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12/30

APPROVED

DEC 31 1974

Statement issued 12/31/74
Posted in Calendar 12/31/74

To Archives
1/3/75

ACTION

THE WHITE HOUSE
WASHINGTON

Last Day: January 4**

December 29, 1974



MEMORANDUM FOR THE PRESIDENT

FROM: KEN COLE

SUBJECT: Enrolled Bill H.R. 16596
Emergency Jobs and Unemployment
Assistance Act of 1974

Attached for your consideration is H.R. 16596, sponsored by Representative Daniels, which together with H.R. 17597, the Emergency Unemployment Compensation Act of 1974, represent the Congressional response to the Administration-proposed National Employment Assistance Act of 1974, submitted to the Congress on October 8, 1974.

Specifically, H.R. 16596 would:

- Authorize \$2.5 billion for fiscal year 1975 to provide additional public service jobs for unemployed and underemployed persons;
- establishes a temporary Federal program of special unemployment assistance for workers who are not currently eligible for unemployment insurance benefits; and
- authorizes \$500 million for fiscal year 1975 for job-creating activities under the Public Works and Economic Development Act of 1975.

In anticipation of approval of this bill, the Urgent Supplemental Appropriations Bill for FY 75 provides for the above appropriations.

** Approval by December 31st will provide unemployment benefits a month earlier than would approval in January.

Paul O'Neill provides additional background information in his enrolled bill report (Tab A) as well as a discussion highlighting the main features of the bill compared with the Administration proposal.

While H.R. 16596 departs in several undesirable respects from the Administration's proposal, OMB, Treasury, and CEA state that approval will provide badly needed assistance at a time of rising unemployment -- 100,000 new jobs and unemployment compensation available for 12 million workers not now covered.

Because Title III of the bill would create substantial delays and extreme confusion in implementation and administration, a transfer of the \$125 million appropriations from Commerce to Labor for the regular Title I Public Service Employment Program is recommended and is so stated in the signing statement.

RECOMMENDATIONS

Treasury, Labor, OMB, Seidman, Freidersdorf (Loen), Areeda and CEA recommend approval and issuance of the signing statement (Tab B) which covers this bill and the companion enrolled bill, H.R. 17597. Paul Theis has approved the text of the signing statement.

DECISION

H.R. 16596

Sign RR, 7
(Tab C)



Pocket Veto _____
(Prepare Memorandum of Disapproval)

Signing Statement

Approve RR 7
(Tab B)

Disapprove _____

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

DEC 29 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 16596 - Emergency Jobs and
Unemployment Assistance Act of 1974
Sponsor - Rep. Daniels (D) New Jersey

Last Day for Action

January 4, 1975 - Saturday. Approval in December would provide unemployment benefits a month earlier than approval in January.

Purpose

Authorizes \$2.5 billion for fiscal year 1975 to provide additional public service jobs for unemployed and underemployed persons; establishes a temporary Federal program of special unemployment assistance for workers who are not currently eligible for unemployment insurance benefits; authorizes \$500 million for fiscal year 1975 for job-creating activities under the Public Works and Economic Development Act of 1965.

Agency Recommendations

Office of Management and Budget	Approval (Signing statement attached)
Department of Labor	Approval
Department of Commerce	Approval
Council of Economic Advisers	Approval (Informally)
Department of the Treasury	Would not oppose approval recommendation
Veterans Administration	Defers to Labor
Department of Health, Education, and Welfare	Defers to Labor (Informally)

Discussion

H.R. 16596 is one of two enrolled bills currently awaiting your action which, together, represent the congressional response to the Administration-proposed National Employment Assistance Act of 1974, submitted to the Congress on October 8, 1974. The other bill, H.R. 17597, would provide additional unemployment compensation for workers who are covered by unemployment insurance but exhaust their benefits under permanent law.

Major Provisions of H.R. 16596

The following discussion highlights the main features of H.R. 16596 compared with the Administration proposal.

Title I - Public Service Employment

This title of the enrolled bill would amend the Comprehensive Employment and Training Act (CETA) by adding a new Title VI - Emergency Job Programs - and redesignating the current Title VI as Title VII.

Under the new title, the Secretary of Labor would be required to enter into agreements with State and local governments qualified as prime sponsors under Title I of CETA and with Indian tribes on Federal or State reservations to provide grants for temporary public service employment for eligible unemployed and underemployed persons. No "trigger," i.e., no specified unemployment rate, is provided to initiate the program.

Of the funds appropriated for this purpose, at least 90 percent would have to be allotted to the grantees. The remaining 10 percent would be available for discretionary use by the Secretary of Labor. The funds to be allotted would be distributed among the grantees as follows:

-- 50 percent in proportion to the relative number of unemployed persons in the grantee's area compared to the total number of unemployed persons in the Nation.

-- 25 percent in proportion to the area's share of unemployed persons in excess of 4.5 percent of the labor force.

-- 25 percent among areas of substantial unemployment as defined in Title II of CETA (6.5 percent for three months) in proportion to the total unemployed in all such areas.

The bill includes special provisions intended to expand job opportunities in areas with unemployment rates in excess of 7 percent and certain other areas where exceptional circumstances exist. For example, various "transitional" provisions under Title II of CETA could be waived in these areas, and public service employment would be authorized for an individual after 15 rather than 30 days of unemployment.

Not less than 90 percent of the funds appropriated under this title would have to be spent for wages and employment benefits to persons employed in public service jobs under the bill.

To the maximum extent feasible, preference in hiring for public service jobs under the bill would have to be given by sponsors to experienced unemployed workers who have exhausted their unemployment compensation, are not eligible for unemployment compensation, or who have been unemployed for 15 or more weeks,

No one could be hired to fill a position created by laying off or terminating a regular employee in anticipation of filling the position with a worker supported under CETA.

The maximum annual salary of the public service jobs under the bill would be \$10,000, with a national average salary goal among all participants of \$7,800.

Special efforts are required to be made under the bill to provide job opportunities for veterans within four years after discharge, including outreach and public information programs. The Secretary of Labor, in consultation and cooperation with the Administrator of Veterans' Affairs and the Secretary of Health, Education, and Welfare, would be required to report to the appropriate congressional committees on these efforts within 90 days after enactment.

The enrolled bill would authorize appropriations of \$2.5 billion for fiscal year 1975 for Title I of H.R. 16596, to remain available for obligation until December 31, 1975. The bill provides that funds obligated for public service jobs under this title may be used for projects and activities extending over a 12-month period.

Key differences between Title I of H.R. 16596 and the Administration's proposal for a Community Improvement Corps (CIC) as part of the National Employment Assistance Act are the following:

-- the CIC would have provided temporary project-type employment limited to 6 months' duration in those labor

market areas with 250,000 or more population and an unemployment rate over 6.5 percent for three months.

-- eligibility for employment on CIC projects would have been limited to individuals who had exhausted their unemployment benefits.

-- CIC project employees could not have been paid more than \$7,000 (annual rate), so that the average wages would be considerably less than in the private sector.

-- funding for the CIC would have become available in increments tied to the national unemployment rate: \$500 million at a 6-percent rate, an additional \$750 million at 6.5 percent, and \$1 billion at 7 percent.

-- the CIC would have been a temporary, stand-alone program outside of CETA, although using CETA prime sponsors in qualifying areas.

Title II - Special Unemployment Assistance Program

This title of the enrolled bill would establish a temporary Federal program of special unemployment assistance for workers who are not otherwise eligible for unemployment benefits under any other law.

Each State which enters into an agreement with the Secretary of Labor would be eligible to participate in this program, which would be financed from the general funds of the Treasury.

Workers would be eligible if they are not currently covered under any State or Federal unemployment compensation law or any other law, such as the Public Works and Economic Development Act Amendments of 1974, the Disaster Relief Act of 1974, the Trade Expansion Act of 1962 as amended, or any similar law. Groups primarily affected would be State and local government employees, farm workers, and domestic workers. The weekly benefit amounts and number of weeks of benefits would be based on State law, up to a maximum of 26 weeks.

For purposes of this Title, workers in areas served by CETA prime sponsors would be eligible when the national unemployment rate averages 6 percent or more for three most recent consecutive months or the rate of unemployment in the area averages 6.5 percent or more in that period. The program would terminate in areas when both of these conditions are

not satisfied. The three-month requirement for eligibility could occur prior to enactment, and has, in fact, been met.

When the program triggers "on" in an area, unemployment assistance would start in the third week after the first week of the "on" indicator and would terminate in the third week after the first week of the "off" indicator. No special unemployment assistance period could be less than 13 weeks, however.

No new unemployment claims under this title could be filed after December 31, 1975, but payments could be made to individuals until March 31, 1976.

"Such sums as may be necessary" would be authorized to be appropriated for this title of H.R. 16596.

The Special Unemployment Assistance Program proposed by the Administration as part of the National Employment Assistance Act would have taken effect when the national unemployment rate averaged 6 percent for three consecutive months. The program would have come into effect in a labor market area with a population of 250,000 or more or in the balance of the State, when these areas had an average unemployment rate over 6.5 percent for three months, and would have triggered off when the areas no longer met this condition.

Title III - Job Opportunities Program

This title of H.R. 16596 would add a new Title X to the Public Works and Economic Development Act (PWEDA), under which the Secretary of Commerce in cooperation with the Secretary of Labor would be authorized to provide financial assistance to programs and projects to expand job opportunities for unemployed persons in eligible areas.

Such areas would be those with rates of unemployment exceeding 6.5 percent for three consecutive months or those designated by the Secretary of Commerce as redevelopment areas pursuant to section 401 of the PWEDA.

Funds allocated under this title would be available as determined jointly by the Secretaries of Labor and Commerce only for programs or projects which (1) contribute significantly to the reduction of unemployment in the eligible area, (2) can be initiated or strengthened promptly, (3) can be substantially completed within 12 months, (4) are not inconsistent with

locally approved plans, and (5) are approved on the basis of giving first priority to the most labor intensive activities.

Within 45 days of enactment, each Federal agency and each regional commission established under the Appalachian Regional Development Act of 1965 or under the PWEDA would be required to review its budget and programs and submit to the Secretaries of Commerce and Labor any recommendations it may have for programs and projects to be funded under this title. The two Secretaries would have 30 days to review these recommendations. Officials of "appropriate units" of general government in the "affected area" must be given an "adequate opportunity" to comment on any specific proposal. There would have to be some form of rural/urban equity. The Secretary of Commerce would allocate the funds.

The enrolled bill would authorize \$500 million for this title for fiscal year 1975, to remain available for obligation until December 31, 1975. No obligation of funds could be made after that date. Of the funds appropriated, 50 percent would be available only for programs and projects in which no more than 25 percent of the funds would be for non-labor costs.

This title of H.R. 16596 was added as a floor amendment in the Senate and originally contained an authorization for appropriations of \$1 billion. It was strongly opposed by the Administration, because of the excessive authorization level and the apparent congressional interest in using these funds for public works projects, which are a very ineffective and costly means of creating temporary employment.

This title, as finally enacted, does not focus on public works projects, and would permit the funds to be used for essentially any program or project which would be effective in creating temporary jobs for the unemployed. However, the administrative requirements in the bill which call for cooperative administration by Commerce and Labor as well as program and project review by all Federal agencies and "appropriate" units of general government would create very substantial delays and extreme confusion in the implementation and administration of this program.

Budget Impact of H.R. 16596

In anticipation of approval of the enrolled bill, the Urgent Supplemental Appropriations Bill for fiscal year 1975 now also enrolled and awaiting your action provides appropriations of

\$875 million for Title I of the bill, \$2 billion for Title II, and \$125 million for Title III.

Recommendations

Labor urges approval of the bill. The Department notes that the month of November 1974 completed a three-month period for which the national unemployment averaged more than six percent. Accordingly, if the bill is approved in December, unemployment benefits would be payable as of the week beginning December 22, 1974. Should the bill not be approved until January 1975, benefits would first be payable in the week beginning January 26, 1975.

CEA recommends approval very reluctantly, because unemployment is rising rapidly and there is little near term prospect of a better bill. The Council objects to the long duration (12 months) of the Title I public service projects which may be funded, eligibility of persons with short periods (15 days) of unemployment for work on these projects, and the application of the Davis-Bacon Act. CEA further believes the Title II unemployment assistance for non-covered employees should have included an increased waiting period, cost-sharing with the States, experience rating of the affected employers, and exclusion of self-employed workers and part-time domestic workers with several employers. Finally, CEA notes that the projects authorized under Title III need not employ unemployed persons, will be difficult to turn off after the need for them has passed, and essentially constitute a program of aid to depressed areas rather than income-support for the unemployed.

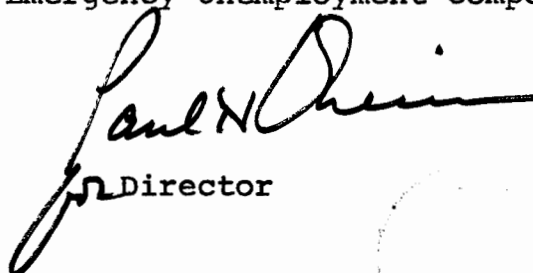
Treasury notes that the enrolled bill differs somewhat in scope and coverage from that initially recommended by the Administration. The Department's letter states:

"It calls for a \$2-1/2 billion appropriation in fiscal 1975 which in our opinion is excessive. Furthermore, the enrolled enactment does not contain certain desirable safeguards. The Administration proposed that public service employment should be conditioned on the exhaustion of unemployment benefits, there should be a "trigger-in and trigger-out" mechanism, projects should be limited to 6 months, and salaries be limited to \$7,000. None of these desirable safeguards in its originally recommended form appears in the enrolled enactment.

"Despite these and other shortcomings, the provisions of the enrolled enactment will provide badly needed assistance at a time of rising unemployment. Therefore, the Department would not oppose a recommendation that the enrolled enactment be approved by the President."

* * * * *

H.R. 16596 departs in several undesirable respects from the Administration's proposal, and we concur in some of the reservations expressed by Treasury and CEA. Overall, however, the bill would have the salutary effect of providing 100,000 new jobs and making unemployment compensation available for 12 million workers not now covered. Accordingly, we recommend its approval. We also recommend that we not implement Title III and seek a transfer of the \$125 million appropriations from the Department of Commerce to the Department of Labor for the regular Title I Public Service Employment Program. We have prepared a signing statement dealing both with this bill and H.R. 17597, the Emergency Unemployment Compensation Act of 1974.


for Director

Enclosure

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

December 27, 1974

Dear Mr. Rommel:

This is in response to your request for the Council of Economic Advisers' views on the "Emergency Jobs and Unemployment Assistance Act of 1974", (H.R. 16596) and the "Emergency Unemployment Compensation Act of 1974" (H.R. 17597). The CEA believes that expanded income support is warranted for those who incur unemployment because of the cyclical downturn in economic activity. And, our forecasts for 1975 suggest that the employment situation will deteriorate further before there is a recovery.

With these thoughts in mind we support the signing of the "Emergency Unemployment Compensation Act of 1974" (H.R. 17597) which provides additional (longer) income support for the unemployed for a maximum of 52 weeks of benefits. This provides assistance for those hardest hit by unemployment -- the long duration unemployed.

Unemployment is rising rapidly and there is little near term prospect of a better bill. Consequently, we support the signing of H.R. 16596, the "Emergency Jobs and Unemployment Assistance Act," but we do so very reluctantly because of the following objections, most of which were added by the Congress. H.R. 16596 tries to do too much all at once with inadequate safeguards, and insufficient concern for whether the cure is more costly than the disease. Both H.R. 15797 and H.R. 16596 have the potential for encouraging an increase in the incidence and the duration of unemployment so that we should expect this legislation to result in an increase in the unemployment rate as it is conventionally measured.

1. (Title I) Counter-cyclical public employment programs are most effective when limited to projects of short duration and when restricted to persons who have had long periods of unemployment and have exhausted unemployment insurance benefits. Under this bill, however, persons with only 15 days of unemployment are eligible. In addition, projects with a long duration (12 months) may be funded.

2. (Title II) The unemployment assistance (UA) program is to provide benefits for unemployed persons who work in portions of the economy which are not covered by unemployment compensation. This applies primarily to farm, domestic and self-employed workers, and State and local government employees. Other than for government workers, these are workers whose work history and current unemployment is difficult to verify. The program is administered by the States even though 100 percent of the benefits are paid by the Federal Government. Revenues received by the States will depend upon the number of claims handled and consequently safeguards are required to keep claims down. Since there is no employer tax for these supplemental benefits, employers may be more inclined to lay off workers than otherwise and will also be more inclined to support a previous employee's claim for benefits. In order to reduce such potential abuses the bill should have included: an increase of the waiting period before benefits begin to three to four weeks, a provision for cost sharing with the States, experience rating of agricultural employers and employers of full-time single-employer domestic workers; and the exclusion of the self-employed and part-time domestic worker with several employers from the program.

3. (Title III) The Job Opportunities Program is designed to support job creating labor intensive public works projects which will be difficult to turn off even after the need for them has passed. Moreover, they need not employ unemployed persons. Title III is essentially a program to aid depressed areas, a problem in the 1950's but of less relevant today. It should not be included in a package designed to provide income support for the unemployed during a recession.

4. The bill stipulates that public service construction jobs (Title I) must pay the prevailing wage in accordance with the Davis-Bacon Act. This is contrary to the spirit of the program and continues the unwarranted special protection from competition.

Sincerely yours,



Alan Greenspan

Mr. Wilfred H. Rommel
Assistant Director for Legislative Reference
Office of Management and Budget
Washington, D. C.



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

December 27, 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget

Dear Mr. Ash:

In reply to the request from your office, the following report is submitted on the enrolled enactment H.R. 16596, the "Emergency Jobs and Unemployment Assistance Act of 1974."

Since title I and title II of the enactment would not affect the responsibilities of this Department, the Department of Agriculture defers to the Departments of Labor and Commerce for a recommendation on the impact of these titles. The Department of Agriculture supports the provisions of title III and recommends that the President approve the enactment.

Title III of the enactment would amend the Public Works and Economic Development Act of 1965 by adding a new title X, "Job Opportunities Program" to provide emergency financial assistance to stimulate, maintain, or expand job creating activities in areas, both urban and rural, which are suffering from unusually high levels of unemployment. Within 45 days of enactment, each Federal agency would review its budget, plans, and programs; evaluate the job creation effectiveness of programs and projects for 1975; and submit to the Secretary of Commerce and the Secretary of Labor recommendations for programs and projects which have the potential to stimulate the creation of jobs for unemployed persons in eligible areas. Following reviews of those recommendations, within 30 days of their receipt, the Secretary of Commerce would allocate funds to expand or accelerate the job creating impact of selected programs. There are authorized to be appropriated \$500 million for this purpose in fiscal year 1975.

The Department of Agriculture supports such a review of its programs, and we believe that several activities of the Forest Service, in particular, could be expanded to meet the objectives of title III of the enactment.

There are many opportunities on National Forest System lands for public service employment projects that could provide employment and training benefits for participants while completing much needed conservation work. Furthermore, the location of many severe unemployment areas corresponds closely to the location of Forest Service administered lands. These public lands could help provide sites for public service employment in rural areas, just as State, municipal, and private non-profit facilities now provide such sites in urban areas. The Forest Service, through its State and Private Forestry Program, also has a mechanism by which a public service employment program could be extended to State and local forest lands. The Forest Service

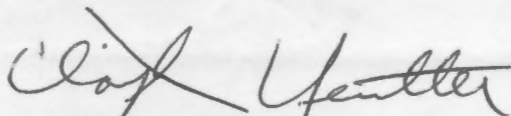
Honorable Roy L. Ash

2

already has the procedures and experience needed to operate public service employment projects. The Youth Conservation Corps, the Job Corps, and the Operation Mainstream National Contract are examples of manpower programs now operating within the National Forest System.

The Forest Service estimates that it could effectively employ up to 10,000 people during 1975.

Sincerely,



CLAYTON YEUTTER
Acting Secretary



U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

DEC 27 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Ash:

This is in response to your request for our comments on an enrolled bill, H.R. 16596, the Emergency Jobs and Unemployment Assistance Act of 1974.

