH PREVIOUS EARNINGS OF \$1.75 PER HOUR

Based on Louis Harris and Associates, Inc., survey data, based on over 3100 interviews, approximately three and one-half percent of Job Corps enrollees had previous earnings of \$1.75 or more per hour, including both full and part time employment.

Mrs. GREEN. What I am having trouble with is, with the million dropouts in the country and the criteria established for the Job Corps originally, why are we now taking high school graduates? I expect that a lot of those high school graduates don't have the basic educational skills, but I suspect that some of them do. And why are we also taking employed youngsters who are indeed earning at the time of recruitment into the Job Corps \$1.75 and \$2 and \$2.25 an hour? And would these youngsters who are employed learn more if they continued on the job than by going into the Job Corps?

Mr. KELLY. I think one of the things that has to be recognized about employment is that many of our youngsters may have been earning \$1.75 an hour in seasonal employment of one kind or another, that they did not work a total year at \$1.75 an hour, but might have had a job at \$1.50 an hour for 3 months, lost that and got another and held that for a month and lost that job.

Mrs. GREEN. Do you have those charts? I have the figure and I am not sure that I remember it accurately, but I believe that the study showed that for the youngsters who dropped out of the Job Corps there was a higher rate of unemployment after they had been in the Job Corps than before they went into the Job Corps, and that there was no appreciable increase in the wages.

Mr. KELLY. That is the first Harris poll, and we have some charts on that that I would like to put up on the easel here and talk about a little bit.

Mrs. GREEN. Is that Harris report both the Harris study of the graduates and the Harris study of the dropouts? Could copies of that be made available to the committee so that we could have a better idea of where we are and where we are going?

Mr. KELLY. Yes, ma'm. No question about that.

Mrs. GREEN. Mr. Chairman, could I ask that that be made a part of the files and, if possible, copies be made available to the members?

Mr. KELLY. If you will look to my right, you will see Harris survey No. 1 which was full interviews with 1,161 enrollees who had not completed a program in the Job Corps. These young men and women, most of them dropped out within 30 days of coming into the Job Corps. Prior to the Job Corps, on page 10 of that report, it is indicated that 56 percent were working, of which 66 percent had full-time jobs and 34 percent part time.

On page 14 of that report it will be noted that 12 percent were in school.

Chairman PERKINS. The time of the gentlelady has expired, but I will let continue with that answer.

Mr. KELLY. Thank you, sir. Thirty percent were employed.

On page 14 of that report 66 percent were earning between 75 cents and \$1.25 an hour. We had full interviews with 1,161 enrollees, and I might point out that the Job Corps paid for this because the Job Corps was deeply interested in trying to find out what was happening here.

Of the possible Job Corps people that dropped out, and again most of them dropped out within 30 days, page 87 points out that 4 percent of them were working which is 2 percent less, but that 83 percent had full-time jobs as contrasted with 66 percent having full-time jobs prior to going into Job Corps, 10 percent had returned to school and 5 percent were in the military.

Of the 32 percent unemployed they weren't standing around. Sixty percent of that 32 percent were looking for work. Eighteen percent were trying to get into a school or into the military and 16 percent wanted to rejoin the Job Corps because they figured they had made a mistake in dropping out as quickly as they did.

On page 66 of the Harris Report it indicates that 60 percent of those working were earning wages greater than \$1.25 an hour. They entered the Job Corps, they told the interviewers, because they wanted to learn a trade, get an education, or they were out of school or out of work and the reason why they left as reported in the survey is that they were homesick, which was the chief reason, followed by too much discipline, too many Negroes, and Louis Harris concluded on page 67 of the report that any contact with Job Corps can improve employment potential, and I think that the thing I was trying to point out by showing that color photo was that young man by merely having his teeth fixed put him in a position of being a lot better off with a personnel officer than if he walked in as he entered the Job Corps.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent that copies of these charts be included in the record.

Chairman PERKINS. If there is no objection, so ordered.

(The charts to be supplied follow:)

Study No. 1656

A STUDY OF JOB CORPS
NON-GRADUATE TERMINATIONS

Conducted for the Job Corps

by

Louis Harris and Associates

January, 1967

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INTRODUCTION

2.

In December of 1966 the Job Corps asked Louis Harris and Associates to conduct a study of ex-Corpsmen who had left the centers before finishing their training. These are the "dropouts", the youth who did not make it in the Job Corps. The purpose of the study was fivefold:

1. To determine what the dropouts were doing just before they entered the Job Corps and what they felt the future held for them. Were they now working, in school, or unemployed? What kind of work were they doing and how much were they earning?

2. To determine what they have done since leaving the Job Corps. What was the first thing they did and what are they doing now? Has their employment status improved and have their expectations brightened?

3. To study their Job Corps experience. How did they find out about the Job Corps and what were their main reasons for wanting to join? How accurate or fanciful was the picture of the Job Corps as painted by the screening agency? What did they like and dislike about their experience in the Job Corps and most important of all, why did they leave?

4. To present the demographic characteristics of the dropout group and to discern their personal activities and involvement with the community in which they live.

5. To compare the dropouts to Job Corps graduates who were placed on jobs or in school as of May 31, 1966. The information on the graduates comes from a study conducted by the Opinion Research Corporation.

3.

From a list of 10,858 names supplied by the Job Corps we were to interview 800 individuals. The sample areas selected took our interviewing staff to 137 different geographic locations across the country. We experimented with various techniques of reaching the respondents (for example, sending them wires or letters asking them to get in touch with us to set up an appointment) but finally settled on what proved to be the most effective: sending our interviewers directly to the address supplied to find the respondent and interview the individual on the spot. For if the respondent is not interviewed at the time of the initial contact, the sample may be biased by the fact that only the more curious or more highly motivated individuals may show up for the interview.

In our sample locations we made or attempted to make approximately 3860 contacts. Our staff of interviewers was able to complete 1161 full interviews. This represents 11% of the total list of 10,858 dropouts. The breakdown of the 3800 contacts follows:

RESULT OF ATTEMPTED CONTACTS

	(Base = 3800) %
Completed interviews	31
In military service	5
Currently in Job Corps	6
Not at home	23
Does not live at address	32
No such address	3

4.

The "not at home" category includes those who were most likely living at the given address but were not reached after two attempted contacts. The "currently in Job Corps" group represents those who consider themselves in the Job Corps but have been reported on a center morning report (correctly or not) as dropouts. The "no such address" category includes some incorrect addresses but seems to be made up mostly of buildings torn down within the last year or so. The "does not live at this address" category is a combination of individuals who had moved or were unreachable or those who were simply unknown at that address. It is possible that some individuals in the last two groups are currently in the Job Corps or military service.

In order to insure the accuracy of our sample we made some computer runs on the full list of 10,858 names. The next table shows the breakdown of this list on certain key demographic information compared with our sample of completed interviews:

TOTAL LIST COMPARED WITH COMPLETED INTERVIEWS

	<u>Total List</u> <u>(Base = 10,858)</u> %	<u>Total Sample</u> <u>(Base = 1161)</u> %
<u>Region</u>		
North	18	16
North Central	21	21
South	49	53
West	12	10
<u>Sex</u>		
Men	97	96
Women	3	4
<u>Age</u>		
Under 18	25	28
18 - 19	46	43
20 and older	29	29
<u>Race</u>		
White	35	38
Non-white	18	62
Unclassified*	47	x

On each of these key dimensions our sample breakdown is very close to the breakdown of the entire list. We therefore have confidence in the accuracy of our sample.

There is one dimension which we have not been able to introduce completely into our sample -- that of "relocation".

* Most of the "unclassified" are believed to be non-white.

How many of the "does not live at this address" group have moved we cannot accurately say, and how different this group is from our sample of completed interviews is also unknown. However, we were able to interview almost one-third of our attempted contacts (11% of the total list) including 19% who relocated and our sample has essentially the same demographic characteristics as the total list of dropouts. In order to influence the results of this study, the unreachable group would have to be significantly different from our sample in their attitudes and activities. The accuracy of our sample on the key demographic dimensions strongly suggests to us that this is not the case.

