

ENERGY EQUITY AND THE ELDERLY IN THE 80's

HEARING BEFORE THE SPECIAL COMMITTEE ON AGING UNITED STATES SENATE

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ENERGY EQUITY AND THE ELDERLY IN THE 80's

FRIDAY, OCTOBER 24, 1980

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Boston, Mass.

The committee met, pursuant to notice, at 9:12 a.m., in the Gardner Auditorium, Statehouse, Boston, Mass., Hon. William S. Cohen, presiding.

Present: Senator Cohen.

Also present: E. Bentley Lipscomb, staff director; David A. Rust, minority staff director; Betty M. Stagg, minority professional staff member; James Dykstra, legislative assistant to Senator Cohen; and Christina M. Green, minority legislative correspondent.

OPENING STATEMENT BY SENATOR WILLIAM S. COHEN, PRESIDING

Senator COHEN. The hearing will come to order.

Good morning. I am indeed pleased to be here in Boston this morning to chair this hearing of the U.S. Senate Special Committee on Aging entitled "Energy Equity and the Elderly in the 80's."

The cost of all energy, particularly heating, is the fastest growing item in the household budget. Rising costs of energy over the past 3 or 4 years have presented a financial hardship for many low- and moderate-income families. It is estimated that low-income households spend as much as 20 percent of household income for energy costs—four times the amount spent by the average American family. For elderly persons living on a reduced and often fixed income, these rising costs have quickly become an intolerable burden. It is not uncommon for them to spend over 50 percent of their monthly income for energy, with even higher percentages during the coldest winter months.

Even when retirement and pension income is adjusted for inflation, these increases in income do not come even close to matching the increase in energy costs. For example, during the past 5 years, social security benefits have increase 42.7 percent, and SSI benefits about 24 percent. However, in Maine alone, fuel costs over a comparable period of time have increased 337 percent. Heating oil now costs over \$1 per gallon. Elderly households living on a social security check of only \$250 per month have difficulty paying for a normal oil delivery, costing at least \$200 or more.

Because of my concern about the impact of the rising cost of fuel for heating, I held a hearing earlier this year in Bangor, Maine, my hometown, on this topic. One elderly witness testified that after taxes,

utilities, and oil bills, she had only \$38.18 per month for other necessities. I am certain that this is not unusual for older persons throughout our region and, indeed, in severely cold States throughout the Nation. Prices will continue to rise and no one can assure another relatively mild winter.

The concern of Congress about this matter has been addressed through the home weatherization and fuel payments assistance programs. Furthermore, the Home Energy Assistance Act, authorizing home energy assistance for 1981, included an amendment, introduced by members of the Senate Special Committee on Aging, giving priority for assistance to households with an elderly member.

The elderly have received a fair share of benefits under similar programs in the past. However, due to the expanded number of households which are now eligible for this year's fuel assistance program, it is more important than ever to be sure that those who need the program most are not overlooked.

In this regard, Senate Special Committee on Aging members sent a letter to the Department of Health and Human Services suggesting that the elderly be given priority through a number of different methods. These might include preferential eligibility criteria, subtracting medical bills when computing eligibility, higher payment amounts, and improved methods of outreach.

The regulations, prepared by the Department of Health and Human Services, mentioned only the improved outreach and access to the program. Therefore, each State and local agency administering the program will, I hope, make every effort to locate and serve those elderly who are handicapped, homebound, rural and isolated, and those with extremely low incomes.

I am pleased to report that we have altered one provision in the law which might have denied elderly households participation in the program. In this year's legislation, the income eligibility level, was actually lower than last year's level for households with only one person. This would have meant that some single person households eligible last year would not have been eligible this year. Several members of the Aging Committee supported a change allowing States to use either the previous or current eligibility level, whichever is more favorable to single person households. We did not have time to amend the authorizing legislation so this change was made part of the continuing resolution—the bill appropriating money to begin the program.

As I mentioned, the committee held a hearing earlier this year on the energy problems of the isolated and rural elderly in Bangor. The response from interested citizens of Maine was overwhelming, and the witnesses provided valuable testimony to assist the committee in its public policy and oversight roles.

At this hearing today we examine the problem from a nationwide perspective. Yesterday, the National Retired Teachers Association/American Association of Retired Persons conducted a miniconference on energy issues. Today we will hear from those who have experienced these problems firsthand and those who are contributing to energy conservation efforts, assistance programs, and energy policies in their communities. The findings and recommendations of the miniconfer-

ence and this hearing will be submitted to the 1981 White House Conference on Aging.

The invited witnesses today represent public, private, and voluntary initiatives, rural and urban areas, and communities in each State throughout New England. They will share with us their concerns, solutions which have worked in their communities, and recommendations for future public policies in this critical area. After these formal presentations, I am hopeful that there will be adequate time for comments and suggestions from those of you in the audience.

Before we go to the witnesses, I would like to place in the record the statements of Senator Edward M. Kennedy and Senator Paul E. Tsongas, who are unable to attend today's hearing because of previous commitments.

[The statements of Senators Kennedy and Tsongas follow:]

STATEMENT OF SENATOR EDWARD M. KENNEDY

Today's hearing of the Senate Special Committee on Aging is an important forum not only for the elderly of New England, but for all senior citizens throughout our land, who are caught in the squeeze between their own fixed income and the soaring cost of fuel.

Today's testimony from elderly individuals will improve our understanding of the severe personal hardships inflicted by energy inflation. Their testimony underlines the urgency of this issue and the need to find better solutions than those we have reached so far. Many of these same important questions are also being debated at this week's miniconference on aging in Newton, sponsored by the American Association for Retired Persons and the National Retired Teachers Association.

The answer to this challenge will be found only through measures that meet both the demands of our economy for secure energy, and the demand of our society for fair treatment of senior citizens. There is little, if any, solid evidence that rising energy prices will call forth additional amounts of energy production. But we do know that these price increases may well eliminate energy altogether for those who can no longer pay the bill. And we also know that a winter without adequate energy in New England can be dangerous to health and even to life itself.

No society—least of all, America—can permit those who contributed their best years to the growth and prosperity of the Nation to spend their retirement in a constant struggle for food and fuel. Last July, at a hearing I chaired in Washington, D.C., I heard a 79-year-old retiree from General Electric describe how he has been forced to salvage wood for his stove from the Essex town dump in order to keep his oil bill down. He still burns over 1,100 gallons. At \$1 a gallon, he will spend \$1,100 for heat. That bill alone will exhaust his entire pension—\$87 a month.

An energy program that aggravates rather than assists such cases is unacceptable. But they are all too common in 1980, because all too often we fail to examine the impact of our policies in human terms.

Prior to the recent congressional recess, Congress took a step in the right direction. We appropriated \$1.85 billion for low-income energy assistance. A substantial part of these funds will be used to help elderly persons with incomes at or near the poverty level. I was proud to be a cosponsor of the Home Energy Act, which authorized that program for this winter. Extending that law will be a major priority of mine in the next Congress. But we must do more. The poor are losing purchasing power at the rate of \$6 billion a year compared to 1973. Clearly the present law is far from adequate.

In addition, we must develop weatherization programs, not just for low-income families, but for all Americans, to offset soaring energy prices and increase our energy security. The elderly in Canada, for example, can apply for weatherization assistance by mail, and receive a check to cover 100 percent of the first \$500 of weatherization work. A U.S. program like Canada's would cost \$25 billion over 10 years. It would save almost 2 million barrels of oil a day. Yet, our total current energy conservation program saves only a small fraction of that amount—

and the program is almost nonexistent for families who cannot benefit from tax credits.

As chairman of the Energy Subcommittee of the Joint Economic Committee, I will continue to press for new legislation to make it easier for elderly Americans to participate in energy conservation, and to be rewarded for their efforts.

I commend the Aging Committee for its important role in this effort. This hearing will contribute to the development of an integrated energy policy that fully meets the needs of the elderly. We have begun to take significant first steps. The work of this committee and of the miniconference on aging will help us all to move more quickly to reach the goal we share.

STATEMENT OF SENATOR PAUL E. TSONGAS

For many older persons, the ravages of ill health and the constraints of a fixed income, have made day-to-day existence a difficult task long before they felt the added pressures of the current energy crisis. The dramatic escalation of fuel costs has created an additional and often unbearable hardship. Senior citizens of the New England region have suffered most acutely, because of our extraordinary dependence on oil to provide heat in our homes. Any adequate solution to the problems currently faced by the elderly must be integrated into a broader national energy program, yet the elderly, along with other persons on fixed incomes, face unique and immediate problems.

From the perspective of most senior citizens, long-term solutions have little relevance. Extensive and often costly weatherization may not return the initial investment within their lifetimes. Still, a few strategic measures can be taken at little expense and achieve significant savings. Every effort should be made to inform older persons, whether or not they are receiving fuel assistance, of the potential benefits of low-cost measures which usually have a payback of less than 1 year. Those of us involved with senior citizens as a constituency, especially those responsible for the administration of fuel assistance programs, bear a responsibility to publicize and encourage implementation of low-cost measures.

In the absence of tax credits for the many elderly who pay no taxes, the incentives to improve the heating efficiency of one's own household are often not obvious. However, through measures such as the solar bank and conservation bank, subsidized loans, repayable with the energy savings, those elderly on fixed incomes can add thermal efficiency to a dwelling at little or no additional out-of-pocket expense. This fiscal year, \$125 million has been appropriated for these "banks within a bank" and should provide assistance primarily to that segment of the population who do not qualify for income tax credits, and who are not eligible for low-income weatherization programs.

Given the unstable status of some of the oil-producing nations, a meaningful national energy policy for the United States cannot continue to include practices that increase our dependence on foreign nations. By increasing energy efficient measures at all levels of our government, through all segments of our population, and through practices and systems of our economy, we can reduce that dependency. With the pursuit of alternative energy and the continued research into renewable energy sources we can eliminate the hardships this dependency imposes on the United States and the rest of the world.

I appreciate the opportunity to participate at today's hearing which provides an accessible forum for a review of the present programs and which helps plot a path toward a more efficient and humane program in the future.

Senator COHEN. We will begin the hearing today with an opening presentation by Cyril F. Brickfield, executive director, NRTA/AARP. Then Dr. Thomas H. D. Mahoney, secretary, Massachusetts Department of Elder Affairs, will provide us with an overview of the energy problems of the elderly in the cold weather States of the Nation and set the stage for the more specific testimony of the witnesses to follow.

Gentlemen, we welcome you here this morning. I had a chance to address a very large group last evening, in a program entitled "Maine Perspective," which spent 3 or 4 hours discussing issues with

respect to the State of Maine. I began my presentation with a quote from a British diplomat who wired back to his office in London one time and said, "It is impossible for me to exaggerate the gravity of the situation, but I will try." [Laughter.]

With that, I would like to hear from you, Mr. Brickfield.

STATEMENT OF CYRIL F. BRICKFIELD, WASHINGTON, D.C., EXECUTIVE DIRECTOR, NATIONAL RETIRED TEACHERS ASSOCIATION/AMERICAN ASSOCIATION OF RETIRED PERSONS

Mr. BRICKFIELD. Thank you very much, Senator Cohen.

Just for the record I will identify myself. I am Cyril F. Brickfield, executive director of the National Retired Teachers Association/American Association of Retired Persons.

I would like to note the presence of our national president, Mr. Kaasa, from Minnesota. He is the national president of the American Association of Retired Persons and he is in the room here today along with Mrs. Kaasa.

Of course I want to begin, Senator, by thanking you and the Senate Special Committee on Aging not only for your initiative but for the cooperation that we have received from the Senate committee in connection with this public hearing.

Now I have a written statement that was prepared several days ago but I think in light of the conference which I have been attending the last 2 days, Senator, I would ask permission that I submit the written statement as part of the record and that I be permitted to testify from my notes.

Senator COHEN. Your full statement will be entered in the record.¹

Mr. BRICKFIELD. Thank you very much.

Our association, as you noted earlier, was privileged to be selected for an official miniconference of the White House Conference on Aging and the name of that conference is entitled, and I think it is a good name, "Energy Equity and the Elderly in the 80's." Equity generally means fair treatment, that is what it means for the elderly. I might also point out, Senator, that we will sponsor a similar miniconference next week in St. Petersburg, Fla., at which Senator Lawton Chiles will conduct a public hearing. We look forward to that. Whereas here we are talking about cold weather problems, down there we will be talking about the heat and air-conditioning problems.

At this conference yesterday, which took place at the Marriott Hotel in Newton, there were 50 representatives—representatives that included the energy producers, the utility people, experts in the field of energy, and aging and older consumers. They joined together in developing issues that should be of vital interest to the White House Conference on Aging when it meets a year from now in November 1981 in Washington, D.C.

We had people there who were, of course, consumer representatives which is most important. We had State and Federal officials. We had medical doctors from the area of geriatric medicine. We had university people. We had gerontologists. We had people that work in the de-

¹ See page 9.

livery services such as the area agencies on aging and the State units on aging. Of course we had voluntary organizations, such as my own group, and we had architects there, people that deal in the designing of houses and things of that nature.

The purpose was to determine the major concerns of the elderly which are being caused by, one, an energy shortage, and second, by rising energy costs. Senator Lawton Chiles of Florida, who is the chairman of the Senate Special Committee on Aging, recently noted that fuel costs increased more than 200 percent since 1972 which is three times more than increases in other items that are included when you make up the Consumer Price Index. So it is little wonder, at least to our minds, that the personal economics of millions of older Americans are affected by rising energy costs.

When energy cost rises, many elderly cut back on basic necessities. For example, they cut back on food, they actually skip meals. Even when they eat, they eat less nutritious meals. They don't fill maintenance drug prescriptions, they let them go. They don't visit their doctors which they would otherwise do, and somehow or other they resort to so-called home remedies to take care of themselves.

In addition, needed home fuel costs and gasoline costs cut deeply into their budgets. In a recent study of the elderly—a group in Georgia between the ages of 63 and 79, with an average monthly income of \$212 a month, so that they are poor elderly—it was disclosed that they were spending between 40 to 50 percent of their monthly incomes on energy items. In addition, we know, because the Department of Energy published a report, that the low-income elderly will spend 40 percent of their household income this year on energy payments, as compared, for example, to a maximum of 20 percent by those of the middle-income brackets.

Further, rising costs of energy affect the health and the lifestyle of all of the older persons more directly and more seriously than younger people. The elderly find it more difficult to adapt to extremes of hot and cold weather and can be seriously physically affected by room temperatures which are set too low for too long and the best expert witness that I can give you on that, Senator, is Dr. Robert Butler, who is the Director of the National Institute on Aging, at NIH.

Moreover, we know, as a proven fact, that 83 percent of those over 65 years of age suffer from infirmities such as chronic respiratory ailments, heart disease, stroke, all of which are aggravated by continuing cold conditions.

In another area high energy costs often create special housing problems. Most elderly who own their own homes live in houses that are over 30 years old, and here again, according to the Department of Energy, houses built more than 30 years ago are generally poorly insulated. This is indeed, I think, a significant fact here today when it is remembered that 51 percent of persons over 65 live in the Northeast and the North Central areas of our Nation where winters can be severe.

In addition, rising energy costs affect the elderly in many ways other than in home utilities and in heating bills. These costs are also affecting the social services that they receive, they are cutting into the meals on wheels program. It is affecting the hot lunch which is served at citizens centers under the nutrition programs, transporta-

tion, and home health care simply because it is costing more to provide these services.

Moreover, it is becoming increasingly difficult to enlist volunteers where they have to use their own cars because of the rising prices at the gas pump.

So, Senator, these were among the problems which we discussed yesterday at the White House conference meeting. They included, as I listed, income, economic, and health problems that are related to energy, housing problems, the delivery of social services.

Now we also noted that the Federal Government and the Congress have not been idle in providing assistance in many of these areas. In fact, we feel that the congressional enactments in this area indeed have been good ones. For example, there is the income energy assistance programs to help householders pay their energy costs. Another program is the home improvement loan program, the home loan program. There is the weatherization assistance program which helps install insulation, storm windows, and things of that nature. Of course there is the very important crisis intervention program to provide clothing and blankets and other emergency items.

At the meeting yesterday, I think there was general agreement that these are all good programs, but like everything else, Senator, as good as they are they can stand improvement. For example, the home weatherization program provides only \$800 or \$1,000 for both materials and labor in connection with insulation of homes. Many of these older homes require repair that goes beyond insulation. I think you would agree that it is no use adding storm windows to a house where the roof needs replacing.

Now there is another program, the home improvement program, which provides the major repairs like replacing the roof. The difficulty is that you have to show that you have sufficient financial worth to pay off the loans and, under the program, banks may charge upwards of 12 percent on these loans. That is why I say that these laws have to be reexamined with the intent of perhaps narrowing the gap between availability and qualifying.

The function of administering the energy services was discussed yesterday and here again it was agreed that there must be more coordination between and among the various levels of government, the Federal Government, State, and local agencies. Generally, the Federal Government provides the programs and the financing. The State governments do the planning and they prepare State plans for these programs. Then finally the local agencies are concerned with providing for the delivery of these services. Unfortunately, there is intervention by each level of government.

There is a great fragmentation of these responsibilities. Just take the Federal Government alone; it has a proliferation of agencies administering the various programs. I have a book here, I will hold it up for identification. In it you will find 24 major Federal programs addressing the energy area. Involved are the Department of Health and Human Services, the Department of Energy, the Community Services Administration, the Internal Revenue Services and the tax codes, the ACTION program, the Department of Agriculture, the Department of Labor.

Now while coordination is needed all along the line and at all levels, we felt yesterday, that in the short run, coordination should start at the local level. We think the local level is a good place to start because the services of the area agencies on aging are available, for example, and there are 640 of these agencies across the Nation, as well as the State units on aging. Their services can be put to good use. I would point out that the main mission of the AAA's, is to coordinate. They are the catalysts to bring together the other delivery services in the area, such as the Red Cross, and whatnot, and I provide for the coordination. We feel that this is the level to begin. It is the level where the consumer is receiving the benefit.

I think, too, Senator, that there was unanimous agreement yesterday that an effective outreach program is sorely needed. The elderly poor need to be informed of these assistance programs and advised as to their eligibility. The problem is they are so hard to reach, and also when you reach them you find that they have a fear or reservation about approaching the bureaucracy. They need help.

We also noted yesterday that printed information notices may be distributed in better ways. For example, we decided yesterday that it would be a good idea to piggyback these notices of eligibility and benefits with social security and SSI checks. They could be added to veterans' pensions checks because as you know those that receive pensions are low income.

We also felt that outreach programs will be more effective if they are developed and administered at the local level because we feel that the people at that level get a better feel for the energy needs in the area. While we feel that they have to be developed at the local levels, we think that all community services, including the local utility services companies, including the fuel oil companies, all of these must actively participate in these outreach efforts.

Finally, it was noted that our Nation has a great human resource that is not being fully utilized in our efforts to conserve energy, it is the able-bodied and skilled older Americans, who can serve our Nation as energy conservation and emergency assistant volunteers. They could conduct home energy audits, help in home weatherization programs, advise on ways to save energy, make referrals to agencies providing financial assistance, and, most importantly, sensitize the public to the need of energy conservation.

In conclusion, Senator Cohen, I wish to state that, among others, our two associations with a combined membership of over 12.5 million people stand ready to participate in all ways with energy programs where we can be of help.

That ends my formal statement, Senator.

I have one other item I would like to submit. As you recall, when the Congress recessed earlier this month, a continuing resolution was passed providing for \$1.8 billion in low-income energy assistance through December 1980, and we are pleased that \$85.5 million of that has been set aside for emergency assistance to low-income persons, and also part of these funds, in the amount of \$3 million, will be available for this national outreach program that I have been talking about.

However, it was a continuing resolution. The main appropriation bill has not yet passed Congress. It has passed the House and the

Senate Appropriations Committee has been considering it. So far, the Senate Appropriations Committee has approved an increase in that amount to \$2.3 billion. This was an amendment that was suggested by Senator Lawton Chiles. We hope when Congress reconvenes after the November elections, it will favorably consider the entire matter.

I thank you very much, Senator Cohen.

Senator COHEN. Thank you very much for an interesting statement. I have some observations to make about your remarks, but I will wait until later before making them. Your prepared statement will be entered into the record at this point.

[The prepared statement of Mr. Brickfield follows:]

PREPARED STATEMENT OF CYRIL F. BRICKFIELD

Mr. Chairman, I wish to extend our thanks to you, Senator Cohen, and to other members of the Senate Special Committee on Aging, for your initiative—and splendid cooperation—in holding this public hearing.

The 25 million Americans who are 65 or older are deeply indebted to your committee for the many valuable studies which have focused national attention on the aspirations and problems of older citizens. We are also most grateful for public hearings that have enabled older Americans to present their views and have a sense of participation in legislative decisions affecting their well-being.

During the last 2 days, the associations I serve, as executive director, were privileged to sponsor an official miniconference to the White House Conference on Aging. At this miniconference, 50 representatives of energy producers, experts in the field of energy and aging, and older consumers joined together to discuss issues that should be of vital concern to the 1,800 delegates who will attend the 1981 White House Conference on Aging. Next year's White House Conference provides a forum in which enlightened national policies on aging can be formulated—policies that could affect the lives of older Americans for years to come.

Certainly, older citizens have a valid reason to be worried about the escalating cost of heating oil, electricity, natural gas, and gasoline. Between 1972 and 1979, fuel costs increased nearly 200 percent, or three times more than the increase in other items included in the Consumer Price Index.

On average, the income of retired Americans is only 52 percent of that received by younger employed people. Moreover, many older Americans are living on incomes below or just above the poverty level, as it is officially defined: \$3,790 for single persons and \$5,010 for couples.

It is evident that one of our chief concerns should be the elderly poor. They consume less energy than any other group, but spend a higher proportion of their total income on energy. An advisory committee to the U.S. Department of Energy estimates that the low-income elderly will spend up to 40 percent of their household income this year on energy payments as compared with a maximum of only 20 percent by those in middle-income brackets. Thus many older people are being compelled to cut down on expenditures for other essentials, such as food, clothing, shelter, and medical care.

To compound matters, 51 percent of persons who are 65 or older live in the Northeast and North Central portions of our Nation, where winters are usually severe. Many live in houses built more than 30 years ago and are poorly insulated. The Urban Institute of Washington, D.C., made a study which revealed that about 17 percent of the elderly living in cities and 30 percent of those living in rural areas occupy houses or apartments that lack sufficient insulation or are substandard in other respects.

High energy prices are also having an adverse effect upon the delivery of social services for the elderly, since it is costing more to provide these services.

A team of gerontology students, most of them elderly themselves, interviewed more than 100 elderly persons in the Boston area last winter. Some of those interviewed expressed anger and frustration because rigid program guidelines blocked them from getting assistance, or fuel oil suppliers refused to give them credit. Others praised fuel assistance programs and were grateful for the help they had received.

The study clearly indicated, however, that high fuel costs have adversely affected the standard of living of many older Bostonians.

Another study conducted by Volunteer, the National Center for Citizen Involvement, found that it is becoming increasingly difficult to enlist the support of volunteers to provide various social services. Because of the high cost of gasoline, fewer volunteers are now engaged in work at senior centers, in providing transportation for the elderly, and in such programs as meals-on-wheels.

Despite all of these difficulties facing elderly Americans, one thing is certain: We as a Nation must decrease our dependence on foreign oil.

Seven years have passed since some Arab nations embargoed shipments of oil from the Middle East to the United States. During that time, the price of a barrel of OPEC oil has risen from \$1.77 in 1973, to the current price of \$34 to \$36 a barrel. It is clear that we experienced the end of low-cost energy during the decade of the 1970's—and we must accept the likely possibility that we shall never again have the luxury of cheap energy.

In the mid-1970's, our associations opposed immediate decontrol of prices for domestically produced oil and natural gas because of the inflationary effect immediate decontrol would have had. We think the Congress acted prudently in enacting legislation which provided for a gradual removal of price ceilings.

Today, we do not have price controls on heating oil and industrial fuels, and the price of crude oil produced here is being allowed to rise, month by month, until October 1, 1981, when price controls will be lifted.

Our associations accept the decontrol of prices for domestically produced oil and natural gas as a necessary action to decrease our dependence on foreign fuels, encourage our production of oil and gas, and strengthen our national security. At the same time, we contend that programs are required to provide assistance to those most vulnerable to higher energy costs—in particular, the elderly poor.

Since we knew that decontrolling oil and natural gas prices would yield large additional profits for domestic oil and gas producers, we have long argued that a portion of the revenues of any windfall profits tax should be set aside, to help fund the cost of an energy relief assistance program for lower income individuals and families.

As you know, Mr. Chairman, before Congress recessed earlier this month, a continuing resolution was passed providing \$1.85 billion in low-income energy assistance through December 15, 1980. Of this amount, the Community Services Administration receives \$85.5 million for emergency assistance to low-income persons. We are pleased that some of these funds will be used by CSA in a national outreach program. Without this effort, many elderly persons would not be aware of the energy assistance program. The bulk of the funds—\$1.706 billion—consists of energy assistance grants to the States.

Our associations believe that the funding provided is sufficient to meet the goals of the energy assistance program through December, but we contend that additional funds will be needed for the remainder of the fiscal year. For that reason, when Members of Congress reconvene in November, we shall urge them to increase the total appropriation to \$2.30 billion—an amount previously recommended by Senator Chiles of Florida and approved by the Senate Appropriations Committee.

We do not pretend to be experts in the technology required to develop new sources of energy, but we are happy to see that steps have finally been taken to move ahead in this area. For example, funds have been authorized to establish a Synthetic Fuels Corp., which will work with private industry in building plants to extract oil from shale and liquids and gases from coal. We are well aware of the environmental problems involved, but we believe they are solvable.

We would also like to see more effort devoted to the production of energy from hydroelectric plants, urban waste, solar power, and gasohol. All of this will require a huge, sustained effort by government, private industry, and citizens working together.

Our associations believe that strong incentives must be provided the private sector to develop and expand domestic energy sources. We simply cannot afford to perpetuate our dependence on foreign oil, and recent developments in the Middle East clearly demonstrate why.

