



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

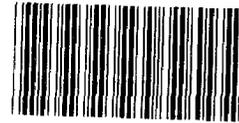
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MAR 21 1980

The Honorable Harley O. Staggers
Chairman, Committee on Interstate and
Foreign Commerce
House of Representatives



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Dear Mr. Chairman:

SUBJECT: *and* Views on H.R. 6136, the "Economic Opportunity
Amendments of 1979" and H.R. 6619, the
"Economic Opportunity Amendments of 1980"
(FMD-80-B4)

I am pleased to respond to your letters of January 7
and March 4, 1980, in which you requested our comments
respectively on H.R. 6136 and H.R. 6619.

The two bills are essentially identical and would amend
the Economic Opportunity Act of 1964 to establish a compre-
hensive energy conservation services program designed to
enable low-income individuals and families, and severely
handicapped individuals, to participate in energy assistance
programs. Both bills would establish within the Community
Services Administration (CSA) the four following programs
for low-income individuals and families.

- A weatherization program to assist in weatherizing
dwellings to reduce energy costs and to save energy.
- A crisis intervention program to provide short-term
assistance and counseling for those threatened
with severe hardships or danger from lack of fuel,
utility shut off, or other energy-related crisis.
- An outreach program to inform and enroll eligible
persons and families in the programs authorized by
the bill and other energy or energy-related
assistance for which they qualify.
- A supplemental energy conservation services program
providing assistance to public agencies and non-
profit organizations for various energy conservation
and alternative energy sources educational, develop-
mental, demonstration, and planning activities.

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We have no comments on the Crisis Intervention Program; however, we do have the following comments on the other three programs proposed in the bills, which relate primarily to energy conservation functions.

In past reports 1/, 2/ we have taken the position that it was desirable to place energy functions in one agency with overall responsibility, rather than either place the functions in one or more agencies with no basic energy responsibility, or scatter energy responsibilities among several agencies. This would insure that energy functions receive proper priority within a single department and compete better for funds through the fund approval process (the Congress and the Office of Management and Budget). Effective October 1, 1977, the Department of Energy (DOE) was created as the national agency to handle energy matters.

The proposed weatherization program would be similar to the existing weatherization program being conducted by the Department of Energy. The DOE program is currently authorized only through fiscal year 1980. However, the President's fiscal year 1981 budget is asking for almost \$200 million to continue the program in DOE. Until fiscal year 1979, the Federal Government funded two low-income weatherization programs--one administered by DOE and the other by CSA.

In reports on those programs 2/, 3/ we recommended that, because DOE was created as the national agency to handle energy matters, the DOE and CSA weatherization programs should be consolidated and administered by DOE in order to centralize control and authority of the energy functions and insure that the weatherization of homes received the proper priority. We noted that, despite coordination between DOE and CSA, the programs were developing

1/"Energy Policy Decisionmaking, Organization, and National Energy Goals," EMD-77-31, Mar. 24, 1977.

2/"Evaluation of Four Energy Conservation Programs--Fiscal Year 1977," EMD-78-81, Nov. 21, 1978.

3/"Complications in Implementing Home Weatherization Programs for the Poor," HRD-78-149, Aug. 2, 1978.

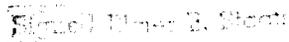
with dissimilar standards and requirements for implementation at the local level and resulting in duplicative administration costs. We also pointed out that the administration favored transferring CSA's weatherization activities to DOE. DOE and the Office of Management and Budget agreed with our recommendation. Consistent with our recommendation, the Congress included in DOE's fiscal year 1979 appropriation all weatherization funds requested in the President's budget.

If the proposed weatherization program is established at CSA in fiscal year 1981, and the DOE program is also continued, we believe that it would result in a return to the problems noted when the two programs existed. If the program is discontinued, we believe the loss of program continuity and delays could adversely affect program progress. Both bills permit up to 120 days between their enactment and publication of program regulations. In addition, both bills state that if a State does not submit a plan or application within 120 days after final regulations are prescribed, the local administering agencies may do so. These types of timeframes are indicative of the delays which we believe will occur in program implementation as new regulations and procedures are established and program administrators familiarize themselves with the new program. Such delays will also mean that needed energy conserving actions are not taken as quickly as they might be.

In our past reviews of both the DOE and CSA weatherization programs, we found problems in administration of the programs. Many of these problems originated at community action agencies at the local level. These same community action agencies administered both the DOE and CSA programs and will continue to do so regardless of which Federal agency is the source of funding.

For the reasons discussed above, we believe that the low-income weatherization, outreach (with the exception of outreach activities related to the Crisis Intervention Program) and supplemental energy conservation services programs should be under the direction of the Department of Energy.

Sincerely yours,



Comptroller General
of the United States

B-197642

bc: Deputy Comptroller General
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Mr. Seldin, OGC
Mr. Springer, OGC
Director, HRD
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