Throughout this report we will be looking at various sub-groups within the total sample (1161 cases). The definition of and number of individuals in these groups follows:

- | | |
|----------------|--|
| Region | <ul style="list-style-type: none"> 1. North (182) - all respondents living in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont. 2. North Central (244) - all respondents living in Illinois, Indiana, Kansas, Michigan, Missouri, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin. 3. South (623) - all respondents living in Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, Washington D.C., West Virginia. 4. West (112) - all respondents living in Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming. |
| Size of Place | <ul style="list-style-type: none"> 5. Large metro (372) - all respondents living in metropolitan areas with central cities of one million or more. 6. Small metro (633) - all respondents living in metropolitan areas with central cities of less than one million. 7. Non-metro (156) - all respondents living in towns and rural areas not considered metropolitan areas. |
| Race | <ul style="list-style-type: none"> 8. Negro (663) 9. White (419) |
| Current Status | <ul style="list-style-type: none"> 10. Working now (635) - dropouts who indicate they are currently working. This group includes 42 who are also in school. 11. In school now (107) - dropouts who indicate they are currently in school. This group includes the 42 who are also working. 12. Unemployed now (376) - dropouts who say they are currently unemployed. |

7.

- | | | |
|--------------------------------|---|--|
| Sex/Urban Conservation | { | 13. Men (1109) - all male dropouts |
| | | 14. Urban (486) - male dropouts from urban centers |
| | | 15. Conservation (622) - male dropouts from conservation centers |
| | | 16. Women (52) - all female dropouts |
| Age | { | 17. Age under 18 (324) - all dropouts under 18 years old |
| | | 18. Age 18-19 (501) - all dropouts 18-19 years old |
| | | 19. Age 20 or older (333) - all dropouts 20 years or older |
| Length of Time In Job Corps | { | 20. In Job Corps under 3 months (494) |
| | | 21. In Job Corps 3-6 months (457) |
| | | 22. In Job Corps more than 6 months (167) |
| Length of Time Since Job Corps | { | 23. Left Job Corps less than 3 months ago (103) |
| | | 24. Left Job Corps 3-6 months ago (629) |
| | | 25. Left Job Corps more than 6 months ago (410) |
26. Interested in rejoining Job Corps (650) - those who say they would like to go back into the Job Corps.
27. Using Job Corps training (96) - those currently working who said they are using Job Corps training on their jobs.
28. Dropout (949) - respondents who decided themselves to leave the Job Corps.
29. Kick-out (193) - respondents who were asked to leave the Job Corps.

*Note: Because there were some individuals who did not answer certain questions or were not sure the groups do not always add exactly to 1161.

The findings are presented in what is essentially a chronological sequence, discussing first what the ex-Corpsmen were doing just before they entered the Job Corps then following them through their contact with the screening agency and their experiences in the centers and then focussing on what they have done since they left the Job Corps. Finally there is a description of demographic characteristics of the dropouts, of some of their personal activities and of their involvement with the community.

8.

PRE-JOB CORPS EXPERIENCE

9.

The impact of the Job Corps on all men and women who pass through the program is multi-faceted. Attitudes towards others, expectations for the future, a sense of personal dignity, of commitment may all be affected through the Job Corps experience. The most tangible and direct impact is, of course, suggested by the program name: improved employment and schooling capability.

Later in this report what these drop-outs are currently doing will be analyzed, but the starting point in all cases is the pre-Job Corps employment and school situation. Each was asked.

"What were you doing at that time just before you went into the Job Corps?"

PRE-JOB CORPS ACTIVITY

(Base: Total Sample)

	<u>In School</u> %	<u>Working</u> %	<u>Unemployed</u> %	<u>Other</u> %
Total	12	56	30	2
North	11	54	33	2
North Central	11	51	34	4
South	13	60	26	1
West	13	45	39	3
Large Metro	15	51	31	3
Small Metro	11	60	28	1
Non-Metro	9	51	37	3
Negro	16	57	26	1
White	7	52	38	3
Men	12	57	30	1
Urban	13	54	31	2
Conservation	12	59	29	2
Women	15	37	38	10
Age:				
Under 18	17	49	32	2
18-19	13	55	30	2
20 or older	7	63	29	1
In Job Corps:				
Under 3 months	12	54	32	2
3-6 months	12	60	28	2
More than 6 months	15	51	32	2
Now:				
Working	12	63	24	1
In School	32	38	29	1
Unemployed	9	50	39	2
Drop-out	12	56	30	2
Kick-out	13	54	31	2

More than half indicated they were working just before they entered the Job Corps while one in eight said they were in school. Regionally, the lowest employment and highest unemployment were found in the West. Women were working significantly less than men. There is little difference in pre-Job Corps status between those who left the centers voluntarily and those who were asked to leave. The most interesting pattern is found in the breakdown by current status. Compared to the total, a higher proportion of those who are now working were working before the Job Corps, a higher proportion of those who are now in school were in school, and a higher proportion of those who were unemployed are again unemployed.

Observation: A greater inertia is perhaps inevitable in the unemployed group but this table does present one particularly depressing fact: 59% of those who are currently unemployed were either working or going to school before entering the Job Corps.

Working While In School

While in school, 46% had some sort of part-time job. They worked a median of 19.7 hours per week earning a median \$1.04 an hour. Almost two thirds of these jobs (62%) were in service occupations:

12

PART TIME WORK OF THOSE IN SCHOOL BEFORE JOB CORPS

(BASE: In school before Job Corps with part-time job = 6% of total sample)

Kind of Work	%	Number of hours/week	%	Hourly rate	%
Service	82	Under 5	6	Less than \$0.75	18
Clerical and sales	5	5 - 10	21	\$0.76 - \$1.00	29
Other	33	11 - 15	8	\$1.01 - \$1.25	34
		16 - 20	15	\$1.26 - \$1.50	11
		Over 20	48	\$1.51 - \$1.75	2
		Not sure	2	More than \$1.75	6
		Median	19.2	Piece work	2
			Hrs/week	Median	\$1.04/hr.

Working Only

Among those who indicated they were working, and not in school over half were in service

occupations:

OCCUPATION GROUP OF THOSE WORKING BEFORE JOB CORPS

(Base: Working Before Entering Job Corps = 56%)

	Total %	Negro %	White %	Men %	Women %
Professional, Technical, and Managerial	4	5	2	3	11
Clerical and Sales	4	4	3	4	5
Service	53	57	49	54	69
Farming, Fishing, Forestry	2	2	2	2	-
Processing	3	3	4	3	-
Machine Trades	6	5	7	5	5
Bench Work	4	4	7	5	-
Structural Work	11	10	10	11	5
Miscellaneous	13	12	15	13	5
Don't know	*	*	*	*	-

Note: Appendix A contains a detailed job classification of pre-Job Corps occupations, in Job-Corps training and current occupation.

*Figures add to more than 100 percent as some respondents gave more than one answer.

The men tended to work longer hours than the women.

NUMBER OF HOURS WORKED PER WEEK

(Base: Working Before Entering Job Corps - 56%)

	<u>Total</u> %	<u>Men</u> %	<u>Women</u> %
Under 17	7	7	16
17 - 24	5	5	5
25 - 32	11	11	16
33 - 40	49	49	37
41 or more	27	27	26
Not sure	1	1	-
Median hours	36.4	36.4	34.8

The pay received by those working shows a sharp variation by region, size of place and age:

14.

