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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

May 6, 1982

B-205053

To the President of the Senate and the
Speaker of the House of Representatives

On February 5, 1982, the President's eighth special message for fiscal year 1982 was transmitted to the Congress pursuant to the Impoundment Control Act of 1974. The special message proposed 22 rescissions of budget authority totalling \$10,655 million, 14 new deferrals totalling \$2,334 million, and revisions to seven previously reported deferrals which increase the amounts deferred by \$768 million. On February 19, 1982, the President submitted his ninth special message for fiscal year 1982, reporting a \$2 million reduction in the amount proposed for rescission in rescission proposal R82-23 (Mine Safety and Health Administration). In his eleventh special message for fiscal year 1982, dated April 23, 1982, the President reduced by \$3.4 billion the amount proposed for rescission in rescission proposal R82-21 (subsidized housing programs).

The 45-day period during which the funds proposed for rescission could be withheld pending congressional consideration of a rescission bill ended on Friday, April 23, 1982, without Congress having passed any such bill. The withheld funds were released by OMB on Monday, April 26, 1982.

In our report to Congress dated March 10, 1982, we explained in detail our interpretation of section 1001(4) of the Impoundment Control Act, the so-called "fourth disclaimer," which provides that the Act does not supersede any other provision of law requiring the obligation or expenditure of budget authority. Briefly stated, our analysis requires examination of the statutory scheme involved for evidence of a congressional mandate to spend the funds appropriated for the particular program. In the following report, we identify the rescission proposals submitted in the eighth and ninth special messages which involve mandatory spending programs under our analysis of section 1001(4). In our view, the Impoundment Control Act does not authorize impoundments of funds for these programs.

FUNDS APPROPRIATED TO THE PRESIDENT

R82-4 International Development Assistance
 Functional Development Assistance Program
 Food and Nutrition
 Education & Human Resources
 11X1023
 11X1025

GAO/OGC-82-11

R82-5 International Development Assistance
 Sahel Development Program
 11X1012

DEPARTMENT OF AGRICULTURE

R82-6 Extension Service
 1220502

DEPARTMENT OF COMMERCE

R82-7 National Oceanic and Atmospheric Administration
 Coastal Zone Management
 13X1451

R82-8 National Oceanic and Atmospheric Administration
 Coastal Energy Impact Fund
 13X4315

DEPARTMENT OF EDUCATION

R82-9 Office of Elementary and Secondary Education
 Compensatory Education for the Disadvantaged
 91209
 912/30900

The following programs in which funds were proposed for rescission involve a mandatory spending statute under our analysis of the fourth disclaimer: education for the disadvantaged, Title I, Elementary and Secondary Education Act, 20 U.S.C. §§2802, 2832, 2841, 2843, 2851 (general provisions); §2711(a) (basic grants); §2721(a), (b) (special incentive grants); §2722(b) (grants to areas with concentration of low-income families); §2761 (migrant children); §2711 (handicapped children); §2781 (neglected and delinquent children).

Program officials informed us that fiscal year 1982 grants for programs for compensatory education for disadvantaged students for the 1982-1983 school year are scheduled to be made beginning in July 1982. They also told us that grants to colleges for education services to migrant workers were to be made beginning in April 1982.

R82-10 Office of Elementary and Secondary Education
 Special Programs and Populations
 9121000
 912/31000

The following programs in which funds were proposed for rescission involve a mandatory spending statute under our analysis of the fourth disclaimer: Career Education Incentive Act, (grants) 20 U.S.C. §§2604-2608; Education Amendments of 1978 (territorial teacher training assistance), 92 Stat. 2379.

An agency official in the Women's Educational Equity (WEE) program told us that the development and dissemination of curriculum and training materials probably would not be done by the States because of the expense involved. The official also said that the rescission would eliminate funding for higher education and community-based WEE activities; 20 new grants; 20 continuation grants; five contractor-operated demonstration projects in five school districts; and the contractor-operated WEE publication center.

With regard to the Follow Through program, an official told us that the rescission would eliminate funding for over 37,000 children, 1200 teachers, 1800 aides (primarily low-income parents of children in the program) and 105 administrators in 84 projects in 37 states. In addition, programs at 16 institutions of higher education would not be funded. A current GAO review has raised questions about the continued value of the Follow Through program. The program was established to assist graduates of Head Start and similar preschool programs to sustain the gains achieved under these programs. However, there are indications of improvements in the effectiveness of the Head Start program and Head Start graduates who need assistance are eligible to obtain it through other programs available for educationally disadvantaged children.

An official for the Career Education program told us that the proposed rescission would eliminate funding for three contracts totalling \$480,000, and for 12 positions in the Department of Education and up to 49 State coordinators.

R82-11 Office of Elementary and Secondary Education
 Indian Education
 9120101

The following program in which funds were proposed for rescission involves a mandatory spending statute under our analysis of the fourth disclaimer: Indian Education Act, Part A (impact aid), 20 U.S.C. §§241aa-241ff.

R82-12 Office of Special Education and Rehabilitative
 Services
 Education for the Handicapped
 9120300
 912/30300
 911/20300

The following program in which funds were proposed for rescission involves a mandatory spending statute under our analysis of the fourth disclaimer: Education of the Handicapped Act (section 611 grants), 20 U.S.C. §§1411(a), (g); 1413, 1416, 1420.

R82-13 Office of Special Education and Rehabilitative
 Services
 Rehabilitation Services and Handicapped Research
 9120301
 91X0301

The following program in which funds were proposed for rescission involves a mandatory spending statute under our analysis of the fourth disclaimer: Rehabilitation Act of 1973, section 100(b)(1) (grants), 29 U.S.C. §720(b)(1), 721, 730, 731.

R82-14 Office of Vocational and Adult Education
 Vocational and Adult Education
 912/30400
 911/20400
 91X0400

The following programs in which funds were proposed for rescission involve a mandatory spending statute under our analysis of the fourth disclaimer: Vocational Education Act (basic grants), 20 U.S.C. §§2303, 2307-2309, 2311; Adult Education Act (grants), 20 U.S.C. §§1204-1207.

An agency budget official told us that the \$11/\$1 matching ratio relied on in the estimated effects section is a generalized ratio and does not reflect funding pattern differences among the states or the three programs involved in this rescission proposal. For example, the Vocational Education Program Improvement and Supportive Services program had a 4/1 State match, while the Adult Education Grant to States had a 41%/59% ratio. The impact of the rescission thus might vary depending on the amount and type of State funding.

R82-15 Office of Postsecondary Education
 Student Financial Assistance
 912/30200
 911/20200

The following programs in which funds were proposed for rescission involve a mandatory spending statute under our analysis of the fourth disclaimer: Pell grants, 20 U.S.C. §1070a; State student incentive grants, 20 U.S.C. §1070c-1 - 1070c-3; college work-study 42 U.S.C. §§2752, 2753.

With regard to the State Student Incentive Grant program, agency officials told us that the current full funding level would support 295,000 awards, not 307,000 as stated in the special message.

Program officials also said that it is difficult to estimate the exact effect of the proposed rescission because the average award amount is subject to change and the schools may use up to 15 percent of their allocation for job location programs and administrative expenses. However, the officials said that the rescission proposed for the college work-study program probably would reduce the number of grants by more than 70,000. The officials told us that the estimated reduction of 70,000 awards apparently was calculated on the basis of an average award of \$600, without considering the fact that Federal funds account for only 80 percent of each award. If the calculation is revised to consider the non-Federal matching share, the proposed rescission of \$44 million would eliminate approximately 90,000 awards.

R82-16 Office of Postsecondary Education
 Higher and Continuing Education
 9120201
 91X0201

The following programs in which funds were proposed for rescission involve a mandatory spending statute under our analysis of the fourth disclaimer: public service fellowships, 20 U.S.C. §§1134d-1134g; aid to land-grant colleges, 7 U.S.C. §§321-329.

R82-17 Office of Educational Research and Improvement
 Libraries
 9120104

The following program in which funds were proposed for rescission involves a mandatory spending statute under our analysis of the fourth disclaimer: Library Services and Construction Act (grants), 20 U.S.C. §§351c-351e.

According to program officials, \$12.7 million under Title I, LSCA (public library services) and \$3.2 million under Title III, LSCA (inter-library cooperation) has been expended to date from fiscal year 1982 funds. No fiscal year 1982 funds have been expended for the other two programs proposed for rescission (college library resources and research libraries).

- R82-18 Departmental Management
 Educational, Research and Training Activities
 Overseas (Special foreign currency program)
 91X0802
- R82-19 Office of Bilingual Education and Minority
 Languages Affairs
 Bilingual Education
 9121300
 912/31300

We were informed that, as of December 31, 1981, \$1.9 million in fiscal year 1982 funds had been obligated for programs under Title VII of the Elementary and Secondary Education Act, but no funds had been obligated under part B, subpart 3 of the Vocational Education Act.

DEPARTMENT OF ENERGY

- R82-20 Energy Programs
 Energy Conservation
 89X0215

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- R82-21 Housing Programs
 Subsidized Housing Programs
 86X0139

According to agency officials, HUD intended to cancel subsidy commitments on an estimated 39,000 units of Section 8 housing in 1982, primarily because of a lack of available financing. Together with cancellation of an estimated 20,000 units of public housing, these cancellations would support the proposed rescission of approximately \$9.4 billion in budget authority for the fiscal year 1982 annual contribution.

In his eleventh special message for fiscal year 1982, the President reduced the amount proposed for rescission in this account by \$3.4 billion (R82-21A). The special message states that the reduction reflects the decision to increase financing for 70,000 Section 8 housing units.

- R82-22 Solar Energy and Energy Conservation Bank
 Assistance for Solar and Conservation
 Improvements
 862/30179

This account was the subject of a deferral (D82-184) submitted in the President's fourth special message for fiscal year 1982, dated October 29, 1981. In our report on the fourth special message, we stated our view that the withholding was unauthorized under section 1001(4) of the Impoundment Control Act. Our conclusion applies with equal force to the recent withholding of funds.

The Solar Energy and Energy Conservation Bank was established under Title V of the Energy Security Act, Pub. L. No. 96-294, 94 Stat. 734 (1980), 12 U.S.C. §§3601 et seq. It is our position that the Impoundment Control Act is not available as authority to withhold the percentage of the amounts appropriated for the Bank which is required to be allotted under 12 U.S.C. §§3614 and 3615.

DEPARTMENT OF LABOR

R82-23 Mine Safety and Health Administration
&23A Salaries and Expenses
 1621200

As noted in the special message, Pub. L. No. 97-92 prohibits the use of appropriated funds for certain activities by the Mine Safety and Health Administration. The amount originally proposed for rescission (\$4.095 million) represents the agency's estimate of its budget resources applicable to the prohibited activities. In his special message dated February 19, 1982, the President reduced the amount proposed for rescission to \$2.095 million (R82-23A). The President stated that the additional \$2 million will be used to strengthen the agency's coal mine inspection efforts. The President also announced that he will increase his fiscal year 1983 budget request for MSHA by \$15 million.

A current GAO survey of MSHA's coal mine inspection activities has shown that during fiscal year 1981, MSHA did not perform all the coal mine inspections required by the 1977 Federal Mine Safety and Health Act. In addition, the President's current fiscal year 1983 budget request estimates that 12 percent fewer coal mine inspections will be performed in fiscal year 1982 than in the previous year.

DEPARTMENT OF TRANSPORTATION

R82-24 Federal Highway Administration
 Highway-Related Safety Grants
 69X8019

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

R82-25 Institute of Museum Services
 Program Operations

FUNDS APPROPRIATED TO THE PRESIDENT

D82-1B Appalachian Regional Development Programs
 11X0090

D82-222 International Security Assistance
 Foreign Military Sales Credit
 1121082

We were advised that the amount deferred is comprised of proposed loans to Egypt and Israel.

D82-223 International Security Assistance
 Military Assistance
 1121080

DEPARTMENT OF AGRICULTURE

D82-224 Farmers Home Administration
 Rural Housing for Domestic Farm Labor
 12X2004

DEPARTMENT OF COMMERCE

D82-225 Bureau of the Census
 Periodic censuses and programs
 13X0450

We were advised that, of the three activities discussed in the estimated effects section, only the special area sample actually will be affected in fiscal year 1982. Specifically, the deferral represents a reduction of \$1 million for the special area sample and \$15,000 for publicity. The other two activities, follow-up surveys and data collection for the outlying areas, are not scheduled to be funded until fiscal year 1983.

Although the deferral does not currently affect data collection for the outlying areas, the President's fiscal year 1983 budget request indicates that the 1983 agricultural census for the outlying areas will not be conducted. Under 13 U.S.C. §191, however, all censuses must include the outlying areas (Guam, Virgin Islands, Puerto Rico, Northern Mariana Islands).

In addition, under 13 U.S.C. §142, an agricultural census must be conducted every 5 years, based on data collected from the previous year. The next scheduled year for the agricultural census is 1983. Thus we question whether there is authority to forego the agricultural census for the outlying areas.

D82-226 Minority Business Development Agency
 Minority business development
 13X0201

DEPARTMENT OF DEFENSE

D82-6B Military Construction
 212/62050

D82-227 Shipbuilding and Conversion, Navy
 172/61611

DEPARTMENT OF ENERGY

D82-228 Energy Programs
 Energy supply research and development
 activities, Operating expenses
 89X0224

D82-10A Energy Programs
 Strategic Petroleum Reserve
 89X0218

Part of the deferral (\$8 million) represents a reserve to cover any unanticipated costs associated with the development of Phase II SPR facilities. These funds previously had been deferred in fiscal year 1981 (deferral D81-83). According to an agency official, DOE plans to submit a plan to OMB to use the funds for Phase II site development costs.