We must learn to conserve energy in every possible way—through greater use of public transportation, carpooling, elimination of nonessential driving, insulation of our homes, and architectural design that makes fuller use of the Sun's energy. We might bear in mind that the Swedes and the Germans use only about half as much energy per capita as we do, and still have a relatively high standard of living.

Fortunately, we have already made some progress in reducing our consumption of foreign oil. From a record 8.8 million barrels a day in 1977, or 48 percent of consumption, imports have declined to 7.5 million barrels a day, or a little more than 42 percent of our total consumption. But having said that, we must readily admit that we have a long way to go in seeking energy sufficiency and in building a strategic stockpile of oil to carry us through an international emergency.

I suggest, Mr. Chairman, that we have a great human resource that is not being fully utilized in our effort to conserve energy. I am thinking of the many able-bodied and skilled older Americans who would welcome the opportunity to serve our Nation as energy conservation volunteers. At relatively little cost, we could harness this virtually untapped source of manpower and womanpower. They could conduct home energy audits, help in home weatherization programs, advise others on ways to save energy, and sensitize the public to the urgent need for energy conservation. Our associations, with their 12½ million members, stand ready to participate in anyway deemed feasible.

I am also happy to report that our associations are sponsoring another mini-conference on energy and the elderly in St. Petersburg, Fla., next week. Senator Chiles, chairman of the Senate Special Committee on Aging, will preside at a public hearing to be held there.

In closing, I wish once again to express our sincere appreciation to Senator Cohen and to the Senate Special Committee on Aging for their fine support in helping us formulate energy guidelines for the 1981 White House Conference on Aging. The ideas generated at this conference and public hearing can have a significant impact on our national energy policies.

I thank you.

Senator COHEN. I am going to reorder the scheduling of the witnesses. Timothy Wilson, who is the director of the Division of Community Services of the State of Maine, has a plane to catch and he has to leave at 9:45, so I would like to ask him to speak next.

Please come forward, Mr. Wilson.

**STATEMENT OF TIMOTHY P. WILSON, HALLOWELL, MAINE,
DIRECTOR, DIVISION OF COMMUNITY SERVICES, STATE OF
MAINE**

Mr. WILSON. Thank you, Senator.

It is my pleasure to be here, to appear before you, and speak about this particular problem. My statement is brief. As you know, I do that often. My staff writes long things for me to read, and I tend not to like to do that, but basically what we believe in the division, and I speak not only for my staff, but a great number of people who have been involved with this program, both from the standpoint of administering it, and also trying to work with the regulations for the past 7 years, I feel that we have an accurate perspective of energy problems facing mainly low-income people, and particularly the low-income elderly.

The energy problems of this Nation are not new to the people of Maine. It is a well-known fact that for many, incomes have not kept pace with increased energy costs and that unfortunately many have been faced with making choices between staying warm or buying food. Energy conservation is not new to these people, it is a way of life.

Help for low-income people facing ever-increasing energy costs is primarily available through two federally funded programs. The weatherization program provides labor and materials to eligible households so that basic weatherization improvements may be made to their dwelling. Energy assistance programs, such as this year's low-

income energy assistance program or the new acronym LIEAP. We have had ECAP, EEAP, SCIP, and whatever else you want to call them. The new one is LIEAP. These programs are designed to provide eligible households with assistance in paying for their home energy needs.

In my opinion, the emphasis that is given to the energy assistance programs, at least monetarily, is misplaced. The Government is spending money to keep people barely warm in inadequate housing, when it should be mounting an all-out effort to weatherize the dwellings of eligible households, in hopes that the need for future energy assistance programs would be significantly decreased. However, the best that any State can do, is to work within the framework set by the Federal Government, and to be aggressive in seeing that all resources available are fully and equitably utilized. Maine is trying to follow this course.

Governor Brennan has set a goal of weatherizing all eligible houses in the State, estimated at 40,000 by 1983. We intend to end that program. We are not going to wait until we are all dead and gone with hopes that maybe we will get to it. I am hopeful that funding will be available to achieve this goal, and feel that once achieved, we will have made a major step toward helping low-income citizens; that is, the elderly citizens coping with energy costs. However, in our efforts to reach this goal we will have to be innovative, to work with Federal regulations that are at times restrictive, and to push continuously for adequate funding. The division is presently implementing a new system which will utilize private weatherization contractors, in addition to the community action agencies, in hopes that we can begin weatherizing the 12,000 homes per year necessary to reach the goals we have set.

Weatherization and energy assistance programs should be working hand in hand to meet the energy needs of low-income citizens. Unfortunately, such an effort is made difficult, if not impossible, by the Federal Government. The regulations for this year's LIEAP program specifically prohibit the use of energy assistance funds for weatherization and conservation. They do mandate applicant referral to weatherization but with current waiting lists of approximately 3,363, such referrals become long range at best.

A major problem of the energy assistance programs, including this year's LIEAP, is that there is no continuity from year to year. Each year, States are placed in the same position of having to design a new program to meet new Federal regulations. To compound the problem, Federal regulations are consistently late in coming, and implementing programs designed to serve people during the winter months becomes a race against time. This situation not only puts staff at the State and local levels in a difficult position, but also is very confusing for clients.

In designing these programs the Federal Government is becoming involved in areas that are better left to States. An excellent example of the Federal Government's lack of understanding of individual State's specific needs is the requirement in this year's LIEAP regulations that fuel oil dealers, unless exempted by a complicated, time-consuming process, must agree not to terminate deliveries to LIEAP clients for 60 days, regardless of any outstanding bills the client may have. After the 60-day period, the State must hold a fair hearing, and

until a final decision is made, the dealer must continue deliveries. This requirement alone is causing major problems in the implementation of Maine's LIEAP, and in my opinion, is an area that should be left to States.

The Federal Government has got to change its priority and begin looking at weatherization, and not energy assistance, as the key to helping low-income people fight rising energy costs. A goal should be set to weatherize all eligible homes in the next 3 years, and any future energy assistance program should be designed to supplement those still in need. Consistent, timely and workable regulations have got to be available for both programs. As part of an overall plan, the Federal Government should look also at other programs, to be sure that some programs are not feeding others. By example, a husband and wife living on combined social security income can barely meet monthly expenses of keeping up their home. When one dies, the remaining spouse is faced with a decrease in benefits, but the same, if not greater, expenses. It is situations like this that force many elderly people to seek assistance from other programs or, worse, yet, to leave their homes entirely.

In closing, I urge that a comprehensive, long-range energy conservation plan is formulated so that the Nation's low-income households—many, as was stated, that are elderly—can have a fair chance at meeting their energy costs.

Senator, thank you.

Senator COHEN. Thank you very much, Mr. Wilson. I understand you have to depart by 9:45, so I will keep my questions very brief.

You stated that there certainly ought to be more coordination for the programs and perhaps we should tailor the short-term fuel assistance program with the long-term weatherization program. I would like to ask you, how do you plan to find those people who have the highest energy cost and the lowest incomes, and serve them on an equitable basis—and the key word here is equitable—rather than a first-come-first-served basis this winter? How are you going to direct your programs to those most in need?

Mr. WILSON. First of all, Lucille Simpson is here who is a program director on the local level. Again we have 7 years' experience. I listened to what was said, and some of the things the gentleman said previously, are things that in Maine we have already decided. We had a conference called Neighbor to Neighbor, where every conceivable group that had something to do with winter, would come together and work at a conference, to decide how, on the local level, they best help those in need to get to those people who need it most, so that they come into the areas that have been designated for the LIEAP program. The outreach is very, very important. Our rules and regulations place elderly and handicapped first.

We have done that over the years in every program but I guess the big problem is that you have to reach those people to get them there. Our outreach effort has improved from year to year, but as I was saying, I have made some tremendously tough decisions this year about how we will run our programs in our State. We will be running the program at a much lesser cost, because there is not enough money in the budgets to do the kinds of things that maybe are perceived at a national level.

We cannot go to our State legislatures and ask the kinds of money to run a program in what I consider a Cadillac manner. We need the volunteers in the area agency on aging to work with community action programs, to get those people through the doors that need the help. We need the churches.

In other words, what we are saying, in agreement with the speaker, is that at the local level they have to set priorities and they have to work the emergency situations. This program is not an emergency program, it is not meant to be the way the rules and regulations read, so therefore the local people, the pressure is going to be on them to deal with a lot of the priorities, they are going to have to set those priorities, and have a plan on their local level to deal with those people who need it the fastest. In other words, we have reversed roles. We tried to do it at our level and we were somewhat successful, but it is much better at the very first level.

I think that has to be a continuous theme from your side, people must understand that the family, the next door neighbor, the community church, the school, the local people, have to take care of their own and then if they can't, then you buck it up. We can, at our levels, determine what is necessary at that time, and that I guess has been the theme for the last 2 years with weatherization, it has been the theme for our 504 program.

As you know, we can't eat up Farmers Home. We used that money and Farmers Home gets very upset, because we say to other States we want that money. That would answer the question about the improvements that need to be done. But again, Maine is rural by nature, and we have only a little over 1 million people, so, therefore I think to cope with a lot of the problems that other States and areas can't cope with, we are not always successful. I think we have the right perspective. I only wish that sometimes the people from Washington would come to our place, and look at it, and then go back to try to work on the situation.

Senator COHEN. Your recommendation, then, is to have a bloc grant approach to a city and an assistance program which would allow you, the State of Maine, the flexibility to apply that money to weatherization, as well as the fuel assistance?

Mr. WILSON. Yes; you attack the problem, not just with money, because we have done it for years and have not always been successful, but to take the bloc grant and have the State develop a plan and that plan—I mean all the agencies, all the people that impact on the program. That bloc grant comes in, the Governor has to submit a plan to a Secretary's committee of those 4 or 5 or 10 agencies that must be accepted, and then the State goes about implementing that plan with a due date.

Just like business, if you don't comply with the contract, you lose your money or you have to pay it back. I think then it is a very perceptive way, very honest way, to complete the projects because what we have is continuous, it is like a big machine or snowball, keeps getting bigger and bigger and bigger and everybody has a solution for the problem except the people who think they have a solution—they are the problem as far as I am concerned. [Laughter.]

Senator COHEN. You are finding it so. [Laughter.]

Mr. WILSON. Last night you got yours.

Thank you very much, Senator.

Senator COHEN. Thank you, Mr. Wilson

Mr. Wilson had the great privilege and painful experience of listening to me talk for hours last evening, so I won't make him go through that again today.

Let me just make a few observations before we have our next witness testify.

I think what Mr. Wilson and Mr. Brickfield are suggesting is something that is long overdue. I mentioned last night's session. It was a unique experience for me to sit in a room filled with some of the leading citizens of the State of Maine from all ends of the political and philosophical spectrum. You may recall that Maine recently had a referendum on shutting down the only nuclear powerplant in the State.

The owners of the utility companies were there last night. There were also the leaders of the efforts to shut down those facilities sitting in the same room, having dinner and discussing the future energy problems of the State of Maine. I thought as I walked through that room, had I not seen the sign on the door saying Maine Perspective, I would have thought I was attending a fundraising dinner for John Anderson's new coalition. I could not believe you got that many people, with such diverse opinions and philosophies, in one room saying, you know, the time has come when we have to start talking to each other and working with each other.

The issues are not black and white, they are not Republican and Democratic; they may be a public plan in many instances. That is how complex it has become. But the time has come for us to somehow put this tremendous resource that we have available in the State of Maine—and I suggest that Maine is only representative of the entire country—together in one room and say, let's stop the nonsense. Let's see if we cannot devise a more simple and more direct way of dealing with these social problems.

I listened to Tim Wilson talk about local control. Going back to local control is not an issue of Republicanism or Reaganism or Presidential politics. I mentioned last night, for example, a new book out called "The Third Wave." And the author talks about what? He talks about the problem of the massification of our institutions, which has resulted in a depersonalization and a depression of the human spirit. He talks about getting back to local control. We have learned that this concentration of power in Washington has led to a fragmentation of responsibility. Everyone is responsible for something, but nobody is responsible for everything. As a result, the people in this country, my State especially, feel very frustrated.

We have this wonderful array of programs that you point to in your energy booklet, but we are not sure where we should go or who has the responsibility of making the decision. You and I and anybody in the bureaucracy would be hard-pressed to identify which particular office or which particular head of an agency has the responsibility for the delivery of services. So it is not really a question of partisan politics, but rather the consensus that is developing in this country that we have

to lay those things aside and come to some sort of major consensus of how we combat the real social problems that are confronting us today.

I recently had a chance to speak to the Maine Municipal Association concerning the problem of the domination of the Federal Government in our whole system of federalism. The question is whether or not we have a true partnership in a situation of increasing federalism. I tried to form a catchy title for my talk, and I thought about "Haywire." But I thought perhaps Brook Hayward might disagree with my choice of title.

I thought about "Out of Control." G. Gordon Liddy had something to do with the novel. My theme, "The Browning Out of Liberty at the Local Level," is what I tried to portray to municipal officials from all over the State of Maine. I said, my God, we cannot function any more, it does not work. The regulations are inconsistent with one another. The Government has gotten out of control—it is not listening to people at the local level. This is an issue that not only affects the elderly, it affects us all.

The one comment I want to make, Cy, about your booklet, is that you listed food, medication, doctors, and health care as costs. Hazards would be one that I would add to that for the many people in Maine who are using wood stoves.

In addition to that, we must be careful not to simply approach this on a narrow perspective, but rather considering the whole issue of inflation. Somehow we have allowed ourselves to convince society to accept double-digit inflation. As you know, it went up to 18 or 20 percent last year, and that was quite horrendous. Now we are back to 11.7 and things are considered better.

If we somehow allow ourselves to accept double-digit inflation as a normal course of doing business and staying alive in this society, we are going to see that no matter what we do for these programs, there will never be enough money. In terms of our economy, we must not only provide temporary solutions, such as fuel assistance or weatherization programs. Somehow, we have got to come to a consensus regarding what we have to do to become a more productive nation. We are no longer a nation of producers. We have become a nation of consumers. That is why we are on the lowest rung of the ladder, while all of the Western industrialized countries, Japan, and others, are out-producing us. It is because they concentrate their capital into productive industries and use it to buy more plants, equipment, modernization, and so forth, while we have simply adjusted ourselves to becoming consumers and not producers.

That will have a long-term effect upon the lifestyles of all of us. I think it is important that we look back to 1976. I don't say this in a partisan way, but we had 4.7 percent inflation just a little more than 3½ years ago, and we thought it was intolerably high then. I can recall the campaign of 1976. Since then, inflation has climbed to 12.5 percent, at one point going over 20.5 percent. The result is that inflation hurts all levels of society, particularly senior citizens. It will not be enough just to develop energy assistance programs for the elderly, unless we can also deal with inflation.

Now, if we could hear from our next witness, Dr. Mahoney.

**STATEMENT OF THOMAS H. D. MAHONEY, PH. D., BOSTON, MASS.,
SECRETARY, MASSACHUSETTS DEPARTMENT OF ELDER AFFAIRS**

Dr. MAHONEY. Welcome to Massachusetts. The Governor is very pleased that you are here and extends the warmest greetings.

We here, in Massachusetts, of course, have a special relationship with Maine. We do not look upon you in a paternalistic way, but we do recall that you were part of us until 1820. [Laughter.] Under the Missouri Compromise by Henry Clay, we allowed you to go your own way and we have watched you carefully ever since.

We also, of course, have the relationship of being fellow New England States, with this common problem that we are addressing here this morning. So you are quite welcome.

For the record, I am Tom Mahoney, secretary of the Department of Elder Affairs here in Massachusetts.

The Federal home energy assistance program has brought appreciable relief to the poor and elderly in this region I of New England. Without this kind of assistance from the Federal Government, I cannot even imagine what an adverse effect our cold, dark winters, and our proclivity to disastrous snowstorms and blizzards would have on our low-income citizens.

You yourself have stated, Senator, that the New England climate is severe, its housing stock old, and its dependence on foreign oil both wasteful and expensive. The cost of fuel is rising and because of the rising costs of other budget items, those on fixed incomes at many levels are struggling to make ends meet. The Federal program for fuel assistance and weatherization helps us to at least meet the fuel consumption needs of the persons who are so much in need, our elders.

I would like to take this opportunity to restate my position on the need for our country to have a permanent Federal program with adequate appropriations to assist low-income households meet the demands on the shrinking dollar, to provide heat in those States where the winters are severe. I think it would help hold the line on administrative costs, and it would give us additional time to put the State's assistance plans in place by October 1 of each year.

The Federal program needs also to consider granting a larger portion of funds for conservation and weatherization to protect the fuel assistance dollars. Low-cost or no-cost weatherization can save up to 20 or even 30 percent of the heating costs during the heating season. Over a period of time, households would thus become more energy efficient and consumption would be reduced. Again, permanency of the program would allow us to have this work done in the spring and summer. We could then give our full attention to fuel assistance in the fall and relieve some administrative problems. This would allow us to increase production and expenditures something on the order of 200 percent in weatherization, but there is provision for only 2 percent of the State's poverty level homes.

Approximately two-thirds of the homes in Massachusetts heat with oil. We do have rural areas, Senator, where wood is now being used as well, and as you well point out, there are some safety problems involved there. Senator Tsongas, for example, state that Massachusetts produces only 3 percent of its own energy needs, and that money spent

to bring in energy resources drains funds away from our economy, thus making Massachusetts' energy resources more expensive than in other parts of the country.

Massachusetts, of course, has the largest population in New England, and this makes it No. 1 in relation to the need for energy assistance. According to 1978 Census Bureau figures there are more than 980,000 people in Massachusetts who are over 60, and 84,000 of this number have incomes below 125 percent of poverty; 58,000 of those over 65 live alone, and 49,000 of the latter are women, whose incomes tend to be less than those of men.

We are faced also with the rise in the cost of home heating oil which is expected to increase from that earlier predicted at about 90 cents to \$1 a gallon to probably \$1.30 in the coming winter. In the colder areas of Franklin and Berkshire Counties, here in Massachusetts, where our largest percentage of rural residents live, heating costs could easily increase to almost 50 percent of a resident's available income, and heating costs for the average Massachusetts' home are currently \$1,200 to \$1,500 annually.

As with Cy Brickfield, Mr. Wilson, and yourself, we do not want the elders to sacrifice food and clothing to pay their heating bills. We need to make assistance available to those who need it and we cannot ask our elders to make heat reduction the basis for conservation. Most of us are all familiar with Dr. Butler's study, and for those who are not, it is well to point out that accidental hypothermia is not only a medical danger, but it is a social and an economic danger as well. This, of course, happens when the core body temperatures of elders falls to 95° or below.

The Commonwealth is making every effort to supplement the Federal program. Our Department of Energy is providing small grants to increase our conservation measures, and we want to add a word of congratulation to them for a novel program to allow private contractors to supplement CETA's basic weatherization work.

The Department of Elder Affairs is currently reviewing funding proposals from our area agencies on aging for innovative energy programs. We continue to encourage these area agencies to have permanent energy coordinators to work with councils on aging in maximizing the number of persons reached, and the quality of service given, to the fuel assistance program.

I have established a winter task force committee under Assistant Secretary Clemmons that meets monthly in Worcester—in the center of the State—to coordinate energy efforts throughout the State, and to make recommendations that they feel the Department should act upon, to improve the efficiency of our energy program.

We take some pride in Massachusetts for our support in getting the home energy assistance program started in advance of Federal moneys being received. In 1978, \$1 million was advanced for emergency assistance, when the State was devastated by the February blizzard. In 1979, Gov. Edward King signed legislation which appropriated \$15 million to supplement Federal aid to people whose incomes were between 125 and 150 percent of poverty, and also made \$10 million available, as a loan, to the community assistance programs, in advance of Federal money.

May I point out, parenthetically, that we were one of only two States in the entire Union that provided its own local money to supplement the Federal program. New York was the other, and we outspent New York by a considerable margin. This year we are the only State in the Nation which already has voted to advance State moneys in this program. Already \$30.5 million has been appropriated by the Commonwealth for the coming winter. The Commonwealth has worked very vigorously to insure that its fuel assistance to the State's poor and elderly will be successful, and this is all the way from the Governor's efforts down through the local community efforts. In addition, we have a number of advocacy groups here in Massachusetts, and they are working on behalf of their particular constituents.

Furthermore, it is necessary that we continue our efforts to create adequate, safe, and decent housing for elders. Here again, I am proud to say, that Massachusetts is in the forefront, with the current 2-year commitment of some \$67 million for elderly housing, which follows upon the development of some 200 congregate housing units, bringing our last 3 years' appropriations to over \$100 million of our own money for elderly housing. Still, we do desperately need assistance from the Federal Government.

The Federal eligibility criteria for the 1980 and 1981 fuel assistance program increased the potential number of households to be served from 250,000 in 1980, to 441,000 in 1981. I don't know of any State that can meet that rated increase, and we will have some problems here. It will impact very seriously on the limited resources that we have, to meet those needs, and even with our own systems, we recall that blizzard of 1978, which proved that New England weather can very, very quickly cause an emergency situation.

The winters are long, the winters are cold, energy costs are increasing, and we need Federal dollars to help address the continuing needs of our elders for fuel assistance. There is no alternative program that this State has left untapped. In fact, we do face more budgetary restrictions, so we have to work together as Federal and State authorities for a solution to these problems, and we suggest that it might be done by the establishment of a comprehensive fuel assistance weatherization program, energy efficient housing for elders, and a permanent funding in place to make the program administratively feasible on a year-round basis.

Thank you very much.

Senator COHEN. Thank you very much for your testimony.

Perhaps I should make the same observation following your testimony as I did to Cy Brickfield. He pointed out that when Congress goes back into session, he hopes we will move quickly to appropriate the money that should have been appropriated. I would simply add, in connection with your desire to see this set in concrete as a permanent plan, that Congress bears its measure of responsibility for the confusion that currently exists, and the frustration you and others who are working in the field experience right now.

I don't know why we are going back into session after November 4. We should have done this long before. The fact of the matter is, we are going to experience the first lame duck session of Congress, I think, since 1954, and that is exactly contrary to what needs to be done to

take action. I had one gentleman last night say, "It is wonderful, Senator Cohen and Senator Mitchell, we all agree with the tremendous problem of overlapping governmental jurisdictions, what are you going to do about it?"

I recall that last year Alfred Kahn, our anti-inflation czar, went out to Chicago and met with a group of home builders and contractors who said: "Look, inflation is just destroying the housing market. Let's all get together and agree that for a 6-month period we will have no increases for housing costs." Kahn went out there and he praised those contractors saying, "You are really patriotic Americans, and it is a great sacrifice you are making on behalf of all the people." Three weeks later the FTC sent a notice saying they were in violation of the antitrust laws governing restraint of trade. So, we have one Federal agency saying, you are doing a great job trying to hold down inflation, and we have another saying, you are violating the antitrust law. It is that kind of confusion we are talking about and, too often, not doing anything about it.

I would say the time has come for action. It is unfortunate, in my view, that we have to go back after November 4. We could have held this session long before November 4 and really done the people's work. That is not the case. It is going to take, in my judgment, pressure from people like those of you in this room, telling Members of Congress that you want action and not just a lot of words about what has to be done.

Dr. MAHONEY. I could not agree more, Senator.

Senator COHEN. I thank you for your testimony. I have several questions, but you have already answered most of them.

What would you recommend in the way of greater coordination between agencies at the State, Federal, and regional levels with those people who are actually operating services on the local level?

Dr. MAHONEY. I think a lot of that can be done by the regional AoA, Administration on Aging, which, in this region, is very, very good and very much concerned with close cooperation between them and the State agencies. Then the Department of Elder Affairs gets down to the local level. Again, I am a very firm believer in the philosophy that you espoused about working on the local level. I think that this will be the solution for a number of the problems.

Senator COHEN. Thank you very much, Doctor.

Our next witness is actually a panel of witnesses. We have Frances Riley, accompanied by Robert M. Coard, who is the executive director of Action for Boston Community Development, Inc.; Lucille Simpson, who is director of the energy program, York County Community Action Program, Alfred, Maine; and Jordan Cole who is chairman of the board of directors of the Southeast Vermont Community Action Agency in Putney, Vt.

Ladies and gentlemen, welcome to the hearing.

Perhaps we could start with Mrs. Riley.

STATEMENT OF FRANCES RILEY, BOSTON, MASS.

Mrs. RILEY. My name is Frances Riley. I am from South Boston. I am 64 years old and I have been a widow for 9 years. My husband

and I bought a single family home in 1966, heavily damaged by fire, and it took 2 years, and a lot of work, to make it livable again. My husband died in 1971, and I found myself alone in the home we had rebuilt. With a social security payment that now comes to \$280 a month, I could not afford medical care, clothing, or home repairs.

Heating the house soon became impossible, and I started to close off room after room, until I ended up living in the kitchen. Even hot water has become a luxury, and the price is too high. I am not the only one in this boat. I know many elderly women who are in even worse situations, who have been forced to sell their homes.

I know there are no easy answers to our problems. Last year I applied for fuel assistance, and got \$400. I also signed up for weatherization which I hope will help to keep the fuel bills down, but I need fuel assistance again this year—it can make the difference in helping me to keep my home. I know that many others have serious problems, too.

I have a good friend with me here today, Mary DeVincentis, who is also a widow living on social security in an old apartment building on my block. She is 65 years old and has to carry 5-gallon jugs of range oil up from the cellar, when she can afford to fill her drum. It costs her over \$100 a month to heat 1½ rooms. She closes off the rest of her apartment to save money, but there is only so much you can do yourself. She has applied for public housing, and we have looked for another apartment she can afford, with no luck. In the meantime she has to stay there.

The roof leaks and the building is falling apart, but what can she do? Until she can find better housing she has to live there. She needs weatherization and she needs fuel assistance. Many of us who have worked all our lives, and raised families, and built our communities, now need help ourselves. Mary and I cannot speak for everyone, but we know we are not alone in the problems we face. We are able to help each other to a point, but we also need your help. Fuel assistance is one of our greatest needs, and I hope that by telling you our story, it will help to see how important it is for so many of us.