HOURLY RATE

(Base: Working before entering Job Corps = 56%)

	Less than \$.76 %	\$.76- \$1.00 %	\$1.01- \$1.25 %	\$1.26- \$1.50 %	\$1.51- \$1.75 %	More than \$1.75 %	Piece Work %	Median %
Total	10	16	40	19	6	8	1	1.15
North	2	-	42	30	12	14	-	1.30
North Central	5	13	40	21	7	12	2	1.13
South	14	21	41	13	4	5	2	1.09
West	4	12	31	31	14	6	2	1.27
Large Metro	3	7	38	26	11	13	2	1.26
Small Metro	11	19	41	16	4	7	2	1.12
Non-Metro	20	23	42	10	4	1	-	1.04
Negro	11	15	39	18	6	9	2	1.15
White	10	17	43	19	6	5	*	1.13
Men	10	16	40	19	6	8	1	1.15
Women	11	23	30	18	6	6	6	1.12
Age:								
Under 18	12	18	47	13	5	5	-	1.11
18-19	10	16	39	19	5	9	2	1.15
20 or older	9	14	37	21	9	8	2	1.18
Drop-out	10	16	40	19	7	7	1	1.15
Kick-out	9	15	36	21	2	12	5	1.18
Using Job Corps Training	13	16	39	16	8	8	-	1.13

The South, which had the highest employment also had the lowest hourly rate. Those working in the North and the West received significantly higher pay than those working in the other regions of the country. Better paying jobs were found in the larger metropolitan areas. In fact, the median pay rate for those working in non-metropolitan areas is no higher than the median pay rate for the part time employment of those who were in school.

The hourly rate tends to increase with age. There is little difference based on race or sex.

Observation: Compared with the previous study of graduates, the dropouts were working more before the Job Corps (56% to 45%), although their median hourly rate was lower (\$1.15/hr. to \$1.18/hr.) going to school more (12% to 10%) and were less unemployed (30% to 40%). These differences, however, are less significant than the changes that take place within each group between their pre-Job Corps status and their after Job Corps status. The dramatic differences that result after each group passes through the Job Corps will be discussed later in the report.

Pre-Job Corps Education

Overall, 7 percent had finished high school before they entered the Job Corps, and the median years of education was 8.8. This compares with a median of 10.3 years for the graduates.

16.

PRE-JOB CORPS EDUCATION

(Base: Total)

	Finished High School %	6th Grade or less %	7th Grade %	8th Grade %	9th Grade %	10th Grade %	11th Grade %	Median years %
Total	7	5	8	18	25	22	15	8.8
North	6	4	6	21	24	25	14	8.8
North Central	5	4	3	21	32	21	14	8.7
South	7	6	12	17	23	20	15	8.6
West	14	2	2	4	21	32	25	9.7
Large Metro	9	1	4	13	24	27	22	9.3
Small Metro	7	6	9	18	26	21	13	8.7
Non-Metro	5	8	11	24	24	18	10	8.3
Negro	10	2	6	11	22	28	21	9.3
White	3	8	12	27	30	13	7	8.1
Working	8	5	8	18	23	22	16	8.8
In School	8	4	7	10	24	29	18	9.2
Unemployed	5	5	8	17	28	23	14	8.7
Men	7	5	8	17	25	23	15	8.8
Urban	9	1	5	18	25	25	17	9.0
Conservation	6	7	10	15	26	23	13	8.7
Women	4	4	2	26	23	18	23	8.8
Age:								
Under 18	4	4	8	19	35	26	8	8.5
18-19	5	4	8	19	23	23	18	8.8
20 or older	17	5	8	12	20	21	17	9.2
In Job Corps:								
Less than 3 months	7	5	8	18	25	20	17	8.8
3-6 months	6	4	9	16	24	27	14	8.9
Over 6 months	9	4	9	15	24	25	14	8.9
Drop-out	8	4	8	18	26	22	14	8.8
Kick-out	5	5	8	13	24	24	21	9.0

Regionally, dropouts in the West have the highest number of years completed with 14 percent having finished high school. The most successful in terms of graduation are those 20 or over with almost 1 in 5 having finished high school.

The most significant difference is found between whites and Negroes with the Negroes having 1.2 more years of schooling. This is partly accounted for by the slightly higher average age level of the Negroes, but there is more to it than that. Those who had not finished were asked why they left school:

WHY LEFT SCHOOL *

(Base: Did not finish High School before Job Corps = 93%)

	<u>Total</u> %	<u>Negro</u> %	<u>White</u> %
Got into trouble at school	26	26	26
Didn't like anything about it	20	14	27
Was failing, subjects too hard	17	12	24
To go to work	12	13	10
Had to help family	10	11	8
Bored, lost interest	10	9	10
Cutting classes, went with wrong group of kids	7	8	6
To go into the Job Corps	5	6	4
Didn't have money for lunch, clothes	4	4	4
Tired of not having pocket money	4	5	2
Trouble with other kids	4	3	6
All other	14	16	9
Don't know	2	3	1

* Adds to more than 100 percent as some respondent gave more than one answer.

18.

Over one in four volunteered "got into trouble" as a reason for leaving. Adding the 7 percent who reported "cutting and hanging around with the wrong kids" and the 4 percent who said they were "having trouble with the other kids" there are almost 40 percent who indicated some type of conflict with school authorities or their peer group. There is no difference in this area between Negroes and whites. However, in the area of general interest in school and expressed ability to handle the work, there is a sharp divergence. Twice as many whites as Negroes say they liked nothing about being in school and twice as many whites said they were failing or found the subjects too hard.

Observation: These results indicate that at least part of the difference between the number of years of school completed by whites and by Negroes is accounted for by stronger interest and motivation among the Negroes. This is also borne out by the fact that more of the Negroes than whites were working or in school before the Job Corps. However, this greater motivation was not translated into higher hourly pay.

Job Expectation

Before entering the Job Corps what kind of employment future did these young men and women see for themselves?

Each was asked:

"Thinking back to before you went into the Job Corps what did you feel your chances were of eventually getting a good paying job? Did you feel you had a good chance or not very good chance of eventually getting a good paying job?"

CHANCE OF GETTING GOOD PAYING JOB

(Base: Total)

	<u>Good</u> %	<u>Not Good</u> %	<u>Not Sure</u> %
Total	19	53	28
North	21	52	27
North Central	22	54	24
South	17	57	26
West	24	40	36
Large Metro	20	54	26
Small Metro	19	51	28
Non-Metro	15	58	27
Negro	20	51	29
White	20	55	25
Men	20	53	27
Urban	20	55	25
Conservation	20	51	29
Women	18	55	27
Age:			
Under 18	18	49	33
18-19	20	52	28
20 or older	20	60	20
In Job Corps:			
Under 3 months	23	46	31
3-6 months	17	58	25
More than 6 months	20	58	22

From group to group there is little variation in the dismal expectations of these young people. Less than one in five could state positively that eventually they would find a good job. The reasons volunteered for this attitude show their awareness of their needs

20.

WHY FEEL THIS WAY ABOUT CHANCES FOR GOOD JOB*

(Base: Total)

	<u>Total</u> %
<u>Good Chance</u>	
Get good jobs on my own	11
Train on the job	3
All other good chance	10
<u>Not Good Chance</u>	
Need high school diploma, more education	41
Need vocational training	16
Looked a long time for job	3
No future where I was working	3
Was too young	3
All other not good chance	6
<u>Don't know</u>	6

*Figures add to more than 100 percent as some respondents gave more than one answer.

The debilitating effect of not enough education or job training is well recognized. Even the positive reasons cited by those who felt they had a good chance have a dubious quality, more an expression of self-respect and dignity than of true confidence in their prospects.

Observation: Troubled by problems in school, despairing of eventual job success and aware of the need for education and training to achieve this success, these men and women turn to the Job Corps. They hope to find an environment and training that might prepare them for the future. But these are the dropouts. At some point the Job Corps failed to reach them. Let us turn now to their experience in the Job Corps to find the reasons for this failure.

21.