The remainder of the deferral (\$52,860,000) represents funds for land acquisition and long-lead procurement for the Phase III site at Big Hill, Texas. Deferring these funds will delay site construction for the project, originally scheduled for fiscal year 1983, until fiscal year 1984.

The Big Hill site is scheduled to store 140 million barrels of the 750 million barrels currently planned for the SPR. By deferring development of the Big Hill site, the schedule for filling the SPR will be delayed from 1989 to 1990. According to the President's fiscal year 1983 budget request, the deferral will reduce the average daily fill rate for 1988 from 162,000 to 68,000 barrels. Under section 801(a) of the Energy

Security Act, Pub. L. No. 96-294, 94 Stat. 775, the President is required to undertake to assure an average daily fill rate of 100,000 barrels for the SPR. The current deferral, by reducing the daily fill rate to 68,000 barrels in 1988, will result in failure to comply with the statutory requirements, unless alternate storage capacity is provided to accommodate the required fill rate of 100,000 barrels.

The following chart shows the reduction in the fill schedule by comparing the agency's July 1981 expansion schedule with the fiscal year 1983 budget request:

	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>
July 1981 Schedule (MMBBL)	538	611	670	750	--
Daily Fill Rate (MBBL)	225	200	162	219	--
FY 1983 Budget (MMBBL)	538	598	623	670	750
Daily Fill Rate (MBBL)	225	164	68	129	219

DEPARTMENT OF THE INTERIOR

D82-14A Heritage Conservation and Recreation Service
Land and Water Conservation Fund
14X5005

D82-16A Bureau of Mines
Drainage of Anthracite Mines
14X0956

Deferral D82-16, which was reported in the President's first special message for fiscal year 1982, proposed to defer for the entire fiscal year the unobligated balance of a no-year appropriation for matching grants to the Commonwealth of Pennsylvania relating to drainage of anthracite mines. This deferral was based on the expectation that Pennsylvania would not provide further funds for matching during fiscal year 1982. The supplementary report D82-16A states that most of the deferral amount is now being proposed for transfer to the Bureau of Mines' "mines and minerals" account in order to help offset supplemental requirements in that account.

In a later report to Congress, we will discuss the proper classification of withholdings of funds pending congressional consideration of requests to transfer the funds to other accounts, an issue raised in this deferral and in deferral D82-229.

DEPARTMENT OF JUSTICE

D82-17A Federal Prison System
Buildings and Facilities
15X1003

DEPARTMENT OF LABOR

D82-229 Employment and Training Administration
Employment and training assistance
161/20174
1620174

The justification section states that some of the funds covered by the deferral are proposed for transfer to other accounts. According to agency budget officials, the following disposition is proposed for the deferred funds:

Transfer to other DOL agencies to meet operational needs	\$19,781,000
Defray cost of October 1981 pay increases	\$21,681,000
Under review as to disposition	<u>\$47,081,309</u>
	\$88,543,309

The Budget Appendix for fiscal year 1983, pp. III-28 through 30, confirms that \$19,781,000 is proposed for transfer to other Department of Labor accounts.

DEPARTMENT OF STATE

D82-230 United States bilateral science and
technology agreements
19X1151

DEPARTMENT OF TRANSPORTATION

D82-231 Maritime Administration
Ship Construction
69X1708

DISTRICT OF COLUMBIA

D82-232 Loans to the District of Columbia for
Capital Outlay
20X0137

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

D82-25A Land Acquisition and Development Fund
42X4084

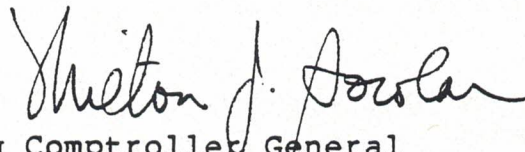
SMALL BUSINESS ADMINISTRATION

D82-233 Business Loan and Investment Fund
73X4154

D82-234 Surety Bond Guarantees Revolving Fund
73X4156

UNITED STATES RAILWAY ASSOCIATION

D82-235 Payments for purchase of Conrail Securities
98X0111

A handwritten signature in cursive script, reading "Milton J. Fowler".

Acting Comptroller General
of the United States

RESCISSION AND DEFERRALS

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

ONE RESCISSION OF BUDGET AUTHORITY, PROPOSAL TO
RESCIND ADVANCE 1983 FUNDS FOR THE CORPORATION
FOR PUBLIC BROADCASTING, AND NINE DEFERRALS FOR
THE DEPARTMENTS OF AGRICULTURE, HEALTH AND HU-
MAN SERVICES, AND TRANSPORTATION, PURSUANT TO
SECTIONS 1012(a) AND 1013(a) OF PUBLIC LAW 93-344



NOVEMBER 10, 1981.—Message and accompanying papers referred to the
Committee on Appropriations and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON: 1981

89-012 O

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of Public Law 93-344

*Department of Health and Human Services—Health Services
Administration*

INDIAN HEALTH SERVICES—7520390

New budget authority (Public Law 97-51)-----	\$88, 174, 000
Other budgetary resources-----	5, 166, 000
Total budgetary resources-----	93, 340, 000
Amount to be deferred: Part of year-----	10, 950, 000

OMB identification code: 75-0390-0-1-551.

Grant program: No.

Type of account or fund: Annual.

Type of budget authority: Appropriation.

JUSTIFICATION

The Indian health services account provides health services to American Indians and Alaska Natives living on or near reservations. It is necessary to defer these funds to preserve all funding level options in appropriations action taken by the Congress subsequent to October 1, 1981. This deferral will remain in effect until final congressional action on the President's request is completed, but not beyond the expiration of the Continuing Resolution or any extensions thereof.

ESTIMATED EFFECTS

This deferral action will restrain the rate of obligation that might otherwise occur under the Continuing Resolution (Public Law 97-51) to a rate consistent with the President's current fiscal 1982 budget request. Every effort has been made to preserve clinical services provided directly by the Indian Health Service (IHS) for Indians in both the hospital and clinic setting. Under this proposal, no reduction-in-force will have to be implemented, nor will clinical care provided in IHS facilities have to be reduced.

OUTLAY EFFECT

This deferral action—by itself—has no significant effect on fiscal 1982 outlays due to its expected short duration. However, if the Congress provides regular appropriations at a level consistent with the President's request, \$8,000,000 of the annual savings achieved could be attributed to the funding level now available.

December 11, 1974

and imports which come in here to take the jobs of American workers. They could build a good case that that is the fact, then the House of Representatives and the Senate would be able to hear that evidence and make a decision one way or the other, is that correct?

Mr. LONG. That is correct. It requires that there be a majority vote in both the Senate and the House of Representatives. We have the right to say yes or no. We do not have the right to say maybe.

The PRESIDING OFFICER (Mr. HASKELL). The Senator's time has expired.

Mr. BENNETT. Mr. President, I would like about 2 minutes.

Mr. HELMS. I yield 2 minutes to the Senator on the bill.

Mr. BENNETT. I thank my friend.

As the ranking minority member of the Finance Committee, I wanted to make the record very clear that I completely support the position taken by the chairman of the Finance Committee. I hope the Senate will realize the importance of this trade bill and the vital necessity of getting it passed in this session. We do not want to spend another 2 years going back over all the steps that have been so painfully covered during these last 2 years.

I hope that the Senate will agree with the leadership and with the chairman of the committee, who I think worked out an effective way of getting this bill handled.

I would like to add my assurance that if we get the trade bill handled, there are bills that have been reported by the Finance Committee, or can be reported, so that tax proposals can have consideration, at least by this body, before the end of the session.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENNETT. Yes.

Mr. LONG. The Senator and I have informally agreed that if we can get a cloture agreed we would be happy to ask unanimous consent for any Senator to have the time required to explain his amendment. The real purpose of the cloture petition is to invoke the germaneness rule.

Mr. BENNETT. That is the understanding of the Senator from Utah. I agree with the Chairman.

Mr. President, I yield back whatever time I have remaining.

Mr. HELMS. Mr. President, I yield such time on the bill as the distinguished Senator from Virginia may need.

AMENDMENT NO. 2026

Mr. HARRY F. BYRD, JR. Mr. President, I send to the desk an amendment to H.R. 10710, the Trade Reform Act, and ask unanimous consent that it meet the reading requirements in the event that cloture is invoked. I also ask unanimous consent that it be printed at this point in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be received and printed, and will lie on the table.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. 1. LIMITATION ON CREDIT TO RUSSIA

After the date of enactment of the Trade Reform Act of 1974, no agency of the Government of the United States shall approve any loans, guarantees, insurance, or any combination thereof, in connection with exports to the Union of Soviet Socialist Republics in an aggregate amount in excess of \$300,000,000 without prior congressional approval.

COMMUNITY SERVICES ACT OF 1974

The Senate continued with the consideration of the bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS. Mr. President, I suggest the absence of a quorum, with the time to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, will the Senator yield me some time?

Mr. HELMS. Mr. President, I yield such time on the bill as the Senator may desire.

Mr. JAVITS. I thank the Senator.

Mr. President, this amendment would overturn the whole thrust of the bill as reported to the floor by the Committee on Labor and Public Welfare and, therefore, the entire commitment to deal with poverty. The amendment simply swallows the program alive, wiping out Federal support for OEO, community action agencies and programs and other vital efforts under the act.

There are still at least 24 million Americans in the poverty syndrome and many more in near poverty. While our bill would permit change through reorganization procedures this amendment would go at the program with a meat ax.

So the scheme of the committees legislation—which this amendment would eliminate—provides that beginning July 1, 1975, the administration may, on a reorganization plan basis, propose to transfer community action into HEW with safeguards, but giving Congress the opportunity, under the reorganization technique, by one House's action, to turn down that idea; in which case, a separate antipoverty administration would continue for the 3 years of this bill.

This will have to be reconciled with the House approach, which is more nearly the idea of transferring it promptly into HEW, although it has certain safeguards, even there.

We believe that in view of the fact that there has been a very firmly held position by the Senate in respect of the antipoverty program, we should approach conference with this strong bill and seek to maintain our position. For all of those reasons, Mr. President, I believe that the amendment should be defeated, and I hope that it will be defeated.

Mr. President, may I ask the condition of the time on this particular amendment, when we are ready to vote?

The PRESIDING OFFICER. On the amendment, there are 3 minutes left to each side.

Mr. THURMOND. Mr. President, I am pleased to be a cosponsor of this amendment along with the distinguished Senator from North Carolina (Mr. HELMS).

This amendment would phase out the Office of Economic Opportunity at the end of fiscal year 1976. The present level of funding for OEO will be continued for fiscal year 1975, and the funds for 1976 will be one-half of the present level. This would allow an orderly transfer of OEO programs to the community level.

Mr. President, I realize that some of these programs are more successful than others. The successful programs should be continued. However, the decision as to which programs to continue should be made by the community which is affected by these programs. This amendment would allow the members of a community an opportunity to select which programs, if any, they wish to continue and to include them in local financial planning. In this time of inflation, I feel it would be imprudent to authorize a program which will cost more than a billion dollars a year.

Mr. JAVITS. Mr. President, I wish to reserve the remainder of our time.

Mr. HELMS. Mr. President, the Senator from North Carolina does not desire to prolong this. He is willing to yield back the remainder of his time.

Mr. JAVITS. Mr. President, I do not know if I have it to yield back, but I shall take that much authority, to yield back the remainder of our time.

Mr. HELMS. I think the Senator is safe.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) is absent on official business.

I further announce that, if present and voting the Senator from Massachusetts (Mr. KENNEDY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

December 11, 1974

I also announce that the Senator from Illinois (Mr. Percy) is absent on official business.

The result was announced—yeas 21, nays 69, as follows:

[No. 525 Leg.]

YEAS—21

Bartlett	Dominick	McClellan
Bennett	Eastland	McClure
Brock	Ervin	Roth
Buckley	Fannin	Stennis
Byrd	Gurney	Thurmond
Harry F., Jr.	Hansen	Tower
Cotton	Helms	
Curtis	Hruska	

NAYS—69

Abourezk	Griffin	Moss
Aiken	Hart	Muskie
Allen	Hartke	Nelson
Baker	Haskell	Nunn
Bayh	Hatfield	Packwood
Beall	Hathaway	Pastore
Bible	Hollings	Pearson
Biden	Huddleston	Pell
Brooke	Hughes	Proxmire
Burdick	Humphrey	Randolph
Byrd, Robert C.	Inouye	Ribicoff
Cannon	Jackson	Schweiker
Chiles	Javits	Scott, Hugh
Church	Johnston	Sparkman
Clark	Long	Stafford
Cook	Magnuson	Stevens
Cranston	McGee	Stevenson
Dole	McGovern	Taft
Domenech	McIntyre	Talmadge
Eagleton	Metcalfe	Tunney
Fong	Metzenbaum	Weicker
Fulbright	Mondale	Williams
Gravel	Montoya	Young

NOT VOTING—10

Bellmon	Kennedy	Scott,
Bentsen	Mansfield	William L.
Case	Mathias	Symington
Goldwater	Percy	

So Mr. HELMS' amendment was rejected.

Mr. NELSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATHAWAY. Mr. President, I have an unprinted amendment which I sent to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: On page 89, line 5, after "VII" insert a comma and the following: "VIII".