Thank you for listening.

Senator COHEN. Thank you, Mrs. Riley.

I should say for the benefit of the people here that one of the reasons we asked Mrs. Riley and her friend, Mrs. DeVincentis, to come, is because you are not a professional witness.

Mrs. RILEY. No.

Senator COHEN. You are not a professional person, as such.

Mrs. RILEY. No.

Senator COHEN. That is one of the reasons we wanted to hear you, because as professional politicians, we are in the business of trying to pass upon the public issues. That is our occupation. We have people who work with agencies and departments, but sometimes it is more important to hear from people who actually have to experience the hardship. We can talk about it and cite you statistics, but you are the one who is undergoing the hardship. You speak for hundreds and thousands of other people who have the same kind of adversity. We did not really expect you to come forth with a polished speech as such, but we wanted you to speak from the heart about these problems, as

you have done. I know it is kind of an intimidating experience to stand up and speak before a large crowd.

I want to ask you just a couple of questions. You mentioned you had received \$400 last year under the fuel assistance program.

Mrs. RILEY. Yes.

Senator COHEN. How much is the monthly fuel bill for you?

Mrs. RILEY. Well, I made equal monthly payments of \$50. That would be \$600.

Senator COHEN. For the entire year.

Have you had any insulation or any weatherization done to your house?

Mrs. RILEY. Not yet.

Senator COHEN. If you were here before, perhaps you heard Mr. Wilson make the point that it does not make a great deal of sense, either commonsense or dollars and cents, if we only have a program to help pay for the cost of fuel without also doing something to conserve the fuel. The price is going up. Ladies and gentlemen, what you see now are very high prices of oil. I can guarantee you from some of the reports I have seen, classified and unclassified, that the price of oil is going to escalate even more dramatically in the next 5 years. It is going to go up \$70 to \$75 a barrel compared to where it is now, because of the kind of pricing policy that you have seen. Oil is not going to become cheaper, it is going to get much more expensive. There is not really enough money in the Federal Treasury if we just adopt a policy of paying more—of subsidizing more and more people who cannot afford to pay for their oil—unless we do something to conserve that energy. That is the point that Mr. Wilson made. It does not make a lot of sense for us to have a Federal regulation that says, here is the Federal assistance money, but don't use it for weatherization, when both payments assistance and weatherization are so important. We have to use the fuel assistance to help you and others get through the winter, but the long-term goal has to be a reduction in the consumption of energy.

We can hardly afford to continue to pay for oil when as much as a third of that energy is wasted through inadequately insulated walls, windows, and roofs. It would be the same, if I could draw an analogy as paying for the heat in your home if there was no roof on top. We cannot do that. What we must have is a dual approach of fuel assistance for the short term and a long-term goal of reducing the consumption of oil and finding alternative energy sources. I think that your testimony was very eloquent. We appreciate your coming.

Mrs. RILEY. Thank you. Is that all?

Senator COHEN. That is all.

Mr. Coard?

Mr. COARD. Thank you very much. I would like to welcome you and your committee and staff to Boston.

Senator COHEN. Before you begin, I might point out that in addition to giving up part of Massachusetts to Maine, you also gave up your treaties for two tribes. They wanted most of the State of Maine back, though we resolved that issue satisfactorily to all parties concerned. I want you to know that 1820 became a date very heavily imbedded in my mind over the last 5 years.

**STATEMENT OF ROBERT M. COARD, EXECUTIVE DIRECTOR,
ACTION FOR BOSTON COMMUNITY DEVELOPMENT, INC.,
BOSTON, MASS.**

Mr. COARD. For the record, I am executive director of Action for Boston Community Development, Inc., Boston's official antipoverty program. It was started in 1962 by many persons in the banking and civic communities and residents of Boston's neighborhoods, with a great deal of help from the Ford Foundation.

We have been asked to carry out the fuel assistance and weatherization programs, not only for the city of Boston, but also for the surrounding communities of Brookline, Newton, Needham, Dedham, and Waltham. We have worked closely with the State's secretariate, especially the Human Services Secretary; the Secretary of Community Development, which the Government has designated to operate the fuel assistance program in the State, and the Secretary of Energy.

We served 60,000 families in the Greater Boston area last year. Rising fuel costs and inflation has wrecked havoc on those elders who have been able to budget for their golden years; and elders who have been and continue to be the poorest of the poor. All aspects of their lives—living standard, health, nutrition, and recreation—have also been changed by forced choices which are negative and often fatal in their consequences as a result of the energy crisis which has descended on us recently. Concomitant with the nutrition and health problems which may be caused or aggravated by colder temperatures—arthritis, hypothermia, influenza—are the problems of increased isolation as cold temperatures in the home become a disincentive to entertaining families and friends. Mobility is decreased as gas prices/funds available for public transportation must be used for fuel. The sense of personal pride in their ability to take care of themselves is often damaged.

Even for those elders for whom the energy crisis has not created life and death choices, the acceptable standards of living and barely coping have been eroded. This erosion has resulted in the creation of a new population of poor people who have lived productive lives and now find themselves struggling through subsistence conditions. In spite of demonstrated conservation measures undertaken by elders—for example, thermostats set at 65° at night, which for elders can be life threatening, restricted use of automobiles and other measures, little improvement has occurred.

It is imperative that there be a national commitment to provide energy related resources to elders in consideration of the often fatal effects of our failure to provide such resources. Energy equity in the 1980's can have a significant impact on identification of specific components of a much needed national commitment and we are happy to provide comments on the weatherization and fuel assistance and to commend some of the areas of that effort which we feel need to be pointed out.

Last winter we had 22,966 applications which were eligible for fuel assistance. Thirty-five percent of those served were elderly households. Of the 8,014 elderly households, 2,936—almost 3,000—could not have been served because of restrictive Federal guidelines. The only way we could serve them was through State assistance programs.

Senator COHEN. What kind of restrictions?

Mr. COARD. Well, there were a number of people who missed, for example, the Federal guidelines by \$50. If we served them, they exceeded the amount by \$50, and the GAO and the auditor said this was disallowed.

Senator COHEN. How do we deal with that if we don't have some sort of an income guideline? Would you recommend just making it open-ended?

Mr. COARD. No, we don't need to make it open-ended, but I think we need to have some flexibility on the State level for those. Instead of that we seem to be getting more restrictive. I think the benefit level was actually set at \$500 limit. We had a \$600 limit set by the State. This year the State, after having public hearings said we limit it to \$750. The House had set it at the \$500, and, of course, the Senate has not acted finally yet. Senator Wong is trying to wait for the bill and with his particular perspective, which is different from the States in New England that we represent, and it may appear in the final legislation because we are on a continuing resolution.

Other aspects with respect to serving the elderly were the regulations written by HEW or HHS which were restrictive with respect to elders in this kind of a situation. Also, we have the problem that when we set the income standard right across the country the first one makes \$3,000 in Mississippi. He makes \$3,000 in Boston, in Hawaii, or Alaska, and if we have not adjusted for that next year because of the politics of the Congress, and we are not reflecting what it really takes to live in a high inflationary area like Boston.

As far as I recall, the Bureau of Labor Statistics, indicated Boston was the highest costing city to live in outside of Hawaii and Alaska in the country. I had thought New York was the highest, but we have a situation here in Boston.

A couple of other specific points. We were able to get through the State secretariates to the Governor, who is very sympathetic to the plight of the elders, and the poor in this State. We had a dinner last Thursday and he spoke. Of course, we have all been very active in trying to do something about it. We like the Governor's contribution and support.

Secretary Mahoney mentioned this year we are the only State to have supplemented State fuel assistance programs, which this year were even worse because of the increase in income through upgrading of social security payments, one- or two-person households were to be totally excluded from this year's fuel assistance program, which means a great number of the elderly. So fuel assistance on the State program level is badly needed, and we increased the amount of money this year.

We also added this year the \$2.5 million for the conservation program. I speak to that and that is very, very unique, and it has a greater flexibility because it uses CETA workers for the most part, and they don't have the necessary skill levels. When Secretary of Energy Duncan visited my agency and spent 6 hours with us about a week after he was named by the President, we took him around and showed him some work, and he had some solar insulations and we have the sur-

rounding committees. We explained to him that he needed to relax the Department of Energy's rules with regard to labor, and he has done so since. There is still a need for work to be done in this area. It is a very important area. So combined with the tools, we are moving in that direction, despite the limitations that we had in achieving this particular goal.

The payment matrix is one of the five major areas of difficulties. There remains the question of nonadjusted standards of living as a result of the recent action. The inflexibility of these guidelines has meant ineligibility for elders who exceed the annual allowable income by as little as \$50. I think maybe one reason we are dealing with that is that the States would have the right to flexibility to make a decision on it, say, if the income eligibility was \$500 of the national standard, for \$800 for the national standard, more or less. I don't have to give a reason for it, it is a document for one reason or the other.

This year, also, the HHS has set guidelines which really are extremely complicated; they slow down the program. This year the rules go from \$400 up to \$750; in other words, the differential whether they use gas or wood or oil. The amount of money of the Federal program has been reduced.

Hopefully, when you go back after the election, we will not have \$1.8 billion, which I think in 1976 that they will not be reallocation, and the Sun Belt States take most of the money. We are very proud of the work that the Congress has done, particularly in House, with regard to this area where it is a continuing struggle, because we really need a more equitable distribution of Federal fuel assistance funds.

SMSA's—we have 10, so we are working with it. It is again an unnecessary complication. What they should do is allow us to choose which SMSA we feel is most advantageous to the people we serve.

Program administration is another area with respect to the year-round program that should be in place. Both with respect to heating, and summers in this climate that are pretty rough on older persons. In addition to that, right now my agency probably is going to have to distribute about \$16 or \$17 million this coming winter. Yet, we can only be paid for 7 months' work. The kind of people we need to do this we cannot find on the Boston Common. These are highly skilled people. We cannot tell someone to come to work for us 7 months and then go on unemployment—not someone who would have the skills to deal with this.

We have not yet been able to get the Federal Government to realize that this should be a permanent program. The kind of thing we have had similar to this in past years as I recall, were the summer programs. The people in Washington used to put their finger up and figure whether there was going to be a riot. Senator Javits introduced the perennial bill and bingo, we have a program. We kept doing that every year. We have a great deal of uncertainty, and this reminds me of the same kind of thing.

Again, I just want to say we need to have the weatherization and fuel assistance programs coordinated, particularly for this climate; otherwise, we will just be transferring money to the oil companies on a permanent basis and not in any way reducing the amount of transfer. We have also tried to use this program for job training for a person

who would normally be unemployed. Because this money is being used for elders and poor people, we feel we should try to make this as much as possible an opportunity for poor people to learn a skill and be employed in an energy related field because we feel this is an expansive area. These are informal comments. I didn't want to read my prepared statement,¹ it is much too lengthy.

I appreciate very much the opportunity to speak to you.

Senator COHEN. Mr. Coard, thank you. I have a couple questions to ask you in a moment, but I think the essence of your testimony points to the whole variety of areas of concern to this committee.

Before I go any further I will introduce Betty Stagg, Dave Rust, and Chris Green of the Aging Committee staff. Where is Chris? She is around there. And Jim Dykstra of my staff.

Mr. COARD The staff did a good job.

Senator COHEN. They are very concerned, very energetic, and they are intensely interested in not only the energy problems of the elderly, but health problems in general. For example, I was jotting a note to myself here about health care in this country. You point out very eloquently the inequity of the "equal treatment." In our health care system, we treat everybody equal. Unfortunately, there is a great inequity in that particular approach.

For example, in treating everybody equally, we say, you all have to go into an institution. You get medicare or medicaid if you go into an institution, but nothing if you don't. The evidence shows that about 25 percent of the people who are in nursing homes don't need that level of care. That is why there has been a very strong push from this committee to see if we cannot develop a home health care system, so we can start treating people according to their individual needs. It may be more expensive because there are a lot of people who need care that are not receiving any services. But, there are a lot of people who could be helped in their own homes. We must tailor these programs to more accurately meet people's needs and be more economical as well.

There are some changes taking place in Washington. We have finally raised the mandatory retirement age to 70, and eliminated it entirely for Federal employees. There has always been this attitude that you turn 65 and you take one long step into old age. We all know that is not the case, that different individuals reach a different stage at different times. Some people are old at 45 or 50, others are young at 70 or 75.

Mr. COARD. That is right.

Senator COHEN. I won't get into Presidential politics. [Laughter.]

But, you see, the elimination of a mandatory retirement age for Federal employees was the first recognition. We have to start dealing with people as individuals, not simply as age groups or ages. That same principle applies right here with the energy problem. It is not enough to say that Massachusetts or Maine will receive equal allocation of funds as some of the Southern States, when indeed we have vastly different needs.

In my part of the country I go up to northern Maine where the winter temperatures fall to 30° and 40° below zero. It is really cold up

¹ See next page.

there in Aroostook County. So to say to the people of Maine or Massachusetts that they are going to give you an equal amount of money as in other parts of the country, is really not equal at all. There is a real inequity.

I would like to explore the bloc grant approach. Would you say that if the States had more local autonomy to develop rules or guidelines for the expenditure of funds for fuel assistance that you could do a better, simpler, and easier job of producing guidelines that people could understand?

Mr. COARD. Let me give a qualified yes, because from time immemorial, the Federal Government, unfortunately, had to be the chairman of the poor, the elderly, the sick, the blacks, the minorities, and others, because they do not have the kind of political clout at the local level that those who are more endowed have, but I would like to see a lot more liberal guidelines to the States than have occurred.

In other words, coming from a minority group myself, and having had the experience that we would not be where we are now unless the Federal Government, you in Congress, had done something or had something specifically targeted, but we are supposed to be the elderly or minorities or women. They really would not make out at all. We cannot depend on the local government to think about it; they really don't have and never will, so bloc grants essentially gives the money to do for 300 years, which is inequity. So we do need some way for the Congress—that means you and your colleagues, and the Federal Government, having to see what happens. So somewhere in between just a bloc grant which is put on the stump and run and the over restrictive redtape guidelines that we have now, which as I gave you an example, so somewhere in between would be good. A bloc grant might do just that, as it has done in some programs like CETA, where there has been scandals and where Boston is.

Senator COHEN. As an example of the problem, last July, as I recall, the pages in the Federal Register numbered 69,198. What I am concerned about, and what many people are concerned about, is that we have a great machine down there cranking out regulations which don't really relate to the problem. I imagine you are in a better position to develop the guidelines, so somebody who is \$50 over the income limit, does not get eliminated from the program.

You are right. We have to have a balance, but we have this tremendous concentration of power and resources in Washington. Somehow, it has become an enclave of marble surrounded on four sides by reality.

Mr. COARD. I agree.

Senator COHEN. Thank you for your testimony. Your prepared statement will be entered into the record at this point.

[The prepared statement of Mr. Coard follows:]

PREPARED STATEMENT OF ROBERT M. COARD

We welcome the opportunity extended to Action for Boston Community Development, Inc., Boston's official antipoverty program, for the submission of comment regarding energy concerns of the elders. Serving 60,000 families in the Greater Boston area, the ABCD system works with low income and working poor families and individuals across the racial, ethnic, and age spectrum.

Rising fuel costs and inflation have wrecked havoc in all aspects of the lives of those elders who have been able to budget for their "golden years" and elders who

have been and continue to be the poorest of the poor. All aspects of their lives—the economic standard on living, health, nutrition, living arrangements, and recreation have also been changed by the forced choices which are negative and often fatal in their consequences. Concomitant with the nutrition and health problems which may be caused or aggravated by colder temperatures (arthritis, hypothermia, influenza), are the problems of increased isolation as cold temperatures in the home become a disincentive to entertaining families and friends. Mobility is decreased as gas prices/funds available for public transportation must be used for fuel. The sense of personal pride in their ability to take care of themselves is often damaged.

Even for those elders for whom the energy crisis has not created life and death choices, the personal joys have been diminished, and the line between acceptable standards of living, and barely coping has been eroded and this erosion has resulted in the creation of a new population of poor people who have lived productive lives, and now find themselves struggling through subsistence conditions. In spite of demonstrated conservation measures undertaken by elders—for example: thermostats set at/below 65° with lower temperatures at night, restricted use of automobiles, etc., their actions have brought little, if any improvement to their condition. Sacrificing nutrition for warmth, heating the premises with stoves, etc., should not be the only alternative to freezing to death.

It is imperative that there be a national commitment to provide energy-related resources to elders in consideration of the often fatal effects of our failure to provide such resources. "Energy Equity in the 80's" can have a significant impact in the identification of specific components of a much needed national commitment, and we are happy to provide comments on the impact of weatherization and fuel assistance efforts thus far, to commend some areas of that effort, and to present recommendations that may afford specific means of improving those efforts.

From the 22,966 applications eligible for fuel assistance throughout ABCD for the 1979-80 winter season, 35 percent of those served were elder households or individuals. Of the eligible elder applicants, 2,936 of the 8,014 elder households could not have been served because of restrictive Federal guidelines and received only State aid.

We see difficulties inherent in the 1980-81 HEAP plan, however, there are some commendations to be offered. The State Executive Office of Communities and Development (EOCD) has demonstrated its willingness to cooperate with the Department of Elder Affairs by incorporating their recommendations into the plan. The selection of EOCD as the single State administering agency should be of significant benefit to older citizens in light of that cooperation. Additionally, the use of community action agencies in the administration of the program should increase the timeliness of the receipt of the disbursement of funds and energy assistance by elders within the constraints of the HEAP system. In spite of the late startup and interruption of Federal funds during 1979-80, CAA's accomplished a difficult job commendably. Finally, the waiver for one-person households, and the escrow account for the elders and the disabled, is strongly supported.

The five major areas of difficulties and our recommendations for their alleviation are the following:

1. *The payment matrix.*—There remains a question of nonadjusted standards of living as a reasonable eligibility index. The inflexibility of those guidelines has meant ineligibility for elders who exceed the annual allowable income by as little as \$50 to \$100. The complexity of the matrix will delay the timely processing of initial applications, and will create much confusion for elders who will receive in some cases, less money than previously received. The public relations and outreach effort may also be further complicated. We recommend a fixed adequate amount for elders across the board with more flexible income guidelines and the increase of eligibility of elders moved to 200 percent of the poverty level. It is also recommended that adequate provision of time and money for staff training be provided.

2. *Multiple SMSA's.*—For elders, multiple SMSA's may lead to confusion and misunderstanding and discourage them from requesting fuel assistance; 149 of 351 communities in this Commonwealth are non-SMSA, and 10 of 11 overlap at least one other SMSA. The distinction of eligibility between SMSA's are sometimes made arbitrarily. The occurrence of two or three income levels within one CAP service area builds on this problem. We recommend a waiver for the use of the Boston SMSA.

3. *Program administration.*—Elders must be allowed access to energy-related assistance when needed—fuel assistance in the winter and necessary air-conditioning in summer. A year-round program will provide some degree of predictability for elders as they budget their meager resources. In addition to their insecurities about the permanency of the program, elders suffer greatly from the late startups. When the program is not in place by October 1, and the distribution of the Federal funds is plagued by gaps, the interruption in the application/disbursement of funds process creates serious backlogs, inadequate time for staff hiring/training, and we can precipitate crisis for elders in the absence of a forward funding mechanism. We recommend that the fuel assistance program begin no later than October 1 to allow for 6 weeks processing of applications and staff placement prior to the coldest weather, and that administrative costs be no less than 10 percent requested by CAP's and that the program be year-round.

4. *Energy-related emergency assistance.*—Supplying heating oil and fuel assistance loses effectiveness if the premises being heated are energy inefficient, and if conservation measures are not in place. A more comprehensive weatherization, insulation, and application of appropriate technology solutions in repair of elder homes and apartments would bolster the effectiveness of the fuel assistance program. We recommend that emergency repairs to heating systems be considered necessary assistance and support 3 percent set-aside in HEAP plan.

As the state of the economy and the energy crisis create difficulties for citizens across the country, our elders, particularly those in the Northeast will be hit hardest. The work that has started is a beginning, and significant inroads remain to be made into solving the problems facing elders. We look forward to active participation in the development of a national commitment to that end.

Thank you for the opportunity to comment on this most critical issue.

Senator COHEN. We will move on to Lucille Simpson.

STATEMENT OF LUCILLE SIMPSON, DIRECTOR, ENERGY PROGRAM, YORK COUNTY COMMUNITY ACTION PROGRAM, ALFRED, MAINE

Mrs. SIMPSON. Thank you for inviting me here, Senator.

In Maine, as you know, the fuel program has a tremendous impact. Last year, over 70,000 people were served statewide. In York County, where I live, we served 5,397 households made up of 12,367 individuals.

Those most affected by the high cost of living are the elderly. Our outreach have gone into homes where people are, by necessity, living in one room with one burner in use, wrapped in newspapers to keep warm, because any other way would have meant the difference between buying fuel or buying food. The elderly are trying to be survivors but in this escalating economy they are the losers.

I would hope Congress next year would take a long, hard look at the income criteria. This year, the Bureau of Labor Standards actually decreased the amount of income a single elderly person could have by \$120 from last year's poverty guidelines. This has been corrected now by Congress, that an option can be used as to Bureau of Labor Standards or CSA poverty guidelines.

Another issue voiced by all CAP program operators and ignored by the Federal regulations was a medical exemption for the elderly. Many times people will come in where one spouse is terminally ill and the cost of medications and treatment are exorbitant, plus they usually require more heat to keep warm. They are over the income guidelines, but after these expenses, can just barely survive and are entitled to no help whatsoever.

We also are against cash payments. Also most town managers and selectmen agree.

In York County, we have a group that meets on a monthly basis. This is made up of all social service agencies in the county. We work together very closely on all programs. During the fuel program last year, these agencies had 50 people trained to take applications as volunteers. Diocesan Bureau Homemaker Service and York County health nurses either referred for outreach, or took applications with their clients who were the bedridden and handicapped. HHS had two people trained, one in each office. Family planning, housing, Headstart, citizens, and so forth, were all trained and participated in the program. The parish councils went to their French-speaking, bedridden parishioners, and opened their churches for taking applications.

Our closest working relationship was with the council on aging, who assigned two people, full time to our agency, plus allowing their outreach and meal-site operators to take applications throughout the county. We served 2,967 elderly households, and without this cooperative effort, could probably have missed many needy citizens.

This year we are looking forward to having a person assigned to our agency to work in cooperation with, on the personal energy program, which deals in hypothermia and the elderly.

One of our major concerns is with the new program, and the clause which must be put in contracts with the oil dealers, addressing non-termination of 60 days and an appeals procedure which will bring it up to 90 days. This might drive some of the smaller dealers out of business, and Maine needs small oil dealers, especially in the rural areas.

The weatherization program is the answer to conserving oil, and we are moving as fast as possible toward this goal. We did 194 homes this year in York County.

The problem with winterization has always been the lack of suitable manpower. They had to be recruited from CETA, were often without any kind of ambition, and had little incentive when their position would terminate in 12 months. This has been our major problem. This is now being resolved.

Part of the program is where you can fix a burner up to \$200. If the oilman is called in, and there is a major problem and not enough money to pay for the repair, the oilman by law, must turn the burner off which leaves the households without any heat, whatsoever. This is a Catch 22 position and we don't know how to deal with it.

We did negotiate this year with the city of Biddeford, and they have provided a full crew paid for, to do homes in the Biddeford area. We feel this is a milestone in getting other resource money.

We have stockpiled over 3,000 dollars' worth of both wood and oil in our county for emergency use only, and I am afraid before the new program starts that this would be used up.

Thank you for your time.

Senator COHEN. Thank you very much, Mrs. Simpson.

Let me just ask you a question which I address to all the people. I assume the people of Massachusetts are quite similar in temperament, ideals, and ethics to those in Maine. We have a very strong reputation, in the State of Maine, for being proud, especially our older folks. They have difficulty if they have to turn to a locally or federally sponsored agency for help. The reluctance of people to request help, especially

because they are so independent, has added to the need for outreach programs.

What do you do to try to overcome that in your county? How can you overcome it? How can the other people who are concerned about this make these outreach programs more effective to overcome that traditional reluctance on the part of older people to turn to a government agency for welfare?

Mrs. SIMPSON. I think because of the variety of agencies involved in taking applications, and the fact that we also use citizens, who are the peers of the people, makes it comfortable for the older people to apply, and I find every year there are more and more who are having to let go of their pride because of necessity.

Senator COHEN. Are there any changes that you would recommend in terms of the application forms or information that would have to be included which might reduce that kind of anxiety about turning to an agency for help? In other words, is there information which need not be included which somehow people find to be offensive or embarrassing? Any changes you might recommend?

Mrs. SIMPSON. I think just the form is intimidating. I don't know.

Senator COHEN. I might point out that this committee wrote to the Department of Health and Human Services to consider exempting medical expenses from income eligibility for older persons, and that recommendation was not adopted by the Department. Perhaps we could renew that with more vigor. I think it was a mistake by the Department, but it has not acted on our recommendation.

I call the next witness, Jordan Cole.

**STATEMENT OF JORDAN COLE, CHAIRMAN, BOARD OF DIRECTORS,
SOUTHEAST VERMONT COMMUNITY ACTION AGENCY, PUTNEY,
VT.**

Mr. COLE. I am here primarily because of Betty Stagg's persuasive abilities and her charm, because it is a trip here and we had other commitments last night. Also, because I didn't feel I had too much direct knowledge I brought Marsha Bloom, who has been an outreach worker for community action from the present board. She is now a VISTA worker working with wood co-ops and she tells me something about that in Maine, but on a different scale.

I would like to make my own plug for the one thing that I think perhaps I am most concerned about, which is how can there be energy for the 1980's for the elderly, or anyone else, adequately, as long as we spend so much of our human energy and our material energy over preparation for war, because it is not only the waste of energy but it is the preoccupation or the fear and the creating of fear in others that blocks many of the things that we would like to be doing, and that is one reason I am very much concerned for these small scale human sized local efforts in which people, by working together, eliminate a lot of the isolation and a lot of the hostility which they feel because they feel neglected and abused. But when they begin to do something, they begin to feel a lot different. Marsha can speak to what has been happening in that part of the program.