JOB CORPS EXPERIENCE

How First Heard About Job Corps

The first awareness of the Job Corps came to our respondents primarily through their friends, state employment agencies, and television:

HOW FIRST HEARD ABOUT JOB CORPS

(Base: Total)

	Total %
From a friend	30
State employment agency or youth opportunity center	15
Television	13
Saw an ad	12
Social worker	6
Parents	5
Radio	3
Army recruiter	3
Other	16

* Adds to more than 100 percent as some respondents gave more than one answer.

Observation: The family appears to be providing only a small initial stimulus. But, as the next table will show, parental encouragement can be important in the decision to join the Job Corps. If parents could be reached it is possible that a boost in the number of applicants might occur.

Why Joined Job Corps

The ex-Corpsmen were next asked what were their most important reasons for joining the Job Corps:

REASONS FOR JOINING

(Base:

	Total %	Region				Size of Place		Non- Metro %	Race		Current Working Now %
		North %	Central %	South %	West %	Large Metro %	Small Metro %		Negro %	White %	
Learn a trade	73	74	70	73	62	73	73	74	73	71	73
Get an education	49	52	46	51	38	47	51	47	48	49	51
Out of school and couldn't get job	24	20	26	24	29	23	23	33	23	27	21
My mother wanted me to	19	12	15	24	16	19	18	24	22	16	18
Out of work	18	12	20	18	23	15	16	29	16	20	14
Employment agency suggested it	15	12	16	15	21	13	15	21	14	18	18
Friend was in and told me it was O.K.	15	10	10	20	8	12	17	14	18	11	16
Nothing better to do	11	7	9	14	11	11	10	15	12	12	11
Wanted to get away from home	10	9	11	11	11	12	9	13	11	11	10
My father wanted me to	8	7	9	9	6	9	8	10	7	11	8
Thought it would help keep me out of army	3	3	2	4	3	3	3	6	5	2	3
Parole office told me to	3	3	2	2	8	4	3	1	3	3	2
Other	9	9	9	8	12	9	9	6	8	8	8

CONFIDENTIAL -23.

THE JOB CORPS

Total)

Status		Sex/Urban Conservation				Age			In Job Corps		
In School Now %	Unem- ployed %	Men %	Urban %	Conser- vation %	Women %	Under 18 %	18-19 %	20 or Older %	Under 3 Months %	3-6 Months %	More Than 6 Months %
70	73	73	72	75	58	71	72	76	73	73	70
47	47	49	48	49	58	44	51	52	46	51	51
21	31	24	29	20	38	28	26	17	21	24	32
17	20	19	16	22	19	21	19	17	19	19	20
10	24	18	18	18	12	17	18	18	16	17	25
13	13	16	15	16	10	15	14	19	15	16	18
14	14	16	14	17	8	17	15	12	18	15	7
13	13	12	12	11	8	14	12	8	13	9	11
12	12	11	11	10	6	12	10	11	10	13	7
11	8	8	7	9	12	9	9	7	10	7	8
3	4	4	3	4	-	1	5	4	4	2	5
4	4	3	3	3	-	5	3	1	3	4	2
8	8	8	8	9	15	7	7	11	10	8	8

While there are some regional and sex differences the basic goals of "learning a trade" and "getting an education" are overwhelmingly considered the most important reasons among all groups for joining. The negative statements of the same theme are also important "out of school and couldn't get a job" and "out of work". Parental encouragement is considerable 29 percent of those living with their mother (79% of the total) and 14 percent of those living with their father (53% of the total) mentioned this encouragement as a reason for joining.

Screening Agency Contact

These young men and women join the Job Corps expecting training and education opportunities. To find out how accurate their preconceptions turned out to be, they were asked whether the screening agency had given them a true picture of what the Job Corps would be like:

25.

DID SCREENING AGENCY PRESENT A TRUE PICTURE
(Base: Total)

	Gave True Picture %	Didn't Give True Picture %	Not Sure %
Total	44	51	5
North	46	49	5
North Central	44	49	7
South	45	51	4
West	35	58	7
Negro	45	51	4
White	42	52	6
Men	44	51	5
Women	56	38	6
Urban	45	51	4
Conservation	42	53	5
In Job Corps:			
Less than 3 months	42	54	4
3-6 months	45	50	5
More than 6 months	49	44	7
Left Job Corps:			
Less than 3 months	49	48	3
3-6 months	43	53	4
More than 6 months	44	49	7

Less than half of all the drop outs felt that the screening agency gave them a true picture of what the Job Corps was like. To a significant degree, women feel they received a more accurate picture than do the men. This is a reversal of the pattern for the graduates where 61 percent of the men and 46 percent of the women felt they had received a true picture. Those who left the Job Corps in the last three months have a more positive recollection of what they were told by the screening agency than those who left earlier.

Those who felt they had not been given a true picture were then asked what they felt had been misleading:

WHAT SCREENING AGENCY SAID THAT WAS MISLEADING*

(Base: Screening agency did not give true picture= 51%)

	Total Not True Picture %
Didn't get training promised	42
Didn't get money promised	20
Everything exaggerated, only told good parts	17
Living accommodations not as good as told	13
Couldn't leave camp at nights, like a prison	12
Didn't tell about fights	9
Didn't help with education	8
Promised Urban got Conservation center	8
No pool or gym as promised	7
Didn't get clothing allowance promised	5
Too much manual labor	4
Couldn't go home when wanted to	3
All other	13

*Figures add to more than 100 percent as some respondents gave more than one answer.

Observation: Particularly disturbing to these dropouts is not only their feeling that they did not receive the training they expected but that so many put it in terms of a broken promise. Whether this is the result of what the screeners said or of the magnified expectations of the young people is difficult to determine, but there is certainly evidence of a believed communication breakdown.

There are two items on the list which divide Negroes and whites.

	Total %	Negro %	White %
Living accommodations not as good as told	13	9	20
Didn't tell about fights	9	5	16

27.

Whites seem much more concerned about what they feel are bad living conditions and too many fights.

Observation: This is the first indication in this report of one of the most serious problems involving the dropouts: in-camp racial hostility. This area will be examined closely.

There are also some differences in preconceptions between those who went to urban centers and those who went to Conservation centers:

	<u>Total</u> %	<u>Urban</u> %	<u>Conservation</u> %
Didn't get training promised	42	34	49
Living accommodations	13	18	9

Urban centers are believed to provide better job training than Conservation centers.

But the latter with fewer Corpsmen per center, receive less complaints about their living conditions.

Location of Center

Most of the ex-Corpsmen felt they went to a center quite far away from their home.

28.

WAS JOB CORPS CENTER CLOSE TO HOME

(Base: Total)

	Quite Close %	Quite Far Away %	Not Sure %
Total	17	82	1
North	17	82	1
North Central	20	78	2
South	16	83	1
West	14	85	1
Large Metro	20	80	-
Small Metro	16	82	2
Non-Metro	12	88	-
Negro	16	83	1
White	18	80	2
Urban	20	79	1
Conservation	14	85	1
In Job Corps:			
Under 3 months	16	82	2
3-6 months	15	84	1
More than 6 months	24	75	1

Those living in non-metropolitan areas and in the West and those who went to Conservation centers felt most strongly that they were sent to centers quite far from home.

The results suggest a relation between the proximity of the center to home and the length of time the youth stayed in the Job Corps. One in four of those in the Job Corps for more than six months felt they went to a center close to home while fewer than 1 in 6 of those in less than 6 months felt the same way.

The desire for centers closer to home seemed clear when each person was asked whether they would have preferred going to a center closer to home or further away:

29.