Briefly the purpose of this amendment is simply to prevent the delegation of the Director's authority over title VIII, the Native American programs, should CSA become an independent agency under the provisions of this bill.

I understand that the chairman of the subcommittee is agreeable to accepting the amendment.

Mr. NELSON. Yes. It is just a technical amendment to correct a mistake made by the staff. [Laughter.]

Mr. President, I have no objection.

Mr. HATHAWAY. Could the names of the staff people be put in the Record? [Laughter.]

The PRESIDING OFFICER. Does the Senator move the adoption of the amendment?

Mr. HATHAWAY. I move the adoption of the amendment, which will clarify the administration of Native American programs under CSA. I would just like to say at this time that ONAP is clearly committed to programs for all

Native Americans, and rejects the artificial eligibility criteria which have been administratively imposed in other programs. It is important to assure that the administrative provisions for these programs be made clear.

The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to.

Mr. WILLIAMS. Mr. President, I wish to commend my colleagues on the committee, and most particularly the distinguished chairman of the subcommittee, as well as the Senator from New York and the Senator from Massachusetts for their efforts in reaching agreement and reporting this compromise bill from committee to amend and extend legislation creating an Office of Economic Opportunity. The Headstart, Economic Opportunity and Community Partnership Act of 1974 continues the important efforts begun 10 years ago by the late President Johnson to carry out "a war on poverty." It is particularly important that we continue these efforts now to assure that the poverty stricken of this Nation do not carry an unequal burden of our current economic problems.

Last week, the Department of Labor confirmed what we have known for some time, that unemployment increases are only at the beginning. Last month, unemployment reached 6.5 percent, up 0.5 percent since October, and the largest monthly increase since 1961. This figure did not include recently announced layoffs of major automotive industries, pointing toward a terrible situation for a large portion of the Nation during the winter months of 1974-75. Furthermore, statistics indicate that unemployment is greater for the poor, and in areas where the more than 20 percent of the population is poor, the unemployment figures are more than double the national averages.

Food, housing, and fuel costs together represent 82 percent of the increase in the cost of living. For those 24 million individuals living in poverty, these commodities eat up 40 percent more of the household budget than for the average family. And for those in poverty, there are no substitutions for lower-priced commodities, because there is nothing to substitute.

For 10 years now, the Office of Economic Opportunity, and programs run under the Economic Opportunity Act have represented a comprehensive response to the needs of the Nation's poor. Community Action Agencies, while once highly controversial, have become widely supported by State and civic leaders, providing an effective and unique mechanism for mobilizing resources to attack the problems of the poor in their communities.

These agencies have been successful, not only in stimulating and initiating innovative programs within their communities, but have represented a viable force in building the leadership capacity of poor communities and providing employment for individuals in need.

The legislation before us today provides for the continuation of these agencies, and takes important steps forward

in establishing new programs which will assist poor communities. In summary, this legislation—

Extends the Economic Opportunity Act for 3 years.

Continues the Office of Economic Opportunity until October 1, 1975, and provides for the creation of a new independent agency, the Community Services Administration. After that date if the President has not submitted a reorganization plan, or if either House of the Congress disapproves the reorganization plan, community action agencies are transferred to the Department of Health, Education, and Welfare, and community economic development programs are transferred to the Department of Commerce.

Provides legislative authority for the operation of Headstart, Follow Through, Native American programs and research in the Department of Health, Education, and Welfare. Such programs are currently operated by HEW through a delegation agreement.

Retains the 80 percent Federal, 20 percent local share of costs currently authorized for community action programs.

Authorizes new programs for community partnership—incentive grants to stimulate local contributions to community action programs; Emergency Energy Conservation Service—designed to lessen the impact of the energy crisis on the poor through the winterization of dwellings, special transportation arrangements, et cetera; the summer youth recreation program—similar to the Neighborhood Youth Corps summer recreation program; and urban housing demonstration program—to encourage the maintenance and rehabilitation of abandoned and deteriorating housing.

Continues such programs as senior opportunities and services—SOS, the national summer youth sports program, the emergency food and medical service programs.

HANDICAPPED CHILDREN IN HEAD START

In the 1972 OEO amendments, I authored an amendment mandating that 10 percent of all enrollment opportunities in Head Start programs nationwide be available for handicapped children and that services be provided to meet the special needs of these children. I took this action after reviewing reports on the Head Start program which clearly indicated that the open enrollment policy of the Head Start program did not include children with substantial and severe handicaps on the same basis as other children. The Senate committee report filed with that legislation made clear that children with minimal handicaps were to continue to be enrolled in Head Start, and that only children with substantial handicaps "who by reason thereof require special education and related services" were to be counted for purposes of fulfilling this 10 percent mandate. The committee report further made clear that such children with substantial handicaps were not to be separated from other children in regular projects or classes.

The Department's second annual report on Head Start Services to Handicapped Children states that not

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...help to me, and that is his importance as an educational factor.

I came to the Senate knowing the House rules but hardly the Senate rules, and he was enormously helpful and patient in guiding my own views.

When you put a problem to him, he really answers it objectively, and he has no inhibition about the fact that he may have to rule on it and that he might rule differently. He appreciates the fact that we are all well over 21 and that our job is to look after ourselves, but his job is to be as helpful and instructive as he can to each of us individually.

I respectfully submit that for me—and I think it is true for many of us—he has made us much better Senators than we otherwise would have been without this fountain of knowledge from which we could drink, without any inhibition on his part that he had to worry about what he told us in the light of subsequent rulings.

Mr. ALLEN. I thank the distinguished Senator from New York.

Mr. President, the books that Dr. Riddick has written will serve the Senate in good stead for years to come. His book on Senate procedure, recently published, to complement the work of Dr. Riddick and Dr. Watkins, will be of great use to the Senate for decades to come.

I should like to make this comment with respect to the rulings by the Parliamentarian, which of course are the rulings of the Chair more properly: We need in this body uniform rules to go by, rules that will be the same under the same set of circumstances as the issues presented from time to time. I have served in legislative bodies for a number of years, in our State legislature and in the U.S. Senate.

I have never yet voted to overrule the Chair, even though I might disagree with the Chair. I feel that we must have uniformity in our rules. I do not think that the conduct of the Senate's business should be controlled by the whim or caprice of the Membership at a particular time when, due to emotionalism or other reasons, the Senate might want to go in a direction other than the direction that the rules prescribe.

I feel that this is a necessity, that we have an impartial Parliamentarian who will advise the Chair. I am confident that Dr. Riddick's successor, who I feel sure will be Mr. Murray Zweben, who has served under Dr. Riddick for a number of years, will carry on in the same fine tradition as Dr. Riddick.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution, with its preamble, was unanimously agreed to.

GROSS TONNAGE ABOARD CERTAIN VESSELS

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1353.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1353) to deduct from gross tonnage in determining net tonnage those spaces on

board vessels used for waste materials, as follows:

Page 1, line 4, strike out "subsection", and insert: "paragraph".

Page 1, line 5, strike out "subsection:", and insert: "paragraph:".

Page 2, line 11, strike out "subsection.", and insert: "paragraph.".

Page 2, line 14, strike out "subsections", and insert: "paragraphs".

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

COMMUNITY SERVICES ACT OF 1974

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of H.R. 14449, Calendar No. 1225.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana?

The motion was agreed to and the Senate proceeded to consider the bill.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the requisite number of Senators, I offer a cloture motion. It is my intention to ask unanimous consent that the vote on the motion to invoke cloture not occur until Wednesday. Under the rule, without such a consent being granted, the vote on the cloture motion would occur on Tuesday next. However, out of deference to my good friend from North Carolina (Mr. HELMS), who does not want that vote to occur on Tuesday, but prefers that the vote occur on Wednesday or Thursday, I shall ask unanimous consent that the vote not occur until Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon H.R. 14449, a bill to provide for the mobilization of community development and assistance services and to establish a Com-

munity Action Administration in the Department of Health, Education, and Welfare to administer such programs.

Gaylord Nelson, Robert C. Byrd, Mike Mansfield, Gale W. McGee, Stuart Symington, Edward M. Kennedy, John V. Tunney, Thomas P. Eagleton, Charles McC. Mathias, Jr., Jacob K. Javits, Birch Bayh, Howard M. Metzenbaum, Clifford P. Case, Jennings Randolph, Philip A. Hart, Edmund S. Muskie, Adlai E. Stevenson III, Frank Church, Hubert H. Humphrey, and John O. Pastore.

Mr. NELSON. Mr. President, I send to the desk an amendment in the nature of a substitute to H.R. 14449.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. NELSON) proposes an amendment in the nature of a substitute.

The amendment in the nature of a substitute is as follows:

Strike all after the enacting clause and insert in lieu thereof as a substitute the text of S. 4178 (an original bill reported by the Committee on Labor and Public Welfare) as follows:

That this Act may be cited as the "Headstart, Economic Opportunity, and Community Partnership Act of 1974".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to extend programs under the Economic Opportunity Act of 1964, including Headstart, community action, and community economic development programs; and to provide for increased involvement of State and local governments in antipoverty efforts by authorizing a community partnership program.

HEADSTART AND FOLLOW THROUGH

SEC. 3. (a) Title V of the Economic Opportunity Act of 1964 is amended by striking out the heading thereof and all of such title preceding part B thereof (which is hereby redesignated as part (D) and inserting in lieu thereof the following:

"TITLE V—HEADSTART AND FOLLOW THROUGH PROGRAMS

"PURPOSE OF TITLE

"SEC. 501. In recognition of the role of Project Headstart and Follow Through in the effective delivery of comprehensive health, education, nutritional, social, and other services to economically disadvantaged children and their families, it is the purpose of this title to provide the legislative basis for the administration of the Headstart and Follow Through programs in the Department of Health, Education, and Welfare.

"OFFICE OF CHILD DEVELOPMENT

"SEC. 502. Part A of this title shall be administered by the Office of Child Development in the Department of Health, Education, and Welfare. There shall be established within the Office of Child Development a division of migrant programs and a division of Indian programs, and the sums of \$10,000,000 are authorized to be appropriated annually for the administration of each such division.

"PART A—HEADSTART PROGRAMS

"FINANCIAL ASSISTANCE FOR HEADSTART PROGRAMS

"SEC. 511. The Secretary may, upon application by an agency which is eligible for designation as a Headstart agency pursuant to section 514, provide financial assistance to such agency for the planning, conduct, administration, and evaluation of a Headstart program focused primarily upon children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such com-

adding at the end thereof the following new subsection:

"(c) The Secretary may carry out his functions under subsection (b) of this section either directly or by way of grant or contract."

(2) Section 4 of such Act is amended by adding at the end thereof the following new subsection:

"(e) For the purpose of this section, the term 'State' includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam and the Trust Territories of the Pacific."

ASSISTANCE FOR MIGRANT AND OTHER SEASONALLY EMPLOYED FARMWORKERS AND THEIR FAMILIES

SEC. 4. (a) Section 312(b)(3) of the Economic Opportunity Act of 1964 is amended by striking out "and training" and inserting in lieu thereof "and developmental programs".

(b) Effective October 1, 1975, the Economic Opportunity Act of 1964 is further amended by inserting after section 314 thereof the following new section:

"NATIONAL OFFICE FOR MIGRANT AND SEASONAL FARMWORKERS

"SEC. 315. There shall be established within the Community Services Administration a National Office for Migrant and Seasonal Farmworkers which shall be responsible for administering this part and for coordinating programs under this part with other Federal programs designed to assist or serve migrant and seasonal farmworkers, and for reviewing and monitoring such programs."

(c) In providing financial assistance under the provisions of part B of title III of the Economic Opportunity Act of 1964, the Director shall give priority to any public or private nonprofit agency which has previously received financial assistance thereunder for the provision of services for migrant and other seasonally employed farmworkers and their families, taking into account financial assistance provided to any such agency under section 303 of the Comprehensive Employment and Training Act of 1973.

NATIVE AMERICAN PROGRAMS

SEC. 5. The Economic Opportunity Act of 1964 is further amended by inserting after title VII thereof the following new title VIII:

"TITLE VIII—NATIVE AMERICAN PROGRAMS

"SHORT TITLE

"SEC. 801. This title may be cited as the 'Native American Economic Opportunity Programs Act'."

"STATEMENT OF PURPOSE

"SEC. 802. The purpose of this title is to promote the goal of economic and social self-sufficiency for American Indians, Hawaiian Natives (as defined in paragraph (3) of section 813 of this title), and Alaskan Natives."

"FINANCIAL ASSISTANCE FOR NATIVE AMERICAN PROJECTS

"SEC. 803. (a) The Director is authorized to provide financial assistance to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes on Federal and State reservations, Alaskan Native villages and regional corporations established by the Alaska Native Claims Settlement Act, and such public and nonprofit private agencies serving Hawaiian Natives, and Indian organizations in urban or rural non-reservation areas, for projects pertaining to the purposes of this title. In determining the projects to be assisted under this title, the Director shall consult with the other Federal agencies for the purpose of eliminating duplication or conflict among similar activities or projects and for the purpose of determining whether the findings resulting from those projects may be incorporated into one or

more programs for which those agencies are responsible.

"(b) Financial assistance extended to an agency under this title shall not exceed 80 per centum of the approved costs of the assisted project, except that the Director may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. The Director shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this title."

"(c) No project shall be approved for assistance under this title unless the Director is satisfied that the activities to be carried out under such project will be in addition to, and not in substitution for, comparable activities previously carried out without Federal assistance, except that the Director may waive this requirement in any case in which he determines, in accordance with regulations establishing objective criteria, that application of the requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes of this title."

