

employees of community action programs. At present \$15,000 is the maximum that can be paid. No additional amount can be paid with Federal funds nor will local funds be counted toward the local share.

In Alaska this limitation prohibits the employment of top personnel. The cost of living is such that \$15,000 is totally inadequate for such employees in Alaska. A case in point is the legal services program.

Alaska received a large grant for the establishment of a statewide legal aid program to the poor. It was, of course, absolutely necessary to have a highly qualified attorney to head the program. None could be found for \$15,000. As a result Legal Services floundered until the State contributed \$5,000, boosting the total salary to \$20,000.

Cost of living differentials are recognized in other Federal employment in high-cost areas. Federal employees in Alaska and Hawaii are given tax-free allowances to compensate for the high cost of living. In Alaska this cost of living differential or allowance is 25 percent of the base salary, the maximum allowed under the law.

Section 244 of H.R. 8311 would allow the Director of the Office of Economic Opportunity to waive the \$15,000 limitation by regulation for areas where qualified personnel cannot be recruited at that level.

I think this is a good provision, Mr. Chairman. The overall limitation except for these areas would remain. Thus areas such as Alaska would be covered properly and the ability to hire competent people there greatly enhanced.

For this reason, Mr. Chairman, I support the concept of the new section 244, and strongly urge the committee to retain this language in the bill and to favorably report it.

Thank you for your consideration.

Chairman PERKINS. You are supporting, I take it from your statement, H.R. 8311, the so-called Administration bill?

Mr. POLLOCK. I didn't understand your question.

Chairman PERKINS. I say I take it you are supporting the Administration bill.

Mr. POLLOCK. Mr. Chairman, I support some aspects of it. I think there are some good aspects to the Quie bill which has been proposed. I must candidly say that there are members of the State government in Alaska who look with great favor upon the concept of keeping the poverty program under one agency, such as your bill provides.

Whichever bill or measure comes out of the committee, I would want very much for the Director to have the opportunity, administratively, where the situation warrants, to raise the limitation on salaries.

Chairman PERKINS. In other words, the bill as reported, you hope will keep a separate agency as presently constituted, such as the Office of Economic Opportunity?

Mr. POLLOCK. Mr. Chairman, I would visualize that even if all these existing aspects of the program were put in separate departments, there would still have to be some coordinator at the State level. I can't conceive this program could continue without a coordinator.

As provided in H.R. 8311—

Chairman PERKINS. Don't you think in times like these, if we should change a program that is being administered in an efficient manner with a view to trying to improve it that we would lose all the valuable experience we have gained under the present operation?