Senator COHEN. Thank you for your comments.

I won't get into a long philosophical discussion on the prevention of war, but I do believe we ought not allow ourselves to become so weak as to invite aggression. On the global landscape today, you find that the government of the Shah of Iran was overthrown not because it was strong, but because it was weak. We find the ayatollah executed all the Shah's generals. The United States had embargoed the shipment to the Shah of spare parts and weapons sitting on the docks of New York. That all contributed to a decline in military capability of Iran, and I would suggest that probably one of the reasons they were overthrown was because of their weakness. I won't get into a discussion about that, but you have some pretty strong views about that as well. It is, I should add, the subject of hearings of the Senate Armed Services Committee.

We will be happy to hear from Marsha Bloom from Townshend, Vt.

STATEMENT OF MARSHA BLOOM, TOWNSHEND, VT.

Mrs. BLOOM. I am in a very unique position which is a wood co-op. It was started by people that wanted to know what—we got together to see what the real needs were and they decided that was a source of low-cost fuel, so we started out with no money, just really no income at all, not just poverty, and a lot of energy was put in by 10 or 20 people. We served 44 percent. Some of them are elderly, and their husbands are gone, so we had really a community project.

We brought over \$500 through the community action to buy a chainsaw and our first load of wood. Maine can get us the wood, but we don't have the manpower yet to do that, so we buy wood at quite a reduced rate and people pay \$35 a cord for it. They are supposed to work 5 hours for this co-op, and if they don't, if they are unable to work themselves, then there are volunteers that work for them. Last year, we had 72 cords of wood for elderly people.

One of the problems we have had are no place to borrow money. You can only borrow \$10,000 or over, and for a little rural project it just does not work. So there is a lot of stuff. These are the people who burn wood at different times, so there is no way.

Senator COHEN. Would you not say that history does move in cycles? Actually, it is ironic. We started out as a Nation depending on wood as a major source of energy; then we went to coal; then oil, and now we come back to wood again. This is particularly true in many parts of Maine and Vermont. I wanted to thank Mr. Cole for coming from Vermont. He is undoubtedly a good friend of Senator Stafford's, and I am happy that he could be with us today and testify. In fact, Mr. Cole, Senator Stafford was one of the ones that recommended that you come down today, so you will have to blame him in part for the trip down. I respect him a great deal and appreciate his suggesting your name.

Did you have more testimony?

Mrs. BLOOM. No.

Senator COHEN. In the State of Maine, the Wood Corp. developed a wood pellet energy system. It takes all the waste, the limbs and branches that are left by a paper company in the forest. We are finding that we can take that waste and squeeze the water out of it, and there

are pellets that burn just as hot as coal at half the cost. Conservation is coming into the picture. We are taking what normally was wasted in years past, and making use of it.

Mrs. BLOOM. We have heard of that. We have got wood in Vermont though.

Senator COHEN. Well, thank you, Marsha, very much.

Mr. Cole?

Mr. COLE. I would just like to make a couple of comments that are probably more technical.

The community action agency, of which I am president, applied for funds for a solar heating project for its mobile home and we found out that the Department of Energy has paid no attention to mobile homes. I did serve in the Vermont Legislature, and I was very startled to find out these legislators, many of whom were upper middle class, worked for mobile home owners because many times their families were living in mobile housing.

You probably know coming from a rural State, although I think ours is more rural by definition, mobile homes are important to a part of our society, and also the Department of Energy does not have too much to do with older homes on reconstruction. I have also had the experience that there is nothing that is wrong that can't be changed, and that whether it is the Congress or the bricklayers, just because we complain about something does not mean we have to accept it. It can be changed, and we have a lot of confidence that you are working on that.

The other thing that I am rather aware of is the fact of how much money is spent protecting the taxpayer by auditors, so that sometimes we spend more money. In fact, we cannot tackle some projects because with the cost of the compliance regulations and auditing, it leaves very little for the job. I don't know the answer. I know that I have had to accept the fact that there are humans that are not complete, and there are losses as you well know.

Senator COHEN. Let me give you another example of the Maine story. When I finished my presentation to the convention, somebody from the city of Brewer came up to me and said:

Bill, I have a problem. I just received a 1½-inch thick stack of pages and forms from the Federal Government that I have to fill out. It will take me and my staff 1 week or 10 days to complete the forms, and it was a grant application for \$3,000.

Well, having served on the city council and having been mayor of Bangor, I know that the people of Brewer are going to pay more in tax dollars to pay for the staff time to complete that application than that \$3,000 grant is worth. I suggested to him that perhaps he send it right back and say that because of the complexity of this application, the city of Brewer cannot take advantage of it. That is happening on a greater and greater level all across this country with many programs.

Mr. COLE. The taxpayers don't trust the bureaucrats or these legislators, and they want accountability, so they have to have somebody watching the watcher that is watching the watcher.

Thank you.

Senator COHEN. Last evening, in my speech to this group, I pointed out that there was a familiar story going around Washington about

God coming unto Moses, whose people were in bondage, in Egypt. He said, "Moses, I have some good news and some bad news."

Moses said at that time, "I could use some good news right now."

God said, "I am going to inflict upon your enemies pain, pestilence, war, and famine, and on top of that 15-percent prime interest rates." [Laughter.]

And Moses said, "That is fantastic. Now what could possibly be the bad news?"

God said, "The bad news is that you have to prepare the environmental impact statement." [Laughter.]

There is something wrong when the environmental impact statement becomes the punchline of some pretty bad humor. There is something wrong with the general perception of government today, and that is exactly the sentiment of people that I have talked to on a very wide scale. The environmentalists have contributed a great deal to making us conscious of the land that we have been destroying over the last 50 or 100 years. Yet, it is the general perception of the people the programs are designed to serve that somehow we are using the wrong approach. So, this hearing and your testimony are helpful to me. That is why we are coming from Washington to the people who deal with the programs on a face-to-face and daily basis. We have to cut through some of the indifference, arrogance, and concentration of power, and start dealing with the people.

Now we have panel No. 2, which consists of Virginia Burrill of North Walpole, N.H.; and Mary Ann Newell of Southington, Conn., accompanied by Ned Skinnon, municipal agent and senior center director, Southington, Conn.

STATEMENT OF MARY ANN NEWELL, SOUTHINGTON, CONN.

Mrs. NEWELL. It is a pleasure seeing you in person after seeing you on television.

Just 1 year ago this month I became a widow. I was left in a state of confusion and poverty for the first time in my life. I did not know where to turn for help. It was a bitter cold winter and I became quite ill because I tried to keep my heating bill down by living in a very low temperature in my apartment.

Congressman Christopher Dodd visited all the senior citizen housing projects to explain the energy assistance program that was being planned by the Government, and I became interested. The director of our senior citizen center, Ned Skinnon, helped me apply for the assistance program.

Without the energy assistance I could not have made it through the winter. When you cannot meet the high payments of your heating bills you become worried and frightened. I am a proud senior citizen—like all senior citizens—who has been a very independent and self-sufficient individual all my life, till now.

The energy assistance became a necessity to the majority of senior citizens. I believe the program should keep up with the higher cost of heating rates, as it rises in cost every 6 months to 1 year.

The single senior citizen whose income—social security—is above the poverty standard should also benefit by the assistance program.

Bear in mind that the majority of seniors are not healthy, per se, they are under medical care, and have large medical drugs and special diet foods to pay for. So it becomes a vital fact they need the energy assistance help as well. Regardless of social security and retirement income, we urgently need the help of the program.

I would hate to think that a choice would have to be made if either freezing, starving, or dying from lack of proper medication, heat, or food. I cannot begin to stress the importance of energy assistance, which I was so grateful in receiving.

One would have to walk in my shoes in order to know and understand what it is really like to be cold, ill, and not being able to do anything about it. Unless we continue to receive the aid needed for heating our apartments and homes through the energy assistance programs, we will again face a more tragic winter than we already experienced before. The help is urgently needed by all seniors.

I would also like to see the applications for assistance taken at a place that I feel comfortable in, such as the senior center that I attend frequently. I would be scared to death if I had to drive into Meriden—large city—to apply. I feel that it is very important that applications be taken in each town and neighborhood where it is convenient for elderly to apply.

I spent my entire youth as a nurse, serving and helping mankind, and I would like to believe that I have been appreciated, by receiving some aid when it is necessary.

The energy assistance program worked quite well and was of great value to us all.

I want you to know and understand how grateful and appreciative, I, and my fellow seniors are, for the help we received in the program and hope it will be continued.

In closing, I would like to make one or two more statements. My social security check is \$226.10 per month, and a retirement check of my husband is \$143.44 per month, totaling \$369.54, of which I must pay anywhere from \$55 to \$68 per month for drugs, as I am a very dire diabetic, and low potassium with other causes, and a special diet, which costs a great deal more than an everyday normal diet does.

Also, I have been informed today, in the new regulations, that this year I will not be eligible for funds assistance, because I live in the senior housing project. I am worried about making ends meet.

Thank you very much, Senator, for listening to what I have to say on what I have experienced in my life.

Senator COHEN. Thank you, Mrs. Newell.

Could I ask you, how did you know where to come to when you had this problem?

Mrs. NEWELL. It was Congressman Christopher Dodd who came around to the projects and told how to go about it. I went to Ned Skinnon, our director, at the Calendar House, or the senior center, and it was he that helped me through this period of last winter, but I am facing a harder winter this year, which I cannot qualify for, which I don't believe is quite fair because I live in a senior housing project. That may be so, \$40 a month for rent, but I still have to pay my own light bill, my own phone bill, my medical expenses, my doctor expenses, buy special foods, and I would like to know how you could do it on \$369.54 a month. I cannot.

Senator COHEN. I don't think anybody else could either. I don't know how you do it.

Mrs. NEWELL. Then why is it we are not counted in this project this year because I live in a senior citizen project?

Senator COHEN. Perhaps you have heard that there are a lot of inequities in this particular system. One we talked about today is that the medical expenses are not included in terms of determining eligibility. We have recommended that the rule be changed, but it has been rejected. I assume the reason has been budgetary. We can't exclude budgetary considerations, because of the amount of money that is involved, but one of the reasons for holding these hearings is to demonstrate the need of older people for these services. We can take the record back and present it during our debates on the floor with Russell Long, or whoever else is controlling the Finance Committee, and say that this is more important or of greater priority than some other program. So, this is all very helpful. It is fortunate that you have come forward to testify, so we can have some examples of the human suffering and hardship that people have to go through.

Mrs. NEWELL. But I do hope they hear what we are saying, and if they do not pay attention to it, then it becomes two different factors, Senator.

Senator COHEN. I won't get into your senatorial contest in Connecticut but I know Mr. Dodd rather well.

Mrs. NEWELL. Very good man.

Senator COHEN. I feel sure that he would be just as sensitive to the issues in the Senate as he has been in the House. There are people who are, in fact, listening and trying to adopt programs that will benefit the people, so it is not quite as bleak as we see it from day to day.

Mrs. NEWELL. It looks bleak to me, Senator, from where I sit.

Senator COHEN. Well, it is true. I don't try to deny that. What I am saying is that just in the past few years, there has been a much greater sensitivity on the part of Congress to these programs. We still have a huge department in Washington that does not understand, but the fact is that there is a much greater awareness on the part of Congress. I mentioned that mandatory retirement is just one little example of how we have always treated people as kind of a block group without recognizing individual needs. We are simply saying that if you are 65, that you are old and you qualify for various programs, period, without looking at individuals in that group. So there is change, and even though it has taken a long time, it is, in fact, occurring. There is some hope that changes will be made.

Would you like to testify, Mr. Skinnon?

STATEMENT OF EDWARD T. SKINNON, MUNICIPAL AGENT FOR THE AGED, AND DIRECTOR, CALENDAR HOUSE SENIOR CENTER, SOUTHTON, CONN.

Mr. SKINNON. It is tough to get up at 5 o'clock in the morning to make the trip to Boston but I am sure it will be worth it.

First of all, increasing numbers of older people living on fixed incomes suffer, as the price of energy continues to rise. While the average family spends less than 10 percent of its disposable income on home

energy costs, the elderly must spend more than one-third of its income for this purpose. A large part of an elderly person's time is spent in his or her home. More than 50 percent of the elderly live in homes 40 years or older, many of which are thermally inefficient.

As municipal agent for the aged, I am appointed by the chief elected official of my municipality, which is required by State statute. It is my duty to disseminate information locally about resources available to the elderly, and assist them in obtaining benefits to which they are entitled. Primarily this has been my role in the energy assistance program. My observations are as follows:

One: A national energy policy should assure that the elderly, and other vulnerable groups, are not adversely affected by possible price increases or rationing plans.

Two: Congress and the States should support programs and research to improve innovative methods to make energy costs more equitable for consumers.

Three: Appropriations for Federal and State energy assistance programs must be adjusted to reflect continuing increases in energy costs. In 1981, \$1.85 billion will not be enough. We need to raise the funding level to at least \$2.2 billion, which is a more realistic figure for the low income energy assistance program. We also need to restore CSA funding back to the \$100 million, which is necessary if we are going to reach the people who are really in need.

Four: Applications for energy assistance must be channeled to the grassroots level. I believe we need more administrative money to effectively operate this program. Applications have to be taken beyond the CAP and DIM offices. Effective outreach with senior citizens interested in supplementing their low incomes, CETA workers, and so forth, reaching into each and every town, so that senior citizens and handicapped individuals may apply in a comfortable environment, such as a senior center, housing project, or social service agency. Oftentimes, transportation problems and the fears of inner-city neighborhoods will intimidate to such an extent, that they will go without sufficient heat, or will not eat properly so that they can pay for their fuel bills. Local energy task forces should be set up in each town, each housing development, and if possible in every area where there are clusters of elderly and low-income individuals. The word has to get out—many people who were eligible last year didn't know about it until it was too late. We have to go beyond the media to advertise.

Five: Comprehensive consumer information on energy conservation and home weatherization should be developed and distributed to the elderly. Last year in our State, weatherization kits with plastic storm windows, weatherstripping, and so forth, were distributed to those who were applying for fuel assistance. This worked out very well and I would encourage it on a national level.

Weatherization programs are most necessary; however, the income guidelines of 125 percent of poverty level are too low. We need to expand this to 175, to reach more individuals who are still of low income and who need this necessary service. I also believe for those individuals between 175 and 300 percent of poverty level that they be eligible, but pay on a match basis for materials and labor.

Six: Through low interest loans and grants, Federal and State programs should support home improvements measures including those for thermal efficiency. Last year, our town received a \$55,000 energy action grant from the State which financed \$3 million through bonding. Rather than pour this money into town buildings, as many towns did, our town passed the money onto local residents for capital improvement energy conservation projects. The funds would be available for 50 percent of the cost of the capital improvements that conserve energy to the extent of a \$250 grant from this program. An example would be an individual may need 500 dollars' worth of insulation. This energy action grant would pay \$250 and the individual would pay \$250.

Additional capital improvements are identical to those allowed by the IRS for energy credits. That includes: insulation, storm windows and doors, caulking and weatherstripping, and furnace replacement with a more efficient burner, and so forth. Eligibility for this program was between 125 and 300 percent for the poverty level.

Hopefully I have given some insight as to the energy problems from the grassroots level.

Senator COHEN. Thank you.

I was interested in your statement about weatherization, that those people who applied for fuel assistance in fact received various kits with weatherstripping, plastic sheets, and so forth. The first question is, how did you happen to do that? I understood that the regulations preclude energy payments assistance from going into weatherization programs. I am delighted to see you can do it, but I would be interested in seeing how you interpreted the regulations to do that.

Mr. SKINNON. That was done at the State level so I don't know either. [Laughter.] I might add that in a training session yesterday we had utility companies involved in the Northeast. It was illegal last year but this year the utility companies have offered, on a pilot basis, to do the weatherization kits in each large city on a pilot project.

Senator COHEN. The second question I wanted to ask you is, assuming you provided the kits to those who applied for fuel assistance, how did they get them installed? Did people have to install them? Did you have CSA doing it?

Mr. SKINNON. People did it themselves.

Senator COHEN. In Connecticut, are the utility companies now offering energy audits to their consumers?

Mr. SKINNON. Yes, \$10 for people who are over the 125 percent and free for those who are under the poverty guidelines.

Senator COHEN. I think that is a very worthwhile program in Connecticut. Incidentally, Charles Wing, who runs the Cornerstones Corp. in Maine, has developed a most sophisticated energy audit system.

I am concerned with not only insulation of windows and roofs and doors. It also does not make a great deal of sense to me if you spend that money to weatherize a home but have inefficient fuel burners and furnaces that don't work properly. It is like buying a small car to get better mileage but never having a tuneup, so it does not function properly; you are still wasting a lot of gas. The same thing is true in homes. If you don't make the kinds of repairs to the heating unit itself and have the audit, then you are still wasting fuel and energy.

All of this is to suggest that when someone comes to you, it only makes good sense to say, should we not save that by providing the weather kits. To have a Federal regulation that prohibits that kind of flexibility, and that sort of commonsense, to me just runs contrary to everything that should be done.

Thank you very much, Mr. Skinnon.

Miss Burrill, I asked you to come and to share your personal experiences. You are accompanied by—

Mr. VACHON. Roger Vachon.

I brought Virginia today and when she gets through, if I might, I would like to make a statement also.

Virginia does not have a prepared statement. I asked her simply to tell us about herself, and how she tries to make ends meet.

STATEMENT OF VIRGINIA BURRILL, NORTH WALPOLE, N.H.

MISS BURRILL. I want to thank you for having me on the panel. If it was not for the food program, stamps, and the fuel system, when I make only \$284, I never would make it, no way.

Senator COHEN. Do you live alone, Miss Burrill?

MISS BURRILL. Yes, I do.

Senator COHEN. Where do you live?

MISS BURRILL. North Walpole, N.H.

Senator COHEN. What kinds of bills do you have to pay for your fuel?

MISS BURRILL. My electric light bill and my telephone bill and—

Senator COHEN. How much does heating cost you during the course of a year?

MISS BURRILL. I have the fuel system and I sign the paper and it goes down to the Southwestern Community Action in Kenne.

Senator COHEN. I was wondering, do you have any idea how much it costs to heat your home during the course of the year?

MISS BURRILL. The year before last it was between \$22—I have my fuel delivered every other week so it runs about \$22 every 2 weeks, and I also received \$300 which covered it.

Senator COHEN. So the fuel assistance program covered your heating bills?

MISS BURRILL. That is right.

Senator COHEN. During the course of the year?

MISS BURRILL. Yes.

Senator COHEN. Are you also an RSVP volunteer?

MISS BURRILL. Yes; I am. I go to Keene Manor, and I go to the housing people, and also to the nursing home. I am also a volunteer waitress at the senior citizens.

Senator COHEN. How did you find out about the fuel assistance program?

MISS BURRILL. Before I got on that I got help from the town of Walpole and they said to me, would you try to contact the Southwestern Community Action and see how it comes out, and I said yes. So I called up and I made an appointment, but I had to bring my electric light bill, my telephone bill, and also one of my receipts for the rent.

Senator COHEN. Thank you very much, Miss Burrill.

STATEMENT OF ROGER VACHON, AREA DIRECTOR, NEW HAMPSHIRE COUNCIL ON AGING, LEBANON, N.H.

Mr. VACHON. Virginia was telling me last week or so that half the people in her town are rather poor level people and I think that is probably one of the reasons why the local municipalities feel they need to take advantage of the Federal subsidies as well as to put out as much as they can to help their own people. Virginia lives in a trailer and that will explain the \$300 cost of fuel. The comment that I had intended to make was that she is a retired senior program volunteer and she contributes an awful lot to her community and to our society. She has paid her dues, she continues to do so, and people like her and many others deserve our respect and our assistance.

Senator COHEN. Thank you, Mr. Vachon.

That concludes the presentation of panel two.

We will move on to the final panel consisting of Josephine Sullivan, Perry Amsden, accompanied by Joyce Harmon, and also Anna Pluhar.

Ladies and gentlemen, we are going to continue the hearing into the afternoon until everyone is heard. We will try to complete this panel and save some time for those of you who are waiting in the audience, listening to the evidence that is being presented.

As I indicated, we have Josephine Sullivan, Perry Amsden, accompanied by Joyce Harmon, who is the director of the personal energy program, Diocesan Human Relations, Inc., in Portland, Maine, and Anna Pluhar, from the Winter Housing Emergency Network in Lebanon, N.H.

Who is going to open up? Who would like to begin?

STATEMENT OF JOSEPHINE A. SULLIVAN, PROVIDENCE, R.I.

Mrs. SULLIVAN. Good morning, Senator. Thank you for having me here today.

My name is Josephine Sullivan, disabled widow, head of a household consisting of myself and two sons, one of which is employed, and the younger son is in his last year at college.

Until recently I have held several responsible positions in State government, and at no time that I was not employed did I feel the usual household expenses created a problem. Suddenly I found myself disabled and retired with a monthly income comparable to less than I received in one paycheck. It was very difficult to adjust. I managed to keep my head above water only because as time went by an insidious change was taking place, the erosion of my already meager savings, as well as the deterioration of my previously comfortable standard of living. I responded less and less to advertisements for clothes, made less frequent trips to the hairdresser, accepted fewer invitations to social events, and prepared meticulous grocery shopping lists, watching weekly specials, and began clipping and using coupons.

We began turning off lights, stacking dishes in the sink and washing them once a day, adjusting the thermostat below 60° during the nights and maintained a 65° temperature until bedtime. During the summer the furnace is totally turned off.

I reviewed all the areas that could stand cutting back. I was consuming oil but the less I used the more I paid out. From September 1977 through May 1, 1978, we used a total of 1,112 gallons which cost \$590. October 1978 through August 31, 1979, we used 877.2 gallons costing \$520.37. September 1979 through September 30 of this year we used 803.9 gallons costing \$763.51. I am not a mathematician or accountant but since 1978 I received 308.3 gallons less from 1,112 gallons during the 1977-78 season to 800.3 gallons during the 1979-80 season. However, though the consumption decreased you will notice that the cost went from \$589.75 for 1,112 gallons to \$763.51 for 803.9 gallons.

The realization came to me that energy and inflation had become an inseparable entity that had to be reckoned with, and with that feeling came the urgency to find an alternative. First I had to overcome an attitude of pride and independence which I could no longer afford to indulge in. I began to experience desperation. Timidly I placed a call to the Department of Elderly Affairs. That was the hardest part. From then on the director and staff was sensitive and most helpful to me and put me at ease. I found out after the interview that I was eligible and here is the rub. I waited too long, and consequently received only a small fraction of the benefits from the fuel assistance program.

Things were getting increasingly difficult, especially when it was time to receive my automatically scheduled delivery of oil which, by the way, always managed to arrive simultaneously with my checks. They got to the point that I automatically endorsed my check over to the oil company. Why did I pay cash? Well, according to the vendor's payment planning policies which became effective November 1, 1978, the bottom line was discount. If a customer has no outstanding previous balance, he is allowed a discount of 2 cents off each gallon, and if not paid on immediate delivery you have no later than the next working day to take advantage of this 2-cent discount on each gallon.

If you choose to wait, you are allowed a 10-day period to avail yourself of a 1-cent discount per gallon. No credit allowed beyond 30 days, and after the 30 days you are charged 1½ percent per month. If a customer chooses not to agree to be placed on an automatic schedule, which is determined by the vendor, he finds that the alternative is a bit expensive. If you choose a "will call" arrangement, upon receiving your call the vendor finds that your location is nowhere near where his deliveries are expected to be on that particular day, then you are charged a \$10 service charge to cover for disrupting scheduled routes. The bill has to be paid sooner or later and there is an incentive for the customer to pay in full, and in some cases the savings are substantial.

Not always does the discount route turn out to be the best one, such as when in August of this year 58.9 gallons were delivered to my house without my requesting it. The cost was \$60.02, and all this managed to do was top the tank. It was 100° outside. I didn't need it, I was not prepared to pay the total bill to avail myself of the discount, and I am still paying on that amount.

There is a desperate need for the energy assistance program to continue to be administered and I believe that the Federal Government,

along with State governments, should accept total responsibility to see to it that the elderly poor and disabled are provided with adequate fuel so that they may live in a more comfortable and healthful environment.

Cold inflicts the cruelest form of pain and discomfort to the victims who suffer from arthritis. There are very few over the age of 60 who do not experience some form of this painful disease. Cold increases the incidence of pulmonary diseases such as the common cold, bronchitis, and pneumonia. Cold affects dramatically people who have circulatory and cardiovascular problems. The list is endless. At this point, Senator, I was going to end it by pleading to all retirees, disabled, elderly, and all who are on fixed incomes, for whatever reasons you may have chosen not to inquire about your eligibility to qualify for the energy assistance program to reconsider, because they may be eligible, and they may be losing out and they may be depriving themselves of a better way of living.

Now I have a very pertinent question to ask at this particular point in my testimony. I received a letter from my oil dealer yesterday, a little bit too late to really go over it in detail and to research it so that I would have some information to give you on it, I bring the letter with me today and to ask certain questions. It has to do with an energy audit of my residence. I happen to live in a three-tenement apartment. I live on the first floor and of these three tenants I am the only one who has a central heating system. Now the house is a very old house and ever since the new landlord came aboard we have been told in so many ways that "if you keep asking for having things done in the house, then you are going to have to expect to have an increase in your rent." My rent has already gone up 50 percent since he has taken over. He has not done a thing to the apartment or to the building.

Now my question is, this report states that there is a 76-percent efficiency in my burner which is considered quite high. Now the loss of the heat is going out through the storm windows that are not fitted properly. This could save me approximately 5 to 10 percent. The walls are uninsulated, have an R value of 3 which is costing about 400 gallons per year. Incidentally, he is working this on the base of my gallonage which is approximately 900 gallons. If the walls were insulated, I could save 295 gallons a year on sidewalls. My hot water is off the boiler. Approximate consumption is 180 gallons per year, and I can reduce this about 100 gallons per year if I installed an enetroll.

