

the floor last year. Such a motion was turned down by this committee prior to that, but the House decided to support it.

Mr. MOORHEAD. If I may comment on that, Mr. Quie, I think maybe there should be a distinction between the regular SBA program where they are expected to keep their losses to a minimum and what you might call a softer window where it is part of the war on poverty.

I am not so sure that it isn't better at least to have a separate account for SBA where they take smaller loans but more risky loans. I would be inclined to think that OEO should be overlooking, but let's face it, I think SBA is better qualified to pass upon the risks than OEO is.

Maybe there should be a soft OEO window at SBA.

Mr. QUIE. I have a feeling that the Office of Education and the Department of Labor and other agencies being more equipped.

Mrs. GREEN. I would like to compliment both of you on the excellent statements you have made. I found myself very much in agreement with your statements.

Under the New York City program, any youngster who comes from a family which is at these certain income levels is not eligible to participate in some of these programs.

However, there can be extenuating circumstances such as a catastrophic illness that wipes out the income of the family or other kinds of burdens. So I would hope this could be changed so the administrator of the NYC program at the local level would have the flexibility to make the program work. I am glad you made that particular point in your statement.

I would like to go to this other matter of having everything centralized in OEO. I notice, Mr. Vanik, you said it was very desirable to have a centralized responsibility for the program.

Mr. Moorhead, I believe you said it essential the local group have one group to deal with at the Federal level. I find myself in agreement with both of these statements.

I have two examples on which I would like you to comment.

Headstart meets with the approval of most people and is an excellent program. The details which I am going into describe in this one school system could probably be duplicated a thousand times throughout the country.

Headstart in this one local school district hires a teacher at a higher salary than the local kindergarten teacher. The Headstart teacher has 20 youngsters during the day and the help of two aides.

The kindergarten teacher, paid with local funds and not with poverty funds, has 30 youngsters in the morning and 30 youngsters in the afternoon and receives a lower salary than the Headstart teacher.

Now this is in a school district that does not have exactly the situation both of you have said. Mr. Vanik, it does not have a centralized responsibility for the program. It has two, because it must deal with the OEO when the child is 4 years of age and it must deal with the Office of Education on education matters when the child is 5 years old.

It does not have a local group as you suggest, Mr. Moorhead, which coordinates with an agency at the Federal level. Does it make sense to have this kind of arrangement? We are talking about youngsters in the same school and from the same socioeconomic group. How can this Congress plan a program that would really look at the total education of a child from the time he is 4 until perhaps graduation?