PREFER CENTER CLOSER TO HOME OR FURTHER AWAY

(Base: Total)

	Closer %	Further Away %	Makes No Difference %	Not Sure %
Total	41	29	29	1
North	41	32	25	2
North Central	36	24	40	*
South	42	31	26	1
West	50	18	31	1
Large Metro	42	29	28	1
Small Metro	38	29	31	2
Non-Metro	47	26	26	1
Negro	41	31	27	1
White	40	25	34	1
Men	40	29	30	1
Women	52	21	25	2
Urban	36	32	31	1
Conservation	44	26	29	1
Age				
Under 18	44	24	31	1
18-19	39	31	29	1
20 or older	39	30	29	2
In Job Corps				
Under 3 months	43	27	29	1
3-6 months	40	27	32	1
More than 6 months	31	41	26	2
Center was:				
Close to home	28	43	26	3
Far away	44	25	30	1

Four in ten would prefer going to a center closer to home and those groups (West, non-Metro, Conservation, less than 6 months in Job Corps) who felt most strongly that the center was far away are most in favor of closer centers. While men and women felt to the same degree that the centers they went to were far away, the women significantly more than the men would prefer a closer center. The graduates were less concerned about where the center was. Only 29 percent would have preferred a center closer to home.

30.

Observation: One should not conclude from this that the desire for centers closer to home would necessarily bring greater satisfaction to these dropouts had they been in centers closer to home. While 44 percent of those who felt the centers were too far away would prefer a closer center, an equal number (43%) of those who felt the centers were too close would prefer one further away. The balance favoring closer centers results from the fact that four times as many dropouts feel they went to a center far away as feel they went to one close to home. If the proportions between the two groups were equal (instead of 4 to 1) the overall results would be 36 percent in favor of closer centers and 35 percent in favor of centers further away, hardly a definitive margin.

For a majority of the youth, the trip to the center was the first time they had been that far away from home for more than a few days:

31.

WAS TRIP TO CENTER FIRST TIME AWAY FROM HOME

(Base: Total)

	<u>First Time</u> %	<u>No: First Time</u> %
<u>Total</u>	59	41
North	52	48
North Central	61	39
South	61	39
West	56	44
Large Metro	59	41
Small Metro	58	42
Non-Metro	63	37
Negro	62	38
White	55	45
Men	59	41
Women	65	35
Urban	54	46
Conservation	62	38
<u>Age:</u>		
Under 18	67	33
18-19	58	42
20 or older	52	48
<u>In Job Corps:</u>		
Under 3 months	58	42
3-6 months	58	42
More than 6 months	67	33

In terms of distance from home the Job Corps was a new experience more for women than men, more for Negroes than whites, and more for the younger than the older dropouts. Among the graduates 53% said the Job Corps was the first time away from home.

Observation: If the new experience of being such a distance from home was a significant factor in the drop out problem one would expect to find more than a six point difference between the Corpsmen who graduated and those who dropped out. Also one would expect to find more of those in for the shortest time away from home for the first time. But just the reverse is true. It must be concluded that being away from home for the first time is not an important factor in the drop out problem.

Length of Time In Job Corps

The drop outs stayed in the Job Corps less than half as long as the graduates:

LENGTH OF TIME IN JOB CORPS

(Base: Total)

	Total %	Men %	Women %	Negro %	White %	Urban %	Conservation %	Graduates	
								Men %	Women %
0 - 2 mos.	44	45	27	43	47	40	48	14	0
3 - 6	41	40	48	41	40	38	43	34	33
More than 6 mos.	15	15	25	16	13	22	9	52	67
Median mos.	2.4	2.4	3.5	2.8	2.3	2.8	2.1	7.2	8.3

Negroes stayed somewhat longer than whites, women longer than men, and those in urban camps longer than those in Conservation camps.

33.

Sent Money Home

Over half of the dropouts sent money home

SEND ANY MONEY HOME

(Base: Total)

	Total %	Age			In Job Corps		
		Under 18 %	18 - 19 %	20 or older %	Less Than 3 months %	3 - 6 months %	More Than 6 months %
Sent money to mother	47	42	48	49	33	61	58
Sent money to father	4	6	5	3	4	6	4
Sent money to wife	1	1	1	2	1	1	1
Sent money to someone else	5	4	5	5	4	5	5
Did not send money home	45	50	45	41	61	29	35

* Adds to more than 100% as some respondents gave more than one answer.

The older the dropouts the greater the chance that they were sending money home, particularly to their mothers. Those who stayed in the Job Corps 3 months or more were much more likely to provide some money for the family than those who were in for less than three months.

Job Training In Center

The following table presents the job classifications this group was being trained for while in the Job Corps:

TRAINED FOR OCCUPATION IN JOB CORPS*

(Base: Total)

	<u>Total</u> %	<u>Men</u> %	<u>Urban</u> %	<u>Conservation</u> %	<u>Women</u> %
Professional, Technical and Managerial	3	1	3	1	24
Clerical and Sales	7	6	12	3	27
Service	9	9	10	8	25
Farming, Fishing, Forestry	13	13	12	21	2
Processing	+	+	-	*	-
Machine Trades	31	32	36	28	8
Bench Work	5	5	8	3	-
Structural Work	22	23	21	24	6
Miscellaneous	2	2	3	2	2
Don't know	16	16	11	21	10

*Figures add to more than 100 percent as some respondents gave more than one answer.

Women, significantly more than men, were being trained for technical, clerical and service jobs. One third of the men were being trained for machine trade occupations. Rural oriented jobs (farming, fishing, forestry) were being taught to almost one quarter of the men at the Conservation center. Sixteen per cent did not know what they were being trained for or had not received any training at the time they left, (twice as many in Conservation centers as in urban centers).

Each was asked whether or not the job training was helpful and then why:

35

WAS JOB TRAINING HELPFUL/NOT HELPFUL

(Base: Total)

	<u>Total</u> %	<u>Men</u> %	<u>Women</u> %	<u>Urban</u> %	<u>Conservation</u> %
Helpful	57	56	77	63	50
Not helpful	33	34	19	24	42
Not sure	10	10	4	13	8

WHY FEEL TRAINING HELPFUL/NOT HELPFUL

(Base: Total)

	<u>Total</u> %	<u>Urban</u> %	<u>Conservation</u> %
<u>Helpful</u>			
Learned a lot, learned a trade	40	48	33
Was getting education was interesting	6	6	6
Instructors were helpful and interested in me	5	6	3
Liked what I was doing	4	3	3
All other helpful	2	1	6
<u>Not helpful</u>			
Didn't get any training for particular job	16	10	21
Didn't stay long enough	13	17	10
Didn't like it	12	8	15
Can't get job with training received	7	5	8
Already knew what they taught	4	4	3
Instructors not helpful	4	5	2
Didn't have what I wanted	3	4	3

*Figures add to more than 100 percent as some respondents gave more than one answer.

Women more than men and urban center Corpsmen more than Conservation center Corpsmen felt the job training was helpful. Among the negative reasons volunteered more in Conservation centers than urban centers indicated they did not receive specific job training. (Many felt they were spending too much time fixing up the camp, working on roads, etc.) There is a feeling in urban centers that if they stayed longer they would have gained more from their training. This feeling is not shared to the same degree in Conservation centers.

Life In the Center

The dropouts were then asked to rate some key dimensions of life in the center. First, orientation "the way they got you started at the center":

ORIENTATION

(Base: Total)

	<u>Total</u> %	<u>Men</u> %	<u>Women</u> %	<u>Urban</u> %	<u>Conservation</u> %
Good	71	73	61	74	72
Not so good	26	25	31	24	26
Not sure	3	2	8	2	2

There is little difference between urban and Conservation centers, both receiving strong approval on the orientation they provide. Women, while rating orientation positively, are less happy with this part of their stay than men.

37.

Next asked about were "living conditions in the center" and "the food":

LIVING CONDITIONS AND FOOD

(Base: Total)

		Total %	Men %	Women %	Urban %	Conservation %	Negro %	White %
Living conditions	good	78	79	71	73	84	82	71
	not good	20	20	25	26	14	16	28
	not sure	2	1	4	1	2	2	1
The food	good	77	77	62	76	80	79	73
	not so good	21	21	36	23	18	20	25
	not sure	2	2	2	1	2	1	2

On the whole men like the living conditions and food more than women but Conservation centers are believed to be doing a better job in this area than the urban centers. Negroes seem more satisfied than the whites.