There are other energy saving devices that could be used such as a clock thermostat. Your burner efficiency is 76 percent. I could raise this a little with a new burner, however the return will be too long at this time.

I live in this rented apartment and I am the one that feels the cold. The first year, when we consumed 1,112 gallons, I had come home from the hospital and was recovering from open heart surgery. The increase can be checked out, and since then we have been trying to keep the heat down, but my question to you is, what is the landlord's responsibility? I am the one that pays the oil bills, and I know that I am not getting adequate return for the money that I am putting out. The windows

that we have are double storm windows and we have pieces of glass, leaves, and chunks of dirt blow into the wells of the windows. You can see the window, the shades, and curtains blowing. He said if I complain he is going to raise the rent.

Is there anyway that a tenant has any recourse? That is what I am trying to find out, as to what can be done to eliminate the drafts, to eliminate the areas that he mentions in his survey.

Senator COHEN. I am not aware of any Federal law that would require him to make those kinds of changes. You, by asking your question, preempted me from asking you a question that I had in mind. When you said you cut down from 1,100 gallons to 800, was that primarily because you turned the heat down?

Mrs. SULLIVAN. I was operated on in 1977 and this was the period between 1977 and 1978.

Senator COHEN. So, in essence, there has been no real conservation or weatherization programs done in this case?

Mrs. SULLIVAN. No.

Senator COHEN. But in addition to the 800 gallons a year you probably could be cut down a lot more if this work were done?

Mrs. SULLIVAN. Exactly.

Senator COHEN. The difficulty is that the landlord has been successful in passing on to you the cost of heating the apartment. If, for example, he had responsibility for paying for the fuel, and he paid the heating bill, I can assure you that he would have the incentive to make the repairs on the windows and insulation. You, by contrast, don't have very much incentive to improve his building.

Mrs. SULLIVAN. Exactly.

Senator COHEN. Speaking of Catch 22 programs, your situation is a classic example. You don't have the economic incentive to make the changes, nor does he, because you are paying the bill. The only real control that I can think of, and it is not an immediate answer to your problem, is to go back to the market concept. Your landlord could simply raise the rent if you complain.

Mrs. SULLIVAN. Exactly.

Senator COHEN. Leaving that apartment and in essence trying to put him out of the business of renting may be the most effective option. If the next person is willing to accept the same terms, he would be quite foolheartedly under the circumstances. The answer is, there is no Federal law that would require or mandate that the landlord make those kinds of energy conservation improvements. Usually, you rely on economic incentive, which he does not have, because you are paying the bill. I don't have a good answer for you, but it is the only one I can give you, at this time.

Mrs. SULLIVAN. There was an article by Sylvia Porter that appeared in the Providence Journal of September 3, 1980. It was about weathering the winter, and she goes on to state that in the low-income level there is some reassuring news. At this level, huge numbers of families may be eligible for financial assistance under the Energy Department weatherization assistance program for low-income persons. Now does this article refer only to those who own their own homes? It does not specify.

In fact, going further down it says:

Even multifamily dwellings can now be weatherized if two-thirds of the dwelling units in the building are eligible. This is vitally important news for the low-income families who previously were limited to allowances for single-family dwellings only.

Then it goes on to say if there are 18 units in a building and 12 meet the eligibility requirements, \$12,000 can be obtained for the weatherization program on the building. It tends to let me believe that the problem somewhere along the line may be a program that may deal with multifamily homes. All of the elderly can't own their homes, so there must be tenants.

Senator COHEN. I am told that under the weatherization program there are provisions that allow for multifamily housing to qualify for weatherization assistance. A lot will depend upon the State and the locality. I think it would be best for you to check into your local situation. The eligibility standards do differ depending upon the region and the State, so there may be some relief available in your case. I would have to see the article and perhaps contact Sylvia Porter.

Mrs. SULLIVAN. I will make a Xerox copy along with my statement.¹

Thank you very much.

Senator COHEN. Thank you very much, Mrs. Sullivan.

We will next hear Joyce Harmon.

STATEMENT OF JOYCE HARMON, DIRECTOR, PERSONAL ENERGY PROGRAM, DIOCESAN HUMAN RELATIONS, INC., PORTLAND, MAINE

Mrs. HARMON. Thank you very much.

Senator COHEN. I should point out as Joyce is standing before me that she is wearing a button. It is green and white and it says that "we are all aging." You had to remind me. I just had a birthday recently. [Laughter.]

Mrs. HARMON. It seems like that draws a lot of comments. I was coming home from Billings, Mont., the day before yesterday and the steward almost threw me off the plane. "Do you have to wear something like that?"

I wear this button because I work with the elderly, and I think sometimes we get involved in the programs and focusing on people who are 60 or 65 years old and older, everything is focused there. I think we need to continue to be thinking about the whole population aging and what is happening as the population in this country is rising.

Last night on the news, I heard something that I think is rather grim. It said that the latest figures from the Census Bureau says that during the last year there was an increase of 400,000 elderly people in this country below the poverty level, bringing the number now to 3,600,000 and that it is increasing.

I am now the director of the Center for Accidental Hypothermia and earlier in 1977, through 1979, we ran the personal energy program as the model project in Maine to seek out and serve elderly people at high risk of accidental hypothermia. Before I say very much more

¹ Retained in committee files.

about the center and the things that are happening, I would like to introduce Perham Amsden from Brewer. Perham worked as our supervisor and did direct service work for the personal energy program in a four-county area in eastern Maine during the model program. I would like to have him share with you some of the things that he encountered and then I will continue.

Senator COHEN. Thank you very much.

STATEMENT OF PERHAM L. AMSDEN, SUPERVISOR, PERSONAL ENERGY PROGRAM, BREWER, MAINE

Mr. AMSDEN. Thank you, Senator Cohen.

I have to ad lib for just a moment by saying that hearing the lady who just spoke before Mrs. Harmon, and several of the other elderly persons who have testified today, they have certainly been typical of many of the clients that you and I have as neighbors, and know maybe only indirectly in Maine, and there are a lot of them there.

Just for the record my name is Perry Amsden, and I live in Brewer, Maine. I was the supervisor for the personal energy program of up to 10 energy aides during the winter of 1978-79. Our effort was to locate and provide direct services to the low-income rural elderly in those four counties under my jurisdiction in central and eastern Maine. These counties are Penobscot, Piscataquis, Hancock, and Washington.

We found that over half of our elderly clients lived alone. Most of them were living in either an old family home or a small, wood frame-house in isolated parts of rural Maine. The average age of the clients was 72, and all of them had to live in houses that were substandard. By substandard, for example, 70 percent of the homes had not been insulated at any time, some of the homes had been insulated some time ago but the insulation had rotted or deteriorated, 40 percent of these homes didn't have storm doors or storm windows. Some of the clients even found it necessary to have an electric light bulb on under the sink, or an electric heater, in order to keep water from freezing up in the pipes.

Now the cost to heat these homes has been an enormous factor, especially those who are using oil or kerosene for heating or cooking purposes. Even those who are using wood are complaining loudly because of the rising cost of wood that has taken place in the last couple of years.

It is also true that most of these clients were receiving other services—food stamps, fuel assistance, health care, and occasionally, a few of these people were receiving meals-on-wheels if they were homebound and the community made provision for it, but these particular services really don't address the problem of gaining relief from the cold weather.

In that section of the State, Senator, you already mentioned earlier that I could testify to the coldness of Maine and, yes, I can, because I have lived in the northern and the southern section, and I do recall that at the time of my wife's and my first child being born on that particular day in January it was 56° below. The day we brought her home from the hospital it was 10° below at about 2 o'clock in the afternoon.

But 1978-79 was not quite that severe, although we did have 101 out of 121 days from December 1 to March 31, in which the temperature daily fell below the freezing level and thus the problem of accidental hypothermia does become a problem. But this was a normal winter. There existed, then, really a strong need for some of these people to receive, what we called the personal energy program, and that consisted of thermal long underwear or snuggies, quilted vest or jacket, quilted boots, knit hats, and blankets, regular or electric depending on the preference and sometimes whether they had electricity.

Now the clients were encouraged to make use of these particular products by wearing them in their homes as a means of reducing the risk of accidental hypothermia. Hopefully this would help to maintain body heat while they were working, sitting, or lying around the house. Each client was also given information concerning appropriate nutrition, how adequate food and exercise will help in the retention of body warmth, suggestions on how to reduce drafts, and to implement low-cost efforts on making the home more comfortable, and, lastly, referral to agencies who could offer direct services that either the clients didn't know about or the client was not making use of. So as the energy aide made visits, efforts were made to monitor what had been accomplished since the last visit, and to further encourage the client to carry out the suggestions.

Perhaps I can best share with you a couple of cases. One was an 89-year-old arthritic female, who was confined to a wheelchair and a bed, living alone in an old farmhouse on an unpaved road about 15 miles from a city that you are very familiar with. She was receiving meals-on-wheels and regular health care but she was determined that she was going to live out her days in this old farmhouse. When I arrived to visit her for the first time in December, having been referred to her by one of the town officials, I talked with her about her oil bills and found that they really took a terrible drain on her income. I also noticed that she was constantly using an electric heater there in her bedroom in order to keep the temperature of the room, below the level of the bed, more comfortable so that when she did come out of the bed and get herself into the wheelchair her feet would be more comfortable.

I realized that she was using only three rooms of this old farmhouse: What was the living room was now her bedroom, the bathroom, and the kitchen. I gave her the energy package, but because of her arthritis she said she simply could not get the vest on. She was happy with the underwear, she was especially happy with the electric blanket—she used that constantly day and night. She even wore the hat on her head when she went to bed at night.

Now, because of the circumstances of her physical situation, she could not obviously get to the CAP agency to file for fuel assistance. As a matter of fact, she had not even considered seeking help on her fuel bills. But second, she had not inquired about doing anything about insulation either. I went to the CAP agency and was first told, "Well, no, we have a long waiting list and it probably will be the winter of 1979 or 1980 before we can get around to resolve her problem." Being a person who does not really take "no" on the first attempt, I proceeded to go further, and ultimately within a very few weeks we had insulated the floor of those three rooms, and insulated the exterior walls of

those three rooms, which made a remarkable difference on not only the drafts, but the heat and the energy used by her.

I could tell you more about her, but let me just mention another client, a 68-year-old man who lived alone, in a very isolated area, on a dirt road. He had a lot of unpaid bills and he had been "shut off." He had received notice of the shut off on his fuel bills and also his electricity. He was carrying enough kerosene in small containers from a local store to keep his kitchen fire going, and the rest of his house he was not heating at that particular time. I gave him the energy package, but also went back to the CAP agency and began to fight for him. Within a short period of time I had secured for him a provision for beginning payment on his oil bills, payment on his electric bills through the WEAP program, and to receive an emergency delivery of oil.

One of the questions you asked this morning was, how do you find out about these things, and how did you get through the paperwork, and so forth. Well, truthfully, there are people back home who find it very difficult, forbidding, and imposing to get themselves to the agency. Sometimes it is a matter of pride, sometimes it is a matter that they don't really know how to get there, and they really need someone who takes a little initiative to come and seek them out.

There are literally hundreds of those people in Washington, Hancock, Penobscot, and Piscataquis Counties who are lonely and isolated, often without transportation, often without the information as to whom to contact, or how to go about it, and they are a little afraid to do it on their own. So providing direct services for these people helped give them some degree of comfort, a renewed sense of dignity, and a gratefulness that someone cared.

I would like to show the committee, and the people here, some of the things that we had, and then I would like to say in closing, that I thank you very much for the opportunity to be here. Either Mrs. Harmon or I will be happy to answer questions.

Senator COHEN. Hold up the items and describe them for the record.

Mr. AMSDEN. These are the boots and they are lined on the bottom so that the clients could walk on floors with them. They had little gripper things, so if the floors were a bit slippery or linoleum or hardwood floors they would not slip. They also had a liner inside for warmth. If you will notice, they do not have metal grippers, this is Velcrow so that all that is required is just a little pressure. Persons with arthritic hands find it difficult to deal with zippers and metal clasps and that sort of thing but this is very easy. Sometimes they just simply moved their foot and with their ankle took these apart. Many people wore these to bed to keep their feet warm.

This is the hat, typical night hat obviously.

There were some ladies of various organizations who were contacted who knit up lap robes. Many of the clients enjoyed these because they found them very nice when they were sitting in their cold living room.

I think the ladies will all understand what these are and if the men don't, well, they have to learn. [Laughter.] Mrs. Harmon always restricted me to giving out two pair of these snuggies, and you would not believe, I had to scout around in various department stores in the area to find additional pairs, because some ladies would want more

than two pair for themselves, and I ended up being their shopper for them. Some salesclerks in some department stores kept saying, "Does your wife know you are doing this?" [Laughter.]

Senator COHEN. Do you have different colors for the men?

Mr. AMSDEN. In the unisex world today, a great number of the women took these—long underwear—in preference to those. These are the regular long underwear that your grandfathers wore.

And the blanket, that happens to be the electric one, but the regular one is the same.

Last, the vest. I don't know what size this is. This is a 34-36. Do we have a 34-36 in the audience?

These flaps, incidentally, also had the Velcrow and the whole front pressed down closed it.

I would only comment that at the conclusion of the funding for this program it was with a great sense of sadness that not only did those of us who were involved in it have to conclude, but second, there were a lot of elderly still out there, and the inequity of the situation is that they are still out there and they are not being served.

Thank you.

Senator COHEN. Thank you.

Joyce, perhaps you could direct some of your comments toward the cost of this particular pilot project, how many people you reached, what you would estimate to be the need for the program in the State of Maine, and what kind of cost is involved.

Mrs. HARMON. In terms of the clothing package itself, about \$70. We are planning a statewide program that is starting to gear up now. Because we are anticipating serving a great many more people, we think we are going to be able to hold the cost at pretty much the same, even with inflation, because we are on a very much larger quantity, and therefore going direct to the manufacturer on some things.

I don't have on the top of my head the figures per client but—

Senator COHEN. Just by way of comparison I noticed in last week's Sunday Telegram they were showing the quartz heaters, the tall, slim heaters that are becoming very popular in the State of Maine—they do not make the room any warmer, but they warm the individual. What does this item cost and how much energy does it consume? Would something along the lines of this clothing actually be a better alternative than that type of quartz heating?

Mrs. HARMON. Someone who does not have adequate clothing and blankets—one of the reasons we put together the clothes package in the particular way that it is, is to create a layer effect. Many layers of clothing that are not terribly heavy traps the air in between and sets up the thermal kind of insulation. Because we find the highest number of people, many of them very isolated, often not able to get out and get to programs, to apply for the services that are available, and so what we are trying to do is, in a sense, insulate the client's body from the cold while they may be waiting for their house to be insulated or some of the other things to be done.

Senator COHEN. Let's take a survey. How many people in this room have heard of the word "hypothermia"?

[A show of hands.]

Senator COHEN. That is really outstanding.

Mrs. HARMON. That is exciting because I think 1 year ago or 2 years ago, if you had asked that, there would be very few people that knew.

Senator COHEN. There are a lot of people out there in those rural isolated areas who don't know the danger involved. How do we get that information out?

Mrs. HARMON. Well, we have established a Center for Accidental Hypothermia, and right now there are in a sense pilot programs in 20 States across the northern part of the country that are gearing up to have personal energy programs in the area this winter. Our estimate is that a minimum of 10,000 people are going to be found and served through this effort. The center is providing training and technical assistance to those new programs starting up, but also a kind of a No. 1 goal is to get information out to all kinds of people and good, solid, basic information based upon the research that has been done in Great Britain, and now some of the things that are beginning to surface in this country.

While that is not certainly all that could or should be done, it is encouraging to find, for instance, that the Journal of the American Medical Association is beginning to surface some articles and some information. In the May issue, there was an editorial that was focused on accidental hypothermia and the elderly, and it indicated that there is an estimate of approximately 80 percent mortality rate of hypothermia among the elderly, and that rate is only estimated to be 10 percent among the younger people, and that has not an awful lot to do with aging problems and the energy crisis, poor nutrition, those kinds of things, but also has to do with the fact that hypothermia is not even diagnosed in many, many, many instances and many physicians and many hospitals are not using thermometers on a regular basis, so even if they take a rectal temperature the thermometer does not read low enough to indicate whether the person is suffering from hypothermia.

The center is, as I mentioned, doing some training and making a real effort to do a lot of publicity, public relations kinds of things in the States that we are dealing with. We are also collecting some basic data on all the clients that will be served in the hypothermia programs in the next 18 months. While that won't help us at all in terms of medical research. It will give us some basic information about who those people are, what their circumstances are, some of the kinds of related health problems they have, and nutrition problems. So we are really excited about that, that this problem is finally beginning to gain some attention.

I just came back Wednesday from training in Illinois, Idaho, Montana, Wyoming, and South Dakota, and out there I think the problem, if you asked the question in those States, you would not see as many hands raised as you did here. However, the agencies and some of the concerned people in the community are beginning to raise some real solid questions about what is happening and beginning to reach out.

Senator COHEN. Thank you very much for coming this morning. You have really done an outstanding job on behalf of the State of Maine. We are happy to see that your program is expanding to the West. I think it is a very important program, and we have been trying to reach out and contact people who need help.

Mrs. HARMON. Thank you for the opportunity.

Senator COHEN. We have one final witness, Anna Pluhar of the Upper Valley Senior Citizens Council, Inc., in Lebanon, N.H.

We are pleased to have you with us this morning and look forward to hearing your testimony.

Mrs. PLUHAR. I don't know what the significance is of being last—not being least, I hope.

Senator COHEN. Recently, on a panel of 14 speakers, I was the last one. I started just as a World Series game was beginning. [Laughter.] So you can imagine how I felt getting up after 13 speakers. I told them they saved the best for last, or at least they saved the longest for last.

STATEMENT OF ANNA M. PLUHAR, EXECUTIVE DIRECTOR, UPPER VALLEY SENIOR CITIZENS COUNCIL, INC., LEBANON, N.H.

Mrs. PLUHAR. I will try not to be the longest in any case.

I am Anna Pluhar and I am executive director of the Upper Valley Senior Citizens Council, Inc., in Lebanon, N.H. This council is a voluntary, nonprofit agency for senior services, founded by senior citizens to manage programs that serve the elderly throughout Grafton County in New Hampshire. The county is geographically the largest in New Hampshire, but it is extremely rural. In the year ending September 30, 1979, the last year for which I have figures, the agency served 3,939 unduplicated senior citizens with a variety of services: nutrition, transportation, activities, crafts, telephone reassurances, friendly visitors, information, and referral, and so forth. About 65 percent of our funding is Federal, the balance comes from local towns, Grafton County, the United Way, and donations for meals and transportation. There are 500 volunteers, and 80 percent of these volunteers are themselves elderly.

One of the joys of running a program in a rural New England county, such as this, is that there are informal networks, and that people really do care about their neighbors. If you are sensitive, you can bring in Federal money without destroying that natural network. I think that is a very important thing to do.

A year ago, the talk of severe fuel shortages in our area made many of us very much concerned about what might happen during the winter. We anticipated a real crisis. What happens if there is really no oil, or the oil doubles or triples in price, and in effect there is no oil, for many of our elderly and very poor people. What were we to do? We decided that this was a communitywide problem, and so staff members of our agency met with three other agencies in our area: LISTEN, Lebanon in Service to Each Neighbor, a group that is helped by VISTA and CAP; the Opportunity Center in the Mascoma Valley, and HEADREST which began as a drug hotline and has become a 24-hour local information and referral service. Staff from all four agencies met on their lunchtime, thus they were volunteering to setup this committee.

These four agencies constituted WHEN, the Winter House Emergency Network, an unincorporated committee which meets monthly. The first effort was to create a roster for emergency shelter; homes and

churches that could be used by people who had no heat whatsoever. Churches were contacted, and individuals offered their homes for such emergency shelters. Records are maintained outlining the type of space available at each location. We outlined whether the bathroom was on the same floor, where there would be emergency beds, where there were steps going into the house, and this sort of thing.

The second project was to outline a single procedure for shutting off the water in the house and recruiting volunteers to do the job so that an elderly person, leaving their house on the weekend or overnight, could do so knowing that the house was not going to be ruined by frozen pipes in their absence.

The third project was to contact all the fuel dealers. We found them very cooperative. We conducted a survey, found out how much fuel they had on hand, how much they anticipated receiving, and at what probable cost. We circulated this information so that people would make plans.

Then with these projects we did a tremendous outreach effort to advertise our WHEN committee and at the same time talk about the other fuel assistance and weatherization programs. We have a newsletter, the Senior Scene News, that goes out to 2,700 addresses, an estimated 4,000 people in southern Grafton County. We included the information about WHEN and about the winterization programs in that newsletter.

We then conducted a daylong energy workshop in Lebanon. We discussed hypothermia. We discussed the energy situation. We had fuel dealers there, we had doctors there, anybody that had any concern about energy, to inform ourselves, and the public, about the nature of the problem in our own locality. During the past winter there were three emergency calls to WHEN during the weekends and late at night. We had HEADREST with a 24-hour phone for this operation and it was a relatively mild winter. There were also other referrals during the day that came through the network.

This spring and summer, WHEN included a number of different agencies and a lot of volunteers. They asked themselves in the spring, "What do we do now?" One thing was very clear: There were a lot of people and elders who were not on budget plans, because they never knew in time when to subscribe. This showed up in our surveys and contacts that, yes, they had heard about budget plans but when they thought about the budget plan it was October or November and at that point the fuel dealers were not interested. We sent out a letter to 800 people—the ECAP list plus other people considered at-risk—pointing out in a timely fashion that it was time to get in touch with their dealers so that they could go on a budget plan to help them for this winter.

A fuel dealer actually paid for that mailing, which was a general purpose mailing, it was not on his letterhead, but he paid for it. Certainly, oil dealers would rather get paid than not. We will have another meeting with the fuel dealers this fall to make them comfortable with our work. They are the first line of outreach because they know the ones who are not paying; which houses have been dropped off their list. When they look at the organizations that are funded by CAP, however, they are not at all sure that we are allies, so getting down and talking to them in the community was very important.

How was WHEN funded? What overhead there was, was met by the agencies that are cooperating in this effort. Much of it is CAP money, some Older Americans Act funds, and we also have the title XX money for meals on wheels. WHEN has a VISTA volunteer who has done a lot of work with fuel dealers and outreach to isolated homes.

One of the requests I would make to the committee has been stated before very forcefully. While the fuel assistance program has helped, its constant emergency nature really makes life extremely difficult. It is hard not to have people fall through the cracks for administrative reasons. If we knew what was going to be available and under what guidelines, it would be cheaper to administer, as well as a better program.

I also would like to point out as I conclude, is that while fuel assistance is an essential service, elders need alternative housing. I feel, as many of the people in this room do, that we should keep people in their own homes if that is really what they want to do. But one of the reasons it may be what they want, is that they don't have decent alternatives. As a matter of public policy, it would be better to be supporting them in the most efficient kind of housing. Such housing might be newer and in each little town.

I would like to end on that note. Thank you for this opportunity to testify.

Senator COHEN. Thank you, Mrs. Pluhar. I think your testimony gives evidence that coordination at the local level is possible. Fuel oil dealers have come to recognize that perhaps CAP or any other service agency is not necessarily an enemy or adversary. That is why I was so pleased with last night's meeting. There, I saw the owners of the utilities sitting at the same table with those who had tried to shut down that utility just a week or two earlier. I thought perhaps the lambs and the lions had come to a conclusion that they could not continue to have a war with each other. We better beat these swords into plowshares, and the sooner the better.

I think what you have just expressed is a good example of that. We can have that kind of accord and peace at the local level. The fuel dealers, whatever their position on these programs, know it is in their best interest to have some measure of cooperation. Let us not be too hard on these fuel dealers—they are small businessmen and women, and they have to pay their bills, too. We cannot say, OK, you cannot shut off anyone, under any circumstances, because they will go out of business. Where do we go from there?

It is not necessarily always looking and seeing the enemy on the horizon. We have the shared responsibility for economic conditions, as well as for the physical health, safety, and welfare of our citizens. We have a number of people in the audience today who are going to want to offer some comments for the purpose of the record.

Before concluding this panel—this is the last panel—let me offer a couple of observations. Lucille Simpson will be interested to know I attended a political fundraiser in the town of Elliott, Maine. I was just getting up to give a speech, and I was not sure what I was going to say. I looked down and saw that one of the people had a big button that said "Nobody for President" and I said, "Be careful, I will write you

in." But it gave me a topic to talk about that evening, something perhaps a little bit different. It was discouraging to me to have somebody say "Nobody for President" because it happened to come along on top of a story in one of the major papers that 48 percent of the people may not go to the polls this year.

I thought, what a terrible indictment of our political system; 48 percent, almost half of the population capable of voting, not going to the polls. I thought about what a historical irony that statistic is for this country—which has such a history of patriotism, a tradition of being prepared to send its young men all across the globe to shed their blood, if necessary, to protect the right of individuals to cast a vote in the free and open and democratic election. Now, in this same country that has such freedom, 48 percent of those people are not going to walk, fly, or sail across the street to cast their vote, because they feel somehow the system really does not relate to their particular problems any more. It is disturbing to think that they view government as so remote and unresponsive to the realities of everyday existence that they simply do not want to participate in the electoral process.

I have seen books that are rightfully calling the seventies the decade of the positive apathetics, the decade of the nonvoter, the decade of the uncaring. Somehow, again, it is this perception that the government is unrelated to everyday realities, so we cannot really become a part of it. Therefore, we just turn our backs contemptuously upon the system. I raise this as an issue. I think something is terribly wrong in our system when there has been almost a perversion of the process that was created in order to have the people delegate to me and to elected officials in various States the responsibility to represent you and reflect your viewpoints.

