

Mr. QUIE. My observation of some of the first rural action agencies in operation was that the case was the same there. There were nonpoor and special effort had to be made. I also know from my own experience of living close to some of these people and getting to know their incomes that they could be classed as poor individuals when they first got started in some of these programs. Also, as I recall while the REA was lending money to people, many of the recipients were poor individuals who were helped through the years.

Secretary FREEMAN. Approximately 75 percent of our FHA farm ownership and operating loans in the normal course of business go to people with incomes of \$3,000 or less a year to live on which means that in fiscal year 1967, 60,000 families in this category would be reached by these farm programs.

Mr. QUIE. You mention in your testimony and the press reports that a small amount of \$5 billion of the budget of USDA is misleading because there are a number of projects that do help the poor.

In the President's budget, he estimated about \$25.5 billion goes to help the poor. Are those programs listed in the \$5 billion budget that you list?

Secretary FREEMAN. I would have to check. I think that ran more to programs that were more directly related to some type of welfare or special poverty kind of project. The agriculture programs are not by and large especially tailored as such. They are available to everyone but their wide sweep means they do reach a very substantial number that are below the \$3,000 a year income level.

As a matter of fact, there are more people on the farms that can qualify on that level than there are in the urban areas as you are well aware.

Mr. QUIE. Who provides the initiative in the technical action panels?

Secretary FREEMAN. The initiative comes from the Farmers Home Administration who on a State and county basis and if there should not be a Farmers Home Administration in a given county office, if there is a multicounty administrative arrangement, it would then be the Soil Conservation Service and then it would be the ASCS.

Mr. QUIE. Do you have any problem finding individuals in either the Farmers Home Administration or the Soil Conservation Service to provide this kind of initiative?

Secretary FREEMAN. I have no trouble suggesting to them that they do it. I sometimes have trouble seeing to it that they do it effectively.

Mr. QUIE. Do you think you need OEO to help you tell them?

Secretary FREEMAN. Yes; I think this is a very real help. OEO reaches people in the rural areas and poverty programs of the kind that these programs have not reached.

Mr. QUIE. You need OEO for help now to provide the initiative for the TAP's?

Secretary FREEMAN. Not for the TAP's as such. They work very closely with the OEO committees on a joint basis because there is much to be done. However, even if you assumed the maximum effective operation to reach the poor through the technical action panels, there are many additional things that need to be done. There are a whole host of programs that you could perhaps call "people" programs that reach into a number of fields where our programs would not normally reach.