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ECONOMIC DISASTER RELIEF ACT

WASHINGTON, D.C., August 5, 1971--- U.S. Sen. Bob Dole (R-Kans.)

offered two amendments to the Economic Disaster Relief Act that would focus attention on "areas that suffer from unusual and sudden economic dislocations."

The following is the complete text of the Kansas Senator's remarks on the Senate floor concerning the Economic Disaster Relief Act:

As a member of the Economic Development Subcommittee of the Public Works Committee, and because parts of my state are experiencing severe economic difficulties, I have studied the many legislative proposals designed to assist the unemployed.

One of our Subcommittee hearings on Federal Economic Development programs was held in Wichita, Kansas, now suffering an unemployment rate of 11.6 per cent. At that hearing and others held in Los Angeles and Seattle, it became apparent that action must be taken to alleviate the immediate problems of the unemployed. At the same time, it became evident that we must design a new federal approach to prevent or cure the long term economic weakness that caused the unemployment or underemployment in the first place.

President Nixon has recognized that much of our present unemployment is related to the influx of returning Vietnam veterans into the job market and to cutbacks in the defense budget that affect the aerospace and other related industries. In response to the needs of unemployed aerospace workers, President Nixon, in April, announced a \$42 million program known as the Technology Mobilization and Re-employment Program. It is designed to provide job location assistance, retraining, mobility assistance and skill transferability studies. The Department of Housing and Urban Development and the Labor Department have also implemented a pilot program in conjunction with the National League of Cities/U.S. Conference of Mayors that will put aerospace personnel to work on the problems of our cities. Meanwhile, a skill conversion study for aerospace scientists and engineers is being conducted by the National Society of Professional Engineers.

Numerous programs have been initiated by the President to assist the jobless veteran. A description is contained in a statement by David O. Williams, Director, Special Review Staff of the Manpower Administration before the District of Columbia Committee. I ask unanimous consent that the statement be placed in the record at this point.

Another valuable tool to assist communities severely impacted by defense cutbacks is the Inter-agency Economic Adjustment Committee. President Nixon designated this committee to coordinate federal programs that are now available to assist such communities in formulating economic development strategy. This committee has been helpful to Wichita as well as communities in many other states.

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But these new initiatives have not resolved the immediate problems in Wichita or other communities suffering from what is best described as an economic disaster. For that reason, the Public Works Committee undertook consideration of several proposals that would authorize the President to designate economic emergency areas, as an alternative to a nationwide program such as the Accelerated Public Works Program.

The concept of Senate Bill 2393 --- utilizing the machinery established by the Disaster Relief Act --- would appear to be sound. Extending the authority of the Office of Emergency Preparedness to economic disasters and thus taking advantage of an existing management team to coordinate federal programs, is a logical extension of OEP's authority. There is a need to provide additional assistance to individuals and communities that continue to suffer economic dislocation.

However, the criteria in S.2393, defining eligibility is much too broad and will include areas where there has been a high unemployment rate because of chronic conditions. In the Public Works Committee, I supported an amendment to limit the eligible areas to those having the specified rates of unemployment "attributable to the loss or curtailment of sources of employment," but the amendment was not accepted. I will support Amendment Number 390 offered by the Senior Senator from Kentucky (Mr. Cooper) to achieve this purpose.

Unless we limit the application of the Economic Disaster Relief Act to those areas that suffer from unusual and sudden economic dislocations, we will dissipate our efforts and fail to effectively assist anyone.

I can well understand the frustration experienced by members of Congress with the unemployment rate and the desire to find a program that will alleviate if not eliminate the hardships experienced by the unemployed. But extension of the concept of the Economic Disaster Relief Act to areas of chronic and persistent unemployment is not the answer.

Other programs have been devised to reach areas of chronic unemployment. In fact, the Emergency Employment Act of 1971 is just now being implemented. We know nothing about the effects of that Act on the unemployment rate. And only today, the President signed an extension of the Public Works and Economic Development Act of 1965 which includes a total authorization for FY 1972 and 1973 of \$1.6 billion in federal grants for the construction of public facilities in areas of substantial unemployment.

There are other provisions of S. 2393 that need revision on which I have prepared amendments which I hope will be accepted by the Senate. I want to stress my interest in devising programs that will meet the needs of all the unemployed, but the favorable impact of the Economic Disaster Relief Act of 1971 should not be dissipated in an effort to solve all of our national unemployment problems.