"The instructors" and "the things they taught" also receive high praise:

INSTRUCTORS AND THINGS THEY TAUGHT

(Base: Total)

		In Job Corps				Men %	Women %	Urban %	Conservation %
		Total %	Under 3 months %	3-6 months %	More than 6 months %				
Instructors	good	77	75	77	86	77	74	79	75
	not so good	18	19	18	12	18	20	16	19
	not sure	5	6	5	2	5	6	5	6
Things they taught	good	75	69	77	85	74	78	79	70
	not so good	20	23	21	13	21	16	15	25
	not sure	5	8	2	2	5	6	6	5

As might be expected, the longer a young person stayed in the Job Corps the more likely he was to like the instructors and what they were teaching. Urban centers lead Conservation centers in this area.

"Opportunities to relax" are also thought to be good:

OPPORTUNITIES TO RELAX

(Base: Total)

	Total %	Men %	Women %	Urban %	Conservation %	Under 18 %	18 - 19 %	20 or Older %
Good	72	70	84	73	68	67	72	74
Not so good	26	27	16	25	29	31	26	22
Not sure	2	3	-	2	3	2	2	4

39.

The women seem to think much more of the opportunities to relax than men. The younger Corpsmen felt slightly more constrained than did their older colleagues.

The rating for "meeting people from the community the center was in or near" was not as positive as for the previous items: 55 percent felt they had a good chance, 43 percent said they had not such a good chance and 4 percent were not sure. It should be remembered, however, that most of the dropouts were not in the centers for a very long time.

Half (52%) felt "the pay" they received in the center was good, 44 percent felt it was not so good and 4 percent were not sure.

The lowest positive rating was reserved for "the kind of kids" at the center:

KIND OF KIDS AT THE CENTER

(Base: Total)

	<u>Good</u> %	<u>Not So Good</u> %	<u>Not Sure</u> %
Total	51	41	8
North	62	32	6
North Central	49	44	7
South	49	42	9
West	54	38	8
Large Metro	64	30	6
Small Metro	46	45	9
Non-Metro	45	48	7
Negro	61	32	7
White	37	54	9
Men	51	41	8
Women	49	41	10
Urban	49	43	8
Conservation	54	39	7
In Job Corps:			
Under 3 months	46	47	7
3-6 months	54	38	8
More than 6 months	64	27	9

Observation: In this vitally important area of how they related to fellow Corpsmen, only 51 percent could say that the kind of kids they met in the center was good. The 18 percentage point difference between those in the Job Corps for less than three months and those in for more than six months indicate that this dislike is an important factor in early drop outs. Even more significant is the 24 point difference between whites and Negroes. Some of this feeling among the whites must be attributed to racial hostility.

Dropout or Kick-out

Just under one in five of the dropouts said they had been asked to leave the center:

ASKED TO LEAVE OR DECIDE FOR SELF

(Base: Total)

	Decided For Self %	Asked To Leave %
Total	83	17
North	83	17
North Central	85	15
South	82	18
West	84	16
Large Metro	80	20
Small Metro	84	16
Non-Metro	86	14
Negro	78	22
White	89	11
Now:		
Working	83	17
In School	79	21
Unemployed	82	18
Men	83	17
Urban	87	13
Conservation	80	20
Women	90	10
Age:		
Under 18	83	17
18-19	83	17
20 or older	83	17
In Job Corps:		
Less than 3 months	88	12
3-6 months	78	22
6 months	82	18

More men than women were asked to leave, more in Conservation centers than urban centers, more Negroes than whites. The weeding out process apparently takes some time, for more are asked to leave after the first two months than during the initial period.

Likes/Dislikes About Job Corps

To determine why the dropouts left the Job Corps each was asked to state in his own words what he liked about the Job Corps and what he did not like about it. He was then shown a list of possible reasons for leaving and asked to choose those that were important to him:

43.

LIKES/DISLIKES ABOUT JOB CORPS

	<u>Total</u> %
<u>Likes</u>	
Like living conditions, food	24
Liked training for a job	23
Liked sports, athletics	23
Liked learning, education	20
Liked meeting kids from other places	19
Got along with people, had friends	14
Liked trips we took, traveling to center	14
Liked counsellors, instructors	12
Liked dances, movies, recreation	10
Liked whole thing, enjoyed it	9
Liked being away from home, being independent	9
Liked going into town, weekend passes	6
Liked working conditions	6
Liked location of center, climate	5
Other likes	7
<u>Dislikes</u>	
Too many fights, stealing, trouble	35
Too strict, too much discipline	22
Bad living conditions, food	20
Didn't get training I wanted	16
Didn't like work I was doing	8
Too many Negroes	8 (19% of whites)
Too far from home, homesick	7
Too little pay	6
Didn't like anything	5
Unfair treatment, favoritism	5
Not enough personal attention	5
Didn't tell us whole story before	5
Boys don't want to learn	4
Trouble with people from town	4
Too much racial strife	3
Other dislikes	12

In total the likes outnumber the dislikes. Living conditions, job training, athletic activities, and education led the positive mentions. Next came meeting kids from other places, friends that were made, and the trips that were taken (including the one from home to the center).

While the top four positive items have essentially the same percentage (a range of 24% to 20%) there is one negative that stands far apart from the others: too many fights, too much stealing and trouble. The second largest complaint presents the reverse picture: 22 percent felt the authorities are too strict and that there is too much discipline. Next is the complaint about living conditions and food. Fourth on the list of negatives, 16 percent said they were not getting the training they wanted. One other negative stands out: one in five whites volunteered that they felt there were too many Negroes in the center.

Observation: Part of the problem the Job Corps faces is apparent in the opposing complaints of too much trouble and of too much discipline. Striking the proper balance to provide a more peaceful environment without lax discipline is extremely difficult. This difficulty is compounded by the racial hostility that exists.

Reasons for Leaving

Let us turn now to the list of reasons for leaving which were shown to each respondent:

MOST IMPORTANT REASONS

(Base:

	Total %	Region				Size of Place			Race		Current Status In	
		North %	Central %	South %	West %	Large Metro %	Small Metro %	Non- Metro %	Negro %	White %	Working Now %	School Now %
A lot of fights	33	25	37	35	33	23	38	39	25	47	32	35
Couldn't get job training I wanted	29	30	31	29	28	30	26	43	29	29	31	30
Was generally dissatisfied	26	23	28	26	26	25	26	25	24	31	24	27
Got homesick	21	19	16	24	18	22	19	26	22	19	20	14
Too many Negroes	14	12	22	11	16	8	16	19	1	33	14	16
Needed at home	12	10	9	13	16	10	12	13	12	10	15	9
Too much pressure	9	12	8	9	8	9	10	8	10	8	9	12
Left to get better job training	9	7	6	10	15	8	8	16	10	9	10	13
Was ready to try it on my own	8	10	6	8	7	10	6	9	9	7	9	7
Left to get more schooling	6	3	4	6	12	5	5	7	7	5	5	18
Got into trouble, asked to leave	5	5	3	7	3	6	6	4	7	3	5	5
Had finished course	5	6	8	4	4	7	5	4	7	4	5	4
Offered a job	3	2	3	3	4	3	3	2	2	4	4	5
To get married	3	2	3	3	2	2	4	2	3	3	2	1
Accused unjustly asked to leave	2	-	2	2	2	2	1	1	3	1	1	5
Other	14	16	15	12	13	17	12	11	15	13	14	11

