

We feel OEO shares our opinion that it is not desirable for them to retain indefinitely jurisdiction over specific programs that have been successfully tried and proven. If a given OEO program has proven to be beneficial in its limited application, it should provide the incentive for a much broader acceptance.

When this becomes the case, there will be the need for a different type of coordinated Federal, State, and local administrative structure. If the OEO were required to serve in such an arrangement, it would sap from the OEO its ability to be an innovative, imaginative, "free wheeling" agent.

Equally important is the fact that, as presently constituted, a majority of the CAA's are entities separate and distinct from any public agency and, therefore, separate and distinct from local government.

If the OEO fails to move their successful programs into the mainstream of State and local governments, we will see it becoming a giant repository of a multitude of Federal programs.

We will additionally see the development of two forms of local government, the first being our traditional local governments responsible to the body politic, and supported by our developing creative federalism's financial structure; the second being a Federal "OEO local government," supported by Federal funds.

Mr. McDERMOTT. We suggest that the law be amended to require that 3,083 community action agencies must demonstrate that they are making meaningful efforts to bring about the absorption of their programs by local governments. This could logically be required as an integral part of the community action agency's annual request for funds.

DEMONSTRATION PROJECTS

In the past, Congress has felt that the requirement of one-third representation by the poor on the governing boards is so vital it must be mandatory. Many local officials do not agree with this concept. In fact, it is this very requirement which contributes as much as any other reason for many local officials' lack of enthusiasm for OEO programs.

Most local officials feel they are not elected by their constituents to share their final decisionmaking authority with anyone. The final decision on the allocation of tax funds has been entrusted to them and it is highly unlikely they would or even should partially relinquish this authority.

They are willing to do so, reluctantly, however, when virtually all of the funds to be spent are Federal. Notwithstanding some local officials are satisfied with the present requirements regarding the poor involvement, some are not.

Others say that by emphasizing the poor's participation at both the policy and implementation level, as OEO does, the result is the poor are ineffective at both levels.

Consequently, we urge that the law provide for demonstration projects with respect to the participation of the poor. It may well be that the bringing of the poor into the poverty program as officials or members of boards of directors, does not result in the maximum benefit to the program's success.