To the extent we can determine it, we are supposed to pass laws for those of you who have elected people like me as Members of Congress. Legislators pass laws and then delegate to agencies the responsibility for developing regulations that would implement the laws. It is all held in check, at least in part, by the supervision by an impartial and nonbiased judiciary which makes sure that the agencies have not exceeded the scope of their authority and violated the intent of Congress, and that Congress has not violated provisions of the Constitution. That was the way our system was supposed to have operated under the separation of powers. Now, we have come full circle, and the people feel that the courts are too clogged and overloaded to deal with their problems.

Now we have citizens groups which are funded by the taxpayers to participate in the regulatory process because they have lost faith and feel we are failing in our responsibilities. We keep adding one layer on top of another layer. That is why I think we have this overloaded system that I talked about initially. That is critically important, in my judgment, and it is in part the reason why this hearing is important.

I had hoped that there would be more extensive media coverage. We had several newspapers represented here and perhaps radio coverage, but the way in which you influence Congress to pass laws or propose regulations which deal with these issues is to air them publicly and say, Senator Cohen, we have a problem here and your laws just don't measure up.

It is not enough to be apathetic, it is not enough to be discontented, it is not enough to be alienated from the system. The system is supposed to allow you to come and tell me that the system does not work. There is much frustration. I worked in the Congress on an educational program on discrimination. Lo and behold, there was the case in Arizona where the Federal agency ruled that a father/son sports banquet is a Federal crime.

John Jacob Astor, one of the passengers on the Titanic, said, "I know I rang for ice, but this is ridiculous." [Laughter.] We feel the same way, that this is not what we intended. We didn't intend to make it a crime for a father and son to go to a sports banquet together, but the only way we can correct those kinds of problems is by hearing about them. One way is to have a public forum, sort of a minitown meeting, for people who are affected or afflicted by various Federal policies and programs.

The saving grace of this little speech of mine is that most of the elderly citizens in this country have a good record of voting. They do turn out, and they are getting organized. You have got some really fine organizations that are trying to bring to bear that kind of political pressure the way it should be brought to bear. You are, in fact, a special interest group, just like every other group in this country is a special interest group.

The country is divided up into special interest groups. You happen to represent a very large one and a growing one. As Joyce Harmon's button reminds us, we are a graying society. There are more of us who are reaching the age of 60 or 65 than there are being born today. We have a diminishing birth rate by comparison with the graying of America. That is a reality and we have to deal with it. I am encouraged that so many of you would take the time to come from Maine, New Hampshire, Vermont, Connecticut, Rhode Island, and here in Massachusetts, to this hearing.

I think it is important that we build this record, so that when the issue does come up on the floor of the Senate we can point with some authenticity to the real problems that people currently suffer. I thank all of you for coming this morning.

We are going to stay in session. I hope that we can conclude by 1:15. I am going to try to make an opportunity here for witnesses who would like to offer some comments for the record.

Jerry Prost, if I could ask you to try to confine your remarks to about 5 minutes, that will allow all the others who follow you to have time to say something.

**STATEMENT OF JERAHMIEL PROST, MEMBER, ADVISORY COUNCIL,
NORTH SHORE ELDER SERVICES, PEABODY, MASS.**

Mr. Prost. Thank you, Senator. You are one of the very few that pronounce my name correctly and I appreciate that.

Senator Cohen and members of the staff, my name is Jerry Prost. I am a senator in the recently established Senior Silverhaired Legislators of Massachusetts. I am also a member of the advisory council of the North Shore Elder Services in the area agency. I am also a member

of LENS, the Legislative Elders of the North Shore. I am a volunteer advocate for LENS. Finally, I am a chapter president of the Association of Retired Persons, the chapter in Salem, Mass.

Before I start, Senator, I may presume to compliment you for something very rewarding that I think we have been receiving from you, and knowing that you are from Maine we can appreciate and understand the character and caliber of what you are giving us. It is very much down to earth and real talk and cracker barrel, and I personally am grateful for it.

Senator COHEN. I have been called other things than a cracker barrel. [Laughter.]

Mr. PROST. I am very pleased to have this opportunity to present testimony to the U.S. Senate Special Committee on Aging, on the energy needs of elders in our area. North Shore Elder Services is the area agency on aging which serves 5 cities and towns on the North Shore of Boston, some 23,000 persons over age 60 years. Energy needs and programs are of great concern to our constituents, especially as winter—and the heating season—approaches once again.

There are three main areas our testimony addresses. They are: (1) Client eligibility and program capability, (2) the weatherization program and unmet needs, and (3) methods for administration of payments.

We trust our input on these subjects will be valuable to your committee in its work.

1. CLIENT ELIGIBILITY AND PROGRAM CAPABILITY

Due to two changes in eligibility guidelines, many more households will be eligible for the Federal home energy assistance program in 1981 than were eligible in 1980. Increases in the Census Bureau's poverty level figures have raised the eligibility standards, and new Federal guidelines now allow households at up to 150 percent—I believe it is 175 percent now—of poverty level to participate in the program.

These changes are important for the entire population, but are especially significant for elders. Last year, the Massachusetts emergency fuel program allowed households at up to 150 percent of poverty level to receive assistance. At that time the Federal program limited eligibility to 125 percent of poverty figures. In our area, 61 percent of the households benefiting from the State's program at the higher income eligibility levels were elders.

Thus, we applaud the increase in the Federal program to 150 percent, and the increase in the budget for the 1981 home energy assistance program. We are concerned, however, whether the proposed budget will be sufficient now that many more households are potentially eligible for assistance. The 1980 State plan estimated that there would be 250,000 households eligible, where the proposed plan sets the 1981 figure at 441,000. With an expected funding level for Massachusetts of \$62 to \$70 million, the State projects it will only be able to serve between 200,000 and 300,000 households. As some 40 percent of the households receiving emergency fuel assistance are elder households, this raises serious concerns for us and for you, sir, as well.

2. THE WEATHERIZATION PROGRAM, AND UNMET NEEDS

Weatherization is an extremely important part of the home energy assistance program but one that needs to be further developed. Such services provide improvements in the quality of housing in which low-income families reside, and present some needed long-term solutions to efficient use of limited energy resources. For those homes that are weatherized and made more energy efficient, the demand for emergency fuel assistance funds can be lessened.

The problem is that the resources allocated to weatherization services are tragically inadequate. The community action program—CAP—serving our area has a very low capacity for weatherizing houses, and waiting lists are long. Last year alone 2,800 households received fuel assistance from the local CAP agency, but only 200 homes overall could be weatherized; 763 of those households receiving fuel assistance were elder homeowners.

Weatherization services should be targeted at the households which receive emergency fuel assistance in order to coordinate the programs and maximize available resources. In addition, more resources need to be directed toward weatherization and the capability of programs need to be increased.

Senator COHEN. I am afraid that even after your particularly kind words toward the chairman of this hearing, I must urge you to summarize your remarks. I have your full statement, which will become a part of the record, but as we are talking, I am getting more and more people who say they want to have a chance to talk. There are now some 10 to follow you.

Mr. PROSR. I am on the last page. I will read the statement. I am cognizant of the fact that it has been a lengthy hearing. Our input is quite lengthy and you do have my statement.

3. METHODS FOR ADMINISTRATION OF PAYMENTS

The energy assistance programs have, to date, been administered by the CAP agencies. No direct payments to program participants were allowed in 1980; instead eligible households mailed their fuel bills to the CAP agency, the CAP approved and processed the bills, then made payments to the fuel vendors, and we believe this is a very important area, Senator. This system of administering payments has been burdensome for the CAP agencies, confusing for elders and other recipients, and frustrating for vendors awaiting payments. In short, it has been an administrative nightmare.

For 1981 the CAP would like to make payments to fuel assistance recipients direct. We know there are problems. We believe this should be explored and perfected. This would avoid the preponderance of bookkeeping experienced by the CAP's in years past, would provide recipients with control over paying fuel bills and accounting for how much of their grant allotment is spent, while protecting their privacy in regard to their status as fuel assistance recipients or private paying customers, and would help alleviate the credit and cash flow problems faced by vendors, as payments to them could be made in a more timely way.

We support direct payments to recipients as the way to administer the 1981 program, but suggest a Federal initiative for future years. We would like to see energy stamps used as the payment method with CAP's issuing the stamps to recipients, recipients then paying vendors by stamps. This method, too, would alleviate some burdens of administering the program and would provide participants with some control over payment of their fuel bills.

For any energy stamp program to be effective at the State level, we feel direction and support from the Federal level are needed. Where the Windfalls Profits Tax Act establishes the energy assistance program for a 9-year period, it is particularly important that together we look toward a program that will be effective and possible to administer over a long period of time. A Federal initiative on energy stamps can help on negotiations with major oil companies around accepting the stamps from dealers, on establishing guidelines for the State operation of such a program, and on coordinating programs between adjacent States if appropriate.

Section 260.158(a) of the Federal Register, May 30, 1980, presents the regulations for the home energy assistance program and offers energy stamps as one of the administrative options a State may choose in its plan. We ask that your committee consider seriously our recommendation on the adoption of energy stamps for use in Massachusetts with the necessary support and direction to come from the Federal level.

Thank you for listening to, and considering our comments.

We urge that for use in Massachusetts with the necessary support and direction to come from the Federal level.

In closing I must read a statement which I feel is dramatically important to—

Senator COHEN. If you can just summarize.

Mr. PROST. This is a letter from a consumer recipient.

Senator COHEN. It will be printed in full in the record.

[The letter and program statistics follow :]

OCTOBER 23, 1980.

To Whom It May Concern:

For the past 3 years I have been fortunate enough to be awarded utility grants through the North Shore community action utility assistance program. These awards were granted without problems for the first 2 years.

This past winter, however, I have been forced to endure what I feel have been undue and needless hardships.

I was one of the first people to apply for and be granted an award through the town hall application session. My electric bills are high in the winter due to an all-electric home. It wasn't more than 2 months before I had submitted bills high enough to warrant payment of the full \$600 grant.

This did not happen. After repeated termination notices and calls to the community action people, who insisted my bills had been paid, my electricity was finally shut off in May.

I applied for emergency assistance through AFDC and was directed to obtain a signature from North Shore community action stating that I had applied for and received the utility grant. At that time NSCAP, who had insisted my bills were paid, now said they would make immediate payment and called Massachusetts Electric to that effect. They (NSCAP) did not make payment as promised; the termination notices continued to come.

I endured harassment by the electric company who threatened shutoffs, belittled my financial status, and refused to furnish me with a letter stating non-payment by community action because, "They couldn't get involved," and the

nonpayment was "my problem." Finally, in late September I marched into the NSCAP office with a copy of the signed statement to welfare saying my bill was paid, and demanded satisfaction that this matter was taken care of.

After a check of the computer printout, I was told the bill had not been paid yet, but would be that very day.

It is now the end of October and I am still receiving termination notices from Massachusetts Electric. Although the assistance people insist that my bill was finally paid on September 28 and received by Massachusetts Electric on September 30, 1980.

I feel there has been no need for the insults I have endured from Massachusetts Electric personnel nor from one very irritating lady at NSCAP last spring and summer. I also feel my credit standing with Massachusetts Electric has suffered and should I have to move to new living quarters and need hookup service, I may have problems.

I am grateful for the financial help with my bills, but am irate and embarrassed over this year's situation.

Topsfield, Mass.

NORTH SHORE COMMUNITY ACTION PROGRAM, EMERGENCY FUEL ASSISTANCE, APR. 30, 1980

	Total program	Elder statistics	Elder percent of totals
Households—State program (150 percent of poverty guidelines):			
Supplemental security income	164	163	-----
Others	500	244	-----
Subtotal	664	407	61.3
Households—Federal program (125 percent of poverty guidelines):			
Supplemental security income	240	235	-----
Others	1,759	436	-----
Subtotal	1,999	671	33.6
Households served	2,663	1,078	40.5
Persons served	7,315	1,667	22.8
Owners	1,179	702	59.5
Renters	1,336	361	27.0
Public housing	148	15	10.1
Subtotal	2,663	1,078	-----
Number at \$600 maximum	627	257	41.0
Dollars paid:			
State	\$231,043	\$141,977	61.5
Federal	\$712,587	\$244,055	34.3
Total	\$943,630	\$386,032	40.9

Senator COHEN. As a matter of fact, what I wanted to say is that for those of you who are here in the room who would like to speak but may not have the opportunity to speak, there is a form that we have available. It says, "If there had been time for everyone to speak at the hearing, I would have said." You can fill that out and leave your name and address and also indicate that you would like to be added to the list to receive today's hearing transcript.

What I am trying to point out is that your entire statement will be a part of the official transcript, and you will receive a copy. The consumer's letter you have there will be made a part of the official record. We will see to it that you and she receive a full copy. It is not going to be ignored.

Mr. PROST. Thank you very much, Senator, for listening to me. I thank the audience for their patience.

Senator COHEN. Thank you very much.

Ladies and gentlemen, again, time is flying at this point, and we have about 10 people who would like to talk. If you could possibly appear and summarize your remarks, we would be most appreciative. I will try and stay as late as 25 after, and members of the staff who are here have offered to remain and listen to your statements. We will try to accommodate as many as possible, as best we can, but please try to summarize your testimony.

Mr. Henry J. Van De Stadt.

STATEMENT OF HENRY J. VAN DE STADT, WEST HARTFORD, CONN.

MR. VAN DE STADT. Thank you very much, Senator Cohen.

I changed my idea because I feel that you are 100 percent right. I have worked in the General Electric Co., United Technology, and whatnot, and I am still involved with small shops. We have two serious problems. New investments to renovate the plants and we have fallen behind Japan and several European countries. How the limited money is spent is very important.

I have been a member of the agency on aging since its inception and I have seen changes. I would recommend some more changes. There are times a few towns ask for money. There are many organizations that ask for money. They get the money independent from the town because it is seed money. The town knows very little about where the money goes that does not flow through them, so I think it is a must that the town should know this.

Our town has a 23-percent elderly population, a very high percentage, double the average. They are smart people, the town people are smart people. They never ask for money, they ask for furniture. However, when they have made the space available for elderly citizens to live in the neighborhood; we call it community schools. The 1978 amendments, when they talked for multipurpose senior centers, I would like to see that changed to multipurpose with services, because the idea is with older people the State helps you.

If they have some activities, they have some stimulation and we have found in the three community schools where the older people can and do go where the first place they have space for is social activities they want to pursue. They go for the good hot meal. Incidentally, just the youngsters, and I have seen older people walk away from there, and aren't the young people delightful. There is a nurse that can give a blood test and her own talents are available. These facilities have been used to such an extent that when they wanted to close one of the schools because of further problems, there was such an uproar that they decided not to close the school.

I have also worked in the agency. Therefore, I have been able to get information as to what happens, what is the current trend, and I know that their plan says that from past experience 21 percent of people over 65 which can be home care, it could be. and because of most of the information based on 60 years I said well, it is 14 percent if you figure from the beginning.

On the other hand, I have talked to gerontologists who know a great deal about it. If they can keep the older people active, walk a few blocks, get a good meal, by simple service, I figure it saves, and I figure

I am familiar with what we have in Connecticut. The cost of the home care program is about \$2,000, and the other program is \$12,000 up. This a savings for the towns who pay more, because there is more home care necessary. Ordinarily, of the people of the long-term care, 70 or 80 percent can be safest with home care. The other 20 or 30 percent, unfortunately, if you can keep that down to 20 percent you save the cost. The cost to the town goes up, and the cost to the State and Federal goes down. Just for Connecticut, about \$45 million, and each State as well.

Now there is another thing. We talk about energy. Now I work for the General Electric Co. here and we saved energy by going to smaller high-pressure boilers. We heat the homes with steam. I have talked to combustion engineering people. Miles and miles and miles of steam pipe. You can condense steam, and I won't go into details, but it is something that should be looked into.

I came to Lynn and got in the plant. I had outside people build 26 manufacturing plants. Now here are small units that go into the large buildings, high-pressure boilers, conduct the steam to heat the neighborhoods, give them some contracts and it is a program that is workable.

Thank you.

Senator COHEN. Thank you.

Mr. Van De Stadt, the topic of this meeting today is energy and equity. We have eight more to follow. Thank you for being—

Mr. VAN DE STADT. I talked about energy.

Senator COHEN. You have given us a very energetic presentation.

Mr. VAN DE STADT. Well, I am interested at 82, so I am still growing.

Senator COHEN. Thank you, very much.

Daniel Burkhardt?

STATEMENT OF DANIEL H. BURKHARDT, BALTIMORE, MD., ADJUTANT, THE AMERICAN LEGION DEPARTMENT OF MARYLAND, INC.

Mr. BURKHARDT. I am Daniel Burkhardt. I have been asked by the American international headquarters to represent them here today as an observer. My remarks are as the Maryland department adjutant; that is, the chief administration officer.

I don't have a prepared statement or I would have left it with you, but I did make some notes during the conference, and over here. My compliments to you and your staff, Senator. From your remarks you are one of the few at any level of government who has demonstrated an understanding of the gravity and the scope and depth of the situation.

Now speaking for many of our poor, the poor people who don't have any veterans' pension, only social security of less than \$300 a month, this really gives them only the choice of freezing to death or starving to death; they don't have much that they can do. They cannot afford to join the Legion as I did but these are fellow human beings who don't have a car, they cannot use any tax credits because they don't pay any taxes, they don't have a TV, they don't have a telephone, they cannot even subscribe to a newspaper. We need to reach these people and that is the purpose of my remarks here today.

I think that we can best reach them through the letters that go with VA checks and social security checks. In Maryland, if you find it of good use, I offer to you our American Legion home in every community throughout the State, and if it is of value I will ask the national organization to offer them to you nationwide, all 17,000, to bring these people in. If they cannot come in, if they don't have the transportation, we will pick them up, but bring the elderly in to tell us instead of us telling them what we believe their problems are. I think that we would get a lot out of it.

Finally for a solution. We can consider this a war for survival and the U.S. Armed Forces, the Active, the National Guard, and the Reserve, are an untapped resource. When we came back from World War II we were big heroes but now with the propaganda, and many other erosions, the general population is estranged from those people who are in uniform. They are all volunteers who are there now and I believe if we ask them; I have asked them in my community and they have volunteered, that if we ask them, many of them with technical skills, will volunteer to do this weatherization.

You must provide them with the materials, the tools are there, all they need to do would be release them. The military have trailers for all kinds of tools that are needed to perform the weatherization. The people are there, both men and women. This would hold down cost for the taxpayer who obviously cannot afford this entire program but we could afford the materials. Many of these materials are already in the pipeline. The warm clothing is in there now, and the military destroys its surplus. There is no reason why that warm clothing could not be given to the elderly, the needy, and the disabled, blankets and many other things are available.

Now I personally will be 65 on January 2, and I can tell you that for many of our people these are not the golden years, they are not even silver years, and it is a real burden to a number of people. We should try to help them. All of us can share the burden and it could be a golden year period for these older people.

Senator COHEN. Let me interrupt you for a second and point out that there are so many conflicting policies which don't make a great deal of sense. There is a measure now being introduced in the Senate and being considered by the Government to deal with the problem that pertains to our military. In Maine, for example, all of our veterans have to travel from all over the State to one central place which is the veterans' hospital there. That means they must travel 300 or 400 miles to get to that one spot. They must do this, even though they live up in Caribou or Presque Isle, and are about 12 miles away from Loring Air Force Base, which has medical facilities that could be used. The veterans tell me they have to travel all the way to Togus. It puts these people to a lot of trouble.

So now we are introducing legislation to have a concept of shared expense, shared medical facilities between the Veterans' Administration and the Defense Department. How much more simple could it be? And yet it has not been done. That is the kind of a waste you are talking about.

Mr. BURKHARDT. I know that the military in my State volunteered and then were cut off because the Federal Government said they could

not give them the supplies. They did go out and they did work on homes of the elderly people. I believe if you, as a Senator, and your committee called in the Joint Chiefs of Staff, Department of Defense, and asked them to make an operation available to it, that you will find many people in the Armed Forces today, the young people, and the people who have the skills and have the time and the effort, they are lonely people, they are almost ostracized by their contemporaries. They won't even wear their uniforms when they go into the community, but they would like to do these things for the elderly that they can't do for themselves, weatherize.

That particularly is my proposal.

Senator COHEN. Thank you, Mr. Burkhardt. We appreciate your testimony.

Next we have Shirley Dorey. Is she here?

Ms. DOREY. Yes.

Senator COHEN. Selectwoman from Belchertown, Mass.

STATEMENT OF SHIRLEY A. DOREY, SELECTMAN, BELCHERTOWN, MASS., AND MEMBER OF THE MASSACHUSETTS DEPARTMENT OF ELDER AFFAIRS WINTER ASSISTANCE TASK FORCE

Ms. DOREY. Senator Cohen and staff, thank you for coming to Massachusetts to hear how the Federal energy program is affecting New England, and for giving me the opportunity to speak here.

I am a selectman from a town of 8,500 people in rural western Massachusetts. I am also a member of the Department of Elder Affairs Winter Assistance Task Force, which is primarily concerned with helping the elderly in Massachusetts obtain adequate energy assistance. For the last several years, Belchertown's selectmen's board has been faced with the effects on the town caused by high fuel costs and shortages.

Working with the council on aging, and other community boards, we have gone from one crisis to another. We must have sensible long-range solutions in the immediate future. One of our biggest problems is redtape. We are buried under paperwork.

Most of our town officials are part time and not capable of dealing with the Federal bureaucracy. Also, the number of energy programs at all levels of government are amazing. There is little coordination between any of the programs.

The Federal fuel assistance and weatherization programs are subject to constantly changing regulations. The agencies handling the programs cannot plan ahead to avoid crises and emergencies, and cannot gear up before mid-winter. Our cold days, as in Maine, begin in October. People are suffering needlessly. The program in a constant state of crisis, is unnecessarily expensive.

The weatherization program has recently increased momentum because its guidelines have been redrawn along workable lines. Still the bulk of eligible western Massachusetts homes remain energy guzzlers. With energy costs consuming such a high proportion of income, wider financial guidelines should be considered with a sliding fee scale, so that other criteria may be considered, such as medical expenses. Personal resources as well as income should be included for eligibility. I

believe Congress has appropriated energy money in good faith with the thought that the most vulnerable segments of the community will be protected while new sources of affordable energy are found. Massachusetts had similar good intentions in supplementing the Federal money.

We at the local level feel that it is our obligation to see that no one is harmed during this ongoing crisis. However, we need your help. The Federal Government must act expeditiously in a clear, concise manner, and it must follow up to see that its actions are practical and effective. We are expecting a cold winter. Our heating season will last from October to April. Our energy costs will be among the highest in the Nation. All Massachusetts residents have endured economic deprivation but our most vulnerable citizens are facing a life-threatening situation. The Northern States, need a larger share of energy assistance. We, in turn at the local level, intend to work hard for self-sufficiency. The energy crisis must have the close cooperation of all levels of government if it is to be overcome.

I am also my town's representative to the Pioneer Valley Transit Authority Advisory Board. Federal aid to all transit authorities has been cut 10 percent in the past 2 years. Even with spartan budgeting, the authority's cost of operation has skyrocketed during this inflationary time. The local cities and towns have been forced to accept not only their own inflated share, but the Federal Government's budget cut as well. Our area's local economy cannot withstand these additional costs, and an end to mass transit in Pioneer Valley is clearly in sight.

The poorer segments of our population, including elderly and handicapped, are seriously dependent on mass transportation, and great hardship is foreseen for them. Without mass transit the area's energy consumption and costs, will increase along with traffic problems, especially in the cities.

The Federal Government has again tried to balance its budget by passing costs down to the lowest level—local government. This level in Massachusetts is already overburdened with one of the highest tax rates in the Nation and cannot withstand the increase.

Future planning to reduce oil consumption must include broadening mass transportation, not destroying it. The Federal Government, in determining policy, should consider the practical aspects of implementation by local officials who are operating your programs.

Senator COHEN. Thank you very much, Ms. Dorey.

Elias Boyce who is president of the Newton AARP.

STATEMENT OF ELIAS B. BOYCE, WEST NEWTON, MASS.

Mr. BOYCE. Correction, my wife is president. I am the power behind the throne; ex-president.

I don't know whether I fit in this hearing or not because I am not at the poverty level and I am not at that point in life where I can pay my oil bills and not feel the pinch. I was talking with somebody during the recess and he said, you are the guy that is too rich to get food stamps and have not got enough money to buy postage stamps.

To the point I would like to see the problem approached from an entirely different point of view. We have heard about handing out money

assistance to people who are cold and starving, and so forth, and this is good. I would not take 1 cent away from them, but there are people in my class who feel the pinch and yet we are not being helped by any of these programs. I would offer a suggestion which may sound like a wild suggestion but we got into this trouble in the beginning, as I see it, by taking the ceilings off of our oil and our gasoline, and so forth, and allowing the oil companies to raise their prices at will so people would burn less gasoline.

Now it has not worked out as well as they hoped it would. People drive their cars just the same but people cannot go without heating oil in winter. I urge that consideration be had to put a price cap on heating oil, never mind the gasoline. If they want to raise the price of gasoline to break even, go ahead but not go any higher on the heating oil. I don't expect the oil companies to sell at a loss, but I think it has gone far enough, we should go no higher.

Senator COHEN. One of the counterarguments is to put a price cap on heating oil, which is most desperately needed by most of the people of our region. The only intent I have would be for the oil industry to refine more gasoline, to ship the available stocks. If you have less heating oil, you have less supply available to go around—and more gasoline, because it would be more profitable to the industry itself. That is one of the problems if you start to single out various types where you are going to apply price control and not others. That is why I believe Senator Kennedy has recommended across-the-board restrictions.

Mr. BOYCE. Has the Government no control over the portion of oil that goes into each class?

Senator COHEN. No.

Mr. BOYCE. Savings are gradually petering away and some day I expect to end up in a nursing home and they will keep me alive until the grim reaper comes along, but I would like to be able to hold on to a few of those bucks. I have a son that is handicapped and a daughter that is just about able to make the grade, and I am very reluctant to pass on and leave them stranded.

Thank you.