Title I of this bill would add a new Title to the Comprehensive Employment and Training Act of 1973 providing special financial assistance to CETA prime sponsors and Indian tribes for the employment of unemployed or underemployed persons in public service jobs and for related manpower services. The bill provides that, to the extent feasible, preference in hiring for these jobs will be given to experienced workers who have exhausted all unemployment compensation or are not eligible for it and who have been without a job 15 weeks or longer. The bill also provides for the waiver of some provisions of Title II of CETA so as to provide sufficient job opportunities in areas of excessively high unemployment.

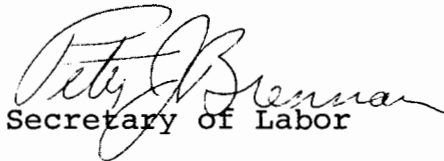
Title II of H.R. 16596 would provide a one-year program of cash benefits to workers not otherwise eligible for unemployment allowances under any other law, when the national unemployment rate reaches 6%, or the area unemployment rate 6.5%, for three consecutive calendar months.

Title III of the bill is a related amendment to the Public Works and Economic Development Act of 1965, as amended, on which we defer to the Department of Commerce.

The Department of Labor has previously transmitted to you a draft Presidential signing statement and a fact sheet, and urged signature of this bill. This letter will confirm our support of H.R. 16596.

Since the rates of unemployment for the months of September, October and November 1974, averaged more than 6%, if the bill is signed in December an "on" indicator will occur with the first week of December 1974 and benefits will be payable beginning with the third week thereafter - the week beginning December 22, 1974. Should the bill not be approved until January 1975, the "three complete calendar months prior to the enactment of this Act" (Section 204(e)) will become October, November and December 1974; the first week of January 1975 will be the week in which an "on" indicator occurs, and benefits will first be payable for the third week thereafter - the week beginning January 26, 1975.

Sincerely,


Secretary of Labor



THE UNDER SECRETARY OF COMMERCE
Washington, D.C. 20230

DEC 27 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D. C. 20503

Attention: Assistant Director for Legislative Reference

Dear Mr. Ash:

This is in reply to your request for the views of this Department concerning H.R. 16596, an enrolled enactment

"To provide assistance for unemployed persons,"

to be cited as the "Emergency Jobs and Unemployment Assistance Act of 1974".

Title I of H. R. 16596 amends the Comprehensive Employment and Training Act of 1973 (CETA) by authorizing the appropriation of \$2.5 billion for fiscal year 1975, to carry out an Emergency Jobs Program providing transitional employment in public service jobs for unemployed and underemployed persons.

Title II establishes a temporary Federal program of special unemployment assistance for unemployed workers who are not otherwise eligible for unemployment compensation under existing law.

Title III amends the Public Works and Economic Development Act of 1965 (PWEDA) by adding a new Title X creating a Job Opportunities Program, with an authorization of \$500 million for fiscal year 1975, to provide emergency financial assistance to stimulate, maintain or expand job creating activities in (a) areas of 6.5% or more unemployment for three consecutive months, (b) areas designated pursuant to section 204(c) of CETA, and (c) areas designated pursuant to section 401 of PWEDA as a redevelopment area.

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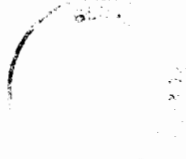
This Department recommends approval by the President of H. R. 16596.

Preliminary estimates of this Department's costs indicate \$31,250,000 will be expended in FY 1975 and \$93,750,000 in FY 1976 in program funds, and the administrative costs to implement the bill are estimated to be \$300,000 in FY 1975 and \$450,000 in FY 1976.

Sincerely,



John K. Tabor





THE UNDER SECRETARY OF THE TREASURY

WASHINGTON, D.C. 20220

Director, Office of Management and Budget
Executive Office of the President
Washington, D. C. 20503

Attention: Assistant Director for Legislative
Reference



Sir:

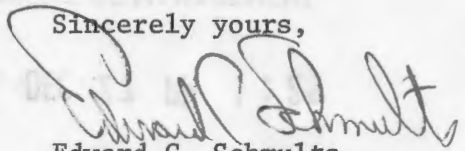
Your office has requested the views of this Department on the enrolled enactment of H.R. 16596, "To provide assistance for unemployed persons."

The enrolled enactment is an outgrowth of the employment assistance initiatives contained in President Ford's October 8 program and his proposed National Employment Assistance Act. The proposed legislation contains two major elements: public service employment and a special unemployment assistance program. Liberalization of benefits under the existing unemployment compensation program was a third element in the President's program and is covered in a separate piece of legislation, H.R. 17597.

The enrolled enactment meets some of the major objectives of the President's program. It should be pointed out, however, that the proposal differs somewhat in scope and coverage from that initially recommended by the Administration. It calls for a \$2-1/2 billion appropriation in fiscal 1975 which in our opinion is excessive. Furthermore, the enrolled enactment does not contain certain desirable safeguards. The Administration proposed that public service employment should be conditioned on the exhaustion of unemployment benefits, there should be a "trigger-in and trigger-out" mechanism, projects should be limited to 6 months, and salaries be limited to \$7000. None of these desirable safeguards in its originally recommended form appears in the enrolled enactment.

Despite these and other shortcomings, the provisions of the enrolled enactment will provide badly needed assistance at a time of rising unemployment. Therefore, the Department would not oppose a recommendation that the enrolled enactment be approved by the President.

Sincerely yours,


Edward C. Schmults

RECEIVED

STATEMENT BY THE PRESIDENT

Today I signed into law H.R. 16596, the Emergency Job and Unemployment Assistance Act, and H.R. 17597, the Emergency Unemployment Compensation Act. These are important measures which provide much needed help to our unemployed fellow citizens.

On October 8, when I outlined to Congress my proposals to fight inflation and unemployment, I pointed out that the Conference on Inflation had made us all aware of the undue burden being carried by those who lost their jobs during this period of worsening economic conditions. I proposed a temporary program to expand unemployment assistance and create jobs.

The Emergency Unemployment Compensation Act provides an additional 13 weeks of benefits to persons who are now covered by unemployment compensation laws. This makes it possible for workers who have lost jobs to receive up to one full year of protection if they are unable to find employment.

Title II of the Emergency Jobs and Unemployment Assistance Act creates a temporary unemployment insurance program for jobless workers not now eligible for payments under any other State or Federal programs, including State and local government employees, farm workers, domestic workers, and others not now covered.

Designed to respond to changing economic conditions, these two programs providing urgent added protection for workers will automatically expand when unemployment is high and contract when it recedes.

Expenditures under existing law of at least \$10 billion are projected in fiscal year 1975 for unemployment compensation. The Urgent Supplemental Appropriations bill which I will sign shortly provides \$2.75 billion for these two new temporary programs to be used as needed for direct aid to workers.

Title I of H.R. 16597 authorizes a temporary expansion of funding for jobs in the public sector. This action provides up to 100,000 new jobs in addition to the 170,000 financed by funds currently available under existing law.

At my request, the Secretary of Labor has already urged the State governors to move quickly in making assistance available to the jobless. The Secretary is also working with the States and localities to develop all available resources for the immediate and effective creation of jobs.

With regard to Title III of H.R. 16596, I believe that its provisions would create an unnecessarily complex and unwieldy administrative mechanism involving program and project reviews by all Federal agencies, regional commissions, and units of general government. I will, therefore, request that the Congress transfer appropriations from this Title to Title I of the Act so that needed employment can be provided as quickly and efficiently as possible.

In sum, however, I commend the 93rd Congress for its action on these two vital measures and am confident that the spurt of cooperation and conciliation which marked their passage will carry over into the new year and the new Congress.

Gerald R. Ford

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 897

Date: December 28, 1974

Time: 2:30 p.m.

FOR ACTION: Roger Semerad *oh* cc (for information): Warren Hendriks
 Max Friedersdorf *oh* Jerry Jones
 Phil Areeda *sign* Jack Marsh
 Paul Theis *h*
 Bill Seidman *oh*

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 10:00 am.

SUBJECT:

Enrolled Bill H.R. 16596 - Emergency Jobs and
 Unemployment Assistance Act of 1974



ACTION REQUESTED:

- | | |
|---|---|
| <input type="checkbox"/> For Necessary Action | <input type="checkbox"/> For Your Recommendations |
| <input type="checkbox"/> Prepare Agenda and Brief | <input type="checkbox"/> Draft Reply |
| <input checked="" type="checkbox"/> For Your Comments | <input type="checkbox"/> Draft Remarks |

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

 K. R. COLE, JR.
 For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 897

Date: December 28, 1974

Time: 2:30 p.m.

FOR ACTION: Roger Semerad
Max Friedersdorf
Phil Areeda
Paul Theis
Bill Seidman

cc (for information): Warren Hendriks
Jerry Jones
Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 10:00 a.m.

SUBJECT:

Enrolled Bill H.R. 16596 - Emergency Jobs and
Unemployment Assistance Act of 1974



ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

*Recommend approval 12/20/74
R. J. [Signature]*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 897

Date: December 28, 1974

Time: 2:30 p.m.

FOR ACTION: Roger Semerad
Max Friedersdorf
Phil Areeda
Paul Theis
Bill Seidman

cc (for information): Warren Hendriks
Jerry Jones
Jack Marsh

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REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

1) Sign bill

2) Final paragraph of draft statement conveys no meaning to the general reader, newspapers, or public

P. Areeda

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For the President

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REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

*approve
JWS*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR: WARREN HENDRIKS
FROM: *Max L. Friedersdorf* MAX L. FRIEDERSDORF
SUBJECT: Action Memorandum - Log No. 897



The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

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Max Friedersdorf
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For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

12/30
no objection - PDR (Semrad)

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

To
Sharon Hendricks
12-29-74



DEC 29 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 16596 - Emergency Jobs and
Unemployment Assistance Act of 1974
Sponsor - Rep. Daniels (D) New Jersey

Last Day for Action

January 4, 1975 - Saturday. Approval in December would provide unemployment benefits a month earlier than approval in January.

Purpose

Authorizes \$2.5 billion for fiscal year 1975 to provide additional public service jobs for unemployed and underemployed persons; establishes a temporary Federal program of special unemployment assistance for workers who are not currently eligible for unemployment insurance benefits; authorizes \$500 million for fiscal year 1975 for job-creating activities under the Public Works and Economic Development Act of 1965.

Agency Recommendations

Office of Management and Budget	Approval (Signing statement attached)
Department of Labor	Approval
Department of Commerce	Approval
Council of Economic Advisers	Approval (informally)
Department of the Treasury	Would not oppose approval recommendation
Veterans Administration	Defers to Labor
Department of Health, Education, and Welfare	Defers to Labor (Informally)

STATEMENT BY THE PRESIDENT

Today I signed into law H. R. 16596, the Emergency Job and Unemployment Assistance Act, and H. R. 17597, the Emergency Unemployment Compensation Act. These are important measures which provide much needed help to our unemployed fellow citizens.

On October 8, when I outlined to Congress my proposals to fight inflation and unemployment, I pointed out that the Conference on Inflation had made us all aware of the undue burden being carried by those who lost their jobs during this period of worsening economic conditions. I proposed a temporary program to expand unemployment assistance and create jobs.

The Emergency Unemployment Compensation Act provides an additional 13 weeks of benefits to persons who are now covered by unemployment compensation laws. This makes it possible for workers who have lost jobs to receive up to one full year of protection if they are unable to find employment.

Title II of the Emergency Jobs and Unemployment Assistance Act creates a temporary unemployment insurance program for jobless workers not now eligible for payments under any other State or Federal programs, including State and local government employees, farm workers, domestic workers, and others not now ^{covered} ~~eligible for such assistance.~~



Designed to respond to changing economic conditions, these two programs provide ^{ING} urgent added protection for workers will automatically expand when unemployment is high and contract when it recedes.

Expenditures under existing law of at least \$10 billion are projected in fiscal year 1975 for unemployment compensation. The Urgent Supplemental Appropriations bill which I will sign shortly provides \$2.75 billion for these two new temporary programs to be used as needed for direct aid to workers.

Title I of H. R. 16597 authorizes a temporary expansion of funding for jobs in the public sector. This action provides up to 100,000 new jobs in addition to the 170,000 financed by funds currently available under existing law.

At my request, the Secretary of Labor has already urged the State governors to move quickly in making assistance available to the jobless. The Secretary is also working with the States and localities to develop all available resources for the immediate and effective creation of jobs.

With regard to Title III of H. R. 16596, I believe that its provisions would create an unnecessarily complex and unwieldy administrative mechanism involving program and project reviews by all Federal agencies, regional commissions, and units of general government. I will, therefore, request that the Congress transfer appropriations from this Title to Title I of the Act so that needed employment can be provided as quickly and efficiently as possible.

In sum, however, I commend the 93rd Congress for its action on these two vital measures and am confident that the spurt of cooperation and conciliation which marked their passage will carry over into the new year and the new Congress.

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delete 3

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On October 8, I addressed the Congress on the economy and outlined my proposals to fight inflation and unemployment. In my address, I pointed out that the Conference on Inflation had made us all aware of the undue burden being borne by those who have lost their jobs during this period of worsening economic conditions. I proposed a temporary program of expanded unemployment assistance and job creation to help them through this period of economic stress.

The Emergency Unemployment Compensation Act will provide an additional 13 weeks of benefits to persons who are now covered by unemployment compensation laws and who exhaust their benefits. This will make it possible for experienced workers to obtain up to one full year of protection if they cannot find jobs.

Title II of the Emergency Jobs and Unemployment Assistance Act creates a new temporary unemployment insurance program for experienced workers not now

eligible for payments under any other State or Federal unemployment compensation laws. This will provide needed assistance for unemployed State and local government employees, farm workers, domestic workers, and others who are not eligible for aid under current law when they lose their jobs.

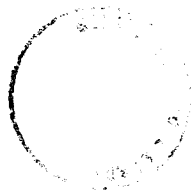
These two programs comprise a package of temporary additional protection for unemployed workers -- both those who have used up their unemployment compensation benefits and those who lack the protection of such programs. Together they will draw on the strength of unemployment compensation as a quick response to the needs of the economy and the workers, automatically expanding when unemployment is high and contracting as unemployment recedes.

Expenditures under existing law of at least \$10 billion are projected in fiscal year 1975 for unemployment compensation. The Urgent Supplemental Appropriations bill provides \$2.75 billion for these two new temporary programs to be used as needed for direct aid to workers.

Title I of H.R. 16596 authorizes a temporary expansion of funding for jobs in the public sector. This provision will add up to 100,000 new jobs in addition to the 170,000 financed by funds currently available under existing law.

At my request, the Secretary of Labor has already urged the State governors to move swiftly to prepare to deliver the new unemployment compensation aid. The Secretary is also working now with the States and localities to put all the available resources for job creation to immediate and effective use.

With regard to Title III of H.R. 16596, I believe that its provisions would create an unnecessarily complex and unwieldy administrative mechanism involving program and project reviews by all Federal agencies, regional commissions, and units of general government. I will request the Congress to transfer the appropriations from this Title to Title I of this Act so that needed employment can be provided as quickly and efficiently as possible.





VETERANS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS
WASHINGTON, D.C. 20420

DECEMBER 27 1974

The Honorable
Roy L. Ash
Director, Office of
Management and Budget
Washington, D. C. 20503

Dear Mr. Ash:

This will respond to the request of the Assistant Director for Legislative Reference for the views and recommendations of the Veterans Administration on the enrolled enactment of H. R. 16596, 93d Congress, the "Emergency Jobs and Unemployment Assistance Act of 1974."

The programs authorized under this measure would be administered by the Department of Labor. We, therefore, defer to the views of that Department on this proposal.

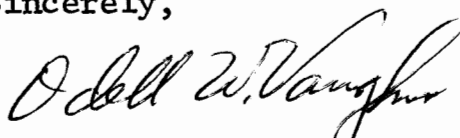
Since the inception of our United States Veterans Assistance Center (USVAC) program in 1968, the Veterans Administration has assisted in employment matters as part of its concept of one-stop service. Currently, 26 USVAC's have the services of local Veterans Employment Representatives (VER's) available to them on either a full or part-time basis.

The Veterans Administration is an active partner in the program of employment assistance to disabled veterans sponsored by the National Alliance of Businessmen and the Department of Labor. We also participate wholeheartedly in job fairs and other local or civic activities having as an objective the employment of veterans.

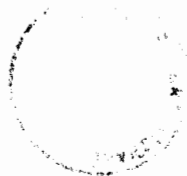
Insofar as H. R. 16596 pertains to the Veterans Administration, we have and will continue through outreach and other activities to assist in employment matters as envisioned by the proposed legislation.

Accordingly, we have no objection to the enrolled enactment of H. R. 16596 insofar as it pertains to the Veterans Administration and would have no objection to its approval by the President.

Sincerely,



Deputy Administrator - in the absence of
RICHARD L. ROUDEBUSH
Administrator



DECEMBER 31, 1974

*Office of the White House Press Secretary
(Vail, Colorado)*

THE WHITE HOUSE

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In sum, however, I commend the 93rd Congress for its action on these two vital measures and am confident that the spurt of cooperation and conciliation which marked their passage will carry over into the new year and the new Congress.



A handwritten signature in black ink, appearing to read "Gerald R. Ford". To the left of the signature is a scribbled-out mark that looks like "H-11".



Office of the White House Press Secretary
(Vail, Colorado)

THE WHITE HOUSE

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EMERGENCY JOBS ACT OF 1974

DECEMBER 9, 1974.—Ordered to be printed

Mr. PERKINS, from the Committee on Education and Labor,
submitted the following

REPORT

[To accompany H.R. 16596]

The Committee on Education and Labor, to whom was referred the bill (H.R. 16596) to amend the Comprehensive Employment and Training Act of 1973 to provide additional jobs for unemployed persons through programs of public service employment, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment strikes out all after the enacting clause and inserts a substitute text which appears in italic type in the reported bill.

INTRODUCTION

The Emergency Jobs and Unemployment Assistance Act of 1974 is a direct outgrowth of the deteriorating economic situation. No more devastating description of the current situation can be written than the dry prose of the Bureau of Labor Statistics Official release on "The Employment Situation: November, 1974." The situation as described by the statisticians of BLS should be known to all who will act on this bill and the Committee is therefore reproducing the following extract from the release as the best statement of the necessity for immediate action on this bill:

"THE EMPLOYMENT SITUATION: NOVEMBER 1974

"The Nation's unemployment rate rose from 6.0 percent in October to 6.5 percent in November, and the number of persons with jobs declined sharply, it was announced today by the Bureau of Labor Statistics of the U.S. Department of Labor. The jobless rate was at its highest level since October 1961.

"Total employment (as measured by the monthly sample survey of households) fell by nearly 800,000 in November to 85.7 million—a level approximating that of a year earlier. Until this large decline, employment had been advancing, although slowly and unevenly, throughout the year.

"Nonfarm payroll employment (as measured by the monthly survey of business establishments) declined by 440,000 in November to 78.4 million. Employment reductions occurred in a number of industries, with the largest in manufacturing and retail trade. (Beginning with this release, establishment data have been revised based on new benchmark levels and seasonal adjustment factors.)

"UNEMPLOYMENT

"The number of persons unemployed reached nearly 6 million in November, up 460,000 from the previous month. Most of the increase was accounted for by workers who have lost their last jobs. Since the October 1973 low, the number of unemployed persons has risen by almost 1.9 million, and the portion of job losers among the unemployed has increased from 37 to 47 percent.

"After moving down to the 3½ year low of 4.6 percent in October 1973, the Nation's unemployment rate has risen almost 2 full percentage points. A small part of this increase took place last winter during the energy crisis, but the bulk occurred since June. Over this 5-month span, the rate of joblessness has moved from 5.2 percent to the present level of 6.5 percent."

