

Mr. GREENBERG. And they agreed to finance those through June 30 of this year.

The CHAIRMAN. OEO is financing them?

Mr. GREENBERG. That is correct, sir.

The CHAIRMAN. Beyond this you could finance a development company, a local organization?

Mr. GREENBERG. We couldn't without additional funds, Mr. Chairman.

The CHAIRMAN. What do you mean to assist in with this program—providing jobs, making studies?

Mr. GREENBERG. In addition to the three-man team that we are establishing, and which we hope to finance if our present level of funding is approved by the Congress for 1969, we are going to be working with local organizations of a similar kind, in fact the counterpart team of the local organizations, which might be a SBDC or some local organization. The funding of those local organizations is dependent upon the availability of funds in 1969, Mr. Chairman. In addition to the funds required for these counterpart operations of the local organizations, funds will be required to carry out the technical and management assistance program authorized under the Economic Opportunity Act Amendments of 1967.

The CHAIRMAN. Do you want to tell this committee how much you have requested from the Appropriations Committee for this purpose, so that we may be apprised?

Mr. MOOT. Mr. Chairman, the Poverty Act authorization, in terms of the fund request up with the Congress, is fully funded. However, there are no funds in there earmarked for section 406, which is the section of title IV we are talking about. The Bureau of the Budget, in sending up a fully funded request, said to SBA and OEO, work out what your plans or your requirements might be, and then come and see us, and we will consider your requirements along with others when Congress appropriates funds.

We have submitted a request to the Bureau of the Budget for \$10 million for our funding requirements under title IV, section 406 of title IV, to provide financing to private and public organizations for expanded management and technical assistance.

If we have appropriated that which we requested for SBA in 1969, we think we can fund the SBA part of the requirement, the SBA teams.

We likewise believe that the loan levels that Congress is considering for 1969 will provide us sufficient funds to provide financial assistance. But what we do want is \$10 million to fund the expanded responsibilities that were given to us in December of 1967.

The CHAIRMAN. Mr. Greenberg, you indicated that another tool that is currently available to you under section 8(a) of the Small Business Act is to take prime contracts.

Mr. GREENBERG. Yes, sir.

The CHAIRMAN. You would take the prime contracts into a depressed area and employ hard-core personnel. SBA can and does take these prime contracts. Tell us to what extent you have done this, what success you have had, and how many people have been employed.

We commend you in taking a few of these contracts. Tell us what you are doing, tell us what success you have had.

Mr. MOOT. If you don't mind, I will respond.

The CHAIRMAN. Surely, Mr. Moot. This committee has been recommending this for some time.