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 804. The Director may provide, directly or through other arrangements, (1) technical assistance to public and private agencies in developing, conducting, and administering projects under this title, and (2) short-term in-service training for specialized or other personnel which is needed in connection with projects receiving financial assistance under this title."

"RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

"SEC. 805. (a) The Director may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise furthering the purposes of this title."

"(b) The Director shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives."

"ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, OR PILOT PROJECTS

"SEC. 806. (a) The Director shall make a public announcement concerning—

"(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency for a research, demonstration, or pilot project; and

"(2) except in cases in which the Director determines that it would not be consistent with the purposes of this title, the results, findings, data, or recommendations made or reported as a result of such activities."

"(b) The public announcements required by subsection (a) shall be made within thirty days of making such grants or contracts, and the public announcements required by subsection (b) of this section shall be made within thirty days of the receipt of such results."

"SUBMISSION OF PLANS TO STATE AND LOCAL OFFICIALS

"SEC. 807. (a) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out on or in an

Indian reservation or Alaskan Native village, unless a plan setting forth the project has been submitted to the governing body of that reservation or village and the plan has not been disapproved by the governing body within thirty days of its submission."

"(b) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a State other than on or in an Indian reservation or Alaskan Native village or Hawaiian Homestead, unless the Director has notified the chief executive officer of the State of his decision to provide that assistance."

"(c) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a city, county, or other major political subdivision of a State, other than on or in an Indian reservation or Alaskan village, or Hawaiian Homestead, unless the Director has notified the local governing officials of the political subdivision of his decision to provide that assistance."

"RECORDS AND AUDITS

"SEC. 808. (a) Each agency which receives financial assistance under this title shall keep such records as the Director may prescribe, including records which fully disclose the amount and disposition by that agency of such financial assistance, the total cost of the project in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit."

"(b) The Director and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any agency which receives financial assistance under this title that are pertinent to the financial assistance received under this title."

"APPEALS, NOTICE, AND HEARING

"SEC. 809. The Director shall prescribe procedures to assure that—

"(1) financial assistance under this title shall not be suspended, except in emergency situations, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

"(2) financial assistance under this title shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing."

"EVALUATION

"SEC. 810. (a) The Director shall provide, directly or through grants or contracts, for the evaluation of projects assisted under this title, including evaluations that describe and measure the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects. Evaluations shall be conducted by persons not directly involved in the administration of the program or project evaluated."

"(b) Prior to obligating funds for the programs and projects covered by this title with respect to fiscal year 1976, the Director shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this title. The extent to which such standards have

met shall be considered in deciding whether to renew or supplement financial assistance authorized under this title.

"(c) In carrying out evaluations under this title, the Director may require agencies which receive assistance under this title to provide for independent evaluations.

"(d) In carrying out evaluations under this title, the Director shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this title about such programs and projects.

"(e) The Director shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Director shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

"(f) The Director shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this title shall become the property of the United States.

"LABOR STANDARDS"

"Sec. 811. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting or decorating, of buildings or other facilities in connection with projects assisted under this title, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950, and section 2 of the Act of June 1, 1934.

"DELEGATION OF AUTHORITY"

"Sec. 812. (a) The Director is authorized to delegate to the heads of other departments and agencies of the Federal Government any of his functions, powers, and duties under this title, as he may deem appropriate, and to authorize the redelegation of such functions, powers, and duties by the heads of such departments and agencies.

"(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this title.

"(c) Funds appropriated for the purpose of carrying out this title may be transferred between departments and agencies of the Government, if such funds are used for the purposes for which they are authorized and appropriated.

"DEFINITIONS"

"Sec. 813. As used in this title, the term—

"(1) 'financial assistance' includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

"(2) 'Indian reservation or Alaskan Native village' includes the reservation of any federally or State recognized Indian tribe, including any band, nation, pueblo, or rancharia, any former reservation in Oklahoma, any community under the jurisdiction of an Indian tribe, including a band, nation, pueblo, or rancharia, with allotted lands or lands subject to a restriction against alienation imposed by the United States or a State, and any lands of or under the jurisdiction of an Alaskan Native village or group, including any lands selected by Alaska Natives or Alaskan Native organizations under the Alaska Native Claims Settlement Act; and

"(3) 'Native Hawaiian' means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778.

"AUTHORIZATION OF APPROPRIATIONS"

"Sec. 814. There are authorized to be appropriated for the purpose of carrying out the provisions of this title, such sums as may be necessary for fiscal year 1975 through 1977."

COMMUNITY ACTION PROGRAMS WITH INDIAN TRIBES

SEC. 6. Section 210 of the Economic Opportunity Act of 1964 is amended—

(1) in subsection (a) thereof, by inserting "or an Indian tribal government," before the word "which" the second place it appears therein; and

(2) by repealing subsection (f) thereof.

RESEARCH AND DEMONSTRATION PROGRAMS

SEC. 7. The Economic Opportunity Act of 1964 is further amended by adding at the end thereof the following new title:

"TITLE XI—RESEARCH AND DEMONSTRATIONS"

"STATEMENT OF PURPOSE"

"Sec. 1101. The purpose of the title is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, including persons of limited English-speaking ability, in rural and urban areas to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient.

"RESEARCH, DEMONSTRATION, AND PILOT PROJECTS"

"Sec. 1102. (a) The Director may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise furthering the purposes of this title.

"(b) The Director shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. Such plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Director shall consult with other Federal agencies for the purpose of minimizing duplication among similar activities or projects and determining whether the findings resulting from any such projects may be incorporated into one or more programs for which those agencies are responsible.

"(c) No project shall be commenced under this section unless a plan setting forth such proposed project has been submitted to the chief executive officer of the State in which the project is to be located and such plan has not been disapproved by him within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title.

"(d) In making grants or contracts under this title, the Director shall insure that not less than 25 per centum of the funds made available under this title in any fiscal year shall be made available for programs or projects receiving financial assistance under section 221 or 235 of this Act.

"CONSULTATION"

"Sec. 1103. In carrying out projects under this title, the Director shall, whenever feasible, arrange to obtain the opinions of program participants about the strengths and weaknesses of programs.

"ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND PILOT PROJECTS"

"Sec. 1104. (a) The Director shall make a public announcement concerning—

"(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency or organization for any research, demonstration, or pilot project under this title; and

"(2) the results, findings, data, or recommendations made or reported as a result of such research, demonstration, or pilot project.

"(b) The public announcements required by subsection (a) of this section shall be made within thirty days of making any such grant or contract, and the public announcements required by subsection (b) of this section shall be made within thirty days of the receipt of such results, findings, data, or recommendations.

"(c) The Director shall take necessary action to assure that all studies, proposals, and data produced or developed with Federal funds employed under this title shall become the property of the United States.

"(d) The Director shall publish studies of the results of activities carried out pursuant to this title not later than ninety days after the completion thereof. The Director shall submit to the appropriate committees of the Congress copies of all such studies.

"NONDISCRIMINATION PROVISIONS"

"Sec. 1105. (a) The Director shall not provide financial assistance for any program, project, or activity under this title unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

"(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Director shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Director to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program, project, or activity receiving assistance under this title.

"PROHIBITION OF FEDERAL CONTROL"

"Sec. 1106. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

"DEFINITIONS"

"Sec. 1107. As used in this title, the term—

"(1) 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

"(2) 'demonstration or pilot project' means any project, whether or not involving research, which includes the delivery of human services.

"AUTHORIZATION OF APPROPRIATIONS"

"Sec. 1108. There are authorized to be appropriated for carrying out the purposes of this title such sums as may be necessary for fiscal years 1975 through 1977."

ministration; but the President shall submit names for appointment to positions in the Community Services Administration, requiring the advice and consent of the Senate, within ninety days of continuous session of Congress after the establishment of such Administration.

ELIGIBILITY FOR PROGRAMS

SEC. 14. Section 623 of the Economic Opportunity Act of 1964 is amended to read as follows:

"CRITERIA FOR DETERMINING ELIGIBILITY

"SEC. 623. (a) Every agency administering programs authorized by this Act in which the poverty line is a criterion of eligibility shall revise the poverty line at annual intervals, or at any shorter interval it deems feasible and desirable.

"(b) The revision required by subsection (a) of this section shall be accomplished by multiplying the official poverty line (as defined by the Office of Management and Budget) by the percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the revision is made.

"(c) Revisions required by subsection (a) of this section shall be made and issued not more than thirty days after the date on which the necessary consumer price index data becomes available.

"(d) In applying the poverty line to families as a criterion for eligibility in programs authorized by this Act, the family unit shall not be defined so as to include income earned by individuals who are eighteen years of age or older other than the parents heading the household.

"(e) Each agency administering programs for the disadvantaged authorized by this Act shall include among the disadvantaged those persons who suffer in the labor market because of their limited speaking, reading, and writing abilities in the English language."

EXTENSION OF PROGRAM AUTHORITY

SEC. 15. (a) Sections 245, 321, and 615 of the Economic Opportunity Act of 1964, are each amended by striking out "eight succeeding fiscal years" and inserting in lieu thereof "eleven succeeding fiscal years."

(b) Section 523 of such Act (redesignated as section 573 by section 3(c) of this Act) is amended by striking out "seven succeeding fiscal years" and inserting in lieu thereof "ten succeeding fiscal years."

AUTHORIZATION OF APPROPRIATIONS

SEC. 16. (a) For the purpose of carrying out title II, title III, title V, title VI, title VII, title VIII, title IX, and title XI of the Economic Opportunity Act of 1964, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1975 through 1977.

(b) Unless the Congress has passed or formally rejected legislation extending the authorizations of appropriations for carrying out any title of the Economic Opportunity Act of 1964 specified in subsection (a) of this section, or adopts a concurrent resolution providing that the provisions of this subsection shall not apply, the authorizations of appropriations specified in subsection (a) are hereby automatically extended for one additional fiscal year beyond the terminal year specified therein.

EFFECTIVE DATE

SEC. 17. Except as otherwise provided, the provisions of this Act shall take effect on the date of enactment of this Act.

Mr. ROBERT C. BYRD. Mr. President, does the cloture motion apply to the amendment in the nature of a substitute?

The PRESIDING OFFICER. It applies to the bill.

Mr. ROBERT C. BYRD. And thus, the substitute is covered, is that correct?

The PRESIDING OFFICER. It therefore applies to everything attendant thereupon.

Mr. ROBERT C. BYRD. Will the Senator yield to me briefly?

Mr. NELSON. I yield.

Mr. ROBERT C. BYRD. Is my understanding correct that Senator HELMS and other Senators on his side of the aisle, and Senator NELSON and Senator JAVITS would be agreeable to a vote on cloture on Wednesday next at approximately 4:15 p.m., with the hour for debate on cloture to begin running at 3 o'clock p.m. on that date?

Mr. HELMS. Mr. President, that is perfectly acceptable to the Senator from North Carolina. I thank the distinguished assistant majority leader.

Mr. ROBERT C. BYRD. Then, Mr. President, I make that request.

Mr. JAVITS. Mr. President, the request is to vote on cloture at 4:15 on Wednesday?

Mr. ROBERT C. BYRD. At about 4:15.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MCCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCCLURE. As I understand the parliamentary situation, if this unanimous consent agreement is entered into, it would require unanimous consent to change the time for debate on the vote on cloture?

The PRESIDING OFFICER. The agreement has been entered into. The Senator is correct, with the change from Tuesday to Wednesday.

Mr. ROBERT C. BYRD. According to my understanding, the rule would make the following procedure occur: At 3 p.m. on next Wednesday, the 1 hour of debate under rule XXII on the motion to invoke cloture will begin running. Immediately after the 1 hour of debate, the rule would require the Chair to call the roll to establish the presence of a quorum. When a quorum is established, which would take about 15 minutes, the rollcall vote on the motion to invoke cloture would occur, which is mandatory.

So, in the absence of further change, the rollcall vote would occur circa 4:15 p.m. on Wednesday.

Mr. President, I thank the Senator from North Carolina, who is always cooperative and understanding. He is most diligent in protecting his rights, and does it in a fine way, which is not abrasive, and everyone appreciates the way he performs. I appreciate in this instance his cooperation so that we can reach an understanding.

Mr. HELMS. Mr. President, similarly I can say that no Member of the Senate has been kinder nor more cooperative to me than the distinguished Senator from West Virginia, and I am grateful to him for his confidence.

Mr. NELSON. Mr. President, S. 4178 is the Senate committee-reported bill to extend the Economic Opportunity Act programs. Its short title is the "Headstart, Economic Opportunity, and Community Partnership Act of 1974."

H.R. 14449—to transfer Economic Op-

portunity Act programs to HEW—passed the House by a vote of 331 to 53 on May 20, 1974.

The last rollcall vote on OEO legislation in the Senate was June 30, 1972, when the Economic Opportunity Amendments of 1972 passed by a vote of 75 to 13.

The Headstart, Economic Opportunity, and Community Partnership Act of 1974 (S. 4178) extends the authorization for antipoverty programs under the Economic Opportunity Act for 3 years—through fiscal year 1977. These programs include Headstart, Follow Through, Community Action, Senior Opportunities and Services, Emergency Food and Medical Services, Community Economic Development programs, and Native American programs.

The bill authorizes the appropriation of such sums as may be necessary to carry out such programs through fiscal year 1977.