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

Selected categories	Quarterly averages					Monthly data		
	1973		1974			September 1974	October 1974	November 1974
	III	IV	I	II	III			
Millions of persons								
Civilian labor force.....	89.0	89.9	90.5	90.6	91.4	91.9	92.0	91.7
Total employment.....	84.8	85.7	85.8	86.0	86.3	86.5	86.5	85.7
Adult men.....	48.1	48.5	48.5	48.4	48.5	48.6	48.7	48.4
Adult women.....	29.5	29.7	29.7	30.1	30.5	30.3	30.3	30.0
Teenagers.....	7.2	7.6	7.6	7.4	7.3	7.6	7.6	7.4
Unemployment.....	4.2	4.2	4.7	4.7	5.0	5.3	5.5	6.0
Percent of labor force								
Unemployment rates:								
All workers.....	4.7	4.7	5.2	5.1	5.5	5.8	6.0	6.5
Adult men.....	3.1	3.0	3.5	3.5	3.7	3.9	4.3	4.6
Adult women.....	4.8	4.7	5.1	5.0	5.4	5.7	5.6	6.6
Teenagers.....	14.3	14.3	15.3	15.1	16.1	16.7	16.9	17.3
White.....	4.2	4.2	4.7	4.7	5.0	5.3	5.4	5.8
Negro and other races.....	9.0	8.6	9.4	9.0	9.5	9.8	10.9	11.7
Household heads.....	2.7	2.8	3.0	3.1	3.2	3.4	3.7	3.9
Married men.....	2.1	2.1	2.4	2.4	2.7	2.8	2.9	3.3
Full-time workers.....	4.2	4.3	4.6	4.6	5.0	5.3	5.6	6.2
State insured.....	2.6	2.6	3.3	3.4	3.4	3.4	3.6	4.3
Weeks								
Average duration of unemployment.....	9.7	9.9	9.5	9.7	9.9	9.6	10.0	9.8

Grim though the present picture is, it is necessary to add that the prospects for the future are even more grim. The Chairman of the Council of Economic Advisors has predicted a substantial increase in the unemployment rate by Spring and economists differ only on the extent of the deterioration that lies ahead.

OVERVIEW

The Emergency Jobs and Unemployment Assistance Act of 1974 has a two-pronged approach to the problems caused by the deteriorating economic situation. Title I will provide for a large scale expansion of the public service employment program that is already operating under the Comprehensive Employment and Training Act while title II provides cash benefits both for the unemployed who have exhausted their benefits under current law and for those who are not eligible for these benefits because their employment is excluded under the unemployment insurance law of their State.

Title I authorizes \$2 billion for only FY 1975, sufficient to fund about 300,000 jobs. Persons can be hired rapidly after the appropriation is available and the jobs would be expected to last about a year after funds are distributed. Title II will pay unemployment benefits to persons who file valid claims before December 31, 1975, with benefits payable until March 31, 1976. The total cost will depend on the severity of unemployment but is expected to be about \$3 billion.

There is broad consensus among economists that public service employment is an effective tool for creating jobs with a minimal impact on inflation. The net cost of a public service employment program is substantially less than the expenditures made for it because of large offsetting savings in unemployment compensation, food stamps and welfare payments and because of increases in tax receipts. The experience under the Emergency Employment Act, the program which has had the most favorable evaluations of any manpower program, shows that a large scale public service employment program can be quickly mounted and provides significant additions both to employment and needed public services.

Unemployment insurance has been a basic tool for counteracting cyclical downturns in the economy since the 1930's. It is the basic program to cushion the shock of unemployment, but experience has shown that its gaps in coverage and limited duration leaves many workers without essential protection. Title II provides an interim approach to the problem. It is estimated that about 2 million workers will run out of regular State unemployment insurance benefits at some time during 1974. Though some of these workers were eligible for Federal-State extended benefits and others have gone back to work, the overall figure indicates the magnitude of the problem. In addition, over 10% of the work force are not covered by any unemployment insurance law at all.

COMMITTEE ACTION

In response to the growing concern over the worsening unemployment prospects for the economy, the Select Subcommittee on Labor under the chairmanship of Dominick V. Daniels held hearings on public service employment bills on October 1, 2, 3, and 10. In addition, on October 9th the Select Subcommittee on Labor held a joint hearing with the Senate Subcommittee on Employment, Poverty and Migratory Labor to hear testimony from Secretary of Labor Peter Bren-

nan and Assistant Secretary for Manpower, William H. Kolberg. On November 26, the Select Subcommittee on Labor unanimously reported H.R. 16596 as amended for full committee consideration and on December 4, the full Education and Labor Committee unanimously reported H.R. 16596.

ESTIMATE OF COSTS

	Fiscal year 1975	Fiscal year 1976
Title I.....	\$2,000,000,000	
Title II.....	1,200,000,000	\$1,800,000,000
Total.....	3,200,000,000	1,800,000,000

This estimate is derived from data supplied by the Department of Labor. That Department has not submitted an official cost estimate.

GENERAL DESCRIPTION OF TITLE I

FUNDING

The bill authorizes \$2 billion for fiscal year 1975. The Committee provided an authorization for only a single year because it intends to examine the operation of public service programs both under the new title and under titles I and II of CETA early in the next Congress.

The Committee believes that the current economic situation and the extent of unemployment is such that at least \$2 billion is needed immediately to expend on public service employment programs. By specifying this figure for current economic circumstances, the Committee is not in any way prejudging what would be appropriate under other circumstances at future times.

DISTRIBUTION OF FUNDS

Funds are distributed among prime sponsors qualified under Title I and Indian tribes on Federal or State reservations in accordance with the following formula: one fourth is distributed on the basis of the number of unemployed in one area compared to the number of unemployed in all areas. The remainder gives due weight to the severity of unemployment, as well as the number of the unemployed, by a distribution based on the number of unemployed in excess of 4½%.

The decision to distribute 75% of the funds subject to the formula in accordance with the severity of unemployment was made in recognition of the fact that funds must be targeted to those areas which are hardest hit by unemployment.

Ten percent of the total appropriation is not subject to the formula but is left to distribution at the Secretary's discretion. The Committee intends that these funds be distributed to areas which have experienced increases in unemployment since the base period that was used in making the formula distribution.

USE OF FUNDS

In general, funds are available for public employment programs in accordance with provisions of Title II of the Comprehensive Employment and Training Act.

In addition, recipients of funds under this new title must give preference to unemployed persons who have exhausted their unemployment insurance benefits, to unemployed persons who are not eligible for such benefits and to the long term unemployed (those who have been unemployed for 15 weeks or more.) This provision for preference was added to underline the Committee's concern that jobs be furnished to those most in need of them, but it must be emphasized that the preference is only a preference—not a qualification. It is not a bar against hiring of persons outside the preference category nor is the preference to be applied at any other time than at the actual time of hiring. The preference is not to be used in order to fire one person and replace him with one in the preferred category. The basic purpose of the preference is that, when a number of equally qualified persons apply for a position priority shall be given to those in the preferred category. It should also be emphasized that a person qualifies as long-term unemployed even if the 15 weeks of unemployment has been interrupted by intermittent or casual employment.

While the preference provision is applicable to all hiring under the Act, the bill also has special provisions for areas of excessively high unemployment. These areas are defined as prime sponsor areas with an unemployment rate of 7% or more and areas within the balance of state which qualify for assistance under title II. These special provisions are also applicable to prime sponsors who qualify under section 102(a)(4) or (5) of title I. Programs in these areas do not need to comply with the various provisions of title II which are designed to facilitate transition from subsidized jobs into regular employment. Furthermore, these areas may use these funds to fund publicly operated work experience programs and to pay wages on publicly operated capital improvement programs. These latter programs are limited to rehabilitation, alteration or improvement and do not include new construction or improvements of the kind making fundamental changes in the nature of the building or facility.

Hiring in these areas is also excluded from the generally applicable requirement that the person be unemployed for 30 days before being employed under the Act. The 30 day period is shortened to 7 days, but the Committee wishes to make clear that this reduction in the waiting period is *not* designed to facilitate the substitution of Federal for State and local funds; it is *not* designed to permit local governments to lay off persons in order to get them hired under this Act. To make this intention crystal clear, the Committee has included in the bill a reassertion of the applicability of section 205(c)(8) which is designed to prohibit these "paper layoffs". The purpose of the reduction in the waiting period is only to mitigate the hardship on the unemployed and preclude an unnecessary period of unemployment. It should also be pointed out that the reduction in the ineligibility period does not in any way waive the preference in hiring for the long-term unemployed.

TITLE II. SPECIAL UNEMPLOYMENT ASSISTANCE PROGRAM

The present unemployment insurance program provides a basic measure of income maintenance for all covered workers, providing in most States a maximum of 26 weeks of regular benefits, depending on previous labor force attachment. Also in place is the Federal-State Extended Unemployment Compensation Act of 1970, providing an ad-

ditional period of benefits for up to 13 weeks for covered workers who exhaust benefits in a State with an insured unemployment rate of 4.0 percent or if the national rate reaches 4.5 percent.

It is obvious that we are in the throes of an economic crunch of major scope. Prompt action to provide at least a reasonable measure of income maintenance is required to avoid further spreading of the ripple effects of unemployment. This is the purpose of the program incorporated in Title II of this Act. One of the major phenomena of the present situation is that the impact of unemployment is highly uneven in varying areas throughout the Nation and even within the States.

This program is subject to a double trigger: (i) there must first be a national "on" trigger, occurring when the level of total unemployment (seasonally adjusted) averages at least 6 percent for three consecutive months; (ii) the program would then trigger "on" in areas in which the total unemployment rate (not seasonally adjusted) averages at least 6.5 percent for three consecutive months. It will provide benefits in these areas to workers who have used up their regular and extended UI benefit rights and to other unemployed workers who meet State requirements for regular benefits that their previous work need not have been in covered employment.

This program will pay up to 13 weeks of additional benefits to unemployed workers who have exhausted their State unemployment benefit rights and up to 26 weeks to unemployed workers otherwise lacking State unemployment insurance protection. To be eligible for benefits, a worker's most recent five days of employment must have been in an area of 6.5 percent or more unemployment. The local areas utilized for this Act are defined as areas eligible to become prime sponsors under Title I of the Comprehensive Employment and Training Act. Benefits under the program are payable from the date of enactment until March 31, 1976.

NEW COVERAGE

New coverage equivalent to that under State UI laws would be available for the first time for up to 12 million workers not now covered. Any individual (who meets the requirements under this Act) and whose wages and employment, during the most recent 52-week period just before filing his claim, satisfy the State qualifying requirement, would be eligible to receive assistance for a period of up to 26 weeks (depending on State law), as computed under the UI law of the State in which he last worked.

The major groups newly covered for the duration of this Act include:

Farmworkers.—With minor exceptions, workers in agriculture are generally excluded from coverage under State UI laws. Title II would provide such coverage for over a million farmworkers. High costs, tight money, and spot shortages of fuel and fertilizer, as well as shifts in crop patterns, may cause significant farm unemployment in individual areas. The generally high level of unemployment will also mean that many farmworkers will not be able to find other work outside the crop planting and harvesting seasons.

Domestic Workers.—The pressures of inflation upon households in which domestics are customarily employed may well cause unemployment or substantial reduction in hours of work for such workers. Only four State UI laws now require coverage of any household workers. More than a million additional household workers would be covered under Title II.

State and Local Government.—More than 8 million workers in State and local government, who are still outside the regular UI system, would be included under Title II. Particularly vulnerable are large numbers employed in this field, especially at lower skill levels, in public works and maintenance, and in hospital and food service occupations. Governments are subject to the same inflationary pressures and shortages as other employers and restructuring of priorities due to limitations on revenues may have considerable impact on these employees.

SUMMARY OF MAJOR UNEMPLOYMENT ASSISTANCE PROVISIONS (TITLE II)

Summary.—Program will pay up to 13 weeks of benefits to unemployed workers who have exhausted their State unemployment benefit rights and up to 26 weeks to other qualified unemployed workers lacking State unemployment insurance protection. Workers must have been most recently employed (for at least five days) in areas of high unemployment. Program begins with enactment and ends March 31, 1976.

Area.—Any area which is eligible to become a prime sponsor under Title I of CETA.

Special Unemployment Assistance Period.—The period when special unemployment assistance is payable in an area (when there is a national "on" trigger) begins the fourth week after there is an "on" trigger for the area and ends the fourth week after there is an "off" trigger. Minimum duration of period—13 weeks.

National "On" Trigger.—There is a national "on" trigger when the rate of national unemployment (seasonally adjusted) for three consecutive months has averaged 6.0 percent or more.

National "Off" Trigger.—There is a national "off" trigger when the rate of national unemployment (seasonally adjusted) for three consecutive months has averaged less than 6.0 percent.

Area "On" Trigger.—There is an area "on" trigger if there is a national "on" trigger AND the area rate of unemployment (not adjusted) for three consecutive months has averaged 6.5 percent or more.

Area "Off" Trigger.—There is an area "off" trigger if there is a national "off" trigger OR the area rate of unemployment (not adjusted) for three consecutive months has averaged less than 6.5 percent.

Eligible Workers.—Unemployed workers who were last employed (for at least five days), before filing a claim, in an area in which a special unemployment assistance period is in effect for the week being claimed.

Exhaustees.—Workers who have exhausted all rights to regular, additional and extended benefits under Federal law. Such rights must have been exhausted after the date of enactment of this Act or, if

exhausted earlier, the benefit year did not end until on or after such date of enactment.

Other Qualified Workers.—If not otherwise eligible for unemployment benefits under any State or Federal law a worker may be eligible if he meets the employment and wage qualifying requirements of the State in which the triggered area is located, on the basis of (a) all his wages and employment, both covered and not covered by the State unemployment insurance law (b) during the 52-week period preceding the week in which he filed his claim.

Benefits.—Payable for weeks of unemployment during a special unemployment assistance period. An individual who has not exhausted his special unemployment assistance entitlement may continue beyond the period if he remains unemployed, but not for any week beyond 26 weeks after the period ends.

Weekly Benefit Amount.—For an exhaustee, the average weekly benefit amount payable to him during the worker's most recent benefit year. For other qualified workers: The weekly benefit amount provided by the State law for the amount of employment and earnings.

Benefit Duration.—For an exhaustee, one-half his regular State duration but not more than 13 weeks. Total of regular, additional, and extended plus special assistance may not exceed 52 weeks. For other qualified workers: The benefit duration provided by the State law for the amount of employment and earnings, but not more than 26 weeks.

Administration.—By the States, based on agreements between them and the Secretary of Labor.

Limitation on Payments.—If for any week a State would have had an "on" trigger under which Federal-State extended benefits would be payable but are not because of failure by the State to accept the 120 percent waiver, no special unemployment assistance may be paid in that State for any such week.

Program Duration.—The program is effective upon enactment. No initial claim may be made after December 31, 1975, and no payment of assistance may be made for any week of unemployment ending after March 31, 1976.

SECTION-BY-SECTION DESCRIPTION OF H.R. 16596, AS REPORTED

First Section

This section provides that the Act may be cited as the "Emergency Jobs and Unemployment Assistance Act of 1974".

TITLE I—EMERGENCY JOBS

Section 101

This section amends the Comprehensive Employment and Training Act of 1973 by inserting a new title pertaining to emergency job programs.

Section 601

Section 601 of the new title provides for the authorization of \$2,000,000,000 to carry out the title for fiscal year 1975.

Section 602

Section 602 of the new title directs the Secretary to enter into arrangements with prime sponsors qualifying under title I of the Com-

prehensive Employment and Training Act of 1973 and Indian tribes so as to make financial assistance available for transitional jobs for unemployed and underemployed persons in needed public services, for otherwise unavailable related training and manpower services, and for enabling such persons to move into employment not supported by the Comprehensive Employment and Training Act of 1973.

Under this section at least 90 percent of the funds appropriated under the new title used by an eligible applicant for public service employment shall be expended only for wages and employment benefits to persons employed in public service jobs under the new title, and certain provisions (relating to applications and administration of assistance) of title II of the Comprehensive Employment and Training Act of 1973 are made applicable to financial assistance under the new title. In addition, section 602 of the new title provides that eligible applicants shall give preference, in public service employment programs under the new title, to unemployed persons who have exhausted unemployment insurance benefits, to unemployed persons who are not eligible for such benefits, and to unemployed persons who have been unemployed for 15 or more weeks.

Section 603

Section 603 of the new title provides that 90 percent of funds appropriated under the new title for any fiscal year shall be allotted among eligible applicants as follows: 25 percent of such 90 percent shall be allotted on the basis of the relative number of unemployed persons residing within the jurisdictions of all eligible applicants, and 75 percent of such 90 percent shall be allotted on the basis of the relative excess number (over 4½ percent of the labor force in the jurisdiction of the applicant) of unemployed persons residing within the jurisdictions of all eligible applicants. Section 603 of the new title also provides that 10 percent of funds appropriated under the new title for any fiscal year may be allotted as the Secretary deems appropriate to carry out the purposes of the new title, taking into account changes in rates of unemployment.

Section 604

Section 604 of the new title provides that the funds allotted under the new title to eligible applicants having unemployment rates in excess of 7 percent may be used for public service employment without regard to certain provisions of title II of the Comprehensive Employment and Training Act of 1973 which relate to the transitional nature of such employment, for providing employment to persons unemployed for at least 7 days (without regard to the provision of section 205(a) of such Act which requires at least 30 days of unemployment provided that the provision of section 208(a)(8) relating to the prohibition of paper layoffs applies to such employment), for making payments to public employers to expand job opportunities, and for payment of wages for unemployed and underemployed persons as employees of public employers in jobs on community capital improvement projects. This section also provides for such uses of the funds allotted under the new title to eligible applicants, without regard to the rate of unemployment, in any area served by a prime sponsor which qualifies under section 102(a)(4) (units of general local government in exceptional circumstances) or section 102(a)(5) (concentrated employment pro-

gram grantees serving rural areas of high unemployment) of the Comprehensive Employment and Training Act of 1973, or in an area which is eligible for assistance under title II of such Act and which is served by a State prime sponsor, if the prime sponsor for such area certifies to the Secretary that such uses of such funds are necessary in order to provide sufficient job opportunities.

Section 102

This section amends section 211 of the Comprehensive Employment and Training Act of 1973 in order to provide that, in the application of certain provisions (relating to the transitional nature of employment) of title II of such Act to public employment programs under such title, placement goals for eligible applicants may be established by the Secretary, but such goals must be identified as goals and not requirements, and any form or other document developed pursuant to such application of such provisions shall contain written notice that such placement goals are goals, and not requirements. The amendment made by this section also provides that any eligible applicant shall have the right, at any time, to request a "Waiver of Performance" with respect to such placement goals where, in the opinion of such applicant, such goals are not feasible, that the Secretary shall grant any such request for such a waiver which is supported by substantial evidence and may grant any such request for such a waiver where, in the judgment of the Secretary, local conditions so warrant, and that, where such a "Waiver of Performance" has been granted to an eligible applicant, failure to meet placement goals shall not be cited in any official review or evaluation of such eligible applicant's public employment programs.

Section 103

Section 103 of the bill amends the Vocational Education Act of 1963 in order to provide that the National Advisory Council on Vocational Education may accept gifts and may accept transfer of funds from other departments or agencies.

TITLE II—SPECIAL UNEMPLOYMENT ASSISTANCE PROGRAM

Section 201

Section 201 states that it is the purpose of title II of the bill to establish Federal unemployment assistance for the purpose of providing supplemental unemployment assistance to workers affected by adverse economic conditions in areas of aggravated unemployment.

Section 202

Subsection (a) of section 202 provides that each State which enters into an agreement with the Secretary of Labor under which the State makes payments of special unemployment assistance in accordance with the provisions of title II of the bill shall be paid by the United States such amounts from time to time as the Secretary of Labor deems necessary to carry out the provisions of such title.

Subsection (b) of section 202 provides that a State may not enter into an agreement for payment of assistance under this title with respect to weeks for which there is no national "on" indicator in effect under section 203(d) of the Federal-State Extended Unemployment

Compensation Act of 1970 and for which there would be a State "on" indicator in effect under section 203(e) of the Federal-State Extended Unemployment Compensation Act of 1970 but for failure of the State law to provide that the determination of whether there has been a State "off" indicator ending any extended benefit period shall be made without regard to the provision of section 203(e)(1)(A) (relating to the rate of insured employment under the State law for a period equaling or exceeding 120 per centum of the average of such rates for the corresponding period in each of the preceding two calendar years); but the Secretary of Labor may, where he determines that special conditions exist, waive the provisions of this subsection.

