

THE URBAN COALITION ACTION COUNCIL

JOHN W. GARDNER
CHAIRMAN
1819 H STREET, N. W.
WASHINGTON, D. C. 20006

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FACT SHEET ON PROPOSED COMMUNITY EMPLOYMENT AND TRAINING AMENDMENT TO MANPOWER DEVELOPMENT TRAINING ACT EXTENSION (S. 2938)

Purpose

The purpose is to provide public and private employment opportunities in community service occupations for unemployed and low-income residents of urban and rural poverty areas in order to relieve severe problems of unemployment and under-employment, to prepare such persons for jobs in the private sector of the economy, to increase opportunities for local entrepreneurship through the creation of local service companies, and to meet critical national needs for community services.

Authorizations of Appropriations

\$500 million is authorized for fiscal year 1969, \$1 billion for fiscal year 1970. This will create 600,000 jobs over two years.

Distribution of Funds

The Secretary of Labor may transfer (but not to exceed) 40% of the funds appropriated to private employers for programs that carry out the purpose of this Act under existing programs such as the Manpower Development and Training Act or the Economic Opportunity Act.

- of the remainder, the Secretary can reserve 50% for direct funding of community employment and training programs.
- not less than 50% is reserved for state plans using criteria specified in this Act. (See Section on State plans).
- each State shall receive a basic sum of \$1 million plus such additional funds as the Secretary shall determine under the Act's allocation guidelines.

- no state may receive more than 15% of the funds appropriated.
- in allotting the funds among the states, the Secretary of Labor shall consider:
 - (a) the State's population
 - (b) the proportion of low-income families in the State
 - (c) the unemployment in the State
- a state's allotment can be reallocated after nine months of the fiscal year.

Eligible Programs and Supportive Services for Public Service Employment

-- jobs in community service, in such fields as health, public safety, education, housing, etc. Also programs for beautification and conservation. Priority shall be given to projects which are labor intensive in character.

-- activities to assure persons employed in such jobs have further education and supportive services (counseling, medical care, transportation, etc.)

-- loans for purchase of supplies and equipment to supplement projects carried out by the participants.

The Secretary of Labor may provide assistance either in the form of grants or contracts and may pay all or part of the cost of programs.

Requirement for Applicants

Each applicant for jobs and supportive services funds must provide a community employment and training plan covering the following:

- analysis of priorities of unmet community needs.
- the education, training, and supportive services which will improve the ability of the participants to compete in the job market.
- eligible areas and type of work to be performed.

- training of supervisory personnel.
- future career opportunities to insure these are not dead-end jobs.
- coordination with other federally assisted manpower or economic development activities.

State Role

- 50% of the money must be channeled through State plans.
- Up to 25% of the funds received by a State may be used for jobs in State agencies.
- All local applications that go directly to the Secretary of Labor must be submitted to the States for comments.

State Plans

Each State must establish a State Manpower Coordinating Council to prepare the State plan. The Secretary of Labor must approve a state plan if it meets criteria, such as --

- an equitable distribution of funds on four poverty, low-income indicators.
- an analysis of needs in the state for community services.
- coordinates all similar jobs programs.
- provides planning and technical assistance to localities.

The Secretary of Labor may approve only the part of the State plan which meets the above requirements, and operate the remainder of the State plan portion through direct Federal and local grants.

Program Preferences

The Secretary of Labor and State Councils (wherever practicable) shall encourage and give preference to applications that involve:

- local service companies owned in part by low-income residents of the areas.
- public safety employment programs.
- heads of households.

The Secretary shall give preference in his other private on-the-job training programs to qualified participants in community employment programs.

Eligible Areas and Prime Sponsors

The Secretary of Labor shall designate urban and rural areas containing high concentrations of unemployed or low-income persons. A community program area designated under the manpower section of the Economic Opportunity Act shall be an eligible area for this Act.

For each eligible area the Secretary or State council shall designate a single public or nonprofit organization to be a prime sponsor that receives all funds in that area. The Secretary of Labor, to the extent practicable, shall assure the prime sponsor receives Federal funds under other manpower training acts such as MDTA, Demonstration Cities, OEO, the Social Security Act, etc. There is a by-pass provision for funding to organizations other than the prime sponsor if this will enhance program effectiveness.

Special Conditions

No program may result in the displacement of employed workers or impair existing contracts for services, nor may a program result in the substitution of Federal funds for other funds for work that would otherwise be performed. Wages must be based on the highest of the following criteria: (a) the Federal minimum wage, (b) the most comparable State or local minimum wage, or (c) the prevailing wage rate in the area for similar work. Programs must contribute to occupational development or upward mobility of participants, to the extent feasible. Where a program involves physical improvements, preference must be given to those which are used by low-income persons. Programs should seek to eliminate artificial barriers to employment and occupational advancement, and particular attention should be given to altering civil service requirements which restrict employment opportunities for the disadvantaged.