Senator COHEN. Thank you very much, Mr. Boyce.

Is Mrs. Boyce here to testify? Is she present?

Are you going to let your husband speak for you on this one? Did he speak on your behalf as well?

Mrs. BOYCE. Yes; he did.

Senator COHEN. All right.

Ann Dowling?

STATEMENT OF ANN DOWLING, DIRECTOR, SENIOR CITIZENS CENTER, PROVINCETOWN, MASS.

Ms. DOWLING. Senator Cohen, I am Ann Dowling, director of the Senior Citizens Center in Provincetown, Mass.

I would like to make a brief statement this afternoon regarding what we have been listening to, based on the needs that we have in Provincetown on Cape Cod, for fuel assistance and winterization, and those needs are based on minimal social security allotments, the number of recipients receiving SSI supplementary insurance, and the escalating cost of living.

We have many senior citizens; as a matter of fact in Provincetown we have in excess of 1,100 people over 59 years old, and in that group we have many who are living on minimal amounts of social security, in some cases just over \$200 a month. I am talking about people who have gone through their savings in recent years. I am talking about people who owned their own homes, but have moved and closed rooms and closed the second floor and moved into as small an area as they can.

My concern is that so much money is going into the cost of energy, that some people's food budgets are truly being affected. Not only food budgets but other necessities. The cost of all things today is such that many of these persons have no options at the end of their allotment check, and are truly faced with the choice between food and fuel.

I would like to reiterate what Mr. Mahoney said earlier this morning when he spoke of the need for fuel assistance, the need for winterization and the need for permanent energy coordinators in local jurisdictions. I have spoken about Provincetown, but I would like to say also in closing, that there are no towns on Cape Cod where there is not a percentage of the population in the same group as the persons I am speaking of.

Thank you very much.

Senator COHEN. Thank you very much.

Hugh McManus?

**STATEMENT OF HUGH McMANUS, LYNN, MASS., PRESIDENT,
NORTHEAST NEW ENGLAND DISTRICT RETIRED MEMBERS
COUNCIL**

Mr. McMANUS. Senator Cohen, members of the panel, I am Hugh McManus, president of the Northeast New England District Retired Members Council and also a vice president of the Massachusetts Association of Older Americans.

I am not going to deal with any specifics, you have heard enough about them today relative to need and whatnot. I am going to deal with something that you have said about losing faith in the system, and my remarks are going to be a little bit harsh, probably, but we have three major candidates for the office of President of the United States and we are concerned as to who is going to win that office. We are concerned, based upon the utterances by the three candidates. Unfortunately our choice, the choice of most of our people, was Senator Ted Kennedy for the office, and the ballgame is over for him, he is out, so we have to contend with the other three.

Now we are being ripped off on oil price costs with original contentions that there was a shortage and this justified the increases. Since then they have just discontinued reference to shortages and just increased the price. They have just increased these costs and our main source of energy is from oil. When I was a kid I don't recall ever hearing about oil imports. We always believed we were self-sufficient from our domestic sources of supplies. Our oil imports were very low and it was only a few years ago, 4 or 5, when it was said we needed only 7 percent from Canada and 6 percent from Venezuela, in addition to our own domestic supplies. Now we hear that 50 percent is being imported.

We know that the American multinational oil companies are controlling the oil business throughout the world, not just in the United States. We read that there is a glut of oil today, taking into account wells in the Alaskan oilfields. Our Government has assured Japan and France, on more than one occasion, that if the Mideast shuts off their oil supplies, that the United States will keep them going by sharing our oil. "Don't worry," they say, "we have enough to share." Share what oil, if we are so short?

The price of gasoline and oil is killing the economy in this country. Why is this happening to us if we have so much oil? This is the question again, of having faith in the system, and those people in Washington who should be in a position to do something about it. President Carter moved against the oil companies after the course of their profits, from unconscionable price gouging, and pushed for a windfall profits tax against the oil companies. Reagan and Anderson are waging complaints against the profit tax claim, saying leave the oil companies alone, get off their backs.

The elimination of that windfall profits tax would no doubt be the end of the fuel assistance program, because the money from there, as I understand it, comes from that windfall profits tax. Anderson has even proposed taxing the consumer 50 cents a gallon for gasoline. I wonder if Reagan and Anderson would believe it is high time those oil companies were taken off our backs.

PRICES

We have been told gasoline is going to cost \$1.50 months and months before the price goes up. No talk about supply and demand. The price was 67 cents a gallon, and we were told they thought it was going to be \$1, and it has almost reached \$1.50.

Home heating oil when it cost 42 cents a gallon they told us it was going to \$1. It has gone above \$1 today. We will probably get the rest of that increase before the year is out. Reagan and Anderson are both bad for this country as far as we are concerned. Reagan and Anderson must think the American people are idiots to buy that "poor oil company" line.

Senator Cohen, you said that some people in Maine the other night said, "Nobody for President." You know, I heard a report the other day that 65 percent of the electorate of the voters were unsure as to who they were going to vote for at this late date. It is a sad commentary, but as far as we are concerned, the only fellow that we have left for us and hope as far as the fuel assistance program is concerned, is the current President.

Senator COHEN. I only point out that it was President Carter who decontrolled the prices on oil, so it is not quite as black or white as you would like to believe. The President is the one who urged taking the price cap off of oil prices, not either Reagan or Anderson. Just blame the President for this ripoff.

Mr. McMANUS. Doesn't the Congress have any obligation to step in there and do something about this?

Senator COHEN. I want to make clear that the consensus was shared by Republicans, Democrats, and even Independents, that there had to

be a windfall profits tax. By the way, I supported that tax and continue to support it. I think the President was trying to recognize the international realities. Countries such as West Germany and Japan pay just as high or higher price than we do, but they don't have the inflation that we do. They pay a higher part of the tax that goes into their social programs.

Mr. McMANUS. Senator, I have heard about the taxes in Europe. There is no comparison between the cost of gasoline in Europe and the cost of gasoline in the United States. The cost of gasoline a gallon is \$2, \$2.50 in some countries but most of that is a national tax that goes for programs, so you can't say that they are paying \$2.50 a gallon on the same basis we are paying.

Senator COHEN. I don't happen to share John Anderson's view. That is what he proposes, adding 50 cents on the tax to discourage use. It is not all as bad as you indicate, that Anderson, or Reagan, or Carter, somehow ought not to be trusted for different philosophies. In representing the group you, of course, do have a right to cast your judgment as to who will best reflect your interests.

Mr. McMANUS. It is a damn poor choice but that is our choice.

In going back to whether or not the Government has any influence in these matters, under President Truman it was a head-to-head confrontation with the steel companies over prices rising because that would have had the same effect that oil has today on the general economy. The same thing happened under President John F. Kennedy and he held steel prices under control. The level of inflation from 1948 until 1969 was about 3 or 4 percent and unemployment in the same level.

Senator COHEN. There are no steel businesses going out of business today.

Mr. McMANUS. As far as I am concerned the elderly have one bad choice out of the three and that is Carter.

Senator COHEN. Tina Skaderi. Not here.

We have one other, I think Dorothy Peercy.

STATEMENT OF DOROTHY PEERCY, RIFLE, COLO., MEMBER, COLORADO COMMISSION ON AGING

Ms. PEERCY. I am a member of the Colorado Commission on Aging and work in the retired senior volunteer program as well as title III programs. I feel very foreign today, believe me.

Senator COHEN. We happen to have a reporter here from Colorado.

Ms. PEERCY. I know, we have met.

Senator COHEN. She always catches your remarks.

Ms. PEERCY. I do have a prepared statement. I would like to add these maps to my prepared statement,¹ partly because I want to digress from my prepared statement, and also that you may be aware of the area to which I am referring.

This will be very short. I am concerned about the corporation that is being formed for oil shale or syn fuels. I understand Mr. Carter is going into this without the approval of the Senate, that there is no

¹ See page 68.

one from the West on that committee. We would very much like to have somebody from the West on that committee.

Senator COHEN. As I recall, you have a Senator running for reelection who has insisted that you have a member from the West on the board.

Ms. PEERCY. I know, we are of a different party, but we agree on this matter.

This is people. I am telling you because this may not seem to be in conjunction with seniors, it is because if they go ahead at breakneck speed the way they are talking about syn fuels it will ruin the country and ruin the people who have built the city, those who have done the preparatory work. The local officials have attempted to plan and work ahead. The oil companies that have been in there already are working with us. I have worked on the impact committee with them, I know, and it is a real problem. It can be done. If you want to go ahead, we feel the whole country really needs this, it has been proven. We need the oil, we need the fuel that will come from the coal, but we must have it done in an orderly fashion.

Senator COHEN. I agree with you. As a matter of fact, I had the same concern when the President requested an \$88 billion program with syn fuels.

Ms. PEERCY. Yes, I am aware that the amount had been cut back, but it is still a lot of money. I am concerned that so much money is being given the oil companies, yet no mention has been made of helping the impacted local governments, nor the people of those areas.

Senator COHEN. They have cut that back substantially from the original request, because of the concern that you have expressed today. There is also concern about the so-called fast-track approach to energy development. We do want to have more rapid development of resources, but not without regard for the consequences we would inflict upon the West, which has limited water resources. It would be a tremendous drain on the water resources in the West.

We also have under consideration the development of an MX missile program which will take up some part of Utah and possibly Nevada. It is controversial, because of additional burdens it might place on the resources of the West. Even though we don't want to be foot dragging or in any way dilatory in Congress, but there are legitimate concerns that we proceed with caution as well.

Ms. PEERCY. They have waited this long, I think they can wait with a little less pressure than they are trying to put out right now. This is the thing that has all of us worried, old and young.

Senator COHEN. Thank you very much. Your statement will be placed into the record at this point.

[The statement of Ms. Percy follows:]

STATEMENT OF DOROTHY PEERCY, WHICH WAS PRESENTED AT THE COLORADO GOVERNOR'S CONFERENCE ON AGING, OCTOBER 10, 1980

I am Dorothy Percy, member, Colorado Commission on the Aging, Rifle, Colo. I have been asked to speak on the effects of energy impact on the elderly in region XI. I have heard it said that an expert is someone who is 50 miles or more away from home. I am 200 miles away, so I will proceed on the assumption that I am an expert.

Region VI contains four counties in northwest Colorado namely Moffat, Rio Blanco, Garfield, and Mesa. This area is unique because it produces six kinds of

energy—coal, natural gas, oil, oil shale, a little uranium, and electricity. Moffat has coal; Rio Blanco—oil, natural gas, oil shale, and coal; Mesa—coal and uranium; and Garfield—a few small natural gas wells and coal mines. A large percentage of the oil shale development is in Rio Blanco County, and the Mid-Continent coal mine is in Pitkin County, but a large percent of the workers from both live in Garfield County. This gives the county a very low tax base, making it very difficult to fund needed improvements, especially human services.

Energy development brings rapid change. I would like to quote our region XI area agency director, Mr. Dave Norman, in his area plan for 1981. He says: "Change is disruptive, particularly because resources, goods, and services are limited and like any situation of stress, those persons with least personal resources are most vulnerable. It is these people who should be given priority for receiving assistance from government and industry. These groups—including the young, the elderly, those who are handicapped in some way, the poor who cannot adapt to change, should be the focus of efforts to understand potential problem areas in boomtowns."

Change mainly stems from increased population. I have heard several predictions of growth for the Rifle area, but a population of 20,000 to 25,000 by the year 2000, with similar growth in surrounding areas, if not that intensive, seems to be the most reasonable. A Washington economist stated that the predicted growth impact on the western slope in the near future could be readily compared to the population of a city the size of Chicago being moved onto the front range of Colorado during a like timespan.

Some of the effects of impact on the elderly are high industry wages competing with local business employees, causing a rapidly escalating cost of living and increased costs for services far exceeding the normally high inflation rate. Services are not only high, but are quite scarce. The people who deliver services do not immigrate as rapidly as the workers.

The RSVP office serving West Garfield County received a small grant to conduct a survey of conditions and needs of senior citizens there in the fall of 1978. It was learned that 25.3 percent were living on \$250 or less per month and 77 percent on less than \$700 per month. There was a high percentage of seniors in the area because most of their children had to leave to find adequate employment.

A statement by the president of Colo-Ute Electric Co. estimates there will be a need for 43 million tons of coal a year to furnish electricity for oil shale development and the new synfuels industry. Exxon has said they are expecting 8 million barrels a day of oil from shale. We are certainly hoping that that never materializes.

It is predictions like this that make residents of the area know they must plan ahead and that government officials must also plan and implement ways for this growth to happen in a restrained, orderly, and systematic way.

Some of the area officials have seen this coming and have planned for and upgraded the water and sewer systems. They have also attempted to improve streets and area highways. This all tends to increase taxes and rates.

Utilities are a real burden, especially for seniors. Fixed, low incomes along with several increases in rates make it almost impossible to make ends meet. Natural gas prices are worse in Rifle because the gas comes from a well just north of town and the wellhead prices are higher at that well. Many people are reducing their heating bill by installing a wood stove and cutting and hauling their wood. This would prove to be a bit difficult for seniors with no transportation and arthritic hands and feet.

All of the four counties have some senior housing. According to a housing study made by Colorado WCOG, there are now approximately 388 senior subsidized units in Region XI, and there is an immediate need for 448 more units. Rifle has 24 units that were planned and built about the time oil shale came alive. There are now 36 more units being built and the housing authority has requested funds for an intermediate care facility. However, the waiting list for housing never seems to decrease.

If the intermediate care facility were to become available, and if more home care services were available with a sliding scale of cost to make it available for any senior, the necessity for entering a nursing home could often be avoided or at least postponed for some time.

Three of the four counties have some form of senior transportation, and the fourth is getting started now. Garfield County has a system that serves all six urban areas with a regular schedule employing drivers and maintaining five

vans. One is full time 5 days a week. The others are on part-time schedules. Four were purchased with funds obtained through the AAA and the fifth is an RSVF van.

It is becoming increasingly difficult to maintain the vans, buy fuel, and insurance, and pay the drivers. There is no money for replacing the vans that date from a 1974 Ford to a 1977 Dodge.

Traffic has increased so drastically that it is dangerous to cross the street, and many should not be driving in the congested and fast moving traffic. Many more have no other means of transportation than the senior traveler vans. It seems ironic that now, when there is need for more and better transportation, we may have to cut back services in 1982 unless funding for senior transportation is increased significantly. In addition to funds from our AAA grant, the county commissioners have committed a very sizable sum to operation of the vans, every town in the county is contributing, and the passengers contribute.

Rangely is beginning to feel the effects of growth. Last week three single ladies whose rent was approximately \$100 to \$125 per month had their rent raised to \$350 per month. No other apartments are available at any price. One lady's total income is \$350.

Mountain Bell Telephone conducted a study of cost of living in cities over the State. Craig was 30 percent higher than Denver. It costs more to buy a comparable house in Rifle than it does in Grand Junction or Denver.

The nutrition program is finding it increasingly difficult to stay within a budget because no commodities are now available and because of the high cost of food. When we have a sale on food in Rifle (not often) it might get down to the price you folks normally pay.

The joint budget committee from funds in the OSTF, and the Department of Local Affairs from mineral severance tax funds have agreed to fund a new senior center for West Garco in Rifle. We hope that through the nutrition program, and others, we will be able to alleviate some of the stress, depression, and disorientation that rapid growth and change have been known to affect senior citizens.

We would strongly urge the government to make a sizable amount of money available to local governments to address the most pressing needs as we feel that people or programs needing help could receive that help more quickly and at far less cost than for each project to go through the redtape required for Federal or State grants.

This may seem to be a local problem not to be considered here, but when this small an area is called on to furnish energy for the Nation, someone is going to have to help to finance it.

Senator COHEN. I have to leave in exactly 6 minutes.
Annie Gould?

STATEMENT OF ANNIE I. GOULD, LYNN, MASS.

Ms. GOULD. I will try to make it brief.

Senator COHEN. All right.

Ms. GOULD. I was very much in sympathy with the remarks of Mary Ann Newell from Connecticut. She was a nurse. I have been a teacher.

Our jobs were service occupations. Those of us who have been serving, all of our lives, would like to keep on serving even though we are retired.

As I see it, the principal problems that stand in our way are taxes, inflation, and crime. We cannot serve well if we are afraid to leave our homes.

It is said that the United States is a rich country. It cannot be so rich if it cuts off our voluntary services at retirement.

That is it. Thank you very much.

Senator COHEN. Thank you very much.

We have Patrick Fallon. One more witness after you.

STATEMENT OF PATRICK T. FALLON, SALEM, MASS., LEGISLATIVE CHAIRPERSON, MASSACHUSETTS RETIRED TEACHERS ASSOCIATION

Mr. FALLON. You will make it.
Thank you, Mr. Chairman.

I was encouraged by the chairman's and Mr. Brickfield's mention of equity in energy equity here because that is the aspect of the question in which I am interested. It seems to me there has been very little attention given up to date to a large group of people who have not been discussed yet today, one about whom some signs are apparent that change may be forthcoming. For example, the policy director, Joel Flatley, of the Executive Office of Community Development in Boston, over the weekend was reported believing the public money should be poured into programs which allow the elderly to stay where they are. Flatley reported he would like to see increased rental assistance to elderly households. There is a large unnoticed and unsupported segment between the comfort level, and recent policies have been turning from lower-middle income into a borderline poverty chiefly as a result of the energy costs.

Skipping a lot of my story, I will just talk about two things I see out the window of my house. I look out the kitchen window and see a double 10-story apartment house, 200 apartments, subsidized construction by tenants. The rent increase there this year was \$108 a month, of which the tenants paid \$27 and I presume we pay the other \$81.

I look out the other window and see what is known as Colonial Heights—this is in Salem—a 350-unit apartment complex. The apartments that were renting for \$285 have been increased \$65 in the last few months. These are nonsubsidized. The larger apartments, or so-called two bedrooms, went from \$315 to \$395—relative increases of \$65 and \$60 a month.

Now I don't have to tell the committee that the median increase of social security was \$54, which gets lost in these increases. The 75-percent actual increase was \$56.40. We are still way behind, and you have to be way at the top of the social security pile getting a maximum allowance to get an increase of \$81.80, which would be insured by State, county, and municipal employees.

Retirees like us, including the Massachusetts Retired Teachers Association, were granted a \$25 a month increase in the last calendar year. This year we got a raise to \$30 a month, and these people of course are helpless trying to cope with amounts like that. By the way, you may know that the Massachusetts teachers system is supposed to be one of the better ones in the country, and that controls for rent of course are out. Otherwise, everything would be turned into condominiums.

The credit for the elderly schedule R, \$27.50 for joint social security. Energy credits, you might put on all storm windows one year to make \$300 or you could save \$2,000 if you had room in your yard for a windmill, but most of us can't do that. Therefore, we believe that this thing can be checked if they are given a share in the category assistance program.

We respectfully request that your honorable committee initiate legislation or recommend to the proper authorities that they take whatever action is necessary to provide a tax break along the following lines. The annual adjustment to income on form 1040, page 1, be allowed up to a maximum of \$3 to nonsubsidized taxpayers 65 and older whose individual adjusted gross income is \$2,000 or less, adjusted gross income \$159.50 or less.

Tenants who pay as part of the rent for their electricity, oil, gas cost, allow them say 10 percent of the annual cost documented. The tenants pay for electricity, gas or oil, and heating cost. Property owners who living in their own or occupied housing unit save only 15 percent of such annual documented costs. Those figures are taken from programs you have already enacted or the IRS has figured out one way or the other, so that they seem to be a ball park figure in the thinking of the legislators or administrators.

So we hope that some thought along these lines will be given for that vast middle group who now are slowly sinking and who are going to be added to these other poverty levels unless something is done about it soon.

Senator COHEN. Thank you very much.

Louise Harris?

Ms. HARRIS. No, I am waiving my right.

Senator COHEN. We are right on time, then, it is 1:30.

I would like to conclude by pointing out some personal views which you may or may not share. What I have learned in my 8 years in Congress is that issues are not always subject to simple solutions. A number of solutions which are offered to problems are, to quote H. L. Mencken, neat, plausible, concise, and wrong. I have made my share of mistakes during the course of those 8 years, but I have listened to evidence that suggests that all we need to do is just hold prices down and that will solve many of our problems.

I have seen what has happened to the steel industry. It is no longer competitive with the Japanese. They have turned over their industrial plant, equipment, and machinery, and they get new equipment. The United States turns it over once every 30 years, so there is a reason why we are not producing goods as fast or as efficiently as we might. We have not been putting the money into capital improvements in this country. That is true of the steel industry. I could go on in other areas.

In my judgment, we have reconciled ourselves to accepting an ever diminishing piece of the financial pie. When we decide that we have to live within certain confines, what we do is set one segment of society off against the interests of the other. Take social security recipients, for example. No one could contest that they are the ones who most desperately need assistance. Yet, what is happening with our social security system, and who is now raising objections to it? It is the young people who are working today. They say:

Mr. Cohen. I am paying more in social security than I am in income taxes. The problem which concerns me is that the money won't be there when I get ready to retire, because I keep reading the system is going bankrupt. I don't want to pay any more social security taxes, it is unfair.

You see the offset against the interests of the older people in our society. I would simply suggest to you as a matter of personal judgment that we are not going to be able to reconcile the conflict that is developing in that society unless we are dedicated to somehow expanding the economic base so that we have more available to the various segments of our society. Once restricted, it is sort of like the law of physics. You all know that in a moving stream there is life and regeneration, but if you have a stagnant condition, then you have death and decay. Once you reconcile yourself to a stagnant economy you have inevitable death and decay. Notwithstanding that we see buttons saying "Nobody for President," and have 48 percent of our eligible voters staying away from the polls. It might be important that we decide in this next decade in what direction we are going. We must become a Nation of producers once again, thereby increasing the prosperity of all levels of our society. If not, we will simply continue this roundrobin discussion of whether or not we should be satisfied with less in some segments and more in others. That is a particular situation that I don't think will be healthy or prosperous for the country.

I thank you for coming and sitting through this long morning and early afternoon session. It is important to me as a member of the committee, and it is important to Dave Rust, Betty Stagg, and Jim Dykstra, who have worked so hard and who are really dedicated to trying to come up with the right solutions to the problems that we face. We are going to continue to face these problems in the future. As long as there are human beings on this Earth, we are always going to have conflict and difficulties to overcome. The only way that I can see of overcoming them is to carry out activities such as this. You can present your views to me, so that I can help build a record. Some of the views I agree with and others I dispute, but I think that is the only way we can hope to come to grips with the problems. You have been very helpful to me and the rest of the committee this morning. We will make sure that this gets heard in the halls of Congress.

Thank you very much.

[Applause.]

[Whereupon, at 1:35 p.m., the committee adjourned.]

APPENDIXES

Appendix 1

MATERIAL RELATED TO HEARING

ITEM 1. LETTER AND ENCLOSURE FROM MARIN J. SHEALY, COMMISSIONER, DEPARTMENT OF AGING, STATE OF CONNECTICUT, TO SENATOR WILLIAM S. COHEN, DATED NOVEMBER 4, 1980

DEAR SENATOR COHEN: I am writing to thank you for your kind invitation to the Senate Special Committee on Aging's hearing on "Energy Equity and The Elderly in the 80's."

Due to a prior commitment, I was unable to attend the October 24 hearing in Boston. I regret not being present to hear the testimony provided by the regional witnesses. According to Connecticut's witnesses at the hearing, Ned Skinnon and Mary Ann Newell, the testimony was well presented and informative.

At this time I do wish to submit the enclosed written statement for the hearing record. These comments state my agency's concerns regarding the energy needs of Connecticut's elderly population.

I hope that the results of the hearing were useful in providing insight into this region's energy needs.

Again, thank you for giving me this opportunity to outline Connecticut's energy policy for our elderly residents.

Sincerely,

MARIN J. SHEALY, *Commissioner.*

Enclosure.

STATEMENT OF THE STATE OF CONNECTICUT DEPARTMENT ON AGING

The Connecticut Department on Aging submits these comments to identify a number of areas that require additional attention for future winter seasons.

In order for the elderly to actively participate in the energy assistance programs, there must be greater accessibility to the application process. Intake sites for applications in each community would lead to more elderly persons taking advantage of needed assistance. Mail-in applications are also recommended for those persons who are homebound or unable to secure transportation to one of the application sites.

The energy assistance programs for the 1980-81 heating season also present a problem for many of Connecticut's elderly. By tying eligibility to other assistance programs, such as food stamps, each State may identify potential clients with greater ease. However, the eligibility requirements may also serve as a deterrent to participation by the needy elderly. The elderly as a group tend to shy away from getting financial help from assistance programs. If energy assistance is viewed as another welfare program or part of another welfare program, the elderly may be even more reluctant to seek needed help in paying their energy bills.

Outreach efforts must be directed to the isolated elderly and areas where the elderly meet in the communities. The department has found that many elderly individuals in the cities and rural areas lacked any knowledge of the energy assistance programs. Increased attempts to reach out to the elderly through senior centers and nutrition sites would allow us to familiarize the elderly with the energy assistance programs in a comfortable community setting. Additionally, service providers in these centers could establish their own outreach network once they have been acquainted with the assistance programs.

Since the elderly are less physically capable of weatherizing their homes, greater assistance must be made available for conservation purposes. Many of the elderly live in older buildings which are not energy efficient. Grants and loans should be available for the purchase of materials needed to winterize a house or apartment. In addition, funding to cover labor costs may be required to insure that the elderly may have the repair work done effectively.

Lastly, the public must be made aware of the need of elderly persons to maintain their heating at a higher temperature setting. As heating prices rise, the elderly may be paying a larger portion of their total fixed income for energy than others with similar income. In order to afford essential commodities such as food and shelter, many low income elderly individuals forego maintaining their thermostat at a comfortable setting. If the State were to experience a harsh winter season, hypothermia could happen to a number of elderly individuals. Thus, to insure that those individuals in the greatest need receive adequate assistance with their energy costs, it is essential that the heating needs of the elderly be given proper consideration in the planning process of the energy assistance programs.