Section 203

Section 203 prescribes the criteria of eligibility for individuals to receive payment of assistance or waiting period credit with respect to weeks of employment occurring during and after a special unemployment assistance period under title II of the bill. The individual must exhaust all rights to regular, additional, and extended compensation under all Federal and State unemployment compensation laws and have no further rights to regular, additional, or extended compensation under any Federal or State unemployment compensation law, must have no right to allowances payable under certain public laws, and must not receive compensation with respect to unemployment under the unemployment compensation law of Canada (provided that such rights to compensation were exhausted in or subsequent to the first week beginning on or after the date of enactment of title II, or if exhausted prior to that date, that the benefit year in which such rights to compensation were exhausted did not end until on or after the date of enactment of title II); or the individual must not otherwise be eligible for allowances payable with respect to unemployment under certain public laws or for compensation under any State or Federal unemployment compensation law and must not be receiving compensation with respect to unemployment under the unemployment compensation law of Canada (provided that the individual meets the qualifying employment and wage requirements of the applicable State unemployment compensation law in a base year, which shall be the fifty-two-week period preceding the first week with respect to which the individual files a claim for compensation or waiting period credit under title II of the bill, with respect to which the individual is totally or partially unemployed, and with respect to which the individual meets such qualifying employment and wage requirements of such State law; for purposes of this proviso employment and wages which are not covered by State law are to be treated as though they were covered, except for employment and wages covered by the Railroad Unemployment Insurance Act which shall be excluded to the extent that the individual was or is entitled to compensation for unemployment thereunder on the basis of such employment or wages). The individual must also be totally or partially unemployed, be able to work, available for work, and seeking work, within the meaning of or as required by the applicable State unemployment compensation law, and must not be subject to disqualification under that law. The individual must also have filed a claim for assistance or waiting period credit under title II of the bill.

A further criterion of eligibility is that, in the area in which the individual was last employed for at least five days prior to filing a claim under title II of the bill for assistance or waiting period credit with respect to a week of unemployment, a special unemployment assistance period must be in effect with respect to such week of unemployment, provided that if the individual was otherwise eligible for a payment of assistance or waiting period credit under title II of the bill with respect to a week of unemployment which began during a special unemployment assistance period but did not exhaust entitlement to assistance during such period, entitlement shall continue after the end of the period, but no assistance shall be paid under title II of the bill for any week of unemployment which begins more than twenty-six weeks after the end of such period. Finally, it is a criterion of eligibility that the State in which the individual was last employed for at least five days before filing a claim under title II of the bill for assistance or waiting period credit with respect to such week of unemployment must have an agreement with the Secretary of Labor under section 202 of the bill which is in effect with respect to such week of unemployment.

Section 204

Subsection (a) of section 204 provides that a special unemployment assistance period shall commence, in an area designated by the Secretary of Labor, with the third week after the first week for which there is an "on" indicator for such area, and shall terminate with the third week after the first week for which there is an "off" indicator for such area, but no special unemployment assistance period shall have a duration of less than thirteen weeks.

Subsection (b) of section 204 provides that the Secretary of Labor shall designate as areas under section 204 labor market areas (those which qualify as prime sponsors under section 102(a) of the Comprehensive Employment and Training Act of 1973), and all parts of a State which are not within such a labor market area.

Subsection (c) of section 204 provides that there is an "on" indicator for a week in an area if, for the most recent three consecutive calendar months for which data are available, the Secretary of Labor determines that the seasonally adjusted rate of national unemployment averaged 6 percent or more, and that the rate of unemployment in the area averaged 6.5 percent or more.

Subsection (d) of section 204 provides that there is an "off" indicator for a week if, for the most recent three consecutive calendar months for which data are available, the Secretary of Labor determines that either the seasonally adjusted rate of national unemployment does not average 6 percent or more, or that the rate of unemployment in the area does not average 6.5 percent or more.

Subsection (e) of section 204 provides that determinations made under section 204 shall take into account the rates of unemployment for three consecutive months, even though any or all of such months may have occurred not more than three complete calendar months before the enactment of title II of the bill.

Section 205

Section 205 provides that the amount of assistance under title II of the bill to which an eligible individual described in section 203(a)

(1) (individuals having exhausted rights to compensation) of title II of the bill shall be entitled for a week of total unemployment shall be the average weekly benefit amount of regular compensation which was payable to the individual for a week of total unemployment in the individual's most recent benefit year. Section 205 also provides that the amount of assistance under title II of the bill to which an eligible individual described in section 203(a)(2) (individuals otherwise ineligible for compensation) of title II of the bill shall be entitled for a week of total unemployment shall be the average weekly benefit amount for a week of total unemployment that would be payable to the individual as regular compensation under the applicable State unemployment compensation law (provided that in computing the weekly benefit amount for such individuals the individual's base year shall be the fifty-two-week period preceding the first week with respect to which the individual files a claim for assistance or waiting period credit under title II of the bill, with respect to which the individual is totally or partially unemployed, and with respect to which the individual meets qualifying employment and wage requirements of the applicable State unemployment compensation law; for purposes of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered except that employment and wages covered by the Railroad Unemployment Insurance Act shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages).

Section 206

Section 206 provides that the maximum amount of assistance under title II of the bill to which an individual described in section 203(a)(1) (individuals having exhausted rights to compensation) of title II of the bill shall be entitled shall be one-half the maximum amount of regular compensation payable to the individual in his most recent benefit year, but not exceeding the lesser of thirteen times the average weekly benefit amount which was payable to the individual for a week of total unemployment (as determined for such individual under section 205(a)) and fifty-two times such weekly benefit amount reduced by the regular, additional, and extended compensation payable to the individual with respect to such benefit year. Section 206 also provides that the maximum amount of assistance under title II of the bill to which an individual described in section 203(a)(2) (individuals otherwise ineligible for compensation) of title II of the bill shall be entitled shall be the maximum amount of regular compensation that would be payable to such individual as computed under the provisions of the applicable State unemployment compensation law, but not exceeding twenty-six times the weekly benefit amount payable to the individual for a week of total unemployment as determined under section 205(b) (provided that the individual's base year shall be the fifty-two-week period preceding the first week with respect to which the individual files a claim for assistance or waiting period credit under title II of the bill, with respect to which the individual is totally or partially unemployed, and with respect to which the individual meets the qualifying employment and wage requirements of the applicable State unemployment compensation law; for purposes of this proviso

employment and wages which are not covered by the State law shall be treated as though they were covered except that employment and wages covered by the Railroad Unemployment Insurance Act shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages).

Section 207

Section 207 provides that, except where inconsistent with the provisions of title II of the bill, the terms and conditions of the applicable State unemployment compensation law which apply to claims thereunder for regular compensation and the payment thereof shall apply to claims for assistance under title II of the bill, and the payment thereof.

Section 208

Section 208 provides that, notwithstanding any other provisions of title II of the bill, no payment of assistance under title II of the bill shall be made with respect to any week of unemployment ending after March 31, 1976, and that no individual shall be entitled to any compensation with respect to any initial claim for assistance or waiting period credit made after December 31, 1975.

Section 209

Section 209 provides that there are authorized to be appropriated for purposes of title II of the bill such sums as are necessary.

Section 210

Section 210 provides definitions of certain terms which are to be used for purposes of title II of the bill.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman) :

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

* * * * *

TITLE I—COMPREHENSIVE MANPOWER SERVICES

* * * * *

REVIEW OF PLANS

SEC. 108. (a) The Secretary shall not approve a comprehensive manpower plan or any amendment thereto until he determines that it meets the requirements of section 105, and in the case of a State plan section 106, and that the plan was submitted to, and an opportunity to comment thereon provided, the Governor of the State and appro-

priate officials in units of general local government of the area to be served.

(b) (1) The Secretary shall not finally disapprove any comprehensive manpower plan submitted under this title, or any modifications thereof, without first affording the prime sponsor submitting the plan reasonable notice and opportunity for a hearing.

(2) If the Secretary receives a formal allegation from an affected unit of general local government that a prime sponsor has changed its comprehensive manpower plan so that it no longer complies with section 105 or that in the administration of the plan there is a failure to comply substantially with any such provision, with any provision of the plan, or with any requirements of section [603 or 604], 703 or 704, he shall, and, if he receives such an allegation from any other interested person, he may, or, if such allegation is supported by substantial evidence, he shall after due notice and opportunity for a hearing to the prime sponsor, determine whether the allegation is true. If he determines such an allegation to be true, the Secretary shall notify the prime sponsor that no further payments will be made to the prime sponsor under the plan (or, in his discretion, that further payments will be limited to programs under or portions of the plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Secretary shall make no further payments to such sponsor under the plan (or shall limit payments to programs under the plan not affected by the failure).

(c) The Secretary shall not disapprove any plan solely because of the percentage of funds devoted to a particular program or activity authorized under section 101 of this Act.

(d) Whenever the Secretary determines, after notice and opportunity for a public hearing, that any prime sponsor designated to serve under this Act is—

(1) maintaining a pattern or practice of discrimination in violation of section [603(1)] 703(1) or section [612(a)] 712(a) of this Act or otherwise failing to serve equitably the economically disadvantaged, unemployed, or underemployed persons in the area it serves;

(2) incurring unreasonable administrative costs in the conduct of activities and programs, as determined pursuant to regulation;

(3) failing to give due consideration to continued funding of programs of demonstrated effectiveness including those previously conducted under provisions of law repealed by section 614 of this Act; or

(4) otherwise materially failing to carry out the purposes and provisions of this Act;

the Secretary shall revoke the prime sponsor's plan for the area, in whole or in part, and to the extent necessary and appropriate shall not make any further payments to such prime sponsor under this Act, and he shall notify such sponsor to return to him all or part of the unexpended sums paid under this Act during that fiscal year.

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TITLE II—PUBLIC EMPLOYMENT PROGRAMS

* * * * *

SPECIAL [PROVISION] PROVISIONS

SEC. 211. (a) The determinations to be made under section 204(c) shall take into account the rate of unemployment for a period of three consecutive months even though all or part of such period may have occurred prior to the enactment of this Act.

(b) In promulgating regulations under sections 205(b), 205(c)(4), 205(c)(6), 205(c)(16), 205(c)(17), and 207(a), the Secretary may establish placement goals for eligible applicants, except that such goals must be identified as goals, not requirements, and any form or other document developed pursuant to such regulations shall give written notice to that effect. Any eligible applicant shall have the right, clearly stated in such regulations, to request a "Waiver of Performance" if, in his judgment, such goals are not feasible. Such waiver, a request for which may be submitted at any time, shall be granted by the Secretary when supported by substantial evidence, and may be granted by him where, in his judgment, local conditions warrant it. Wherever a "Waiver of Performance" has been granted, failure to meet placement goals shall not be cited in any official review or evaluation of that eligible applicant's programs.

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TITLE IV—JOB CORPS

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ADMINISTRATIVE PROVISIONS

SEC. 419. (a) In carrying out the provisions of this title, the Secretary shall have the same powers as the Director of the Office of Economic Opportunity under section 602 of the Economic Opportunity Act of 1964.

(b) The provisions of section [603] 703 of this Act shall apply to this title only to the extent that such provisions are consistent with the provisions of this title.

* * * * *

TITLE VI—EMERGENCY JOB PROGRAMS

AUTHORIZATION OF APPROPRIATIONS

SEC. 601. There are authorized to be appropriated \$2,000,000,000 for fiscal year 1975 for carrying out the provisions of this title.

FINANCIAL ASSISTANCE

SEC. 602. (a) The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available for the purpose of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services, and training and manpower services related to such employment which are otherwise unavailable, and enabling such persons to move into employment not supported under this Act.

(b) Not less than 90 per centum of the funds appropriated pursuant to this title which are used by an eligible applicant for public service employment programs shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title.

(c) The provisions of section 204(d) and sections 205 through 209 shall apply to financial assistance under this title, and eligible applicants shall give preference, in public service employment programs under this title, to unemployed persons who have exhausted unemployment insurance benefits, to unemployed persons who are not eligible for unemployment insurance benefits, and to unemployed persons who have been unemployed for 15 or more weeks.

(d) For purposes of this section, the term "eligible applicants" means prime sponsors qualified under title I and Indian tribes on Federal or State reservations.

ALLOTMENT OF FUNDS

SEC. 603. (a) (1) Not less than 90 per centum of the amount appropriated under section 601 for any fiscal year shall be allotted among eligible applicants as defined in section 602(d) by the Secretary in accordance with the provisions of this subsection.

(2) (A) From the amount allotted under this subsection, 25 per centum shall be allotted on the basis of the relative number of unemployed persons who reside within the jurisdiction of the applicant as compared to the total number of unemployed persons who reside within the jurisdiction of all eligible applicants.

(B) The remainder of the amount allotted under this subsection shall be allotted on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the applicant as compared to the total excess number of unemployed persons who reside within the jurisdiction of all eligible applicants. For purposes of this subparagraph, the term "excess number" means the number which represents unemployed persons in excess of $4\frac{1}{2}$ per centum of the labor force in the jurisdiction of the applicant in whose jurisdiction such persons reside.

(b) The remainder of the amount appropriated under section 601 shall be available to the Secretary for financial assistance under section 602 as the Secretary deems appropriate to carry out the purposes of this title, taking into account changes in rates of unemployment.

(c) For purposes of determining the allotments under paragraph (2) of this section only, the term "applicant" includes each unit of general local government of any prime sponsor which consists of a combination of units of general local government under section 102(a)(3) or section 102(a)(4).

SPECIAL PROVISION FOR AREAS OF EXCESSIVELY HIGH UNEMPLOYMENT

SEC. 604. (a) Notwithstanding the provisions of section 602(a) and 602(b), funds allotted under section 603 to eligible applicants (as defined in section 602(d)) having unemployment rates in excess of 7 per centum may be used for—

(1) *public service employment programs without regard to the provisions of sections 205(b), 205(c)(4), 205(c)(6) 205(c)(16), 205(c)(19), 207(a), 207(b), and 208(a)(6).*

(2) *providing employment for persons who have been unemployed for at least 7 days without regard to the provision of section 205(a) relating to 30 days of unemployment: Provided, That the provisions of section 205(c)(8) shall apply with respect to the hiring of any person under this title,*

(3) *making payments to public employers to expand job opportunities in accordance with the provisions of section 101(5), and*

(4) *payment of wages (at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5)), for unemployed and underemployed persons as employees of public employers in jobs on community capital improvement projects, including the rehabilitation, alteration, or improvement of public buildings, roads and other public transportation facilities, health and education facilities, and other facilities for the improvement of the community in which the project is or will be located.*

(b) *The provisions of subsection (a) shall apply to any area, without regard to the rate of unemployment of such area, if such area is served by a prime sponsor which qualifies under section 102(a)(4) or section 102(a)(5) or is in an area which is eligible for assistance under title II and which is served by a State prime sponsor, and if the prime sponsor for such area certifies to the Secretary that the application of such provisions is necessary in order to provide sufficient job opportunities.*

TITLE [VI] VII—GENERAL PROVISIONS

DEFINITIONS

SEC. [601] 701. (a) As used in this Act, the term—

(1) "Community-based organizations" means organizations which are representative of communities or significant segments of the communities and which provide manpower services (for example, Opportunities Industrialization Centers, Jobs for Progress, Mainstream, and Community Action Agencies).

(2) "Governor" means the chief executive of any State.

(3) "Health care" includes, but is not limited to, preventive and clinical medical treatment, family planning services, nutrition services, and appropriate psychiatric, psychological, and prosthetic services, to the extent any such treatment or services are necessary to enable the recipient of manpower services to obtain or retain employment.

(4) "Low-income level" means \$7,000 with respect to income in 1969, and for any later year means that amount which bears the same relationship to \$7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest \$1,000.

(5) "Manpower allotment" means sums received by a State or area under title I of this Act for any fiscal year (or, where

applicable, under title II of the Manpower Development and Training Act of 1962, and part B of title I of the Economic Opportunity Act of 1964).

(6) "Offender" means any adult or juvenile who is confined in any type of correctional institution and also includes any individual or juvenile assigned to a community based facility or subject to pretrial, probationary, or parole or other stages of the judicial correctional or probationary process where manpower training and services may be beneficial, as determined by the Secretary, after consultation with judicial, correctional, probationary, or other appropriate authorities.

(7) "Public service" includes, but is not limited to, work in such fields as environmental quality, health care, education, public safety, crime prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, veterans outreach, and other fields of human betterment and community improvement.

(8) "Secretary" means the Secretary of Labor.

(9) "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(10) "Unit of general local government" means any city, municipality, county, town, township, parish, village or other general purpose political subdivision which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(11) "Underemployed persons" means—

(A) persons who are working part-time but seeking full-time work;

(B) persons who are working full-time but receiving wages below the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget.

(12) "Unemployed persons" means—

(A) persons who are without jobs and who want and are available for work; and

(B) except for purposes of sections 103 and 202, adults who or whose families receive supplemental security income or money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act or would, as defined in regulations to be issued by the Secretary, be eligible for such payments but for the fact that both parents are present in the home (1) who are determined by the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, to be available for work, and (2) who are either (i) persons without jobs, or (ii) persons working in jobs providing insufficient income to enable such persons and their families to be self-supporting without welfare assistance;

and the determination of whether persons are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons

as unemployed, but such criteria shall not be applied differently on account of a person's previous employment.

(13) "Wagner-Peyser Act" means "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (48 Stat. 113), as amended (29 U.S.C. 49 et seq.).

(b) As used in section 208(c) of this Act, the term "area" means—

(1) where the applicant is an eligible unit of government or an Indian tribe, that geographical area over which the applicant exercises general political jurisdiction, or

(2) where the applicant is a public agency or institution which is a subdivision of an eligible unit of government, that geographical area over which such unit of government exercises general political jurisdiction.

LEGAL AUTHORITY

SEC. [602.] 702. (a) The Secretary may, in accordance with chapter 5 of title 5, United States Code, prescribe such rules, regulations, guidelines, and other published interpretations under this Act as he deems necessary. Rules, regulations, guidelines and other published interpretations or orders may include adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968. For purposes of chapter 5 of such title any condition or guideline for receipt of financial assistance shall be deemed a rule to which section 553 applies. All such rules, regulations, guidelines, and other published interpretations or orders under this Act shall be published in the Federal Register at least thirty days prior to their effective date. Copies of all such rules, regulations, guidelines, and other published interpretations or orders shall be transmitted to the appropriate committees of the Congress at the same time and shall contain with respect to each material provision of such rules, regulations, guidelines, and other published interpretations or orders, citations to the particular substantive section of law which is the basis therefor.

(b) The Secretary may make such grants, contracts, or agreements, establish such procedures (subject to such policies, rules, and regulations as he may prescribe), and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments. The Secretary may also withhold funds otherwise payable under this Act, but only in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

CONDITIONS APPLICABLE TO ALL PROGRAMS

SEC. [603.] 703. The Secretary shall not provide financial assistance for any program under this Act unless—

(1) the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs;

(2) such program does not involve political activities;

(3) participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(4) conditions of employment or training will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

(5) appropriate standards for the health, safety, and other conditions applicable to the performance of work and training on any project are established and will be maintained;

(6) appropriate workmen's compensation protection will be provided to all participants;

(7) the program will not result in the displacement of employed workers or impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

(8) persons shall not be referred for training in an occupation which requires less than two weeks of preemployment training unless there are immediate employment opportunities available in that occupation;

(9) training and related services under any such program are designed, to the maximum extent practicable, consistent with every individual's fullest capabilities, to lead to employment opportunities enabling participants to become economically self-sufficient;

(10) no person shall be referred for training authorized under paragraph (3) or (4) of section 101 unless the Secretary or the prime sponsor, as appropriate, shall have determined that there is a reasonable expectation of employment for such person in the occupation for which he is being trained;

(11) funds will be used to supplement, to the extent practicable, the level of funds that would otherwise be made available from non-Federal sources for the purpose of planning and administration of programs within the scope of this Act and not to supplant such other funds;

(12) the applicant will make such reports, in such form and containing such information as the Secretary may from time to time require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure that funds are being expended in accordance with the provisions of this Act;

(13) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(14) the program has adequate internal administrative controls, accounting requirements, personnel standards, evaluation

procedures, availability of inservice training and technical assistance programs, and other policies as may be necessary to promote the effective use of funds; and

(15) the program makes appropriate provision for the manpower needs of youths in the area to be served.