The Office of Economic Opportunity itself would be continued until October 1, 1975. At any time after June 30, 1975, the President may submit a reorganization plan proposing to transfer community action and the other remaining OEO programs to the Department of Health, Education, and Welfare, except for the Community Economic Development program which would be transferred to the Department of Commerce.

In accord with reorganization plan procedures, either the House or the Senate could disapprove such a reorganization plan within 60 days of its transmittal. If the President did not submit a reorganization plan, or, if either House of Congress disapproved it, OEO would become the Community Services Administration, which would be an independent agency in the Federal Government.

The legislation extends the authorization for local initiative funding for community action programs.

The committee-reported bill would retain the 80 percent Federal share with respect to financial assistance to Community Action programs. This is the same as the current law's provision setting the Federal share at 80 percent of the program costs for community action programs.

In accord with the administration's request, the committee-reported bill consolidates the legislative authority for the Headstart and Follow Through programs within the Department of Health, Education, and Welfare, in recognition of the fact that operational responsibility for such programs has been in HEW for several years.

In addition, the bill includes titles relating to Native American programs and Research programs along the lines requested by the administration.

The legislation adds a new section authorizing a Community Partnership program of incentive grants to match to these funds made available by State and local governments for community action programs.

The pending legislation does not earmark funds for particular purposes. Instead it authorizes the appropriation of such sums as may be necessary—leaving to the appropriations process any specific earmarking. However, it does provide

that if funds appropriated for local Initiative Community Action in excess of \$330 million, then half of any such excess amount should go to the new incentive program to match State and local contributions to community action activities.

COMMITTEE COMPROMISE

The committee-reported bill is a compromise between the views of those who support transferring OEO to HEW and those who support the continuation of a separate agency for antipoverty programs. The part of the legislation which involved the most difficult consideration was the question of where the Office of Economic Opportunity should be located organizationally.

At the present time, the Office of Economic Opportunity retains actual operational responsibility for local initiative community action programs, community economic development programs, senior opportunities and services, and emergency food and medical services. But most of the other programs initiated by the Office of Economic Opportunity have over the past several years been spun off under delegation arrangements to other departments and agencies of the Federal Government.

The bill which was passed by the House of Representatives earlier this session (H.R. 14449), provides for the programs which now remain under the administration of the Office of Economic Opportunity to be transferred to the Department of Health, Education, and Welfare, except for the community economic development program which the House-passed bill would transfer to the Department of Commerce.

The bill I introduced in the Senate (S. 3870) was similar to the House-passed bill in proposing to transfer the remaining OEO programs to HEW.

The other major bill was introduced by Senators JAVITS and KENNEDY (S. 3798). The Javits-Kennedy bill proposed creation of a new independent agency to replace the Office of Economic Opportunity as the Federal Government's antipoverty agency.

A large number of people around the Nation have urged the Congress to support the continuation of any agency within the Federal Government to serve as the focal point for antipoverty efforts.

Whether or not the Office of Economic Opportunity is established as a separate agency within HEW or remains as a separate agency, there should be no doubt that there is broadly felt need in this country to have a strong antipoverty agency.

Aside from the question of where the antipoverty agency should be located, the other major difference between the committee-reported bill and the House-passed bill is that the bill passed by the House reduces the Federal share for local initiative Community Action programs from 80 percent in fiscal year 1975, down to 70 percent in fiscal year 1976, and then to 60 percent in fiscal year 1977.

While the purpose of the House-passed planing down of the Federal

share is to encourage State and local contributions to community action programs, the impact upon hard-pressed State and local governments is to impose a severe fiscal impact at a time when the state of the economy is such as to make it particularly difficult for State and local governments to budget for new activities which they have not budgeted in the past.

To a limited extent, some State and local governments have devoted some funds to community action programs. The committee-reported bill contains a new community partnership program which seeks to encourage and reward those States and local governments which provide increased funding for community action activities in the future.

Under this new incentive program, funds would be provided to assist State and local governments which enter into arrangements with community action agencies to support activities and services in addition to those which have been provided by community action agencies. In other words, these activities would be supplemental to existing community action programs.

NEED TO CONTINUE THE ANTI-POVERTY PROGRAMS

The need for the anti-poverty programs authorized by the Economic Opportunity Act has been underscored by support from national leaders representing a variety of viewpoints. They insist that we not abandon programs that have demonstrated their effectiveness in reaching out to help solve the problems of the poor, and have urged that the Federal Government continue and strengthen these programs. The National Advisory Council on Economic Opportunity concluded that even in normal times federally funded anti-poverty programs are important in urban areas and indispensable in rural areas.

President Ford stated in his economic message to the Congress of October 8:

I know that low-income and middle-income Americans have been hardest hit by inflation. Their budgets are most vulnerable because a larger part of their income goes for the highly inflated costs of food, fuel and medical care.

Food, housing, and fuel costs, together constitute 82 percent of the increase in the cost of living. But they make up a 40 percent larger chunk of the budget of the low-income family than of the average family. For the poor, as well as for others, there is little relief in sight. As of the third quarter of 1974, the Wholesale Price Index was increasing at a 28.1 percent annual rate, and the price of industrial commodities has been rising at a rate of 20.3 percent, insuring higher prices for many necessary products into the foreseeable future.

Furthermore, the substitution effect that serves to cushion somewhat the blow of economic distress on middle-income families simply does not function below the poverty line. As HEW economist John Palmer said in a recent study on the effects of inflation:

The poor have little or no flexibility to adjust to job or real income losses; if the demand for unskilled labor slackens there

are no lower-paying jobs for which they can compete. If the price of low-grade cuts of beef rises, there are no lower cuts to substitute.

COMMUNITY ACTION

Although community action programs were once highly controversial, they now enjoy wide acceptance and support from State and city officials and civic leaders from all sections of the country, reflecting political persuasions across the board, from conservative to liberal.

Community Action Agencies clearly perform a unique and essential function not only in providing services to the poor, but in reflecting the specific concerns of the communities they serve. Local participation and flexibility are the cornerstones of the Community Action program.

The Community Action program has been successful because it has been tailored to the unique needs of each local community. There are over 900 Community Action programs at the present time. A total of 95 of these Community Action programs are public agencies operating through the local government structure. Other Community Action Agencies are nonprofit private agencies which are governed by boards consisting of public representatives and community leaders.

Community Action Agencies have been effective in mobilizing other Federal and local resources. Thus, Community Action programs operate manpower programs and receive funding through the Comprehensive Employment and Training Act. In addition, many Community Action programs operate Headstart programs and receive funds directly from the Office of Child Development for carrying out Head Start programs.

The committee believes that one of the most important functions of Community Action Agencies is to initiate innovative programs. In the past, CAP's have responded to specific local problems with programs which may have applicability on a national level. The Maine Community Action Agency's energy conservation project initiated last winter in response to the severe impact of the energy crisis on the poor is one outstanding example.

HEAD START

The committee bill transfers legislative authority for the Head Start program to the Department of Health, Education, and Welfare and extends that authority through fiscal 1977. The Head Start title in the committee bill is based upon the administration's own legislative proposal.

In transferring the Head Start authority by legislation, the committee simply recognizes in the law the delegation of operating authority from the Director of the Office of Economic Opportunity to the Secretary of Health, Education, and Welfare which took place in 1969. It is in no way intended to alter the nature of Head Start as a local community-based child development program with maximum parental involvement.

In addition, the committee-reported bill prohibits the imposition of a fee

schedule for participation in Head Start programs.

FOLLOW THROUGH

Part B of title V consolidates the legislative authority for the Follow Through program in the Department of Health, Education, and Welfare and extends its authorization through fiscal year 1977. Follow Through has been an effective program which has shown tremendous promise in creating new and exciting methods that aid in the continued development of children in grades 1 through 3 of elementary school—so that children who have been through Head Start will continue the gains they have made.

MIGRANT AND SEASONAL FARMWORKERS

In view of the demonstrated effectiveness of programs operated under title III-B of the Economic Opportunity Act (EOA) of 1964, the committee bill continues the authorization of funding for migrant and seasonal farmworker programs with respect to nonmanpower activities.

Although section 303 of the Comprehensive Employment and Training Act of 1973—CETA—included special funding for manpower activities for migrants, there continues to be a need for a special program under the Economic Opportunity Act for nonmanpower activities. For example, title III-B authorizes day care, basic education, health services, emergency housing and sanitation facilities, and consumer training and counseling.

NATIVE AMERICAN PROGRAM

The Native American program applies innovative approaches to deal with the special needs of Indians and Alaska Natives, and provides for a better focusing of available resources to enable them to attain economic self-sufficiency. The Native American title of the committee-reported bill is based upon legislation submitted by the administration.

The basic purpose of the Native American program is to increase the economic and social service self-sufficiency of the Indian people. This in line with the whole concept of self-determination which has as its main function to build the capacity of tribal governments as well as off-reservation Indians to make decisions and to manage programs which affect their social and economic conditions. This is reflected in the Native American program through two major activities: first, to assist tribal governments in building their capacity to manage economic development and human services; and, second, for off-reservation Indians, to develop the capacity for linking into human services delivery systems supported primarily through the Federal Government and State and local governments. This is done primarily through information and referral outreach centers in the major cities of the country with large concentrations of urban Indians.

ENERGY CONSERVATION SERVICES

One of the most significant features of the committee-reported legislation is the new special emphasis program "Emergency Energy Conservation Services." This new program is based upon

the widely acclaimed energy project in the State of Maine, funded by OEO under its research and demonstration projects authority.

These programs will be designed to enable low-income individuals and families and others, to participate in energy conservation programs designed to lessen the impact of the crisis on such persons. This includes such activities as winterization of old or substandard dwellings, special transportation activities, and similar functions.

Everyone is greatly concerned about the effect of the energy crisis on the poor during the winter months, and the special hardships which the poor will face this winter as a result of the economic situation.

The energy conservation projects are an example of how flexible the Economic Opportunity programs have been in developing innovative projects quickly and with a minimum of red tape.

COMMUNITY ECONOMIC DEVELOPMENT

The committee bill extends the authority now contained in title VII of the Economic Opportunity Act relating to community economic development, with strengthened provisions to assure the availability of resources from other Federal agencies and the availability of long-term capital for community economic development corporations and other grantees.

As in the case of Community Action programs, the committee bill also provides for the continued administration of the community economic development program under the Office of Economic Opportunity through October 1 of next year. However, the bill does provide that the President may, next year, submit to Congress a reorganization plan transferring the administration of the community economic development program to the Department of Commerce, with strict criteria relating to the autonomy and character of the program within that department. Such a plan would take effect 60 days after its submission to Congress unless it is disapproved by either House of Congress. In order to assure that the President may make his recommendation regarding the administrative status of this program with as much information as possible, there is established, under the committee-reported bill, a Commission to undertake a study of community economic development efforts for submission to the President and Congress on or before June 30, 1975.

Programs conducted by the Community Economic Development Corporation and other self-help entities combine business development efforts with job training and employment, social services programs, and a wide variety of other efforts reflective of community needs. These programs are designed to be comprehensive responses to the needs of all persons living in communities or areas with concentrations or substantial numbers of low-income persons, both in rural and urban areas.

SUMMARY

Mr. President, the antipoverty programs under the Economic Opportunity

Act are part of the overall program to help the poor in our Nation. Certainly, other programs, including economic policies, tax relief, health programs, food stamps and other direct assistance programs, and employment and training programs all are necessary to help the disadvantaged cope with the particular problems they face. But the unique characteristic of the Economic Opportunity Act programs has been the legislation's flexibility. The law does not impose rigid limits upon the creative possibilities of the poor to help themselves. With the assistance of Federal and State Economic Opportunity offices, Community Action agencies can propose almost any type of program to meet their needs, and are encouraged to look for and utilize other resources—State, local, and private, as well as other Federal programs.

The Congress should do all it can to continue to support these modest but important efforts, especially in these times of economic distress.

Mr. President, I ask unanimous consent that a section-by-section analysis of the "Headstart, Economic Opportunity, and Community Partnership Act of 1974" be printed in the Record.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section provides that this legislation may be cited as the "Headstart, Economic Opportunity, and Community Partnership Act of 1974".

Section 2. Statement of purpose

This section states that it is the purpose of the legislation to extend programs under the Economic Opportunity Act of 1964 and to provide for increased involvement of State and local governments in antipoverty efforts by authorizing a community partnership program.

Section 3. Headstart and Follow Through

This section provides for a new title V of the Economic Opportunity Act of 1964, except for part B of the existing title V which is redesignated as part C.

TITLE V—HEADSTART AND FOLLOW THROUGH PROGRAMS

Sec. 501. Purpose of title

This section states that the purpose of the title is to provide the legislative basis for the administration of the Headstart and Follow Through programs in the Department of Health, Education, and Welfare.

Sec. 502. Office of Child Development

This section provides that part A (relating to Headstart) of this title shall be administered in the Department of Health, Education, and Welfare; and that there shall be established within the office of Child Development a division of migrant programs and a division of Indian programs with sums of \$10,000,000 authorized to be appropriated annually for the administration of each such division.

Part B—Headstart Programs

Sec. 511. Financial assistance for Headstart program

This section authorizes the Secretary of Health, Education, and Welfare to provide financial assistance to eligible agencies which provide comprehensive health, educational, and other social services and which provide for the direct participation of parents.

Service on behalf of the Secretary of Commerce, the claim is determined to be wholly valid, then the Secretary changes the loan to a grant. It then becomes the responsibility of the Federal Government to collect the amount owed for damages by the foreign nation.

