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BRIEFING PAPER
CETA-TITLE VI

Background: Legislative authority for the Title VI public service jobs program expired on December 31, 1975. While the Administration has proposed to continue the program through the remainder of calendar year 1976 with a phase-out planned for January through September 1977, by requesting a $1.7 billion appropriation under Title II, this approach presents many problems for prime sponsors both in terms of allocation of funds as well as targeting of the use of funds at the prime sponsor level. While NLC and USCM have been working to secure enactment of a re-authorization of the program, to date only the House has acted. The House adopted H.R. 11453 on February 10, 1976.

While Senate action is anticipated shortly, a number of prime sponsors have and/or are exhausting their Title VI funds and are faced with the prospect of lay-offs.

Appropriations: A coalition including the NLC and USCM as well as NACO, the Governor's Conference and several labor unions, have been working in tandem to secure both extension of Title VI as well as interim stop-gap funding to prevent to the extent possible, any further lay-offs. It is the current strategy to attempt to secure an urgent emergency supplemental appropriation of $300 million for the remainder of FY 76--which must come through the Title II formula since there is yet no authorization for Title VI--to prevent any further public service employee lay-offs as well as $525 million for a summer youth employment, recreation and transportation program.

It is our hope that Title VI will be re-authorized in time to seek transition quarter funds as well as FY 77 appropriations at a subsequent time; the former through a regular supplemental which is expected to emerge from the House in late April; and the latter to be funded through the regular FY 77 Labor, HEW Appropriations vehicle.

It is important--particularly for those city officials whose jurisdictions are about to exhaust their Title VI allocations--to stress the urgency of enacting an emergency supplemental appropriation as quickly as possible. Congressmen and Senators should be urged to speak with members of the respective appropriations committees on this vital matter.

Authorization: While some of the Senate "foot dragging" on extending Title VI is attributable to waiting to see what the White House produced as well as negotiating with Administration officials to secure a signature (the votes to override a Presidential veto of a Title VI extension do not exist), it is time to begin exerting pressure for Senate action. While the unemployment rate does not appear to be declining, there are still many areas with high unemployment well in excess of the national average as well as many individuals who are about to or have exhausted their unemployment compensation benefits who are without alternative sources of income. The Title II program is geared to the needs of the hard-core unemployed and the Title VI program was the only available mechanism for dealing with those who are unemployed because of adverse economic conditions. Their needs must also be met and as of now, the only available construct is an extension of Title VI.

Senators should be urged to speak with members of the Labor and Public Welfare Committee to extend Title VI within the next four to six weeks.