SPECIAL LIMITATION

SEC. [604.] 704. (a) No authority conferred by this Act shall be used to enter into arrangements for, or otherwise establish, any training programs in the lower wage industries in jobs where prior skill or training is typically not a prerequisite to hiring and where labor turnover is high, or to assist in relocating establishments from one area to another. Such limitations on relocation shall not prohibit assistance to a business entity in the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Labor finds that assistance will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless he has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

(b) Acceptance of family planning services provided to trainees shall be voluntary on the part of the individual to whom such services are offered and shall not be a prerequisite to eligibility for or receipt of any benefit under the program.

(c) No non-governmental individual, institution, or organization shall evaluate any programs under this Act if that individual or such institution or organization is associated with that program as a consultant, technical adviser, or in any similar capacity.

SEC. [605.] 705. (a) The Secretary shall make such reports and recommendations to the President as he deems appropriate pertaining to employment and occupational requirements, resources, use, and training, and his recommendations for the succeeding fiscal year, and the President shall transmit to the Congress within sixty days after the beginning of each regular session a report pertaining to manpower requirements, resources, utilization, and training.

(b) The Secretary and the Secretary of Health, Education, and Welfare shall report to the Congress on the extent to which community colleges, area vocational and technical schools and other vocational educational agencies and institutions, and vocational rehabilitation agencies are being utilized to carry out training programs supported in whole or in part from provisions of this and related Acts, the extent to which administrative steps have been taken and are being taken to encourage the use of such facilities and institutions and agencies in the carrying out of the provisions of this Act and any further legislation that may be required to assure effective coordination and utilization of such facilities and agencies to the end that all federally supported employment and training, vocational education, and vocational rehabilitation programs can more effectively accomplish their objectives of providing employment and training opportunities to all persons needing occupational training.

(c) The Secretary shall transmit to the Congress at the earliest appropriate date, but not later than March 1, of each calendar year a report setting forth a description of summer programs providing jobs for economically disadvantaged youth to begin in June of such year, including the number of opportunities in public and private agencies or organizations that will be provided under section 304 (a) (3) of this Act or in the case of the summer of 1974 under section 3(c), and a statement as to the total number of such persons who would be eligible for such programs, together with his recommendations, if any, for supplemental appropriations for such programs.

(d) The Secretary, through the Bureau of Labor Statistics, shall annually compile and maintain information on the incidence of unemployment among offenders and shall publish the results of the information obtained pursuant to this subsection in the report required under subsection (a) of this section.

(e) The Chairman of the United States Civil Service Commission, in consultation with the Secretary, shall report to the President and to the Congress no later than six months after the effective date of this Act on the extent to which and manner in which employment opportunities for offenders may be increased in the Federal service, with special reference to the criteria used in determining the suitability of offenders for Federal employment, including such recommendations for additional legislation as they deem advisable.

(f) Each prime sponsor shall prepare for the Secretary, and make available, to the public, a report on its activities under the Act, including a detailed comparison of program performance with approved plan.

LABOR STANDARDS

SEC. [606.] 706. All laborers and mechanics employed by contractors or subcontractors in any construction, alterations, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5). The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

ACCEPTANCE OF GIFTS

SEC. [607.] 707. The Secretary is authorized, in carrying out his functions and responsibilities under this Act, to accept in the name of the Department, and employ or dispose of in furtherance of the purposes of this Act, or any title thereof, an unconditional gift of any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise; and to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes of the United States.

UTILIZATION OF SERVICES AND FACILITIES

SEC. [608.] 708. (a) In addition to such other authority as he may have, the Secretary is authorized, in the performance of his functions under this Act, and to the extent permitted by law, to utilize the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized to accept and utilize the services and facilities of the agencies of any State or political subdivisions of a State, with their consent.

(b) The Secretary shall carry out his responsibilities under this Act through the utilization, to the extent appropriate, of all resources for skill development available in industry, labor, public and private educational and training institutions, vocational rehabilitation agencies, and other State, Federal, and local agencies, and other appropriate public and private organizations and facilities, with their consent.

INTERSTATE AGREEMENTS

SEC. [609.] 709. In the event that compliance with provisions of this Act would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

PROHIBITION AGAINST POLITICAL ACTIVITIES

SEC. [610.] 710. The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

CRIMINAL PROVISIONS

SEC. [611.] 711. (a) Chapter 31 of title 18, United States Code, is amended by adding a new section 665 to read as follows:

“THEFT OR EMBEZZLEMENT FROM MANPOWER FUNDS; IMPROPER
INDUCEMENT

“SEC. 665. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under the Comprehensive Employment and Training Act of 1973 embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to this Act shall be fined not more than \$10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed \$100, he shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

“(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of

employment in connection with a grant or contract of assistance under the Comprehensive Employment and Training Act of 1973, induces any person to give up any money or thing of any value to any person (including such grantee agency) shall be fined not more than \$1,000, or imprisoned not more than one year, or both.”

(b) The analysis of chapter 31 is amended by adding at the end thereof the following new item:

“665. Theft or embezzlement from manpower funds; improper inducement.”

NONDISCRIMINATION

SEC. [612.] 712. (a) No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act.

(b) Whenever the Secretary determines that a prime sponsor or eligible applicant has failed to comply with subsection (a) or an applicable regulation, he shall notify the prime sponsor or eligible applicant of the noncompliance and shall request the prime sponsor or eligible applicant to secure compliance. If within a reasonable period of time, not to exceed sixty days, the prime sponsor or eligible applicant fails or refuses to secure compliance, the Secretary, in addition to exercising the powers and functions provided for the termination of financial assistance under this Act, is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); or (3) to take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a prime sponsor or eligible applicant is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(d) The Secretary shall enforce the provisions of subsection (a) dealing with discrimination on the basis of sex 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 provisions of such subsection. 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 or activity receiving assistance under this Act.

RECORDS, AUDITS, AND REPORTS

SEC. [613.] 713. In order to assure that funds provided under this Act are used in accordance with its provisions, each recipient shall—

(1) use such fiscal, audit, and accounting procedures as may be necessary to assure (A) proper accounting for payments received by it, and (B) proper disbursement of such payments;

(2) provide to the Secretary and the Comptroller General of the United States access to, and the right to examine, any books, documents, papers, or records as he requires; and

(3) make such reports to the Secretary or the Comptroller General of the United States as he requires.

REPEALER

SEC. [614.] 714. Effective with respect to fiscal years after June 30, 1974, the Manpower Development and Training Act of 1962 and parts A, B, and E of title I of the Economic Opportunity Act of 1964 are repealed. Unexpected appropriations for carrying out such Acts may be made available to carry out this Act, as directed by the President.

SECTION 104 OF THE VOCATIONAL EDUCATION ACT OF 1963

NATIONAL AND STATE ADVISORY COUNCILS

SEC. 104. (a)(1) There is hereby created a National Advisory Council on Vocational Education (hereinafter referred to as the "National Council") consisting of twenty-one members appointed by the President, without regard to the civil service laws, for terms of three years, except that (i) in the case of the initial members, seven shall be appointed for terms of one year each and seven shall be appointed for terms of two years each, and (ii) appointments to fill vacancies shall be only for such terms as remain unexpired. The Council shall include persons—

(A) representative of labor and management, including persons who have knowledge of the semiskilled, skilled, and technical employment in such occupational fields as agriculture, home economics, distribution and marketing, health, trades, manufacturing, office and service industries, and persons representative of new and emerging occupational fields,

(B) familiar with manpower problems and administration of manpower programs,

(C) knowledgeable about the administration of State and local vocational education programs, including members of local school boards,

(D) experienced in the education and training of handicapped persons,

(E) familiar with the special problems and needs of individuals disadvantaged by their socioeconomic backgrounds,

(F) having special knowledge of postsecondary and adult vocational education programs, and

(G) representative of the general public who are not Federal employees, including parents and students, except that they may not be representative of categories (A) through (F), and who shall constitute no less than one-third of the total membership.

The National Council shall meet at the call of the Chairman, who shall be selected by the President, but not less than four times a year.

(2) The National Council shall—

(A) advise the Commissioner concerning the administration of, preparation of general regulations for, and operation of, vocational education programs supported with assistance under this title, and under Part B of title X of the Higher Education Act of 1965;

(B) review the administration and operation of vocational education programs under this title, and under Part B of title X of the Higher Education Act of 1965, including the effectiveness of such programs in meeting the purposes for which they are established and operated, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for changes in the provisions of this title) to the Secretary for transmittal to the Congress; and

(C) conduct independent evaluations of programs carried out under this title, and under Part B of title X of the Higher Education Act of 1965, and publish and distribute the results thereof.

(4) The Council is authorized, without regard to the civil service laws, to engage such technical assistance as may be required to carry out its functions, and to this end there are hereby authorized to be appropriated for the fiscal year ending June 30, 1969, \$100,000, and for the fiscal year ending June 30, 1970, and each of the five succeeding fiscal years, \$150,000.

(5) The National Council shall review the possible duplication of vocational education programs at the postsecondary and adult levels within geographic areas, and shall make annual reports of the extent to which such duplication exists, together with its findings and recommendations, to the Secretary. In making these reports, the Council shall seek the opinions of persons familiar with postsecondary and adult vocational education in each State from schools, junior colleges, technical institutes, and other institutions of higher education, as well as from State boards of education, State junior college boards, and State boards of higher education, and persons familiar with area schools, labor, business and industry, accrediting commissions, proprietary institutions, and manpower programs.

(6) *The National Council may accept gifts or grants and may accept transfer of funds from other departments or agencies.*

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PUBLIC SERVICE EMPLOYMENT

DECEMBER 17, 1974.—Ordered to be printed

Mr. PERKINS, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 16596]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16596) to amend the Comprehensive Employment and Training Act of 1973 to provide additional jobs for unemployed persons through programs of public service employment, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Emergency Jobs and Unemployment Assistance Act of 1974".

TITLE I—PUBLIC SERVICE EMPLOYMENT

EMERGENCY JOB PROGRAMS AUTHORIZED

Sec. 101. The Comprehensive Employment and Training Act of 1973 is amended by redesignating title VI, and all references thereto, as title VII, by redesignating sections 601 through 615, and all references thereto, as sections 701 through 715, respectively, and by inserting after title V of the following new title:

"TITLE VI—EMERGENCY JOB PROGRAMS

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 601. There are authorized to be appropriated \$2,500,000,000 for fiscal year 1975 for carrying out the provisions of this title. Any amounts so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1975.

"FINANCIAL ASSISTANCE

"SEC. 602. (a) *The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available for the purpose of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services, and training and manpower services related to such employment which are otherwise unavailable and enabling such persons to move into employment not supported under this Act.*

"(b) *Not less than 90 per centum of the funds appropriated pursuant to this title which are used by an eligible applicant for public service employment programs shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title.*

"(c) *The provisions of section 204(d) and sections 205 through 211 shall apply to financial assistance under this title.*

"(d) *In filling public service jobs with financial assistance under this title, eligible applicants shall give preferred consideration, to the maximum extent feasible and consistent with other provisions of this Act, to unemployed persons who have exhausted unemployment insurance benefits, to unemployed persons who are not eligible for unemployment insurance benefits (except for persons lacking work experience), and to unemployed persons who have been unemployed for fifteen or more weeks.*

"(e) *For purposes of this section, the term 'eligible applicants' means prime sponsors qualified under title I and Indian tribes on Federal or State reservations.*

"ALLOTMENT OF FUNDS

"SEC. 603. (a)(1) *Not less than 90 per centum of the amounts appropriated under section 601 for any fiscal year shall be allotted among eligible applicants by the Secretary in accordance with the provisions of this subsection.*

"(2) (A) *Fifty per centum of the amount allotted under this subsection shall be allotted among eligible applicants in proportion to the relative number of unemployed persons who reside in areas within the jurisdiction of each such applicant as compared to the number of unemployed persons who reside in all such areas in all the States.*

"(B) *Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants in accordance with the number of unemployed persons residing in areas of substantial unemployment (defined in section 204(c)) within the jurisdiction of the applicant compared to the number of unemployed persons residing in all such areas.*

"(C) *Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the applicant as compared to the total excess number of unemployed persons who reside within the jurisdiction of all eligible applicants. For purposes of this subparagraph, the term 'excess number' means (i) the number which represents unemployed persons in excess of $4\frac{1}{2}$ per centum of the labor force in the jurisdiction of*

the applicant in whose jurisdiction such persons reside or (ii), in the case of an applicant which is a State, the term 'excess number' means such number as defined in clause (i) or the number which represents unemployed persons in excess of $4\frac{1}{2}$ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.

"(b) *The remainder of the amount appropriated under section 601 shall be available to the Secretary for financial assistance under section 602 as the Secretary deems appropriate to carry out the purposes of this title, taking into account changes in rates of unemployment.*

"(c) *For purposes of determining allocations under this section, the term 'jurisdiction' includes the jurisdiction of each unit of general local government as described in section 102(a)(2) whether or not such unit has entered into a combination of units of general local government for purposes of section 102(a)(3) or section 102(a)(4).*

"SPECIAL PROVISION FOR AREAS OF EXCESSIVELY HIGH UNEMPLOYMENT AND TO EXPAND JOB OPPORTUNITIES

"SEC. 604. (a) *Funds allocated from appropriations for carrying out this title to any eligible applicant, which certifies to the Secretary that the application of the provisions of this section is necessary in order to provide sufficient job opportunities in the area served by such eligible applicant, may be used for making payments to public employers to expand the provision of job opportunities of the type described in paragraphs (3), (4), (5), and (6) of section 304(a) of this Act.*

"(b) *In accordance with the provisions of subsection (c), and notwithstanding the provisions of sections 602(a) and 602(b), funds allotted under section 603 to eligible applicants may be used for—*

"(1) *public service employment programs without regard to the provisions of sections 205(b), 205(c)(4), 205(c)(6), 205(c)(16), 205(c)(19), and 208(a)(6),*

"(2) *providing employment for persons who have been unemployed for at least 15 days without regard to the provision of section 205(a) relating to 30 days of unemployment, if the applicant certifies that the hiring of an individual will not violate the provisions of section 205(c)(8),*

"(3) *payment of wages (at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5)), for unemployed and underemployed persons as employees of public employers in jobs on community capital improvement projects which would not otherwise be carried out, including the rehabilitation, alteration, or improvement of public buildings, roads and other public transportation facilities, health and education facilities, and other facilities for the improvement of the community in which the project is or will be located, and including construction, rehabilitation, alteration, or improvement of water and waste disposal facilities in communi-*

ties having populations of 10,000 individuals or less which are outside the boundaries of a Standard Metropolitan Statistical Area (as defined by the Bureau of the Census).

"(c) The provisions of subsection (b) shall apply to any area having an unemployment rate in excess of 7 per centum, and to any area, without regard to the rate of unemployment of such area, if such area is served by a prime sponsor which qualifies under section 102(a) (4) or section 102(a) (5) or is in an area which is eligible for assistance under title II and which is served by a State prime sponsor, and if the prime sponsor for such area certifies to the Secretary that the application of such provisions is necessary in order to provide sufficient job opportunities, and gives public notice of such certification.

"EXPENDITURE OF FUNDS

"SEC. 605. Funds obligated for the purposes of providing public service employment under this title may be utilized by prime sponsors for projects and activities planned to extend over a twelve-month period from the commencement of any such project or activity.

"REALLOCATION OF FUNDS

"SEC. 606. The Secretary is authorized to make such reallocations as he deems appropriate of any amount of any allocation under this title to the extent that the Secretary determines that an eligible applicant will not be able to use such amount within a reasonable period of time. Any such amount may be reallocated only if the Secretary has provided thirty days' advance notice to the prime sponsor for such area and to the Governor of the State of the proposed reallocation, during which period of time the prime sponsor and the Governor may submit comments to the Secretary. After considering any comments submitted during such period of time, the Secretary shall notify the Governor and affected prime sponsors of any decision to reallocate funds, and shall publish any such decision in the Federal Register. Any such funds shall be reallocated to other areas within the same State."

PLACEMENT GOALS

SEC. 103. Section 211 of the Comprehensive Employment and Training Act of 1973 is amended by striking out "PROVISION" in the title and inserting in lieu thereof "PROVISIONS", by inserting "(a)" immediately before the first sentence, and by adding at the end thereof the following new subsection:

"(b) No officer or employee of the Department of Labor shall, by regulation or otherwise, impose on any eligible applicant, as a condition for the receipt of financial assistance under this title, any requirement that any eligible applicant must place in other jobs a specific number or proportion of public service jobholders supported under this title. The Secretary may establish placement goals for eligible applicants, except that such goals must be identified as goals, not requirements, and any form or other document developed pursuant to such regulations shall give written notice to that effect. Any eligible applicant shall have the right, clearly stated in such regulations, to request a waiver of such goals if, in his judgment, such goals are not feasible. Such waiver, a request for which may be submitted at any

time, may be granted by the Secretary where, in his judgment, local conditions warrant it. Wherever such a waiver has been granted, failure to meet placement goals shall not be cited in any official review or evaluation of that eligible applicant's programs."

VETERANS' EMPLOYMENT PROVISIONS

SEC. 104. (a) The Director of the Veteran's Employment Service, Department of Labor, established by section 2002 of title 38, United States Code, together with the Secretary and Under Secretary of Labor and such Assistant Secretaries of Labor as the Secretary may designate, shall be responsible for formulating and monitoring the implementation of all departmental policies and programs as they affect veterans, especially those relating to unemployment, job training, employment, and placement under any provision of law.

(b) The Secretary of Labor, in consultation and cooperation with the Administrator of Veterans' Affairs and the Secretary of Health, Education, and Welfare, shall provide for an outreach and public information program utilizing, to the maximum extent, the facilities of the Departments of Labor and Health, Education, and Welfare and the Veterans' Administration in order to (A) exercise maximum efforts to produce jobs and job training opportunities for individuals who served in the Armed Forces and were discharged within 4 years before the date of their application for such jobs or job training and inform all eligible veterans about employment, job training, on-the-job training, and educational opportunities, under the Comprehensive Employment and Training Act of 1973, as amended by this Act, as provided for under title 38, United States Code, and under any other provision of law, and (B) inform all eligible applicants under the Comprehensive Employment and Training Act of 1973, Federal contractors and subcontractors, all Federal departments and agencies, educational institutions, labor unions, and other employers, of their responsibilities under this subsection and under all such laws, and (C) provide the entities described in clause (B) of this subsection technical assistance in carrying out those responsibilities. The Secretary of Labor, in consultation and cooperation with the Administration of Veterans' Affairs and the Secretary of Health, Education, and Welfare shall report to the appropriate committees of the Congress not later than 90 days after the date of enactment of this Act on the steps taken and regulations issued to carry out the provisions of this section and of section 205(c)(5) of the Comprehensive Employment and Training Act of 1973.

SPECIAL REPORT

SEC. 105. Section 209 of such Act is amended by striking out "Sec. 209." and inserting in lieu thereof "Sec. 209. (a)". and by adding at the end of such section the following new subsection:

"(b) In compiling the data which the Secretary is required to report to the Congress under section 208 (e), the Secretary shall obtain and compile information on practices and procedures implemented by prime sponsors affecting average annual wage rates paid to public service job holders and public service job opportunities described under this title. The Secretary is authorized to make general recommendations to prime sponsors, on a regional and area basis, as he may

deem appropriate, consistent with section 208(a)(3) (relating to the maximum annual wage rate per public service job holder), taking into account average wages in the various areas served and the cost of living in such areas, with the aim of maintaining the number of jobs on a nationwide average in federally supported wage rates equivalent to \$7,800 per public service job holder."

TECHNICAL AMENDMENTS

SEC. 106. (a) Section 201 of the Comprehensive Employment and Training Act of 1973 is amended by striking out the words "of substantial unemployment" and inserting in lieu thereof "qualifying for assistance".

(b) Section 202(a) of such Act is amended by inserting before the words "under this title" the following: "for use in areas of substantial unemployment".

(c) Section 204(a)(2) of such Act is amended by striking out "and which include areas of substantial unemployment".

(d) (1) Section 204(d)(1) of such Act is amended by striking out the words "of substantial unemployment" each place they appear and inserting "qualifying for assistance".