If, however, the American fisherman is determined to be partially or wholly at fault for the damages incurred, then the loan stays in effect at an appropriate interest rate determined by the Secretary.

I have noted that this program will require no new revenues. This is because it is established by an amendment to the Fish and Wildlife Act of 1956, and will utilize moneys available in Fisheries Loan Fund.

Mr. Speaker, the fishermen of the United States need our help. I urge my colleagues to support this conference report which will provide our fishermen with protection from the carelessness, indifference, and aggressiveness frequently exhibited by the masters of foreign fishing vessels off our shores.

The conference report was agreed to. A motion to reconsider was laid on the table.

AMENDMENT IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: on Page 2, after line 19, insert:

SEC. 5. Section 4 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c; 70 Stat. 1121), as amended, is further amended by adding the following new subsection:

"(f)(1) The Secretary of Commerce is authorized, under such terms and conditions as he may prescribe by regulation to use funds appropriated under this section to compensate owners and operators whose fishing vessels or gear have been destroyed or damaged by the actions of foreign fishing vessels operating in waters superjacent to the Continental Shelf of the United States as defined in the Convention on the Continental Shelf.

"(2) Upon receipt of an application filed by an owner or operator pursuant to this subsection after the effective date of this subsection by the owner or operator of any vessel documented or certificated under the laws of the United States as a commercial fishing vessel and after determination by the Secretary that there is reason to believe that such vessel or its gear was destroyed or damaged while under the control of such owner or operator in waters superjacent to the Continental Shelf of the United States by the actions of a vessel (including crew) of a foreign nation, the Secretary shall, as soon as practicable but not later than thirty days after receipt of an application, make a non-interest-bearing loan to such owner or operator from the fisheries loan fund created under subsection (c) of this section. Any such loan, as determined by the Secretary, shall be in an amount equal to the replacement value of the damaged or destroyed property and the market value of fish, if any, onboard such vessel and within such gear which are lost or spoiled as the result of such damage or destruction. Any such loan shall—

"(A) be conditional upon the owner or operator of such damaged or destroyed property assigning to the Secretary of Commerce any such rights of such owner or operator to recover for such damages;

"(B) be subject to other requirements of

this section with respect to loans which are not inconsistent with this subsection; and

"(C) be subject to other terms and conditions which the Secretary determines necessary for the purposes of this subsection.

"(3) The Secretary of Commerce shall, within one hundred and eighty days of receipt of a loan application, investigate each incident as a result of which a loan is made pursuant to this subsection and—

"(A) if he determines in any such case that the destruction or damage was caused solely by a vessel (including crew) of a foreign nation, he shall cancel repayment of such loan and refund any principal paid thereon prior to such cancellation and seek recovery from such foreign nation;

"(B) if he determines that the damage or destruction was not caused solely by a vessel (including crew) of a foreign nation or solely by the negligence or intentional actions of the owner or operator of the vessel, he shall require such owner or operator to repay such loan at a rate of interest determined by him, pursuant to subsection (b) of this section, which rate shall be retroactive to the date the loan was originally made; or

"(c) if he determines that the damage or destruction was caused solely by the negligence or intentional actions of the owner or operator, he shall require the immediate repayment of such loan at a rate of interest determined by him, pursuant to subsection (b) of this section, which rate shall be retroactive to the date the loan was originally made.

"(4) The Secretary of Commerce and the Secretary of State shall, with the assistance of the Attorney General, take steps to collect any claim assigned to him under this subsection from any foreign nation involved. Amounts collected on any such claim shall be deposited in the fisheries loan fund.

"(5) This subsection shall apply with respect to damages or destruction of vessels or gear occurring on or after January 1, 1972."

MOTION OFFERED BY MRS. SULLIVAN

Mrs. SULLIVAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. SULLIVAN moves that the House recede from its disagreement to Senate amendment numbered 3 and concur therein with an amendment as follows: Amend paragraph (5) of the proposed new subsection (f) to read as follows:

"(5) This subsection shall apply with respect to uncompensated damage to or destruction of any vessel or the gear of such vessel occurring:

"(A) during the period from January 1, 1972, through the date of enactment of this subsection, if an application for a claim for such damage or destruction has been filed with the Federal Government during such period; and

"(B) during the period from the day after the date of enactment of this subsection through March 15, 1976.

Funds authorized under this section shall not be available for compensation under this subsection after March 15, 1976."

The motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 days in which to insert their remarks on the subject of the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CONFERENCE REPORT ON H.R. 14449, COMMUNITY SERVICES ACT OF 1974

Mr. PERKINS. Mr. Speaker, I call up the conference report on the bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education and Welfare to administer such programs, and ask unanimous consent that the statement of the managers to be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

(For conference report and statement see proceedings of the House today.)

Mr. PERKINS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the conference report that we have before us represents the culmination of a 2-year bi-partisan effort to reach an agreement that all parties can be satisfied with to adopt legislation to continue community action programs.

We are all familiar with the history involved with the community action-economic opportunity programs.

The conference report that I present today is a product of many hours of hard work by the gentleman from California (Mr. HAWKINS), the chairman of the Equal Opportunities Subcommittee, as well as the diligent efforts and cooperation of the gentleman from Minnesota (Mr. QUINN), without whose efforts this conference report could not be presented to the House during the 93d Congress.

The House passed the Office of Economic Opportunity legislation last May by a vote of 331 to 15. The Senate passed, the legislation earlier this month by a vote of 75 to 13. The conference agreement retains a substantial portion of the House bill.

A most important provision of the conference report relates to the structure and location of the Office of Economic Opportunity. Under the conference agreement the Office of Economic Opportunity is abolished upon the adoption of this legislation. In its place the conferees recommend the creation of the Community Services Administration, which would be an independent agency within the Federal Government.

It would be the responsibility of the Community Services Administration to carry out the community action program, the community food and nutrition program, the senior opportunities and services program, the rural housing, development, and rehabilitation program, as well as many other programs formerly

run under the Office of Economic Opportunity.

In order to guarantee the President the right to decide the fate of this agency, if he is unhappy with the action of the Congress, we have created a mechanism whereby the President, after March 15, 1975, may submit a reorganization plan to place this new Community Services Administration within the Department of Health, Education, and Welfare. Let me note at this point, that it is not mandatory that the President submit such a plan, but if he does submit a reorganization plan it would have to include the basic structure of the House-passed provision that created an independent Community Services Administration within the Department of Health, Education, and Welfare.

Upon receipt of such reorganization plan the Congress has 60 days to reject it. If the Congress chooses to reject this plan it must be done through a joint resolution. This process, in effect, requires the Congress to override a Presidential veto to prohibit the President from transferring this independent agency to the Department of Health, Education, and Welfare if he so decides.

The conference agreement retains the principal of the House bill and reduces the Federal share for each community action over a period of 3 years.

The conference agreement includes the House provision for an incentive grant program called "Demonstration Community Partnership Agreements" which will encourage States and local communities to provide new dollars for community action programs.

The conference agreement authorizes the Secretary of Health, Education and Welfare to operate the Headstart and Follow Through programs. The only substantial change made in the Headstart program relates to the formula for the allocation of funds. The conference agreement provides that funds will be allocated on the basis of in the relative number of public assistance recipients in each State as compared to all States, and the relative number of children living in families below the poverty level in each State as compared to all States.

Rather than go into detail, I am attaching a list of programs and their disposition under the conference agreement.

First, Community health services—transferred to the Department of Health, Education and Welfare;

Second, Community food and nutrition program—retained in the Community Services Administration.

Third, Family planning authority—deleted;

Fourth, Senior opportunities and services program—retained in the Community Services Administration;

Fifth, Alcohol counseling and recovery program—combined with comprehensive health title and transferred to the Department of Health, Education and Welfare;

Sixth, Drug Rehabilitation program—combined with comprehensive health title and transferred to the Department of Health, Education and Welfare;

Seventh, Emergency energy conservation program—new in the Community Services Administration;

Eighth, Summer youth recreation program—tied to title I of the Comprehensive Employment and Training Act and run by the Department of Labor;

Ninth, Urban housing demonstration programs—deleted;

Tenth, Design and planning assistance programs—retained as permissive and not mandatory as in existing law;

Eleventh, Youth recreation and sports program—extended through the Community Services Administration;

Twelfth, Consumer action and cooperative programs—retained as permissive and not mandatory as in existing law;

Thirteenth, Intergovernmental Advisory Council on Community Services—accepted but with the stipulation that no money may be provided for any staff, travel, or per diem expenses;

Fourteenth, Migrant programs administered by the Department of Labor—transferred to the Community Services Administration;

Fifteenth, Establishment of a National Office for Migrant and Seasonal Farmworkers—deleted; and

Sixteenth, Follow Through—transferred to the Department of Health, Education, and Welfare and extended for 3 years.

Mr. Speaker, I yield now to the distinguished gentleman from California (Mr. HAWKINS).

Mr. HAWKINS. Mr. Speaker, the conferees of the joint House-Senate conference on H.R. 14449 have unanimously agreed to a compromise bill to extend the programs of the Economic Opportunity Act through fiscal year 1977. This compromise bill, entitled the Headstart, Economic Opportunity and Community Partnership Act of 1974, provides continuing authority for community action, community economic development, Headstart, Follow Through, Native Americans and other programs previously authorized under the Economic Opportunity Act.

This bill is the product of careful consideration and extended debate by both bodies, primarily on the most effective method of administering the Federal poverty program.

On May 29, the House overwhelmingly affirmed the need to continue this vital program by a vote of 331 to 53. The House bill provided for the immediate transfer of programs now under the Office of Economic Opportunity to a new administration in the Department of Health, Education, and Welfare. The Senate bill, passed on December 13, by a vote of 75 to 13, would have kept the programs under the Office of Economic Opportunity unless the President submitted a reorganization plan transferring the program to HEW after June 30, 1975. In the Senate bill, the reorganization plan could have been disapproved by a majority of either House.

The compromise developed by the conference committee provides for the establishment upon enactment of the Community Services Administration, an

independent agency within the executive branch. The compromise retains the option of the President to submit a reorganization plan after March 15 transferring the OEO programs to HEW but would require congressional rejection by joint resolution. Congress would have 60 days in which to act. The President could veto such a resolution, which would then require a two-thirds vote by both Houses of Congress.

Another key element of the compromise bill concerns the level of Federal support for community action agencies over the 3-year authorization of the legislation. The House bill had reduced the Federal share from 80 percent in fiscal 1975 to 70 percent in fiscal 1976 and 60 percent in fiscal 1977. The Senate version retained the present 80 percent level of support for the full 3 years. The conference bill keeps the reduction proposed by the House bill, but protects those community action agencies receiving less than \$300,000 in Federal funds. These agencies, generally in rural communities, would receive 80 percent Federal funding in fiscal 1975, 75 percent Federal funding in fiscal year 1976, and 70 percent in fiscal 1977. The conferees believed that it was essential to provide this additional assistance to smaller communities which simply do not have the resources to contribute to community action efforts. It is estimated that about three-fourths of the community action agencies would be assisted by this additional support, while less than a third of the total grant funds would be affected.

The compromise bill authorizes the continuation of the community economic development program in the new Community Services Administration. As in the case of other programs previously administered by the Office of Economic Opportunity, the Community Economic Development program could be transferred, in this instance to the Department of Commerce, by a Presidential reorganization plan. The transfer to Commerce could be rejected by a joint resolution. In the event of a transfer, the community economic development program is to be administered in a separate administration within the Department of Commerce.

As requested by the administration, this legislation includes statutory authority for the administration of the Head Start, and Follow Through programs, and for the Native American program in the Department of Health, Education, and Welfare.

In transferring the Head Start program to HEW, the conferees are simply recognizing the delegation of authority from the Director of OEO to the Secretary of Health, Education and Welfare which took effect in 1969. It is expected that Headstart will continue to be administered by the Office of Child Development in HEW and that it will continue to be a local community-based child development program with maximum parental involvement.

For the first time, Headstart funds will be distributed on the basis of a formula reflecting the number of welfare recipi-

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93D CONGRESS
2d Session

SENATE

REPORT
No. 93-1292

HEADSTART, ECONOMIC OPPORTUNITY, AND COMMUNITY PARTNERSHIP ACT OF 1974

NOVEMBER 20, 1974.—Ordered to be printed

Mr. NELSON, from the Committee on Labor and Public Welfare, submitted the following

REPORT

[To accompany S. 4178]

The Committee on Labor and Public Welfare, to which was referred legislation to provide for the extension of Headstart, community action, community economic development, and other programs under the Economic Opportunity Act of 1964, to provide for increased involvement of State and local governments in antipoverty efforts, and for other purposes, having considered the same, reports an original bill thereon, and recommends that the bill do pass.

INTRODUCTION

PURPOSE

It is the purpose of this bill to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, as amended, including Community Action, Senior Opportunities and Services, Headstart, Follow Through, and others. In recognition of the past delegation of certain programs under the delegation authority of the Director of the Office of Economic Opportunity, the Committee has legislated the transfer of several programs to the Department of Health, Education, and Welfare, Headstart, Follow Through, Native Americans, and the Research Program.

CONSIDERATION OF LEGISLATION

The Committee on Labor and Public Welfare has considered three bills to extend programs under the Economic Opportunity Act (H.R. 14449, S. 3798, and S. 3570) during this session of Congress.

The Community Services Act (H.R. 14449) passed the House of Representatives on May 20, 1974, by a vote of 331 to 53. The House-passed bill would transfer the remaining programs under the Office of Economic Opportunity to the Department of Health, Education, and Welfare, except for the Community Economic Development program which would be transferred to the Department of Commerce.