FOR LEAVING THE JOB CORPS

Total)																
Un- em- ploy- ed %	Sex/Urban Conservation					Age			In Job Corps			Left Job Corps				
	Men	Urban	Con- ser- vation	Wo- men	Under 18	18-19	20 or Older	Under 3 Months	3-6 Months	More Than 6 Months	Under 3 Months	3-6 Months	More Than 6 Months	Drop Out	Kick Out	
38	34	35	33	27	33	38	27	39	33	22	25	34	35	36	25	
30	30	26	34	13	29	29	30	36	26	17	25	31	29	33	11	
27	26	29	24	19	29	26	22	32	21	18	23	25	29	28	16	
24	21	22	20	25	23	21	18	25	18	15	19	20	22	24	6	
14	14	16	13	6	18	15	8	16	12	9	4	15	14	15	8	
8	11	10	13	19	10	12	14	12	14	7	8	12	12	13	6	
11	10	9	10	-	8	9	11	8	11	7	4	8	12	7	18	
8	9	8	11	2	9	8	11	11	9	4	13	10	7	10	3	
7	8	9	7	4	6	9	8	4	9	18	12	7	7	9	3	
4	5	6	5	6	8	5	4	6	5	5	7	6	4	6	2	
5	6	4	6	2	6	5	6	4	7	6	6	6	4	1	30	
5	5	7	4	10	4	5	6	*	6	21	13	5	4	6	2	
1	3	2	4	-	1	2	5	2	4	4	3	3	3	4	-	
4	3	2	3	10	2	3	4	2	4	3	2	2	4	3	1	
2	2	1	2	2	2	2	2	1	3	2	2	2	2	*	9	
12	13	12	16	23	11	14	14	13	13	18	15	14	14	12	21	

46.

The item cited most often as a reason for leaving is the number of fights and the desire to avoid trouble. A close second is the inability to get the kind of job training wanted. A comparison of these two reasons on a group by group basis points up some important differences.

RELATIVE IMPORTANCE OF FIGHTS AND INADEQUATE JOB TRAINING

(Base: Total)

	<u>Fights - Job Training</u> %
Total	+4
North	-5
North Central	+6
South	+6
West	+5
Large Metro	-7
Small Metro	+12
Non-Metro	-4
Negro	-4
White	+18
Now working	+1
In school	+5
Unemployed	+8
Men	+4
Urban	+9
Conservation	-1
Women	+14
Age	
Under 18	+4
18 - 19	+9
20 or older	-3
In Job Corps	
Under 3 months	+3
3 - 6 months	+7
More than 6 months	+5
Left Job Corps	
Less than 3 months	-
3 - 6 months	+3
More than 6 months	+6
Drop out	+3
Kick out	+14

Note: A plus sign indicates "fights" are relatively more important, a minus sign that "inadequate job training" is relatively more important.

With no group is poor job training significantly more important than too many fights and the necessity of avoiding trouble. In the North and the large metropolitan areas poor job training is relatively more important. But among whites, among women, among those who were asked to leave and among those from the smaller cities and towns, the fights are significantly more important reasons for leaving than lack of job training.

Among the men, those in Conservation centers are relatively more concerned about job training although equal numbers in both types of centers mentioned the fighting as a reason for leaving.

While for most groups fighting and poor job training are the two most important specific reasons for leaving, among whites the second most important reason, after fights, is "too many Negroes". One out of every three whites gave this as a reason for leaving. On this point there is little difference between whites in urban centers (36%) and whites in Conservation centers (33%).

Over 20 percent said they became homesick. This is hardly surprising in light of the tensions these young people felt while in the centers.

Observation: Matching job training with Corpsmen ability and desire (once they are measured) and center availability is an extremely complex procedure. This problem must be solved, however, if the Job Corps is to be more than a stop-gap measure for getting young people off the street.

Particularly interesting about these findings is that even with the relatively arbitrary assignment of job training to an individual, almost 60 percent feel this training is helpful. To some extent these youth are appreciative of any training and educational opportunities offered to them. But if they are to be taught and trained in substantive areas not of their choice, their willingness to continue in the centers will be determined by elements outside the realm of training. They are more likely to make their decision over such questions as whether or not the center is merely an extension of the harsh environment in which they have grown up and whether or not they can escape the prejudices and fears they have developed.

It is precisely here that the Job Corps fails with these drop outs. Asked to learn subjects that may always have been difficult for them, trained for a job whose usefulness to them may be small or unappreciated and living in hostile surroundings, they ask "What for?" and leave or start trouble and finally are asked to leave.

49.

POST-JOB CORPS EXPERIENCE

Relocation

Upon leaving the Job Corps, 94 percent went back to the same home they were in before entering the Job Corps, and of those who went back to the same home 86 percent are still there:

Where went after Job Corps Base: Total		Where living now Base: Total	
	%		%
Same home as before Job Corps	94	Same home as before Job Corps	81
Still there	81	Another home in same neighborhood	8
Move	13	Another neighborhood in same town	9
Different place	6	Another city, town or rural area	2

Observation: Because we went to a list of specified addresses we are almost certainly under representing relocations. The degree to which there is underrepresentation cannot be completely determined.

What Did Immediately After Job Corps

Right after leaving the Job Corps, 62 percent obtained a job, 8 percent went to school (2 percent were doing both) and 26 percent were unemployed:

51.

WHAT DID THEY DO RIGHT AFTER LEAVING JOB CORPS

(Base: Total)

	Total	Men	Women	Now			Age			In Job Corps		
				Work- ing	In school	Unem- ployed	Under 18	18-19 months	20 or older	Under 3 months	3-6 months	More than 6 months
	%	%	%	%	%	%	%	%	%	%	%	%
Got a job	62	62	44	73	56	50	56	63	66	63	62	60
Went to school	8	8	2	7	39	3	16	7	3	10	7	6
Unemployed	26	26	38	19	17	39	26	27	25	25	28	27
Military Service	1	1	-	-	-	-	*	1	1	*	*	1
Arrested and confined	1	1	-	*	-	2	1	1	*	1	1	-
Other	4	4	16	4	2	6	5	4	7	4	4	7

*Adds to more than 100 percent as some respondents gave more than one answer.

Length of time in the Job Corps does not appear to have been a factor in what the drop-outs did right after Job Corps. More men than women got jobs or went to school. Of those who are currently unemployed, one half had a job right after leaving the Job Corps.

Of those who were working one in ten said they found employment through the Job Corps. The longer they were in the more likely this was to be true:

HOW FOUND JOB

(Base: Got Job Right After Job Corps = 62%)

	Total %	In Job Corps		
		Under 3 months %	3-6 months %	More than 6 months %
Through Job Corps	10	7	12	16
State employment agency	11	8	10	21
Private employment agency	4	5	3	5
Newspaper	33	36	32	33
Other	42	44	43	25

The median hourly rate for those working immediately after the Job Corps was 8% higher than the pre-Job Corps rate:

HOURLY RATE

(Base: Got Job Right After Job Corps = 62%)

	Total %
Less than \$1.00	13
\$1.00 - 1.25	40
\$1.26 - 1.50	24
\$1.51 - 1.75	10
\$1.76 - 2.00	5
\$2.01 - 2.25	3
Over 2.25	5
Median	\$1.23

53.

Length of Time Since Leaving Job Corps

More than half of both the men and women left the Job Corps less than six months ago

The median time since they left is 5.1 months (this compares with 3.3 months for the graduates)

HOW LONG AGO LEFT JOB CORPS

(Base: Total:

	Total %
0 - 2 months ago	9
3 - 4 months ago	25
5 - 6 months ago	30
7 - 12 months ago	31
More than 12 months ago	5
Median	5.1 months

Job Corps: Contacts Since Leaving

Four in ten said they have kept in touch with someone from the Job Corps. In most cases this was another Corpsman:

CONTACT WITH SOMEONE FROM JOB CORPS		With whom	
Kept in touch with someone from Job Corps (Base: Total)		(Base: Kept in touch = 40%)	
	Yes %		Kept in touch with: %
<u>Total</u>	<u>40</u>	Other Corpsman	83
North	49	Resident worker	12
North Central	40	Teacher	9
South	37	Vocational supervisor	7
West	40	Other	12
Large Metro	46		
Small Metro	38		
Non-Metro	31		
Negro	43		
White	34		
Working Now	44		
In School Now	37		
Unemployed	33		
Men	39		
Urban	46		
Conservation	33		
Women	56		
Age			
Under 18	35		
18-19	43		
20 or older	40		
In Job Corps			
Under 3 months	32		
3-6 months	43		
More than 6 months	55		

55.