(2) Section 204(d)(3) of such Act is amended by striking out "of substantial unemployment" and inserting in lieu thereof "qualifying for assistance".

(e) Section 205(a) of such Act is amended by striking out "of substantial unemployment" and inserting in lieu thereof "qualifying for assistance".

(f) Section 205(c)(3) of such Act is amended by striking out "areas of substantial unemployment" and inserting in lieu thereof "area qualifying for assistance".

(g) Section 210 of such Act is amended by striking out "for residents of the areas of substantial unemployment designated under this title" and inserting in lieu thereof the following: "for residents of the area qualifying for such assistance".

MISCELLANEOUS PROVISIONS

SEC. 107. (a) Section 701(a)(7) of such Act (as redesignated by section 101 of this Act) is amended by inserting after "education," the following: "child care."

(b) Section 701(a)(7) of such Act (as redesignated by section 101 of this Act) is further amended by inserting after "work" the following: ". including part-time work for individuals who are unable, because of age, handicap, or other factors, to work full time."

(c) Section 701(a) of such Act (as redesignated by section 101 of this Act) is amended by inserting after paragraph (13) the following new paragraph:

"(14) 'veterans outreach' means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38."

(d) Section 703(1) of such Act (as redesignated by section 101 of this Act) is amended by inserting after "sex," the followings "age,"

NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION

SEC. 108. Section 104(a) of the Vocational Education Act of 1963 (as amended) is amended by adding at the end thereof a new paragraph as follows:

"(6) The National Council may accept gifts or grants and may accept transfer of funds from other departments or agencies."

TITLE II—SPECIAL UNEMPLOYMENT ASSISTANCE PROGRAM

STATEMENT OF PURPOSE

SEC. 201. It is the purpose of this title to establish a temporary Federal program of special unemployment assistance for workers who are unemployed during a period of aggravated unemployment and who are not otherwise eligible for unemployment allowances under any other law.

GRANTS TO STATES: AGREEMENT WITH STATES

SEC. 202. Each State which enters into an agreement with the Secretary of Labor, pursuant to which it makes payments of special unemployment assistance in accordance with the provisions of this title and the rules and regulations prescribed by the Secretary of Labor hereunder, shall be paid by the United States from time to time, prior to audit or settlement by the General Accounting Office, such amounts as are deemed necessary by the Secretary of Labor to carry out the provisions of this title in the State. Assistance may be paid under this title to individuals only pursuant to such an agreement.

ELIGIBLE INDIVIDUALS

SEC. 203. An individual shall be eligible to receive a payment of assistance or waiting period credit with respect to a week of unemployment occurring during and subsequent to a special unemployment assistance period in accordance with the provisions of this title if—

(1) the individual is not eligible for compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment, and is not receiving compensation with respect to such week of unemployment under the unemployment compensation law of Canada and is not eligible for assistance or an allowance payable with respect to such week of unemployment under such laws as the Public Works and Economic Development Act Amendments of 1974, the Disaster Relief Act of 1974, the Trade Expansion Act of 1962, as amended, or any successor legislation or similar legislation, as determined by the Secretary: Provided, That the individual meets the qualifying employment and wage requirements of the applicable State unemployment compensation law in a base year which, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets

such qualifying employment and wage requirements; and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages; and

(2) the individual is totally or partially unemployed, and is able to work, available for work, and seeking work, within the meaning of, or as required by, the applicable State unemployment compensation law, and is not subject to disqualification under that law; and

(3) the individual has filed a claim for assistance or waiting period credit under this title; and

(4) in the area in which the individual was last employed for at least five work days prior to filing a claim under this title for assistance or waiting period credit with respect to such week of unemployment, a special unemployment assistance period is in effect with respect to such week of unemployment: Provided, That if the individual, except for the imposition of a disqualification in accordance with subsection (b), was otherwise eligible for a payment of assistance or waiting period credit under this title with respect to a week of unemployment which began during a special unemployment assistance period, but did not exhaust entitlement to assistance during such period, entitlement shall continue after the end of the period but no assistance shall be paid under this title for any week of unemployment that begins more than twenty-six weeks after the end of such period; and

(5) the State in which the individual was last employed for at least five work days prior to filing a claim under this title for assistance or waiting period credit with respect to such week of unemployment, has an agreement with the Secretary of Labor under section 202 which is in effect with respect to such week of unemployment.

SPECIAL UNEMPLOYMENT ASSISTANCE PERIOD

SEC. 204. (a) A special unemployment assistance period shall commence in an area designated by the Secretary with the third week after the first week for which the Secretary determines that there is an "on" indicator for such area, and shall terminate with the third week after the first week for which the Secretary determines that there is an "off" indicator for such area except that no special unemployment assistance period shall have a duration of less than thirteen weeks.

(b) The Secretary shall designate as an area under this section areas served by an entity which is eligible to be a prime sponsor under section 102(a) of the Comprehensive Employment and Training Act of 1973 (Public Law 93-203).

(c) There is an "on" indicator in an area for a week if for the most recent three consecutive calendar months for which data are available the Secretary determines that—

(1) the rate (seasonally adjusted) of national unemployment averaged 6 per centum or more; or

(2) the rate of unemployment in the area averaged 6.5 per centum or more.

(d) There is an "off" indicator for a week, if for the most recent three consecutive calendar months for which data are available the Secretary determines that both subsections (c) (1) and (c) (2) are not satisfied.

(e) The determinations made under this section shall take into account the rates of unemployment for three consecutive months, even though any or all of such months may have occurred not more than three complete calendar months prior to the enactment of this Act.

WEEKLY BENEFIT AMOUNT

SEC. 205. (a) The amount of assistance under this title to which an eligible individual shall be entitled for a week of unemployment shall be the weekly benefit amount for a week of unemployment that would be payable to the individual as regular compensation as computed under the provisions of the applicable State unemployment compensation law: Provided, That in computing the weekly benefit amount under this subsection the individual's base year, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets the qualifying employment and wage requirements of subsection (a) of section 203; and for the purpose of this proviso employment and wages which are not covered by the applicable State unemployment compensation law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

(b) Notwithstanding any provisions of State law, claims for assistance under this title may be determined, where an employment record is not available, on the basis of an affidavit submitted by an applicant. If an applicant knowingly provides false information in such affidavit, he shall be ineligible for any assistance under this title and shall, in addition, be subject to prosecution under section 1001 of title 18, United States Code.

MAXIMUM BENEFIT AMOUNT

SEC. 206. The maximum amount of assistance under this title which an eligible individual shall be entitled to receive shall be the maximum amount of regular compensation that would be payable to such individual as computed under the provisions of the applicable State unemployment compensation law, but not exceeding twenty-six times the weekly benefit amount payable to the individual for a week of total unemployment as determined under subsection (a) of section 205: Provided, That for the purposes of this subsection the individual's base year, notwithstanding the State law, shall be the fifty-two-week

period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets the qualifying employment and wage requirements of section 203(a); and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

APPLICABLE STATE LAW PROVISIONS

SEC. 207. Except where inconsistent with the provisions of this title, the terms and conditions of the applicable State unemployment compensation law which apply to claims thereunder for regular compensation and the payment thereof shall apply to claims for assistance under this title and the payment thereof.

TERMINATION DATE

SEC. 208. Notwithstanding any other provisions of this title, no payment of assistance under this title shall be made to any individual with respect to any week of unemployment ending after March 31, 1976; and no individual shall be entitled to any compensation with respect to any initial claim for assistance or waiting period credit made after December 31, 1975.

AUTHORIZATION OF APPROPRIATIONS

SEC. 209. There are hereby authorized to be appropriated for purposes of this title such sums as may be necessary.

DEFINITIONS

SEC. 210. (a) As used in the title, the term—

- (1) "Secretary" means the Secretary of Labor;
- (2) "State" means the States of the United States, the District of Columbia, Puerto Rico, and the Virgin Islands;
- (3) "applicable State unemployment compensation law" means the law of the State in which the individual was last employed for at least five work days prior to filing a claim for assistance or waiting period credit under this title; and
- (4) "week" means a calendar week.

(b) Assistance under this title shall not be considered to be regular compensation for purposes of qualifying for benefits under the Federal-State Extended Unemployment Compensation Act of 1970, and claims filed under this title shall not be treated as claims for weeks of unemployment for purposes of determining the rate of insured unemployment under section 203(f) (1) of such Act.

TITLE III—JOB OPPORTUNITIES PROGRAM

SEC. 301. The Public Works and Economic Development Act of 1965 is amended by adding at the end thereof the following new title:

"TITLE X—JOB OPPORTUNITIES PROGRAM

"STATEMENT OF PURPOSE

"SEC. 1001. It is the purpose of this title to provide emergency financial assistance to stimulate, maintain or expand job creating activities in areas, both urban and rural, which are suffering from unusually high levels of unemployment.

"DEFINITIONS

"SEC. 1002. For the purpose of this title—

"(1) the term 'eligible area' means—

"(A) any area, which the Secretary of Labor designates as an area which has a rate of unemployment, equal to or in excess of 6.5 per centum for three consecutive months.

"(B) any area designated pursuant to section 204(c) of the Comprehensive Employment and Training Act of 1973, and

"(C) any area which is designated by the Secretary of Commerce pursuant to section 401 of the Public Works and Economic Development Act of 1965 as a redevelopment area.

"PROGRAM AUTHORIZED

"SEC. 1003. (a) To carry out the purposes of this title, the Secretary of Commerce, in accordance with the provisions of this title, is authorized from funds appropriated and made available under section 1007 of this title to provide financial assistance to programs and projects identified through the review process described in section 1004 to expand or accelerate the job creating impact of such programs or projects for unemployed persons in eligible areas. Programs and projects for which funds are made available under this title shall not be approved until the officials of the appropriate units of general government in the affected area have an adequate opportunity to comment on the specific proposal.

"(b) Whenever funds are made available by the Secretary of Commerce under this title for any program or project, the head of the department, agency, or instrumentality of the Federal Government administering the law authorizing such assistance shall, except as otherwise provided in this subsection, administer the law authorizing such assistance in accordance with all applicable provisions of that law, except provisions relating to—

"(1) requiring allocation of funds among the States,

"(2) limits upon the total amount of such grants for any period, and

"(3) the Federal contribution to any State or local government, whenever the President or head of such department, agency, or instrumentality of the Federal Government determines that any non-Federal contribution cannot reasonably be obtained by the State or local government concerned.

"(c) Where necessary to effectively carry out the purposes of this title, the Secretary of Commerce is authorized to initiate programs in eligible areas.

"(d) In allocating funds under this title, the Secretary of Commerce shall give priority consideration to—

"(1) the severity of unemployment in the area; and

"(2) the appropriateness of the proposed activity in relating to the number and needs of unemployed persons in eligible areas.

"(e) Notwithstanding any other provision of this title, funds allocated by the Secretary of Commerce shall be available only for programs or projects which the Secretary of Commerce and the Secretary of Labor jointly determine are programs or projects—

"(1) which will contribute significantly to the reduction of unemployment in the eligible area;

"(2) which can be initiated or strengthened promptly;

"(3) a substantial portion of which can be completed within 12 months after such allocation is made;

"(4) which are not inconsistent with locally approved comprehensive plans for the jurisdiction affected, whenever such plans exist; and

"(5) which will be approved giving first priority to programs and projects which are most labor intensive.

"PROGRAM REVIEW

"SEC. 1004. Within 45 days after the date of enactment of the Emergency Jobs and Unemployment Assistance Act of 1974, each department, agency or instrumentality of the Federal government, and each regional commission established by section 101 of the Appalachian Regional Development Act of 1965 or pursuant to section 502 of this Act, shall (1) complete a review of its budget, plans and program including State, substate and local development plans filed with such department, agency or commission; (2) evaluate the job creation effectiveness of programs and projects for which funds are proposed to be obligated in calendar year 1975 and additional programs and projects for which funds could be obligated in such year with Federal financial assistance under this title; and (3) submit to the Secretary of Commerce and the Secretary of Labor recommendations for programs and projects which have the potential to stimulate the creation of jobs for unemployed persons in eligible areas. Within 30 days of the receipt of such recommendations the Secretary of Commerce and the Secretary of Labor shall jointly review such recommendations, and the Secretary of Commerce shall after consultation with such department, agency, instrumentality, and regional commissions, make allocations of funds in accordance with section 1003(e) of this title.

"LIMITATIONS ON USE OF FUNDS

"SEC. 1005. Fifty per centum of the funds appropriated pursuant to section 1007 of this title shall be available only for programs and projects in which not more than 25 percent of such funds will be expended for necessary non-labor costs.

"RULES AND REGULATIONS

"SEC. 1006. The Secretary of Commerce shall prescribe such rules, regulations, and procedures to carry out the provisions of this title as will assure that adequate consideration is given to the relative needs of applicants for assistance in rural eligible areas and the relative needs of applicants for assistance in urban eligible areas and to any

equitable distribution of funds authorized under this title between rural and urban eligible applicants.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1007. There are authorized to be appropriated \$500,000,000 for the fiscal year 1975 to carry out the provisions of this title, except that no further obligation of funds appropriated under this section may be made subsequent to a determination that the national average rate of unemployment has receded below 6.5 per centum for three consecutive calendar months as determined by the Secretary of Labor. Any amounts so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1975.

"TERMINATION DATE

"SEC. 1008. Notwithstanding any other provision of this title, no further obligation of funds appropriated under this title shall be made by the Secretary of Commerce after December 31, 1975."

SEC. 302. Section 712 of the Public Works and Economic Development Act of 1965 is amended by striking "or 403" and inserting in lieu thereof "403, 903, and 1003".

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the bill, insert the following: "AN ACT To provide assistance for unemployed persons."

And the Senate agree to the same.

CARL D. PERKINS,
DOMINICK V. DANIELS,
JOSEPH M. GAYDOS,
LOYD MEEDS,
ALBERT H. QUILL,
MARVIN L. ESCH,
WILLIAM A. STEIGER,

Managers on the Part of the House.

GAYLORD NELSON,
HARRISON A. WILLIAMS,
JENNINGS RANDOLPH,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
ALAN CRANSTON,
HAROLD E. HUGHES,
WILLIAM D. HATHAWAY,
J. JAVITS,
PETER H. DOMINICK,
DICK SCHWEIKER,
ROBERT TAFT, JR.,
J. GLENN BEALL, JR.,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16596) to amend the Comprehensive Employment and Training Act of 1973 to provide additional jobs for unemployed persons through programs of public service employment, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The House bill may be cited as "The Emergency Jobs and Unemployment Assistance Act of 1974".

The Senate amendment is cited as the "Special Employment Assistance Act of 1974".

The Senate recedes.

TITLE I—PUBLIC SERVICE EMPLOYMENT

NEW TITLE OF COMPREHENSIVE UNEMPLOYMENT AND TRAINING ACT OF 1973

The House bill adds a new title VI to CETA.

The Senate amendment amends title II.

The Senate recedes.

APPROPRIATIONS FOR EMERGENCY JOB PROGRAM

The House bill authorizes the appropriation of \$2 billion for fiscal year 1975 for the new title VI.

The Senate amendment authorizes the appropriation of \$4 billion for fiscal year 1975 for the revised title II.

The conference agreement authorizes the appropriation of \$2.5 billion for the new title VI.

The conferees wish to make plain that the new authorization for title VI in no way affects the open-ended authorizations for the Comprehensive Employment and Training Act, which may be utilized for funding public service jobs under that Act. Further, the provisions of title VI which are specially designed for the current unemployment emergency do not affect the program carried out under title II.

AVAILABILITY OF APPROPRIATIONS FOR OBLIGATION

The Senate amendment provides that fiscal year 1975 appropriations for title II shall remain available for obligation until December 31, 1975.

The House bill has no comparable provision but under section 4(b) of CETA, funds appropriated for any fiscal year shall remain available for obligation through the succeeding fiscal year.

The House recedes.

APPLICABILITY OF TITLE II OF THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

The House bill applies all relevant provisions of title II to the new title except the provisions relating to use of funds for title I purposes.

The Senate amendment makes applicable to the new title relevant provisions of title II.

The House recedes.

PREFERRED CONSIDERATION IN EMPLOYMENT

The House bill gives preference in employment to unemployed persons who (a) have exhausted unemployment insurance benefits; (b) are not eligible for such benefits; or (c) have been unemployed for fifteen weeks or more.

The Senate amendment provides special consideration for persons who have been unemployed for fifteen weeks or more.

The conference agreement provides for "preferred consideration" to the maximum extent feasible consistent with the provisions of the Act and excludes new entrants to the labor force from the preferred consideration given to unemployed persons who are not eligible for unemployment insurance benefits.

DISCRETIONARY FUNDS

The House bill applies a distribution formula to 90 percent of the funds appropriated under the Act, and provides that the remaining 10 percent of such funds may be distributed at the Secretary's discretion, taking into account changes in the rates of unemployment.

The Senate amendment contains a formula which applies to 100 percent of the funds appropriated for the new part of title II. There are no discretionary funds under the Senate amendment.

The Senate recedes.

ALLOTMENT OF FUNDS

The House bill provides that 50 percent of the funds subject to the allotment formula shall be distributed in the ratio that the number

of unemployed persons in an eligible applicant's area bears to the total number of unemployed persons in the areas of all eligible applicants. The other 50 percent are distributed in the ratio that the number of unemployed persons in excess of 4½ percent of the labor force in the area of one applicant bears to the total of such excess unemployed in the areas of all applicants.

The Senate amendment provides that 75 percent of the funds subject to the allotment formula shall be distributed in the ratio that the number of unemployed in the area of an eligible applicant bears to those in the areas of all eligible applicants. The other 25 percent are distributed solely to areas previously qualifying under title II (areas, which may be smaller than a prime sponsor area, with an unemployment rate of 6.5 percent or more for three consecutive months).

The conference agreement provides that of the funds subject to the allotment formula: 50 percent shall be distributed in the ratio that the number of unemployed persons in an eligible applicant's area bears to the total number of unemployed persons in the areas of all eligible applicants; 25 percent shall be distributed in the ratio that the number of unemployed persons in excess of 4½ percent of the labor force in the area of the applicant bears to the total of such excess unemployed in the areas of all applicants; and the other 25 percent shall be distributed to areas qualifying under title II in the ratio that the number of unemployed in the area bears to the total of unemployed in all such areas. The use of unemployment in title II areas as a significant component of the distribution formula will necessitate a new designation of those areas based on the most recent data available. While the conferees expect that such designations be updated for the purpose of distributing funds under the new title, the conferees insist that the distribution of funds already appropriated not be delayed until such designations are made.

SPECIAL PROVISIONS TO EXPAND JOB OPPORTUNITIES

The House bill has special provisions relating to prime sponsors with unemployment rates in excess of 7 percent, title II areas served by State prime sponsors, prime sponsors designated because of their exceptional circumstances, and rural CEPs. The Senate amendment has special provisions applicable to all funds allocated under the new part of title II.

The House bill's special provisions: (1) waive various "transitional" provisions under title II; (2) authorize employment after seven rather than thirty days of unemployment; (3) authorize work experience programs in the public sector; (4) authorize payment of wages for publicly-operated capital improvement programs and, for communities with a population of under 10,000 (outside SMSAs), wage payments on construction and improvement of water and waste disposal facilities. The Senate amendment's special provisions authorize the use of funds for making payments to public employers for all the youth programs and other special programs, including publicly operated Mainstream programs, authorized under Section 304(a) of CETA.

The conference agreement includes the provisions of both the House bill and the Senate amendment but with the following modifications:

(1) The Senate amendment's special provisions authorizing payments to public employers for all the programs authorized under section 304(a) is limited to those authorized by paragraphs (3) through (6) of that section. While the conferees deleted the specific reference to paragraphs (a) (1) and (2) (relating to the Neighborhood Youth Corps in-school and out-of-school programs) and paragraph (7) (relating to OIC, Jobs for Progress (SER), Operation Mainstream and other "community based organizations") of section 304, it must be emphasized that they recognize the importance of such efforts and further emphasized that such efforts may be funded through other provisions of the Comprehensive Employment and Training Act of 1973, as amended by this Act.

(2) The waiver provisions of the House bill applicable under the conference agreement are made applicable only where the prime sponsor certifies that such waiver is necessary in order to provide sufficient job opportunities and gives public notice of that certification.