On July 23, 1974, Senators Javits and Kennedy introduced S. 3798, to establish an independent agency to which the programs under the Economic Opportunity Act would be transferred.

On August 1, 1974, Senator Nelson introduced S. 3870 which would have transferred the remaining programs under the Office of Economic Opportunity to the Department of Health, Education, and Welfare.

On August 8, 1974, the Subcommittee on Employment, Poverty, and Migratory Labor received testimony on these pieces of legislation.

A SUMMARY OF THE MAJOR PROVISIONS OF THE BILL

The Committee reported "Headstart, Economic Opportunity, and Community Partnership Act of 1974" provides for the continuation of programs presently authorized under the Economic Opportunity Act of 1964, as amended, including the Community Action Program, and establishes a Community Services Administration as the successor agency to the Office of Economic Opportunity to administer these programs. In brief the Committee reported bill—

Extends the Economic Opportunity Act for three years, authorizing the appropriation of such sums as may be necessary for fiscal years 1975, 1976, and 1977.

Continues the Office of Economic Opportunity until October 1, 1975. At any time after June 30, 1975, the President may submit Reorganization Plan to transfer (not earlier than October 1, 1975) community action programs to the Department of Health, Education, and Welfare and community economic development programs to the Department of Commerce. Either House of Congress could disapprove such Reorganization Plan within 60 days. If the President did not submit Reorganization Plan, or Congress disapproved it, OEO would become the Community Services Administration, which would be an independent agency in the Federal Government.

Provides legislative authority for Head Start, Follow Through, Native American and research programs in the Department of Health, Education, and Welfare (HEW now operates such programs under delegation arrangements from OEO).

Retains 80 percent Federal, 20 percent local share of costs, same as the Economic Opportunity Act currently requires of Community Action programs.

Authorizes additional program of "Community Partnership" incentive grants to augment those funds made available by State and local governments for community action programs.

Authorizes appropriation of such sums as may be necessary for Economic Opportunity Act programs for fiscal years 1975 through 1977. Any amount between \$330 million and \$450 million for local initiative community action programs be allocated in equal amounts

between direct local initiative funds and community partnership grants.

DESCRIPTION OF PROGRAMS

Community Action

The Community Action program provides assistance, both financial and technical, to communities conducting programs to reduce poverty. Community Action was originally conceived in recognition of the fact that, while poverty is a national concern, its various causes and symptoms are best understood and best dealt with at the local level. Communities are encouraged and helped to develop programs aimed at the special needs of their own poor families, to develop their own ideas, commit their own resources, assume responsibility for initiating and carrying out programs suited to their own needs. Under the Community Action program, financial and other assistance is provided to the communities for a variety of purposes and through a variety of mechanisms and a number of categorical approaches.

Local Initiative

Local Initiative funding is the basic versatile money which provides support for the total Community Action process, which includes analysis of community problems, the development of a strategy for dealing with those problems, the assignment of priorities, the development of programs to accomplish specific objectives, mobilization of resources to support needed program efforts, the conduct of programs, and self-evaluation of these efforts. In addition, Local Initiative funds sustain a wide range of specific programs dealing with health, manpower, day care, youth development and other programs in addition to "special emphasis" programs which receive funds from specific sources other than Local Initiative.

Community Economic Development

The Community Economic Development program provides support for economic and community development in urban and rural areas with high concentrations of poor people through community development corporations and cooperatives. The program is designed to support a limited number of significant and highly visible projects promoting opportunities for community self-development, individual entrepreneurship, and good jobs.

Emergency Food and Medical Services

The Emergency Food and Medical Service program was established to provide food and assistance in areas with serious hunger problems. Its chief purposes have been to provide mechanisms and facilities, such as out-reach, transportation, certification assistance and liaison, and to identify and overcome obstacles to the full use of food programs, rather than direct feeding. In a limited way the program has provided food on a temporary basis in critical situations. Funds have been used for self-help projects whereby participants can raise and process their own foodstuffs.

Environmental Action

This program authorizes projects to combat pollution and improve the environment. It combines the elements of a work program with a recognition of the need to improve the environment, particularly the environment in which the poor find themselves. Projects may include

clean-up and sanitation activities, reclamation and rehabilitation of areas damaged by natural and man-made destruction.

Rural Housing Development and Rehabilitation

This program is designed to give special emphasis to the problem of inadequate housing in rural areas. Its purpose is to encourage experimentation in rural areas, to enhance existing Federal housing programs, and provide new housing thrusts in the future through assistance to nonprofit rural housing development corporations and cooperatives for construction of new housing and the repair and renovation of existing housing.

Senior Opportunities and Services

The Senior Opportunities and Services program is designed to meet the special needs of elderly citizens which are not met by the more general programs designed for younger persons. Health, employment, housing, consumer, welfare and other needs of the elderly are recognized and provided for.

Design and Planning Assistance

This program provides financial assistance for technical assistance and professional architectural and related services for programs conducted by community-based design and planning organizations. The program encourages the maximum use of voluntary services of professional and community personnel.

National Summer Youth Sports Program

The National Summer Youth Sports Program provides disadvantaged young people with recreation and physical fitness instruction concentrated in the summer months and utilizing college and university and other recreational facilities. The program includes instruction concerning study practices, career opportunities, job responsibilities, health and nutrition, and drug abuse education. It is currently administered through the National Collegiate Athletic Association, and in 1973 involved 105 participating institutions located in 71 cities.

Consumer Action and Cooperative Programs

The Consumer Action and Cooperative program aids the development and operation of consumer action and advocacy and cooperative programs, credit resources development programs, and consumer protection and education programs. It is intended to aid low-income individuals and groups in enforcing consumer rights and protect such individuals and groups against unfair or discriminatory trade and commercial practices.

Technical Assistance and Training

The Director provides training and technical assistance to communities to develop and conduct programs to meet their own needs and national goals. The Director may assign personnel to the local agency for limited times. However, most assistance is provided through contracts with various professional and volunteer organizations which have special competence in the areas involved.

State Agency Assistance

State agencies under this program are generally an adjunct to the Office of the Governor within the individual State. Their purpose is to

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mobilize antipoverty resources within the State, serve as an advocate for the poor, provide technical assistance to grantees, consult with Federal officials and local Community Action agency personnel on funding requests, give advice training and technical assistance, and assist in monitoring and evaluation of program activities.

Rural Loan Program

The Rural Loan Program provides loans to low-income rural families to assist them in maintaining and raising their income. Loans are made to both individuals and cooperative associations. The program is conducted by the Farmers Home Administration.

Special Programs for Migrants and Seasonal Farmworkers

Title III-B authorizes special programs for millions of Americans who depend for bare subsistence on earnings sporadically available from farm employment. The program serves both those classified as seasonal-hire farm labor and those who migrate during peak harvest seasons. These programs provide a wide variety of services including day care, remedial education (including high school equivalency), emergency food and housing, and health care.

Research and Demonstrations and Evaluation

Research activities are designed to expand information on the causes of poverty, its incidence and on the means and mechanisms necessary to alleviate it. These efforts seek to develop workable models and innovative programs that can be used by Federal, State or local agencies to meet the needs of the poor. The research program authorized under the Economic Opportunity Act is presently operated by HEW under delegation by the Office of Economic Opportunity, provides broad policy research on questions of employment, income maintenance, etc. and basic research and statistical studies on the extent and causes of poverty.

Evaluation activities involve attempts objectively to assess the effects of a given program and the relative effects of different programs and techniques, as well as other variables such as different managerial and operational techniques.

Headstart

Headstart is a comprehensive preschool program for poor children providing medical, dental, nutritional, educational, and social services so as to meet many of the intellectual, social, and health needs and enhance the quality of life of the deprived school child while he is in the program. There is emphasis on parental involvement. Headstart serves children through three basic programs—full year, part-day; full-year, full day; and summer programs. Headstart is conducted by the Office of Child Development in the Department of Health, Education, and Welfare.

Follow Through

Follow Through is designed to build upon the gains enjoyed by children in Headstart and, as in Headstart, a range of early childhood needs—educational, physical, psychological, as well as social needs—are recognized through programs conducted in the early grade school years. Follow Through is administered by the Office of Education in the Department of Health, Education, and Welfare.

Native American

The Native American program, applies innovative approaches to the special needs of Indians and Alaska Natives in an effort to increase the economic and social self-sufficiency of the Indian people.

NEED TO CONTINUE THE ANTI-POVERTY PROGRAMS

The need for the anti-poverty programs authorized by the Economic Opportunity Act has been underscored by support from national leaders representing a variety of viewpoints. They insist that we not abandon programs that have demonstrated their effectiveness in reaching out to help solve the problems of the poor. Rather, they urge the Federal government to continue and strengthen these programs, heeding the admonition of the National Advisory Council on Economic Opportunity that even in normal times Federally funded anti-poverty programs "are *important* in urban areas and *indispensible* in rural areas." (emphasis added)

Cleveland Gilcrease, President of the National Association for Community Development, was one such leader who testified on behalf of the need to continue the Community Action Agencies. He said:

Before any of you make a final decision on the nature of our legislation, I would hope you could answer for yourselves the question I would pose here: What is the potential of community action?

Over the past 10 years, CAP's have developed a strong capability for applying limited Federal, State, and local resources in coordinated, comprehensive programming which attacks basic problems in hardcore poverty areas.

Developing skills and utilizing untapped resources in such areas as job training, housing, drug rehabilitation, health services, transportation, and other essential, often experimental services, no other agency in any community has provided the umbrella for the storm of calamity which constantly assaults the poor.

No other resources in the areas served by CAAs can claim comparable outreach and impact. With adequate Federal funding and other elements—including the independent Federal home—which make up the legislation before you, much of the potential of Community Action programs can be realized.

Unquestionably, the CAP's programs have stimulated the mobilization of local resources, which together have gone a long ways toward alleviating some of the miseries and inevitable consequences of being poor in a nation of affluence.

Other statements in support of continuing the anti-poverty programs were made in testimony before the Subcommittee on Employment, Poverty, and Migratory Labor in the course of hearings on this legislation.

Senator Robert Dole (R-Kan.), for example, presented a statement to the Subcommittee in which he said:

One of the strong selling points of the whole community action process is that it encourages an expression of need from

Developmental programs and education must precede manpower training and are best viewed as part of a series of activities to help the farmworker. Viewed as a whole, these non-manpower activities constitute 90 percent of the services delivered by grantees currently operating throughout the country.

CETA with its emphasis on manpower programs does not cover the total field of activities which continue to be needed to provide a comprehensive program of assistance for migrant and seasonal farmworkers. Title III-B is designed to provide such comprehensive programs. The Committee does not view the funds earmarked for migrant programs under section 303 of CETA as replacing the need for separate funding under title III-B of this Act. The Committee therefore recommends funding of \$40 million for fiscal year 1975, \$50 million for fiscal year 1976, and \$60 million for fiscal year 1977.

NATIVE AMERICAN PROGRAM

The Native American Program (NAP) was transferred from the Office of Economic Opportunity to the Department of Health, Education, and Welfare under a delegation arrangement in FY 1974. applies innovative approaches to deal with the special needs of Indians and Alaska Natives, and provides for a better focusing of available resources to enable them to attain economic self-sufficiency.

The program assists native Americans, acting through their own instruments of self government, to establish their own programmatic and funding priorities and to provide direction to institutions and programs affecting their daily lives. A major element for the variety of Native American projects is overcoming the problems of poverty. Eighty percent of reservation residents are poor. Approximately 75 percent of native Americans not living on reservations are poor. Assistance under the Native American Program is provided through grants or contracts to tribal councils or other public or private non-profit agencies off reservations. The amount of the basic grants to reservations is based on the number of poor residents. Discretionary money is also available for short-term fundings to tribal councils or other grantees. The primary purposes of these grant and contracts include:

- (1) strengthening of tribal government aimed at increasing the capability of reservation Indians to perform services now provided by non-Indian organizations;
- (2) support of a range of services to meet individual and family needs;
- ✓ (3) support for operation of urban centers serving Indian people living off reservations; and
- (4) funding to encourage self-help and community economic development efforts.

The basic purpose of the Native American Program is to increase the economic and social service self-sufficiency of the Indian people. There is in line with the whole concept of self-determination which has as its main function to build the capacity of tribal governments and off-reservation Indians to make decisions and to manage programs

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which affect their social and economic conditions. This is reflected in the Native American Program through two major activities: first, to assist tribal governments in building their capacity to manage economic development and human services; and, second, for off-reservation Indians, to develop the capacity for linking into human services delivery systems supported primarily through the Federal Government and State and local governments. This is done primarily through information and referral outreach centers in the major cities of the country with large concentrations of urban Indians.

The Committee bill continues the present focus of the Native American Program, but makes clear that Hawaiian Natives are to be served by the Native American Program. The Director is authorized to provide financial assistance to public and non-profit private agencies for projects to promote the goal of enabling American Indians, Alaskan Natives and Hawaiian Natives to become economically and socially self-sufficient. Technical assistance, training, and research and demonstration efforts related to the provision of this financial assistance is also authorized.

The estimated budget for the next three fiscal years is \$33.5 million for fiscal year 1975, \$37 million for fiscal year 1976, and \$43 million for fiscal year 1977.