Women more than men and Negroes more than whites are likely to have kept in touch with someone from the center. Large urban areas, probably because of geographic compactness, also have more people who kept in touch with others from the center.

Current Status

Each was then asked what they were currently doing:

56.

WHAT DOING NOW*

(Base: Total)

	<u>Working</u> %	<u>In School</u> %	<u>Unemployed</u> %	<u>Other</u> %
Total	56	10	33	5
North	57	5	33	5
North Central	55	6	36	5
South	59	10	31	4
West	41	19	41	5
Large Metro	56	9	35	4
Small Metro	56	10	32	6
Non-Metro	58	7	34	5
Negro	56	10	32	4
White	55	9	36	4
Men	58	9	33	4
Urban	58	9	32	5
Conservation	56	9	34	3
Women	33	16	35	20
Age:				
Under 18	50	16	36	5
18-19	58	7	33	5
20 or older	59	6	31	5
in Job Corps:				
Less than 3 months	54	12	35	5
3-6 months	59	7	32	5
More than 6 months	56	10	32	4
Left Job Corps:				
Less than 3 months	44	8	38	4
3-6 months	56	10	31	4
More than 6 months	56	9	33	4
Drop-out	55	9	32	4
Kick-out	53	11	34	2

*Note: Adds to more than 100% because approximately 4% were working and in school.

57.

(If we were to include the 5% of our contacts whom we found were in the military the total results would look as follows: 54% working, 10% in school, 32% unemployed, 5% in the military and 4% other.)

Overall there is no reported change in the number currently employed compared with their pre-Job Corps status. The number in school has dropped slightly, unemployment has increased slightly. Group by group there are some slight variations in this pattern:

COMPARISON OF PRE AND POST JOB CORPS STATUS

(Base: Total)

	Working %	Change in school %	Unemployed %
Total	-	-2	+3
North	+3	-6	-
North Central	+4	-5	+2
South	-1	-3	+5
West	-4	+6	+2
Large Metro	+5	-6	+4
Small Metro	-4	-1	+4
Non-Metro	+7	-2	-3
Negro	-1	-6	+6
White	+3	+2	-2
Men	+1	-3	+3
Urban	+4	-4	+1
Conservation	-3	-3	+5
Women	-4	+1	-3
Age			
Under 18	+1	-1	+4
18-19	+3	-6	+3
20 or older	-4	-1	+2
In Job Corps			
Under 3 months	-1	-	+3
3-6 months	-1	-5	+4
More than 6 months	+5	-5	-
Drop out	-1	-3	+2
Kick-out	-1	-2	+3
Graduates	+29	-2	-20

59.

There has been a gain in employment in the large metropolitan areas and the non-metropolitan areas. Those who stayed in the Job Corps over 6 months show higher employment than pre-Job Corps.

Except in the West (where the average age of the dropouts was somewhat lower than in the rest of the country) the number in school tended to decline.

Unemployment increased somewhat, particularly in the South, among Negroes, and among those who went to Conservation centers.

Observation: A comparison of the increase in employment among the graduates with the experience of the dropouts indicates the dramatic impact the Job Corps can have on these youths.

However, the comparison is not completely fair. First, the dropouts started from a higher plateau of employment. Had the graduates been at the same level of pre-Job Corps employment as the dropouts, the increase in employment would have been 18 points (instead of 29 points) and the drop in unemployment 10 points (instead of 20 points).

Second, the graduates are sampled from a list of verified placements. By definition, high post-Job Corps employment for the graduates was to be expected.

Now Working

Of those who are now working, just under four in ten are in service occupations.

This is a decline of 16 percentage points in this grouping.

There is an increase in clerical work, machine trades and miscellaneous occupations:

WHAT KIND OF JOB

(Base: Working Now)

	Region				Size of Place			Race		Sex
	North				Large	Small	None	Negro	White	Men
	Total	North	Central	South	West	Metro	Metro	Metro		
	%	%	%	%	%	%	%	%	%	%
Professional, Technical and Managerial	4	7	5	2	7	6	3	2	5	3
Clerical and Sales	7	8	7	8	12	10	6	9	7	5
Service	38	29	27	40	45	32	40	39	39	38
Farming, Fishing, Forestry	1	-	1	1	-	1	1	-	1	1
Processing	3	1	5	3	5	4	3	2	3	3
Machine Trades	10	17	14	7	7	15	8	6	8	13
Bench Work	6	6	5	6	5	6	4	11	6	5
Structural Work	10	3	8	14	2	8	12	7	11	9
Miscellaneous	22	28	20	22	19	18	24	24	20	23
Don't know	*	1	1	*	-	11	1	-	-	1

60.

HAVE NOW

=56%)

Urban, Conservation Conser- Urban vation Women			Age Under 18 18-19 20 or Older			In Job Corps			Using Job Corps Training	Left Job Corps		
						Less 3 Months	3-6 Months	More Than 6 Months		Less 3 Months	3-6 Months	More Than 6 Months
%	%	%	%	%	%	%	%	%	%	%	%	%
4	4	7	4	5	3	2	6	4	5	7	4	4
9	7	20	6	8	9	8	6	10	8	12	8	7
38	41	33	40	38	33	39	37	36	34	35	39	37
1	*	-	1	-	1	1	*	1	-	-	1	*
2	4	13	5	2	4	2	5	2	1	2	3	3
13	7	-	10	10	9	8	10	14	11	7	9	11
6	5	7	7	3	7	5	5	6	7			
9	11	13	10	10	10	11	10	9	18	2	9	12
20	24	7	21	20	27	23	20	20	16	23	20	22
*	*	-	-	1	1	1	*	-	-	-	1	-

Only 2 percent said they found their current job through the Job Corps (7% of those who have been out less than 3 months). This compares with 10 percent who said the Job Corps helped them find a job immediately after leaving the center.

Number of Jobs

Over half (58%) of those now working said they have had more than one job since leaving the Job Corps:

MORE THAN ONE JOB SINCE LEAVING JOB CORPS

(Base: Working Now = 56%)

	Total %
Only one	42
More than one	58
Two	37
Three	16
More than three	5

Length of Time on Job - Raises

Most of those working have been on their present job less than three months and over one in four say they have received a raise:

62.

LENGTH OF TIME ON JOB

(Base: Working Now = 56%)

	Left Job Corps			
	Total	Less than 3 months ago	3-6 months ago	More than 6 months ago
	%	%	%	%
Under 3 months	69	100	75	54
3-6 months	22	-	25	24
More than 6 months	9	-	-	22

RECEIVED ANY RAISES

(Base: Working Now = 56%)

	Left Job Corps			
	Total	Less than 3 months ago	3-6 months ago	More than 6 months ago
	%	%	%	%
None	71	89	74	63
One	22	11	21	27
Two	6	-	4	8
Three	1	-	1	2
More than three	*	-	*	-

Using Job Corps Training

While only 15% of the total group working were able to say they were currently using Job Corps training on their job, this figure rose to 37% of those in the Job Corps for more than 6 months. The over 6 month group compares favorably with the graduates where 43% of those working said they were using Job Corps training:

USING JOB CORPS TRAINING ON JOB

(Base: Working Now = 56%)

	Total %	Left Job Corps		
		Less than 3 months %	3-6 months %	More than 6 months %
Using Job Corps training	15	8	16	37
Not using Job Corps training	84	92	83	62
Not sure	1	-	1	1