(3) Employment is authorized after 15 days of unemployment if the prime sponsor certifies that such hiring is in compliance with section 205(c) (8).

(4) Capital improvement projects are limited to those which would not otherwise be carried out.

In providing a waiver of the 30-day waiting period the conferees want to emphasize that this provision in no way sanctions the substitution of Federal for State and local funds, and that the prohibition in the Act against so-called "paper lay-offs" are still in full force and effect. The purpose of the reduction in the waiting period is only to mitigate the potential hardship on unemployed persons. The strong feeling of the conferees in opposition to "paper lay-offs" should in no way be construed to mean opposition to the rehiring of laid off workers per se. The rehiring of former employees who lost their jobs due to a bona fide lay off has always been permitted and is permitted here. The conferees also wish to point out that many laid off government employees will be in a preferred category for employment under this Act by reason of their ineligibility for unemployment insurance benefits. It should be further noted that the provisions of section 205(c) (7) prohibiting the hiring of any person when any other person is on lay-off from the same or any substantially equivalent job still apply. In limiting payment of wages on capital improvement projects to those which would not otherwise be carried out, the conferees want to assure that public employees hired under this title will be paid in accordance with the applicable provisions of the Davis-Bacon Act, and that such employees will not be used to perform work that would otherwise have been contracted out to private employers. In this connection, the conferees expect the Secretary to take special care that the provisions of section 208(a) (1) are complied with.

PLACEMENT GOALS

The House bill specifies that the Secretary may establish placement goals, but not placement requirements, and requires any document containing such goals to give written notice. Applicants may request waiver of performance where the goals are not feasible. The Senate

amendment is similar in substance but does not provide for a waiver of performance for placement goals.

The Senate recedes with an amendment providing for the waiver of goals rather than a waiver of performance.

EXPENDITURE OF FUNDS

The Senate amendment provides that title II funds may be utilized for projects or activities extending for a 12-month period from their commencement.

The House bill contains no comparable provision but Section 4(b) of CETA states that funds obligated in any fiscal year may be expended during a period of two years from the date of obligation.

The House recedes with an amendment making this provision applicable only to funds appropriated under the new title VI.

REALLOCATION OF FUNDS

The Senate amendment authorizes the Secretary to reallocate the Title II funds if he determines that the applicant cannot use them within a reasonable period.

The House bill has no comparable provision.

Existing law provides for reallocation of Title I funds, but not of Title II funds.)

The House recedes with an amendment making this provision applicable only to funds appropriated under the new title VI.

SPECIAL REPORT

The Senate amendment provides for the Secretary to obtain information on prime sponsor practices affecting average annual wage rate paid to public service employees and to make recommendations with the aim of maintaining a nation-wide average wage of \$7,500.

The House bill has no comparable provision.

The House recedes with an amendment removing the Secretary's authority to set goals and raising the average wage to \$7,800. The conferees agreed that the Secretary's authority in this section is advisory only, that his recommendations may not impose any requirements, and that the right of an eligible applicant under section 208(a) (3) to pay persons at a rate of up to \$10,000 per year from funds under this Act is not impaired.

PROVISION RELATING TO SUBSTANTIAL UNEMPLOYMENT UNDER TITLE II OF THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

The Senate amendment modifies the requirement of existing law that only persons residing in areas of substantial unemployment be hired, by adding the qualification "to the extent feasible." The House bill has no comparable provision.

The Senate recedes.

INCLUSION OF CHILD CARE AS A PUBLIC SERVICE

The Senate amendment includes "licensed child care" in the definition of "public service".

The House bill has no comparable provision.

Both the House bill and the Senate amendment would permit the outstationing of public service employees to private non-profit organizations providing public services. These organizations would not be employing agencies, except in the sense that the daily management of public personnel assigned to them would be in their hands.

The House recedes with an amendment deleting the word "licensed". The conferees intend that only child care which meets recognized standards, such as the Federal Interagency Day Care standards, is included in the definition and that the word "licensed" was struck solely because licensure is generally applicable to private rather than public facilities.

PART-TIME WORK FOR CERTAIN WORKERS INCLUDED IN DEFINITION OF PUBLIC SERVICE

The Senate amendment adds to the definition of "public service" in section 601 of the Comprehensive Employment and Training Act of 1973, part time work for those who are handicapped or older, and who are unable, because of such age or handicap, or in the case of certain categories of workers, such as G.I. Bill trainees, because of their status, to engage in full time work.

The House bill contains no comparable provision.

The House recedes.

PROVISION RELATING TO AGE DISCRIMINATION

The Senate amendment includes in the conditions for receipt of financial assistance applicable to all programs under CETA a requirement that each grant, contract, or agreement specify that no program will discriminate with respect to any program participant or applicant because of age.

The House recedes. The application of the age discrimination requirements are not intended to preclude age classifications in the operation of programs such as Job Corps or Operation Mainstream in which age limitations have been traditionally applied.

AUTHORIZATIONS FOR TITLE III OF THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

The Senate amendment authorizes the appropriation of such sums as may be necessary for title III of CETA.

The House bill contains no comparable provision.

The Senate recedes.

VETERANS EMPLOYMENT, OUTREACH, AND PUBLIC INFORMATION PROGRAMS

The Senate amendment provides for an affirmative action program, to be carried out by CETA prime sponsors, to employ Vietnam-era veterans (those discharged with other than dishonorable discharges since August 4, 1964) and veterans with service-connected disabilities.

The House bill contains no comparable provision.

The Senate amendment upgrades the Director of the Veterans Employment Service and provides for cooperation between the Secre-

tary of Labor, the Administrator of the VA, and the Secretary of HEW to carry out a veterans outreach and public information program.

The House bill has no comparable provision.

The conference agreement (1) provides that the Director of the Veterans' Employment Service, together with the Secretary of Labor, the Under Secretary, and the appropriate Assistant Secretaries, shall be responsible for formulating and monitoring the implementation of Labor Department policies and programs as they affect veterans, (2) provides for maximum efforts to produce job and job-training opportunities for veterans discharged within four years after discharge, and (3) directs that an outreach and public information program be carried out by the Secretary of Labor, the VA Administrator, and the Secretary of HEW, with a report to Congress within 90 days on activities undertaken to carry out this provision and section 205(c)(5) of the Comprehensive Employment and Training Act of 1973.

PROVISION RELATING TO THE NATIONAL COUNCIL FOR VOCATIONAL EDUCATION

The House bill authorizes the National Council for Vocational Education to accept gifts or grants and transfer of funds from other agencies. The Senate amendment has no comparable provision.

The House recedes.

* * * * *

The House bill specifies that wages which have been used as a basis for benefits under the Railroad Unemployment Insurance Act shall not be counted for purposes of entitlement under title II.

The Senate amendment applies to wages which have been counted for benefits under any Federal or State unemployment compensation law.

The House recedes.

The Senate amendment has a special provision extending the period during which benefits can be drawn by workers who were subject to a temporary disqualification.

The House bill has no comparable provision.

The House recedes.

The House bill uses areas which qualify for prime sponsorship under CETA.

The Senate amendment uses areas served by a prime sponsor on the date of enactment.

The Senate recedes.

The House bill provides that benefits shall be payable in an area if the national rate of unemployment is 6 percent or more and the local rate is 6.5 percent or more.

Under the Senate amendment benefits are payable either if the national rate is 6 percent or more or if the local rate is 6.5 percent or more.

The House recedes.

The Senate amendment provides that claims for assistance may be determined on the basis of affidavits which shall be subject to the false statement provision of the Federal Criminal Code.

The House bill has no comparable provision.

The House recedes with an amendment making clear that the affidavits shall be used only in cases where the claimant cannot obtain wage records from his employer. The purpose of this provision is to expedite the processing of claims for claimants for whom such employment records are not readily available.

TITLE III—JOB OPPORTUNITIES PROGRAM

PROGRAM AUTHORIZED

Title III of the Senate amendment authorizes a one-year program to provide emergency financial assistance to stimulate, maintain, or expand job creating activities in areas of the country suffering from unusually high levels of unemployment. Funds under this title will be available to supplement programs identified through the review process in section 1004 so as to expand or accelerate their job creating impact.

In addition, these emergency funds will be available to initiate job creating activities in eligible areas when necessary to carry out the purposes of the title.

In allocating funds under this title, the Secretary of Commerce shall give priority consideration to the severity of unemployment in the area and the appropriateness of the proposed activity in relation to the number and needs of unemployed persons in eligible areas.

Funds shall be available only for programs and projects which the Secretary of Commerce determines (1) will contribute significantly to the reduction of unemployment in the eligible areas, (2) can be initiated or strengthened within a reasonable period of time, (3) a substantial portion of which can be completed within 12 months after such allocation is made and (4) are not inconsistent with locally approved comprehensive plans for the jurisdiction affected, whenever such plans exist.

The House bill has not comparable provision.

The House recedes with an amendment which (1) provides that the determinations under section 1003(e) are to be made jointly by the Secretary of Commerce and the Secretary of Labor, (2) adds to section 1003(e) a new criteria that first priority be given to those projects which are most labor intensive and (3) substitutes the word "promptly" for "within a reasonable period of time" in section 1003(e) (2).

PROGRAM REVIEW

The Senate amendment provides that within 45 days of the effective date of this title, the Secretary of Commerce is directed, in consultation with other Federal agencies, to review and identify those Federal programs and projects which have the potential to stimulate job opportunities in areas of high unemployment.

The House bill has no comparable provision.

The House recedes with an amendment that the review be jointly carried out by the Secretary of Commerce and the Secretary of Labor in order to meet the requirements of section 1003(e).

AUTHORIZATIONS

The Senate amendment authorizes \$1,000,000,000 for fiscal year 1975 to carry out the provisions of this title, except that no further obligations may be made when the national average rate of unemployment recedes below 6.5 per centum for three consecutive months.

The House has no comparable provision.

The House recedes with an amendment which (1) reduces the authorization to \$500,000,000 and (2) requires that of one-half of the funds appropriated under the title, only 25 percent may be used for non-labor costs on any project or program.

TERMINATION DATE

The Senate amendment provides that no further obligation of funds appropriated under this title be made by the Secretary of Commerce after December 31, 1975.

The House has no comparable provision.

The House recedes.

AREAS ELIGIBLE FOR ASSISTANCE

The Senate amendment provides that for the purposes of this title an "eligible area" means areas designated (1) as areas of substantial unemployment, (2) under section 204(c) of the Comprehensive Employment and Training Act of 1973 and (3) the Public Works and Economic Development Act as a redevelopment area.

The House has no comparable provision.

The House recedes.

The conferees wish to emphasize that programs and projects assisted under this title are to be those which can be undertaken promptly and which will be effectively in creating jobs for unemployed persons in eligible areas.

While funds under this title are available to supplement a wide range of Federal programs, the conferees wish to make clear their intent that funds available under this title may be used to jointly fund a CETA program authorized under title VI. Section 712 of the Public Works and Economic Development Act will apply to all such funding.

Joint funding under the Jobs Opportunities Program will be available for prime sponsors to undertake projects the non-labor costs of which exceed the 10 per centum limitation for other than wages and employment benefits required pursuant to section 203(b) of the Comprehensive Employment and Training Act of 1973, as amended. Funds supplied under this provision may be used for necessary non-labor costs such as materials, supplies and equipment, if the overall project will provide a substantial number of jobs in an area of high unemployment. The conferees intend, however, that not more than 25 percent of the assistance provided under this title to such jointly funded projects be used for such non-labor costs.

Funds under this title are to be equitably distributed between rural and urban eligible applicants.

CARL D. PERKINS,
 DOMINICK V. DANIELS,
 JOSEPH M. GAYDOS,
 LLOYD MEEDS,
 ALBERT H. QUIE,
 MARVIN L. ESCH,
 WILLIAM A. STEIGER,

Managers on the Part of the House.

GAYLORD NELSON,
 HARRISON A. WILLIAMS,
 JENNINGS RANDOLPH,
 EDWARD F. KENNEDY,
 WALTER F. MONDALE,
 ALAN CRANSTON,
 HAROLD E. HUGHES,
 WILLIAM D. HATHAWAY,
 J. JAVITS,
 PETER H. DOMINICK,
 DICK SCHWEIKER,
 ROBERT TAFT, JR.,
 J. GLENN BEALL, JR.,

Managers on the Part of the Senate.



Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four*

An Act

To provide assistance for unemployed persons.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Jobs and Unemployment Assistance Act of 1974".

TITLE I—PUBLIC SERVICE EMPLOYMENT

EMERGENCY JOB PROGRAMS AUTHORIZED

SEC. 101. The Comprehensive Employment and Training Act of 1973 is amended by redesignating title VI, and all references thereto, as title VII, by redesignating sections 601 through 615, and all references thereto, as sections 701 through 715, respectively, and by inserting after title V the following new title:

"TITLE VI—EMERGENCY JOB PROGRAMS

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 601. There are authorized to be appropriated \$2,500,000,000 for fiscal year 1975 for carrying out the provisions of this title. Any amounts so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1975.

"FINANCIAL ASSISTANCE

"SEC. 602. (a) The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available for the purpose of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services, and training and manpower services related to such employment which are otherwise unavailable, and enabling such persons to move into employment not supported under this Act.

"(b) Not less than 90 per centum of the funds appropriated pursuant to this title which are used by an eligible applicant for public service employment programs shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title.

"(c) The provisions of section 204(d) and sections 205 through 211 shall apply to financial assistance under this title.

"(d) In filling public service jobs with financial assistance under this title, eligible applicants shall give preferred consideration, to the maximum extent feasible and consistent with other provisions of this Act, to unemployed persons who have exhausted unemployment insurance benefits, to unemployed persons who are not eligible for unemployment insurance benefits (except for persons lacking work experience), and to unemployed persons who have been unemployed for fifteen or more weeks.

"(e) For purposes of this section, the term 'eligible applicants' means prime sponsors qualified under title I and Indian tribes on Federal or State reservations.

“ALLOTMENT OF FUNDS

“SEC. 603. (a) (1) Not less than 90 per centum of the amounts appropriated under section 601 for any fiscal year shall be allotted among eligible applicants by the Secretary in accordance with the provisions of this subsection.

“(2) (A) Fifty per centum of the amount allotted under this subsection shall be allotted among eligible applicants in proportion to the relative number of unemployed persons who reside in areas within the jurisdiction of each such applicant as compared to the number of unemployed persons who reside in all such areas in all the States.

“(B) Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants in accordance with the number of unemployed persons residing in areas of substantial unemployment (as defined in section 204(c)) within the jurisdiction of the applicant compared to the number of unemployed persons residing in all such areas.

“(C) Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the applicant as compared to the total excess number of unemployed persons who reside within the jurisdiction of all eligible applicants. For purposes of this subparagraph, the term ‘excess number’ means (i) the number which represents unemployed persons in excess of 4½ per centum of the labor force in the jurisdiction of the applicant in whose jurisdiction such persons reside or (ii), in the case of an applicant which is a State, the term ‘excess number’ means such number as defined in clause (i) or the number which represents unemployed persons in excess of 4½ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.

“(b) The remainder of the amount appropriated under section 601 shall be available to the Secretary for financial assistance under section 602 as the Secretary deems appropriate to carry out the purposes of this title, taking into account changes in rates of unemployment.

“(c) For purposes of determining allocations under this section, the term ‘jurisdiction’ includes the jurisdiction of each unit of general local government as described in section 102(a)(2) whether or not such unit has entered into a combination of units of general local government for purposes of section 102(a)(3) or section 102(a)(4).

“SPECIAL PROVISION FOR AREAS OF EXCESSIVELY HIGH UNEMPLOYMENT AND TO EXPAND JOB OPPORTUNITIES

“SEC. 604. (a) Funds allocated from appropriations for carrying out this title to any eligible applicant, which certifies to the Secretary that the application of the provisions of this section is necessary in order to provide sufficient job opportunities in the area served by such eligible applicant, may be used for making payments to public employers to expand the provision of job opportunities of the type described in paragraphs (3), (4), (5), and (6) of section 304(a) of this Act.

“(b) In accordance with the provisions of subsection (c), and notwithstanding the provisions of sections 602(a) and 602(b), funds allotted under section 603 to eligible applicants may be used for—

“(1) public service employment programs without regard to the provisions of sections 205(b), 205(c)(4), 205(c)(6), 205(c)(16), 205(c)(19), and 208(a)(6).

“(2) providing employment for persons who have been unemployed for at least 15 days without regard to the provision of sec-

tion 205 (a) relating to 30 days of unemployment, if the applicant certifies that the hiring of an individual will not violate the provisions of section 205 (c) (8).

“(3) payment of wages (at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5)), for unemployed and underemployed persons as employees of public employers in jobs on community capital improvement projects which would not otherwise be carried out, including the rehabilitation, alteration, or improvement of public buildings, roads and other public transportation facilities, health and education facilities, and other facilities for the improvement of the community in which the project is or will be located, and including construction, rehabilitation, alteration, or improvement of water and waste disposal facilities in communities having populations of 10,000 individuals or less which are outside the boundaries of a Standard Metropolitan Statistical Area (as defined by the Bureau of the Census).

“(c) The provisions of subsection (b) shall apply to any area having an unemployment rate in excess of 7 per centum, and to any area, without regard to the rate of unemployment of such area, if such area is served by a prime sponsor which qualifies under section 102 (a) (4) or section 102 (a) (5) or is in an area which is eligible for assistance under title II and which is served by a State prime sponsor, and if the prime sponsor for such area certifies to the Secretary that the application of such provisions is necessary in order to provide sufficient job opportunities, and gives public notice of such certification.

“EXPENDITURE OF FUNDS

“SEC. 605. Funds obligated for the purposes of providing public service employment under this title may be utilized by prime sponsors for projects and activities planned to extend over a twelve-month period from the commencement of any such project or activity.

“REALLOCATION OF FUNDS

“SEC. 606. The Secretary is authorized to make such reallocations as he deems appropriate of any amount of any allocation under this title to the extent that the Secretary determines that an eligible applicant will not be able to use such amount within a reasonable period of time. Any such amount may be reallocated only if the Secretary has provided thirty days' advance notice to the prime sponsor for such area and to the Governor of the State of the proposed reallocation, during which period of time the prime sponsor and the Governor may submit comments to the Secretary. After considering any comments submitted during such period of time, the Secretary shall notify the Governor and affected prime sponsors of any decision to reallocate funds, and shall publish any such decision in the Federal Register. Any such funds shall be reallocated to other areas within the same State.”

PLACEMENT GOALS

SEC. 103. Section 211 of the Comprehensive Employment and Training Act of 1973 is amended by striking out “PROVISION” in the title and inserting in lieu thereof “PROVISIONS”, by inserting “(a)” immediately before the first sentence, and by adding at the end thereof the following new subsection:

“(b) No officer or employee of the Department of Labor shall, by regulation or otherwise, impose on any eligible applicant, as a condition for the receipt of financial assistance under this title, any requirement that any eligible applicant must place in other jobs a specific

number or proportion of public service jobholders supported under this title. The Secretary may establish placement goals for eligible applicants, except that such goals must be identified as goals, not requirements, and any form or other document developed pursuant to such regulations shall give written notice to that effect. Any eligible applicant shall have the right, clearly stated in such regulations, to request a waiver of such goals if, in his judgment, such goals are not feasible. Such waiver, a request for which may be submitted at any time, may be granted by the Secretary where, in his judgment, local conditions warrant it. Wherever such a waiver has been granted, failure to meet placement goals shall not be cited in any official review or evaluation of that eligible applicant's programs."

VETERANS' EMPLOYMENT PROVISIONS

SEC. 104. (a) The Director of the Veterans' Employment Service, Department of Labor, established by section 2002 of title 38, United States Code, together with the Secretary and Under Secretary of Labor and such Assistant Secretaries of Labor as the Secretary may designate, shall be responsible for formulating and monitoring the implementation of all departmental policies and programs as they affect veterans, especially those relating to unemployment, job training, employment, and placement under any provision of law.