ESTIMATE OF COSTS

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-150), the Committee estimate of the cost of carrying out this bill is set forth in the following table:

[In millions of dollars]

Program	Fiscal year—		
	1975	1976	1977
Local initiative.....	\$390.0	\$390.0	\$390.0
Community partnership.....	60.0	120.0	180.0
Community economic development.....	84.0	120.0	156.0
Emergency food and medical services.....	30.0	35.0	35.0
Senior opportunities and services.....	20.0	25.0	30.0
Consumer action and cooperative services.....	10.0	15.0	20.0
Design and planning assistance programs.....	10.0	15.0	20.0
Native Americans program.....	33.5	37.0	43.0
Emergency energy conservation services.....	100.0	100.0	100.0
Youth sports program.....	6.0	6.0	6.0
Rural youth recreation program.....	26.0	30.0	35.0
Urban housing.....	10.0	15.0	20.0
Training and technical assistance.....	10.0	15.0	20.0
State economic opportunity offices.....	5.0	6.0	7.0
Intergovernmental Advisory Council on Community Services.....	12.0	12.0	12.0
Migrant program.....	1.5	1.5	1.5
Head Start.....	40.0	50.0	60.0
Follow Through.....	500.0	550.0	600.0
Research and demonstrations.....	60.0	65.0	70.0
Evaluation.....	22.0	22.0	22.0
Other programs and administration.....	60.0	70.0	80.0
Total.....	1,520.0	1,729.5	1,937.5

*Native
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Sec. 573. Comparability of wages.

This section requires the Secretary to ensure that salaries are not in excess of prevailing rates of compensation in communities for comparable responsibilities.

Sec. 574. Nondiscrimination provisions

This section prohibits discrimination.

Sec. 575. Limitation with respect to certain unlawful activities

This section prohibits participation of Headstart employees with respect to certain unlawful activities.

Sec. 576. Political activities

This section provides that an agency which is responsible for planning, developing, and coordinating Headstart programs shall be regarded as a State or local agency; prohibits involvement of programs in partisan or nonpartisan political activities and voter registration.

Sec. 577. Advance funding

This section provides for advance funding to afford adequate notice of funding available under this title.

Sec. 578. Bilingual assistance

This section provides that the Secretary shall insure that programs and activities under this title provide special assistance to the needs of persons of limited English-speaking ability by providing bilingual Headstart and Follow Through programs.

Section 4. Assistance for migrant and other seasonally employed farmworkers and their families

This section amends title III-B of the Economic Opportunity Act of 1964 to emphasize developmental programs; establishes within the Community Services Administration a National Office for Migrant and Seasonal Farmworkers; and requires that, in providing financial assistance under title III-B, priority be given to existing providers of services.

Section 5. Native American programs

This section amends the Economic Opportunity Act of 1964 by inserting a new title VIII.

TITLE VIII—NATIVE AMERICAN PROGRAMS

Sec. 801. Short title

This section provides that this title may be cited as the "Native American Economic Opportunity Program Act".

Sec. 802. Statement of purpose

This section provides that the purpose of this title is to promote the goal of enabling American Indians, Hawaiian Natives, and Alaskan Natives to become fully self-sufficient.

Sec. 803. Financial assistance for Native American projects

This section authorizes the Director to provide financial assistance to public and nonprofit private agencies for projects pertaining to the purposes of this title. Federal assistance would be equal to 80 percent of the cost of an assisted project, unless a higher percentage was au-

thorized by the Secretary. Federal assistance could not be used to replace programs previously funded without Federal assistance, unless specially waived by the Director.

Sec. 804. Technical assistance and training

This section authorizes the Secretary to provide technical assistance and training in connection with the provision of financial assistance under this title.

Sec. 805. Research, demonstration, and pilot projects

This section authorizes the Secretary to support research, demonstration, and pilot projects pertaining to the purposes of this title.

Sec. 806. Announcement of research, demonstration, and pilot projects

This section requires the public announcement of information relating to research, demonstration, and pilot projects, except in certain circumstances.

Sec. 807. Submission of plans to State and local officials

This section requires that the governing body of an Indian reservation or Alaskan Native village must be given the opportunity to disapprove any project under section 803 or research, demonstration, or pilot project under section 805 to be carried out on the reservation or in the village. The bill would require that State and local officials be notified of any project under section 803 or research, demonstration, or pilot project under section 805 to be carried out in their jurisdictions, other than on or in an Indian reservation or Alaskan Native village or Hawaiian Homestead.

Sec. 808. Records and audits

This section authorizes the Director to prescribe record-keeping requirements for agencies receiving assistance under this title and would provide for access to the records and books of any such agency.

Sec. 809. Appeals, notice, and hearing

This section imposes notice and hearing requirements in connection with the suspension or termination of assistance, or the denial of refunding under section 805.

Sec. 810. Evaluation

This section requires the Director to provide for the continuing evaluation of projects assisted under this title.

Sec. 811. Labor standards

This section provides that wages and salaries of laborers and mechanics shall be in accordance with Davis-Bacon Act.

Sec. 812. Delegates of authority

This section authorizes the Director to delegate his duties and authorities under this title to other Federal agencies. ✓

Sec. 813. Definitions

This section contains definitions of terms used in this title.

Sec. 814. Authorization of appropriations

This section authorizes the appropriation of such sums as are necessary for fiscal years 1975 through 1977 to carry out this title.

Section 6. Community action programs with Indian tribes

This section amends section 210 of the Economic Opportunity Act of 1964 to make clear that Indian tribes are not described as political subdivisions of States.

Section 7. Research and demonstrations

This section amends the Economic Opportunity Act of 1964 by adding a new title XI.

TITLE XI—RESEARCH AND DEMONSTRATIONS

Sec. 1101. Statement of purpose

This section provides that the purpose of this title is to stimulate the better focusing of public and private resources upon the goal of enabling low income persons to become self-sufficient.

Sec. 1102. Research, demonstration, and pilot projects

This section authorizes the Director to provide financial assistance to public and private agencies for the conduct of research, demonstration, and pilot projects in furtherance of the purposes of this title; to establish an overall plan for approval of projects; and requires that research, demonstration, and pilot projects be submitted to State and local officials prior to approval and, if disapproved, be reconsidered by the Director.

Sec. 1103. Consultation

This section authorizes the Director, in conducting evaluations under the title, to involve program participants, whenever feasible.

Sec. 1104. Announcement of research, demonstration, and pilot projects.

This section requires public announcements of information relating to grants and contracts, and provides that results are property of Federal Government, and for publication of summaries of related activities.

Sec. 1105. Nondiscrimination provisions

This section prohibits discrimination.

Sec. 1106. Prohibition of Federal control

This section provides that nothing in this title shall be construed to authorize Federal control over the activities of educational institutions.

Sec. 1107. Definitions

This section defines terms as used in this title.

Sec. 1108. Authorization of appropriations

This section authorizes such sums as may be necessary for fiscal years 1975 thru 1977 to carry out this title.

Section 8. Evaluation

This section revises title IX of the Economic Opportunity Act of 1964, relating to evaluation.

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or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Director shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this title.

TITLE VIII—NATIVE AMERICAN PROGRAMS

SHORT TITLE

SEC. 801. This title may be cited as the "Native American Economic Opportunity Programs Act".

STATEMENT OF PURPOSE

SEC. 802. The purpose of this title is to promote the goal of economic and social self-sufficiency for American Indians, Hawaiian Natives (as defined in paragraph (3) of section 813 of this title), and Alaskan Natives.

FINANCIAL ASSISTANCE FOR NATIVE AMERICAN PROJECTS

SEC. 803. (a) The Director is authorized to provide financial assistance to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes on Federal and State reservations, Alaskan Native villages and regional corporations established by the Alaska Native Claims Settlement Act, and such public and nonprofit private agencies serving Hawaiian Natives, and Indian organizations in urban or rural nonreservation areas, for projects pertaining to the purposes of this title. In determining the projects to be assisted under this title, the Director shall consult with other Federal agencies for the purpose of eliminating duplication or conflict among similar activities or projects and for the purpose of determining whether findings resulting from those projects may be incorporated into one or more programs for which those agencies are responsible.

(b) Financial assistance extended to an agency under this title shall not exceed 80 per centum of the approved costs of the assisted project, except that the Director may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to

plant, equipment, and services. The Director shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this title.

(c) No project shall be approved for assistance under this title unless the Director is satisfied that the activities to be carried out under such project will be in addition to, and not in substitution for, comparable activities previously carried out without Federal assistance, except that the Director may waive this requirement in any case in which he determines, in accordance with regulations establishing objective criteria, that application of the requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes of this title.

TECHNICAL ASSISTANCE AND TRAINING

Sec. 804. The Director may provide, directly or through other arrangements, (1) technical assistance to public and private agencies in developing, conducting, and administering projects under this title, and (2) short-term in-service training for specialized or other personnel which is needed in connection with projects receiving financial assistance under this title.

RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

Sec. 805. (a) The Director may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise furthering the purposes of this title.

(b) The Director shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives.

ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, OR PILOT PROJECTS

Sec. 806. (a) The Director shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency for a research, demonstration, or pilot project; and

(2) except in cases in which the Director determines that it would not be consistent with the purposes of this title, the results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a) shall be made within thirty days of making such grants or contracts, and the public announcements required by subsection (b) of this section shall be within thirty days of the receipt of such results.

SUBMISSION OF PLANS TO STATE AND LOCAL OFFICIALS

Sec. 807. (a) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out on or

in an Indian reservation or Alaskan Native village, unless a plan setting forth the project has been submitted to the governing body of that reservation or village and the plan has not been disapproved by the governing body within thirty days of its submission.

(b) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a State other than on or in an Indian reservation or Alaskan Native village or Hawaiian Homestead, unless the Director has notified the chief executive officer of the State of his decision to provide that assistance.

(c) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a city, county, or other major political subdivision of a State, other than on or in an Indian reservation or Alaskan Native village, or Hawaiian Homestead, unless the Director has notified the local governing officials of the political subdivision of his decision to provide that assistance.

RECORDS AND AUDITS

SEC. 808. (a) Each agency which receives financial assistance under this title shall keep such records as the Director may prescribe, including records which fully disclose the amount and disposition by that agency of such financial assistance, the total cost of the project in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Director and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any agency which receives financial assistance under this title that are pertinent to the financial assistance received under this title.

APPEALS, NOTICE, AND HEARING

SEC. 809. The Director shall prescribe procedures to assure that—

(1) financial assistance under this title shall not be suspended, except in emergency situations, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) financial assistance under this title shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing.

EVALUATION

SEC. 810. (a) The Director shall provide, directly through grants or contracts, for the evaluation of projects assisted under this title, including evaluations that describe and measure the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate

control groups composed of persons who have not participated in such projects. Evaluations shall be conducted by persons not directly involved in the administration of the program or project evaluated.

(b) Prior to obligating funds for the programs and projects covered by this title with respect to fiscal year 1976, the Director shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this title. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under this title.

(c) In carrying out evaluations under this title, the Director may require agencies which receive assistance under this title to provide for independent evaluations.

(d) In carrying out evaluations under this title, the Director shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this title about such programs and projects.

(e) The Director shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Director shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(f) The Director shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this title shall become the property of the United States.

LABOR STANDARDS

SEC. 811. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting or decorating, of buildings or other facilities in connection with projects assisted under this title, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950, and section 2 of the Act of June 1, 1934.

DELEGATION OF AUTHORITY

SEC. 812. (a) The Director is authorized to delegate to the heads of other departments and agencies of the Federal Government any of his functions, powers, and duties under this title, as he may deem appropriate, and to authorize the redelegation of such functions, powers, and duties by the heads of such departments and agencies.

(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this title.

(c) Funds appropriated for the purpose of carrying out this title, may be transferred between departments and agencies of the Government, if such funds are used for the purposes for which they are authorized and appropriated.

DEFINITIONS

SEC. 813. As used in this title, the term—

(1) "financial assistance" includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

(2) "Indian reservation or Alaskan Native village" includes the reservation of any federally or State recognized Indian tribe, including any band, nation, pueblo, or rancheria, any former reservation in Oklahoma, any community under the jurisdiction of an Indian tribe, including a band, nation, pueblo, or rancheria, with allotted lands or lands subject to a restriction against alienation imposed by the United States or a State, and any lands of or under the jurisdiction of an Alaskan Native village or group, including any lands selected by Alaskan Natives or Alaskan Native organizations under the Alaska Native Claims Settlement Act; and

(3) "Native Hawaiian" means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778.

AUTHORIZATION OF APPROPRIATIONS

SEC. 814. There are authorized to be appropriated for the purpose of carrying out the provisions of this title, such sums as may be necessary for fiscal years 1975 through 1977.

[TITLE IX—EVALUATION

[COMPREHENSIVE EVALUATION OF PROGRAMS

[SEC. 901. (a) The Director shall provide for the continuing evaluation of programs under this Act and of programs authorized under related Acts, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such programs, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. The Director may, for such purposes, contract or make other arrangements for independent evaluations of those programs or individual projects.

[(b) The Director shall to the extent feasible develop and publish standards for evaluation of program effectiveness in achieving the objectives of this Act. He shall consider the extent to which such standards have been met in deciding whether to renew or supplement financial assistance authorized under any section of this Act.

[(c) In carrying out this title, the Director may require community action agencies to provide independent evaluations.

[COOPERATION OF OTHER AGENCIES

[SEC. 902. Federal agencies administering programs related to this Act shall—

[(1) cooperate with the Director in the discharge of his responsibility to plan and conduct evaluations of such poverty-related programs as he deems appropriate, to the fullest extent permitted by other applicable law; and