ITEM 2. LETTER AND ENCLOSURE FROM JOHN A. DANIEL, ASSISTANT AREA REPRESENTATIVE, NATIONAL RETIRED TEACHERS ASSOCIATION/AMERICAN ASSOCIATION OF RETIRED PERSONS, AREA I, BOSTON, MASS., TO SENATOR WILLIAM S. COHEN, DATED OCTOBER 24, 1980

DEAR SENATOR COHEN: The enclosed letter is from our Western Greenwich Chapter No. 3020 of AARP, Inc.

Members of our Western Greenwich chapter were not able to be in attendance today to listen and share in your hearing addressing energy and the elderly in the eighties.

Please accept for the record their letter written by their president, Robert Linley, that describes succinctly their concerns for equitable energy resources for the elderly in their community.

Sincerely,

JOHN A. DANIEL.

Enclosure.

AMERICAN ASSOCIATION OF RETIRED PERSONS, INC.,
WESTERN GREENWICH CHAPTER No. 3020,
Greenwich, Conn., October 8, 1980.

Mr. JOHN DANIEL,
Assistant Area Representative, NRTA/AARP Area I Office,
Boston, Mass.

DEAR SIR: This will respond to the September 30 memorandum from Messrs. Charles E. Perry and C. Murray Cott regarding the U.S. Senate hearing on energy and the elderly.

We will have no members in attendance at the hearing on October 24 in Boston.

Contrary to popular opinion, not everyone who lives in Greenwich is wealthy, nor is our chapter treasury. Going to a hearing in Boston from this southwesternmost town in Connecticut is an overnight trip, for which there is no provision in our chapter budget.

Most of our chapter's members are middle-class people of modest means, many of Polish and Italian descent.

We are very much concerned about the availability of energy for our relatively modest needs.

We are even more concerned about the cost of gasoline, heating oil, natural gas, and electricity. Most of us live on social security benefits and employer pensions that provide no cost of living increases.

We hope you will convey our concerns to the committee.

Yours truly,

ROBERT J. LINLEY, *President.*

ITEM 3. LETTER FROM JOHN O'NEILL, EXECUTIVE DIRECTOR, SOMERVILLE-CAMBRIDGE HOME CARE CORP., SOMERVILLE, MASS., TO SENATOR WILLIAM S. COHEN, DATED OCTOBER 21, 1980

DEAR SENATOR COHEN: Thank you for your invitation to attend the hearing of the Senate Special Committee on Aging in Boston on October 24. I regret that this agency was unable to directly participate in that hearing. Please allow me this opportunity to express our views on this critical issue.

It is unfortunate that regional rivalries have clouded the discussion of allocation to the States of Federal funding for energy assistance. All residents of this country need to be protected from life-threatening situations due to either extreme heat or cold. The need to provide heating in cold weather is self-evident. Where it is medically determined that cooling is necessary to protect life, assistance for cooling should be provided. Where assistance is not necessary to assure survival, funds should not be allocated as this would provide cooling as a luxury at the expense of providing heat to others for whom it is a necessity. Because more people rely on heat than on cooling for survival, the bulk of Federal funds should be allocated for heating.

I would also like to draw your attention to a serious flaw in the low income energy assistance program (LIEAP) administered by the Department of Health and Human Services (HHS) section 302b of Public Law 96-223, April 2, 1980, The Home Energy Assistance Act, clearly states that "It is the purpose of this title to provide assistance to eligible households to offset the rising costs of home energy that are excessive in relation to household income." HHS states that "Our regulations prohibit the States from using their allocations under the (Home Energy Assistance) Act to provide benefits in the form of weatherization or conservation assistance" (Federal Register; vol. 45, No. 196, p. 66678). We feel that weatherization and conservation are essential to this effort. HHS feels that these needs are met by other programs.

Last winter, three areas of the Commonwealth were involved in major city-wide campaigns to provide low cost/no cost conservation items to citizens—the cities of Fitchburg, Haverhill, and Northampton. Through joint cooperation of the Federal agencies of ACTION, Department of Energy, and the Department of Housing and Urban Development, these citywide volunteer projects showed that savings of up to 22 percent can occur when simple repairs, heating system evaluations and low cost items are provided to households with largely inefficient heating systems. In an area of New England where over 70 percent of all housing stock is not weatherized, these savings show an immediate reduction in the cost and use of scarce energy resources.

The Department of Energy funded low income weatherization program has been available in Massachusetts since 1977. This program provides more comprehensive weatherization services such as insulation and heating system adjustment to the low-income citizens in Massachusetts. Prior to January of 1980, this program's effectiveness was severely hampered by a statewide shortage of available CETA staff to install the weatherization materials (the use of CETA personnel was mandated by the Department of Energy). Since January 1980, however, when the Department of Energy first authorized "labor waivers" for the Commonwealth, production and expenditures have increased 200 percent, from 100-200 units per month to over 700 units per month, with expenditures increasing as well. Even with this increased production, however, the funding availability for full weatherization can provide services for only 6,700 households a year in the 125 percent poverty category—or roughly 2 percent of the State's poverty level households.

This 2 percent is far too low. Because conservation is the most effective way to offset the rising costs of home energy, HHS should allow LIEAP funds to be expended for that purpose. The average Massachusetts oil consumer spends \$1,298 per year for fuel. Simple low cost, no-cost measures would save that consumer \$286 the first year. Money spent on conservation pays increasing dividends to the recipients year after year, increasing their purchasing power. This money stays in the national economy creating jobs in manufacturing and installation. Money spent on fuel is largely lost from the national economy to foreign fuel suppliers.

Please ask that HHS amends its policies to include conservation and weatherization assistance. Thank you for your time and consideration.

Sincerely yours,

JOHN O'NEILL,

ITEM 4. LETTER FROM HENRY J. VAN DE STADT,¹ WEST HARTFORD, CONN., TO GEOFF BAKER, LEGISLATIVE ASSISTANT TO SENATOR LOWELL WEICKER, DATED OCTOBER 4, 1980

DEAR MR. BAKER. At the session of the Connecticut seniors with Senator Weicker, I mentioned that community neighborhood schools (of which we now have three in West Hartford) can be used to reduce the high cost of institutional care for elderly who in the future might need them.

Because of declining enrollments, many elementary schools have space available for social and recreational activities. Existing facilities such as the cafeteria, library, and gymnasium may be used for nutritional meals, informative reading, and healthy exercise. An opportunity for healthy elderly to take part in these activities will provide them stimulation and bolster their self-esteem, thus avoiding loneliness and boredom which are detrimental to maintaining good health.

When Geraldine Novotny, former gerontology specialist with our State department on aging, and I discussed this with you in your office you expressed the idea that the "1978 Amendments to the Older Americans Act" (Public Law 95-478), which calls for the establishment of "multipurpose senior centers," may provide funding to establish such service centers in our neighborhood schools. In case changes in the building are required, the "Surplus School Conservation Act of 1979" (H.R. 1412) can perhaps provide assistance for part of the cost.

The health and well-being of a large number of our elderly citizens is a concern. Also of concern is the fact that many elderly can no longer remain in their own homes and need to be placed in institutions such as rest homes for the aged and dehumanizing nursing homes at great expense.

As a member of the advisory committee of the North Central Connecticut Area Agency on Aging since its inception and active with the Health Systems Agency, I used the data published in the Health Systems Plan 1979, to approximate the savings which may come from programs for the elderly living in the two neighborhoods where there are active community schools. The community schools serve some 4,000 households with about 2.8 members per household (Market Data, 1978), thus 11,200 residents; 23.6 percent of the residents, or 2,600 persons are elderly 60 years and over (West Hartford Department).

Data in Health Systems Plan 1979, indicate that 21 percent of elderly 65 and over are likely to need long-term care services. We use 14 percent applying this percentage to the larger number of those over 60. This means that about 360 are vulnerable as long-term care clients.

Long-term care can mean they need home care services or need to be placed in institutions. The record shows that for 70 percent or 250 home care services will suffice. At \$2,000 per year, per client, the cost is \$500,000. The remaining 110 need be placed in institutions at \$12,000 per patient, or \$1,320,000, making the total cost \$1,820,000 per year.

Gerontologists agree that if activities in these community schools keep elderly alert and active they will remain healthy longer and may never need long-term care but if so possibly at a later age. It is not possible to say at present to what extent cares can be postponed.

Let us assume that percent drops from 14 to 10 percent. Thus, instead of 360 only 260 need any form of long-term care. The total cost will drop from \$1,820,000 to \$1,310,000, a saving of \$500,000.

It is important to note that such savings will benefit the town budget, as well as the cost of institutionalization which is shared 50/50 by the State and Federal Government. Where the present home-care costs is \$500,000, the cost for home-care for 70 percent of the 260 long-term care elderly, or 180 at \$2,000 per client, will be approximately \$360,000 paid for with town taxes. A saving in the town budget (if and when meeting its responsibility) is \$500,000 minus \$360,000 or \$140,000. However, since certain school facilities already available will be used, a part of these savings should also benefit the school budget.

The remaining \$100,000 savings will lower the cost of institutionalization for both the Federal and State government in equal amounts. All parties gain, but the elderly in walking distance of a community neighborhood school and who take part in the activities and use available facilities will certainly gain the most.

Sincerely,

HENRY J. VAN DE STADT.

¹ See statement, page 59.

ITEM 5. LETTER AND ENCLOSURES FROM HENRY J. VAN DE STADT,¹
WEST HARTFORD, CONN., TO DR. HAROLD L. SHEPPARD, COUN-
SELLOR TO THE PRESIDENT, DATED OCTOBER 12, 1980

DEAR DR. SHEPPARD: As a member of Senator Weicker's Connecticut senior citizens interns, I was delighted to know that you also believe the critical factor for the success of community schools demands fuller town/school cooperation, putting special emphasis on elderly services being incorporated into existing schools.

A striking example of lack of cooperation which frustrated our town's people took place here a year ago: After 2 years of successful operation, our board of education decided to close our first community school, but fierce opposition by town's people of all ages and from other neighborhoods, persuaded the board to delay the school's closing one year. While the people valued the services, the town council was interested only in low budgets.

A year later, under pressure from the council, which rationalized its move by pointing to declining enrollments, another of the three community schools was closed anyway—even over greater opposition of parents and elderly.

Although the 1978 Amended Older Americans Act (Public Law 95-1478) calls for multipurpose senior centers funded by towns, I believe, the community neighborhood schools may well meet the intentions of this law, in fact may accomplish much more, and at savings which can reduce the cost of education.

Attached is a clipping from the Hartford Courant indicating that our town council has authorized a request for title III funding to develop a service project in the two community schools. I am making two suggestions and quoting the writings by three late authors:

(1) Change the title multipurpose senior centers to multipurpose neighborhood centers, indicating their use and value to all and not only to senior citizens in their respective neighborhoods.

(2) The use of existing facilities and available talents, due to declining enrollments in our neighborhood schools should result in lowering the cost of education.

Below writings indicating needs neighborhood schools can fulfill:

(a) Robert Ardrey wrote after years of investigating animal and human behavior patterns in *The Social Contract*: "There are three innate needs which demand satisfaction. The first is identity, the opposite of anonymity, and it is the highest. The second is stimulation, the opposite of boredom. The lowest is security, the opposite of anxiety. Our innate needs form a dynamic triad."

(b) E. F. Schumacher stated in *Small is Beautiful*: "In the affairs of men, there always appears to be a need for at least two things simultaneously, which, on the face of it, seem to be incompatible and to exclude one another. We need the freedom of lots and lots of small, autonomous units, and at the same time, the orderliness of large scale, possibly global, unity and coordination. When it comes to action, we obviously need small units, because action is a highly personal affair and one cannot be in touch with more than a very limited number of persons at any one time."

(c) Margaret Mead wrote in *The Educational Digest of March 1975*: "The next 25 years are going to be demanding ones if growing chaos is to be ordered again on a greener earth. The strength that comes from a sense of continuity with the past and the hope for the future is sorely needed. Our overgraded schools, our patterns of zoning which condemn people to live in narrow socio-economic and age-segments, all introduced dangerous discontinuities. Somehow we have to get the older people back close to growing children if we are to restore a sense of community, a knowledge of the past, and a sense of the future to today's children."

Multipurpose neighborhood centers located in our schools could well become a substitute for the loss of the former extended family.

Sincerely,

HENRY J. VAN DE STADT.

Enclosures.

MULTIPURPOSE SERVICE CENTERS

Multipurpose senior centers called for in the 1978 amendments of the Older Americans Act can, as multipurpose service centers, located in community neighborhood schools, substantially reduce the cost of long-term care for the elderly.

¹ See statement, page 59.

Let us explore what this can mean for our town of West Hartford, with over 16,000 elderly 60 years or over, 23.2 percent of our population, the highest in the State by New Britain (19.4), Hartford (18.2), Manchester (17.5), Bloomfield (16.2), and the State average 15.9 percent, a total of 509,980 say 510,000.

Data in the Health System plan 1979, indicate that 21 percent of elderly 65 years and older are likely to need long-term care, which can be home care to keep them with needed services in their own home, or institutional care in rest homes for the aged, and nursing homes.

Since our data usually give number of those 60 years and over, the percent we must use is about 14 percent. Applying this to our 16,000 elderly in West Hartford, it means that about 2,200 may need long-term care.

Past experience has indicated that 70 percent will need home care or about 1,600, and the remaining 600 need be placed in institutions. We will use \$2,000/year as the cost for home care and \$12,000/year for institutional care, although in many cases it is much higher.

Since the town pays for home care: 1,600 multiplied by \$2,000, or \$3.2 million. State and Federal Institutional care 50/50: 600 multiplied by \$12,000, or \$7.2 million. Total cost in millions, \$10.4

Gerontologists believe that a more active life physically and mentally may reduce the percent needing long-term care from 14 to 10 percent. Where we will have space in many of our neighborhood schools, because of declining enrollments, space may be available to locate multipurpose service centers in these schools, where we have also existing facilities such as a kitchen, dining rooms, library, and gymnasium, besides available talents as a nurse, consultant, etc.

Let us explore what the cost would be in our town if we had the facilities to accommodate these 10 percent or 1,600 elderly in need of long-term care, of which 70 percent or 1,100 need home-care and the remaining 500 institutional care, and what will the cost be: For home care; 1,100 multiplied by \$2,000, or \$2.2 million. Institutional-care 500 multiplied by \$12,000 or \$6 million. Total cost in millions, \$8.2.

The overall savings would be around \$2.2 million of which \$1 million to benefit the town and \$1.1 million for each the State and Federal treasury.

When dealing with a larger percentage of healthier elderly it may well be possible to keep 80 percent of 1,600 in need of long-term care in their own homes with an expanded home care program and place less in dehumanizing and expensive institutions. The cost would be approximately as follows: For home care, 1,300 multiplied by \$2,000, or \$2.6 million. Institutionalized care, 300 multiplied by \$12,000, or \$3.6 million. Total cost in millions, \$6.2.

The savings for the town would be smaller, \$600,000 instead of \$1 million, because of an expanded home care program, but the savings in State and Federal expenditures would be cut in half by a total of \$3.6 million.

If such program can be applied statewide in urban areas where we have schools in neighborhoods it can effect 400,000 of the 510,000 elderly in Connecticut, just about 25 times as many as in West Hartford, the savings could be ultimately \$25 million for participating towns, \$45 millions for the State, and another \$45 millions in Federal contributions.

Community neighborhood schools would not only relieve severe suffering for thousands of elderly at great savings for them as well as the local taxpayers. The presence of the elderly in the schools would present an opportunity for the development of meaningful relationships, which the both generation badly need. West Hartford, why not expand on a good start?

[From the Hartford, Conn., Courant, Oct. 6, 1980]

REQUEST FOR GRANT TO AID ELDERLY URGED

West Hartford.—The town administration is proposing that the town apply for a grant to finance social and support services for an estimated 2,000 elderly residents believed to be subject to unwarranted institutionalization, neglect or abuse.

The administration has drafted a grant application, which must be approved by the town council, to obtain \$29,900 from the North Central Connecticut Council on Aging.

Human Services Director Ernest O. St. Jacques wrote in a memorandum, "This application is intended to provide social services to the elderly population of the town and will be directed toward resolving situations of neglect and exploitation, decreasing isolation and preventing unnecessary institutionalization."

The services are needed here because of the large number of elderly persons in West Hartford, St. Jacques said.

The town has an estimated 16,060 elderly residents about 23.6 percent of the town's total population. There are an estimated 4,420 "frail elderly" older than 75 and 1,350 poor elderly persons, states a report compiled by the human services division.

In that report it is estimated that about 2,000 of the town's elderly residents don't have enough social supports to prevent unwarranted institutionalization or they are "alienated and isolated and are in danger of neglect, abuse, exploitation and abandonment.

The report proposes that psychosocial counseling be provided to 100 elderly persons who are isolated or at risk of being unnecessarily institutionalized; that services be provided to 50 elderly persons who are neglected, abused, exploited or abandoned; that visits be made once a week to 50 elderly persons who are isolated and alienated from community services and that another 50 elderly persons who need social support be telephoned twice a week.

The proposed program includes a program in which a worker will work directly with an elderly client for 4 months, to be followed by 6 months of support services by a social worker and volunteers.

St. Jacques said the grant would provide 85 percent of the program cost in the first year and a smaller percentage if the program is continued for two more years.

The town's share of the program's cost during the first year would be \$5,700, which could be paid for with community development block grant money, St. Jacques said.

If the council authorizes the application, the town should know within two months if the grant is awarded, St. Jacques said.

Appendix 2

STATEMENTS SUBMITTED BY THE HEARING AUDIENCE

During the course of the hearing, a form was made available by the committee to those attending who wished to make suggestions and recommendations but were unable to testify because of time limitations. The form read as follows:

Dear Senator Cohen: If there had been time for everyone to speak at the hearing on "Energy Equity and the Elderly in the 80's," held on October 24, 1980, in Boston, Mass., I would have said:

The following replies were received:

EDWARD V. COREA, HINGHAM, MASS.

It is so deplorable that with the great need for more inexpensive energy, that a small group of unknowledgeable individuals, fueled by media coverage, have been able to curtail and shackle a safe, more inexpensive energy source. I am referring to nuclear power, it must be our future, it can be safe. Its development would make available energy that no amount of conservation could do.

RAYMON W. ELDRIDGE, BOSTON, MASS.

First, my thanks to you for your careful consideration and kindly manner of procedure in your hearing in the statehouse in Boston on October 24.

Then, I would like to tell you that I am in close touch with the situation affecting older people through the nature of my interests and my work. My work is that of coordinator of retirement services, Massachusetts Teachers Association, 20 Ashburton Place, Boston 02108. In addition, I have served on the U.S. Commission for Civil Rights, the advisory council for the Department of Elder Affairs, and as a commissioner of aging in the city of Newton. Dealing with the problems educates one most thoroughly in the inconsistencies and difficulties of our people.

I hope that you will be successful in your efforts to bring definitive action rather than words and half-hearted action.

Again, thank you for your time spent with our people.

GEORGE E. FILION, SALEM, MASS.

I live with and am responsible for the care of an elderly mother (93 and I'm 63). Because of my mother's age and fragile health, I keep the apartment thermostat at 72°. If it were not for my concern for my mother's health, I would keep the thermostat at 65° during the winter.

I am retired on a pension of \$12,000, owning a two-tenement house. I realize my income is too high to qualify for energy cost assistance. However, I would appreciate receiving tax exemption consideration beyond the one dependent. I feel, as head of the household, I should enjoy the same double exemption for my mother that would be afforded me were I married to a spouse over age 65.

Thank you very much for a fine conference.

MARY GOUVEIA, LOWELL, MASS.

I hope that it will be easier for the elderly to get help, those like myself that last year was unable to get help because I was \$50 over.
Thank you.

LOIS HARRIS, CAMBRIDGE, MASS.

I am Lois Harris, a 76-year-old resident of Cambridge, a delegate to the mini-White House Conference on energy just concluded. As a Gray Panther, I had not had a special focused interest in the question of energy; but preparation for the conference, the conference itself, and this hearing have convinced me of the vital importance of this topic. Now I want to become active in energy resolutions as passed at our last Gray Panthers conference.

I value your comments about the value of persons with differing viewpoints getting together. I hope I can join with other consumers interested in meeting with suppliers of energy. I'd like to pose some questions which are hard: How are rates of energy determined? Do they sometimes include uncontrolled cost overruns? How can efficiencies be instituted? What fuels are being promoted and why?

Besides such activity, I want to be in on the nitty-gritty local efforts, mutual efforts, we have been hearing about today. I congratulate you on your questions and on your listening.

Thank you for your patience with us all.

BARBARA T. HENRY, MILTON, MASS.

Senator Cohen, you stated "The goal is reduction of consumption of energy." I believe that the first step toward the realization of this goal is gas rationing. The elderly will freeze to death while the youth will waste what could have been used to keep their grandparents warm.

Thanks for this important meeting.

GEORGE LE BLANC, SOUTH BOSTON, MASS.

The witnesses were well spoken and made the major points I feel are important.

STANLEY C. MASON, WAKEFIELD, MASS.

There should be much more use made of local cable TV, area TV, and radio to dispense information as to who and what to contact in each local area for fuel assistance, weatherization, etc. This should not be only once a day or once a week at a set time but several days and various times when seniors are up and around.

ELEANOR S. MCBREEN, WALTHAM, MASS.

A most interesting and informative meeting. Thank you for the opportunity.

ELEANOR McDONOUGH, NEWTON CENTER, MASS.

This meeting was very informative and worthwhile. Being on an advisory council on aging in Newton, Mass., I shall report at the next meeting some helpful ideas I received here today.

Newton is holding house parties at which various people come as guests to tell those present how to save energy. They are working out very well. The New England Telephone and Telegraph Co. and Boston Edison have issued booklets and helpful suggestions for energy saving.

WILLIAM P. MURRAY, BROOKLINE, MASS.

LIEAP moneys should be made available for client use on conservation and weatherization. HHS has too narrowly interpreted the intent of the Windfall Profits Act to run a rational program.

NORA E. RICKARD, FAIRFIELD, CONN.

Thank you for a very informative meeting—Greater Bridgeport Retired Teachers Association.

T. PAUL RILEY, HAVERHILL, MASS.

Supportive of concept on local control for the needs of elderly—this would seem to be more efficient—reaching the crux of problems and needs in a more direct and quicker manner—also dispensing with a great deal of redtape without stretching guidelines too far but with an approach to individual circumstances and needs expeditiously. I am sure a "cry-for-help-is-now" not tomorrow or 30 to 60 days or more; life is fragile at best.

MERION RITTER, LEXINGTON, MASS.

Glad to have attended—a very informational hearing. Glad to learn of your sensitiveness to elderly problems.

ANTRINETT M. ROACH, BETHEL, CONN.

Consideration should be given to those people who are slightly above the poverty level, especially to those who have only a pension to live on and do not have social security, as far as energy assistance is concerned.

LENA SCUDERI, GLOUCESTER, MASS.

This year, I received a brochure by mail telling me I could apply for weatherization assistance if I was eligible. I went and applied for aid and took my bills and social security papers and copies of my check. I was eligible to have my broken heating system fixed. They changed my system from oil to gas and I now have a new system. I'm getting my cellar insulated, new storm windows, and some roof work. This year I feel a real difference. I'm warm this year at 65° whereas last year I would set my thermostat to 75° and was cold, even when I wore boots I'd knitted for myself and a heavy bathrobe. I'll save fuel and much money this year. Thank you for helping me with this program and I hope more elderly will be able to get this kind of weatherization help.

I get fuel assistance money too, and I am appreciative for it, but what I learned is that fuel money alone cannot keep us warm. My arthritis feels better now, too.

EDWARD T. SHEEHAN, WAKEFIELD, MASS.

I would like to see a study made on Federal income taxes. Middle-income bracket a few years ago is now low-income bracket. Changes should be made for a high allowance for people on fixed income. People that worked hard to save for the future suffer for those that did not and could because of having to pay taxes. People can get more by not saving and not having accounts from the Government than those that work hard to save.

I would like to make a suggestion: There are many agencies in Government that duplicate the same service to elderly and needy. Why not consolidate agencies and cut operating costs? In many cases, the same people apply for aid to all agencies and receive benefits. My day was well-spent at this session which was very helpful.

EDWARD SIMPSON, QUINCY, MASS.

Energy problem and allocation.

Give it back to the local area (i.e., like local draft boards operated). Why? Know situation; more efficient; less costly; cut bureaucracy, administration, and confusion; more flexibility; use more volunteers.

HARVEY A. SMITH, LEXINGTON, MASS.

This meeting was the most interesting and informative meeting I have attended concerning the elderly and Minuteman Home Care of Lexington, Mass., of which I am a director.

Also, I am a director of the AARP of Lexington and legislative chairman.

LEWIS THISTLE, LYNN, MASS.

Thank you for this hearing. It was very informative. We appreciated your comments and your probing questions on this, not simple, subject. The witnesses got down to specifics and particulars. They were well selected. We are grateful. You have the patience of a saint, especially during the last hour of the hearing. Thank you again.

MRS. I. R. TONKAN, BRANFORD, CONN.

Correct inequities in spending and direct in proper avenues moneys that were directed to elderly in rest homes for fuel assistance. This was done because we did not have "time" to adjust and carry out a program.

We do need more money for energy programs, but money spent should be accounted for and supervised by the proper agencies.

Supervision for money spent correctly or wisely on programs is important—bad publicity on important programs has negative reactions on funding these programs.

PAUL J. WILLIAMS, WEST WAREHAM, MASS.

As one of four who attended this hearing, I thought you did an excellent presentation. You were very knowledgeable and handled the ill-at-ease witnesses in such a way as to put them in a relaxed atmosphere.

I am very pleased you are on this committee and feel assured that some positive results will be accomplished.

HENRY YORRA, ROCKPORT, MASS.

With assistance from the Government, each house should be inspected and a report given to the homeowner for his weatherization necessities, including the estimated cost to the homeowner or tenant.

If the person needs help to perform the weatherization, it should be provided.