(b) The Secretary of Labor, in consultation and cooperation with the Administrator of Veterans' Affairs and the Secretary of Health, Education, and Welfare, shall provide for an outreach and public information program utilizing, to the maximum extent, the facilities of the Departments of Labor and Health, Education, and Welfare and the Veterans' Administration in order to (A) exercise maximum efforts to produce jobs and job training opportunities for individuals who served in the Armed Forces and were discharged within 4 years before the date of their application for such jobs or job training and inform all eligible veterans about employment, job training, on-the-job training, and educational opportunities, under the Comprehensive Employment and Training Act of 1973, as amended by this Act, as provided for under title 38, United States Code, and under any other provision of law, and (B) inform all eligible applicants under the Comprehensive Employment and Training Act of 1973, Federal contractors and subcontractors, all Federal departments and agencies, educational institutions, labor unions, and other employers, of their responsibilities under this subsection and under all such laws, and (C) provide the entities described in clause (B) of this subsection technical assistance in carrying out those responsibilities. The Secretary of Labor, in consultation and cooperation with the Administrator of Veterans' Affairs and the Secretary of Health, Education, and Welfare shall report to the appropriate committees of the Congress not later than 90 days after the date of enactment of this Act on the steps taken and regulations issued to carry out the provisions of this section and of section 205(c)(5) of the Comprehensive Employment and Training Act of 1973.

SPECIAL REPORT

SEC. 105. Section 209 of such Act is amended by striking out "Sec. 209." and inserting in lieu thereof "Sec. 209. (a)". and by adding at the end of such section the following new subsection:

"(b) In compiling the data which the Secretary is required to report to the Congress under section 208(e), the Secretary shall obtain and compile information on practices and procedures implemented by prime sponsors affecting average annual wage rates paid to public service job holders and public service job opportunities described

under this title. The Secretary is authorized to make general recommendations to prime sponsors, on a regional and area basis, as he may deem appropriate, consistent with section 208(a)(3) (relating to the maximum annual wage rate per public service job holder), taking into account average wages in the various areas served and the cost of living in such areas, with the aim of maintaining the number of jobs on a nationwide average in federally supported wage rates equivalent to \$7,800 per public service job holder."

TECHNICAL AMENDMENTS

SEC. 106. (a) Section 201 of the Comprehensive Employment and Training Act of 1973 is amended by striking out the words "of substantial unemployment" and inserting in lieu thereof "qualifying for assistance".

(b) Section 202(a) of such Act is amended by inserting before the words "under this title" the following: "for use in areas of substantial unemployment".

(c) Section 204(a)(2) of such Act is amended by striking out "and which include areas of substantial unemployment".

(d) (1) Section 204(d)(1) of such Act is amended by striking out the words "of substantial unemployment" each place they appear and inserting "qualifying for assistance".

(2) Section 204(d)(3) of such Act is amended by striking out "of substantial unemployment" and inserting in lieu thereof "qualifying for assistance".

(e) Section 205(a) of such Act is amended by striking out "of substantial unemployment" and inserting in lieu thereof "qualifying for assistance".

(f) Section 205(c)(3) of such Act is amended by striking out "areas of substantial unemployment" and inserting in lieu thereof "area qualifying for assistance".

(g) Section 210 of such Act is amended by striking out "for residents of the areas of substantial unemployment designated under this title" and inserting in lieu thereof the following: "for residents of the area qualifying for such assistance".

MISCELLANEOUS PROVISIONS

SEC. 107. (a) Section 701(a)(7) of such Act (as redesignated by section 101 of this Act) is amended by inserting after "education," the following: "child care,".

(b) Section 701(a)(7) of such Act (as redesignated by section 101 of this Act) is further amended by inserting after "work" the following: ", including part-time work for individuals who are unable, because of age, handicap, or other factors, to work full time,".

(c) Section 701(a) of such Act (as redesignated by section 101 of this Act) is amended by inserting after paragraph (13) the following new paragraph:

"(14) 'veterans outreach' means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38."

(d) Section 703(1) of such Act (as redesignated by section 101 of this Act) is amended by inserting after "sex," the following: "age,".

NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION

SEC. 108. Section 104(a) of the Vocational Education Act of 1963 (as amended) is amended by adding at the end thereof a new paragraph as follows:

“(6) The National Council may accept gifts or grants and may accept transfer of funds from other departments or agencies.”.

TITLE II—SPECIAL UNEMPLOYMENT
ASSISTANCE PROGRAM

STATEMENT OF PURPOSE

SEC. 201. It is the purpose of this title to establish a temporary Federal program of special unemployment assistance for workers who are unemployed during a period of aggravated unemployment and who are not otherwise eligible for unemployment allowances under any other law.

GRANTS TO STATES: AGREEMENT WITH STATES

SEC. 202. Each State which enters into an agreement with the Secretary of Labor, pursuant to which it makes payments of special unemployment assistance in accordance with the provisions of this title and the rules and regulations prescribed by the Secretary of Labor hereunder, shall be paid by the United States from time to time, prior to audit or settlement by the General Accounting Office, such amounts as are deemed necessary by the Secretary of Labor to carry out the provisions of this title in the State. Assistance may be paid under this title to individuals only pursuant to such an agreement.

ELIGIBLE INDIVIDUALS

SEC. 203. An individual shall be eligible to receive a payment of assistance or waiting period credit with respect to a week of unemployment occurring during and subsequent to a special unemployment assistance period in accordance with the provisions of this title if—

(1) the individual is not eligible for compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment, and is not receiving compensation with respect to such week of unemployment under the unemployment compensation law of Canada and is not eligible for assistance or an allowance payable with respect to such week of unemployment under such laws as the Public Works and Economic Development Act Amendments of 1974, the Disaster Relief Act of 1974, the Trade Expansion Act of 1962, as amended, or any successor legislation or similar legislation, as determined by the Secretary: *Provided*, That the individual meets the qualifying employment and wage requirements of the applicable State unemployment compensation law in a base year which, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets such qualifying employment and wage requirements; and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages; and

(2) the individual is totally or partially unemployed, and is able to work, available for work, and seeking work, within the meaning of, or as required by, the applicable State unemployment compensation law, and is not subject to disqualification under that law; and

(3) the individual has filed a claim for assistance or waiting period credit under this title; and

(4) in the area in which the individual was last employed for at least five work days prior to filing a claim under this title for assistance or waiting period credit with respect to such week of unemployment, a special unemployment assistance period is in effect with respect to such week of unemployment: *Provided*, That if the individual, except for the imposition of a disqualification in accordance with subsection (b), was otherwise eligible for a payment of assistance or waiting period credit under this title with respect to a week of unemployment which began during a special unemployment assistance period, but did not exhaust entitlement to assistance during such period, entitlement shall continue after the end of the period but no assistance shall be paid under this title for any week of unemployment that begins more than twenty-six weeks after the end of such period; and

(5) the State in which the individual was last employed for at least five work days prior to filing a claim under this title for assistance or waiting period credit with respect to such week of unemployment, has an agreement with the Secretary of Labor under section 202 which is in effect with respect to such week of unemployment.

SPECIAL UNEMPLOYMENT ASSISTANCE PERIOD

SEC. 204. (a) A special unemployment assistance period shall commence in an area designated by the Secretary with the third week after the first week for which the Secretary determines that there is an "on" indicator for such area, and shall terminate with the third week after the first week for which the Secretary determines that there is an "off" indicator for such area except that no special unemployment assistance period shall have a duration of less than thirteen weeks.

(b) The Secretary shall designate as an area under this section areas served by an entity which is eligible to be a prime sponsor under section 102(a) of the Comprehensive Employment and Training Act of 1973 (Public Law 93-203).

(c) There is an "on" indicator in an area for a week if for the most recent three consecutive calendar months for which data are available the Secretary determines that—

(1) the rate (seasonally adjusted) of national unemployment averaged 6 per centum or more; or

(2) the rate of unemployment in the area averaged 6.5 per centum or more.

(d) There is an "off" indicator for a week, if for the most recent three consecutive calendar months for which data are available the Secretary determines that both subsections (c)(1) and (c)(2) are not satisfied.

(e) The determinations made under this section shall take into account the rates of unemployment for three consecutive months, even though any or all of such months may have occurred not more than three complete calendar months prior to the enactment of this Act.

WEEKLY BENEFIT AMOUNT

SEC. 205. (a) The amount of assistance under this title to which an eligible individual shall be entitled for a week of unemployment shall

be the weekly benefit amount for a week of unemployment that would be payable to the individual as regular compensation as computed under the provisions of the applicable State unemployment compensation law: *Provided*, That in computing the weekly benefit amount under this subsection the individual's base year, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets the qualifying employment and wage requirements of subsection (a) of section 203; and for the purpose of this proviso employment and wages which are not covered by the applicable State unemployment compensation law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

(b) Notwithstanding any provisions of State law, claims for assistance under this title may be determined, where an employment record is not available, on the basis of an affidavit submitted by an applicant. If an applicant knowingly provides false information in such affidavit, he shall be ineligible for any assistance under this title and shall, in addition, be subject to prosecution under section 1001 of title 18, United States Code.

MAXIMUM BENEFIT AMOUNT

SEC. 206. The maximum amount of assistance under this title which an eligible individual shall be entitled to receive shall be the maximum amount of regular compensation that would be payable to such individual as computed under the provisions of the applicable State unemployment compensation law, but not exceeding twenty-six times the weekly benefit amount payable to the individual for a week of total unemployment as determined under subsection (a) of section 205: *Provided*, That for the purposes of this subsection the individual's base year, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets the qualifying employment and wage requirements of section 203(a); and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

APPLICABLE STATE LAW PROVISIONS

SEC. 207. Except where inconsistent with the provisions of this title, the terms and conditions of the applicable State unemployment compensation law which apply to claims thereunder for regular compensation and the payment thereof shall apply to claims for assistance under this title and the payment thereof.

TERMINATION DATE

SEC. 208. Notwithstanding any other provisions of this title, no payment of assistance under this title shall be made to any individual with

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respect to any week of unemployment ending after March 31, 1976; and no individual shall be entitled to any compensation with respect to any initial claim for assistance or waiting period credit made after December 31, 1975.

AUTHORIZATION OF APPROPRIATIONS

SEC. 209. There are hereby authorized to be appropriated for purposes of this title such sums as may be necessary.

DEFINITIONS

SEC. 210. (a) As used in the title, the term—

- (1) "Secretary" means the Secretary of Labor;
- (2) "State" means the States of the United States, the District of Columbia, Puerto Rico, and the Virgin Islands;
- (3) "applicable State unemployment compensation law" means the law of the State in which the individual was last employed for at least five work days prior to filing a claim for assistance or waiting period credit under this title; and
- (4) "week" means a calendar week.

(b) Assistance under this title shall not be considered to be regular compensation for purposes of qualifying for benefits under the Federal-State Extended Unemployment Compensation Act of 1970, and claims filed under this title shall not be treated as claims for weeks of unemployment for purposes of determining the rate of insured unemployment under section 203(f)(1) of such Act.

TITLE III—JOB OPPORTUNITIES PROGRAM

SEC. 301. The Public Works and Economic Development Act of 1965 is amended by adding at the end thereof the following new title:

"TITLE X—JOB OPPORTUNITIES PROGRAM

"STATEMENT OF PURPOSE

"SEC. 1001. It is the purpose of this title to provide emergency financial assistance to stimulate, maintain or expand job creating activities in areas, both urban and rural, which are suffering from unusually high levels of unemployment.

"DEFINITIONS

"SEC. 1002. For the purpose of this title—

"(1) the term 'eligible area' means—

"(A) any area, which the Secretary of Labor designates as an area which has a rate of unemployment, equal to or in excess of 6.5 per centum for three consecutive months.

"(B) any area designated pursuant to section 204(c) of the Comprehensive Employment and Training Act of 1973, and

"(C) any area which is designated by the Secretary of Commerce pursuant to section 401 of the Public Works and Economic Development Act of 1965 as a redevelopment area.

"PROGRAM AUTHORIZED

"SEC. 1003. (a) To carry out the purposes of this title, the Secretary of Commerce, in accordance with the provisions of this title, is authorized from funds appropriated and made available under section 1007 of this title to provide financial assistance to programs and projects

identified through the review process described in section 1004 to expand or accelerate the job creating impact of such programs or projects for unemployed persons in eligible areas. Programs and projects for which funds are made available under this title shall not be approved until the officials of the appropriate units of general government in the affected area have an adequate opportunity to comment on the specific proposal.

“(b) Whenever funds are made available by the Secretary of Commerce under this title for any program or project, the head of the department, agency, or instrumentality of the Federal Government administering the law authorizing such assistance shall, except as otherwise provided in this subsection, administer the law authorizing such assistance in accordance with all applicable provisions of that law, except provisions relating to—

“(1) requiring allocation of funds among the States,

“(2) limits upon the total amount of such grants for any period, and

“(3) the Federal contribution to any State or local government, whenever the President or head of such department, agency, or instrumentality of the Federal Government determines that any non-Federal contribution cannot reasonably be obtained by the State or local government concerned.

“(c) Where necessary to effectively carry out the purposes of this title, the Secretary of Commerce is authorized to initiate programs in eligible areas.

“(d) In allocating funds under this title, the Secretary of Commerce shall give priority consideration to—

“(1) the severity of unemployment in the area; and

“(2) the appropriateness of the proposed activity in relating to the number and needs of unemployed persons in eligible areas.

“(e) Notwithstanding any other provision of this title, funds allocated by the Secretary of Commerce shall be available only for programs or projects which the Secretary of Commerce and the Secretary of Labor jointly determine are programs or projects—

“(1) which will contribute significantly to the reduction of unemployment in the eligible area;

“(2) which can be initiated or strengthened promptly;

“(3) a substantial portion of which can be completed within 12 months after such allocation is made;

“(4) which are not inconsistent with locally approved comprehensive plans for the jurisdiction affected, whenever such plans exist; and

“(5) which will be approved giving first priority to programs and projects which are most labor intensive.

“PROGRAM REVIEW

“SEC. 1004. Within 45 days after the date of enactment of the Emergency Jobs and Unemployment Assistance Act of 1974, each department, agency or instrumentality of the Federal government, and each regional commission established by section 101 of the Appalachian Regional Development Act of 1965 or pursuant to section 502 of this Act, shall (1) complete a review of its budget, plans and program including State, substate and local development plans filed with such department, agency or commission; (2) evaluate the job creation effectiveness of programs and projects for which funds are proposed to be obligated in calendar year 1975 and additional programs and projects for which funds could be obligated in such year with Federal financial assistance under this title; and (3) submit to the Secretary of Commerce and the Secretary of Labor recommendations for programs and projects which have the potential to stimulate the creation of

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jobs for unemployed persons in eligible areas. Within 30 days of the receipt of such recommendations the Secretary of Commerce and the Secretary of Labor shall jointly review such recommendations, and the Secretary of Commerce shall after consultation with such department, agency, instrumentality, and regional commissions, make allocations of funds in accordance with section 1003(e) of this title.

“LIMITATIONS ON USE OF FUNDS

“SEC. 1005. Fifty per centum of the funds appropriated pursuant to section 1007 of this title shall be available only for programs and projects in which not more than 25 percent of such funds will be expended for necessary non-labor costs.

“RULES AND REGULATIONS

“SEC. 1006. The Secretary of Commerce shall prescribe such rules, regulations, and procedures to carry out the provisions of this title as will assure that adequate consideration is given to the relative needs of applicants for assistance in rural eligible areas and the relative needs of applicants for assistance in urban eligible areas and to any equitable distribution of funds authorized under this title between rural and urban eligible applicants.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 1007. There are authorized to be appropriated \$500,000,000 for the fiscal year 1975 to carry out the provisions of this title, except that no further obligation of funds appropriated under this section may be made subsequent to a determination that the national average rate of unemployment has receded below 6.5 per centum for three consecutive calendar months as determined by the Secretary of Labor. Any amounts so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1975.

“TERMINATION DATE

“SEC. 1008. Notwithstanding any other provision of this title, no further obligation of funds appropriated under this title shall be made by the Secretary of Commerce after December 31, 1975.”

“SEC. 302. Section 712 of the Public Works and Economic Development Act of 1965 is amended by striking “or 403” and inserting in lieu thereof “403, 903, and 1003”.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

DECEMBER 31, 1974

Office of the White House Press Secretary
(Vail, Colorado)

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

Today I signed into law H. R. 16596, the Emergency Job and Unemployment Assistance Act, and H. R. 17597, the Emergency Unemployment Compensation Act. These are important measures which provide much needed help to our unemployed fellow citizens.

On October 8, when I outlined to Congress my proposals to fight inflation and unemployment, I pointed out that the Conference on Inflation had made us all aware of the undue burden being carried by those who lost their jobs during this period of worsening economic conditions. I proposed a temporary program to expand unemployment assistance and create jobs.

The Emergency Unemployment Compensation Act provides an additional 13 weeks of benefits to persons who are now covered by unemployment compensation laws. This makes it possible for workers who have lost jobs to receive up to one full year of protection if they are unable to find employment.

Title II of the Emergency Jobs and Unemployment Assistance Act creates a temporary unemployment insurance program for jobless workers not now eligible for payments under any other State or Federal programs, including State and local government employees, farm workers, domestic workers, and others not now covered.

Designed to respond to changing economic conditions, these two programs providing urgent added protection for workers will automatically expand when unemployment is high and contract when it recedes.

Expenditures under existing law of at least \$10 billion are projected in fiscal year 1975 for unemployment compensation. The Urgent Supplemental Appropriations bill which I will sign shortly provides \$2.75 billion for these two new temporary programs to be used as needed for direct aid to workers.

Title I of H. R. 16597 authorizes a temporary expansion of funding for jobs in the public sector. This action provides up to 100,000 new jobs in addition to the 170,000 financed by funds currently available under existing law.

At my request, the Secretary of Labor has already urged the State governors to move quickly in making assistance available to the jobless. The Secretary is also working with the States and localities to develop all available resources for the immediate and effective creation of jobs.

With regard to Title III of H. R. 16596, I believe that its provisions would create an unnecessarily complex and unwieldy administrative mechanism involving program and project reviews by all Federal agencies, regional commissions, and units of general government. I will, therefore, request that the Congress transfer appropriations from this Title to Title I of the Act so that needed employment can be provided as quickly and efficiently as possible.

In sum, however, I commend the 93rd Congress for its action on these two vital measures and am confident that the spurt of cooperation and conciliation which marked their passage will carry over into the new year and the new Congress.

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December 24, 1974



Dear Mr. Director:

The following bills were received at the White House on December 24th:

S.J. Res. 40 ✓	S. 3481	H.R. 8958	H.R. 14600
S.J. Res. 133	S. 3548	H.R. 8981	H.R. 14689
S.J. Res. 262	S. 3934	H.R. 9182	H.R. 14718
S. 251	S. 3943	H.R. 9199	H.R. 15173
S. 356	S. 3976 ✓	H.R. 9588	H.R. 15223
S. 521	S. 4073	H.R. 9654	H.R. 15229
S. 544	S. 4206	H.R. 10212	H.R. 15322
S. 663	H.J. Res. 1178 ✓	H.R. 10701	H.R. 15977
S. 754	H.J. Res. 1180	H.R. 10710	H.R. 16045
S. 1017	H.R. 421	H.R. 10827	H.R. 16215
S. 1083	H.R. 1715	H.R. 11144	H.R. 16596 ✓
S. 1296	H.R. 1820	H.R. 11273	H.R. 16925
S. 1418	H.R. 2208	H.R. 11796	H.R. 17010
S. 2149	H.R. 2933	H.R. 11802	H.R. 17045
S. 2446	H.R. 3203	H.R. 11847	H.R. 17085
S. 2807	H.R. 3339	H.R. 11897	H.R. 17468
S. 2854	H.R. 5264	H.R. 12044	H.R. 17558
S. 2888	H.R. 5463	H.R. 12113	H.R. 17597 ✓
S. 2994	H.R. 5773	H.R. 12427	H.R. 17628
S. 3022	H.R. 7599	H.R. 12884	H.R. 17655
S. 3289	H.R. 7684	H.R. 13022	
S. 3358	H.R. 7767	H.R. 13296	
S. 3359	H.R. 8214	H.R. 13869	
S. 3394 ✓	H.R. 8322	H.R. 14449	
S. 3433	H.R. 8591	H.R. 14461	

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder
Chief Executive Clerk

The Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C.