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United States General Accounting Office

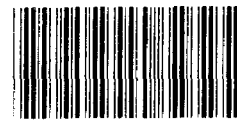
GAO

Report to the Chairman, Subcommittee on
Employment and Productivity, Committee
on Labor and Human Resources,
U.S. Senate

December 1985

EMERGENCY JOBS ACT OF 1983

Projects Funded in the Lawrence-Haverhill, Massachusetts, Area



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Human Resources Division
B-205627

December 6, 1985

The Honorable Dan Quayle
Chairman, Subcommittee on
Employment and Productivity
Committee on Labor and
Human Resources
United States Senate

Dear Mr. Chairman:

In response to your request that we monitor and report on the implementation of the Emergency Jobs Appropriations Act (Public Law 98-8), we are providing to you the fifth of six reports we plan to issue on projects funded by the act in six geographical areas of the United States. The legislation, enacted on March 24, 1983, provided emergency supplemental appropriations for use in fiscal year 1983 and subsequent years to provide productive employment; hasten or initiate federal projects and construction, such as construction and modernization of housing units for military families; and provide humanitarian assistance, including an emergency food and shelter program.

This report provides information on the status of projects funded by the act in the Lawrence-Haverhill, Massachusetts, metropolitan area as of March 31, 1984—about 1 year following the act's passage—and as current as October 1985 for selected projects. Because there are no comprehensive requirements in the act for federal, state, and local agencies to maintain detailed and separate records on the use of Public Law 98-8 funds, the report presents information on only those projects that we were able to identify in the Lawrence-Haverhill metropolitan area.

The following sections summarize the results of our review. Appendixes I and II provide further details on the methodology of our review and our findings. The other appendixes contain detailed statistics relative to Public Law 98-8 funds spent in the Lawrence-Haverhill metropolitan area.

**About \$2.3 Million
Awarded to 29 Projects
in the Lawrence-
Haverhill Area**

As of March 31, 1984, about \$2.3 million of Public Law 98-8 funds had been awarded by 12 federal programs and activities for 29 projects in the Lawrence-Haverhill metropolitan area. Twenty of these projects were allocated about \$1.7 million for public works activities, such as making improvements to the area's harbors and water systems and repairs to city streets and sidewalks. The other nine projects are public

service projects that were allocated about \$577,000 for employment and training services and humanitarian assistance activities, such as providing health care and energy conservation services to low-income persons.

The economy in the Lawrence-Haverhill metropolitan area, which covers over 190 square miles in northeast Massachusetts, includes government, manufacturing, trade, and service-oriented industries. When the act was passed in March 1983, about 11,700 people in this urban area, or nearly 8.8 percent of about 133,300 in the labor force, were unemployed. At that time, the unemployment rates in the area ranged from 3.5 percent in the town of Boxford to 12.6 percent in the town of Newbury. State and national unemployment rates during this period were 8 and 10.3 percent, respectively. In March 1984, about 1 year after passage of the act, the unemployment rates for the nation, the state, and the Lawrence-Haverhill metropolitan area were 7.8, 5.8, and 6.6 percent, respectively.

About 52 Percent of Awarded Funds Spent Within First Year

As of March 31, 1984, about \$1.2 million, or about 52 percent of nearly \$2.3 million awarded, had been spent on 23 of the 29 projects. These expenditures include about \$963,900 for seven completed projects and about \$238,700 for 16 projects that were partially completed and had been allocated nearly \$669,900. Six other projects, allocated over \$623,400, had not started.

An Estimated 208 People Employed by March 31, 1984

Data obtained from project officials indicate that an estimated 208 people were employed on 22 projects that had begun by March 31, 1984. Similar data were not available for one other project initiated by that time. At least 37 of these people were previously unemployed; however, information was not readily available to determine how long they had been unemployed. Data concerning how long people were employed, which were available for 18 projects, indicate that 124 people worked an estimated 1,176 weeks, or an average of about 9.5 weeks per person. As reported in our previous reports on projects funded by the act in other geographical areas, detailed employment information, such as race, gender, and prior employment status data, was not readily available from federal, state, or local agencies for some of the projects.

Varying Efforts Made to Employ the Unemployed

The act requires federal agencies, states, and political subdivisions of the states to use funds, to the extent practicable, "in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act"—March 24, 1983. Efforts by federal, state, and local officials and project managers to fulfill this provision varied. Examples of these efforts include the following.

1. In awarding funds under its Parks and Recreational Area Development Grant Program, the Small Business Administration instructed the administering state agency to assure that expenditures resulted in employment of the maximum number of unemployed persons. As a condition of their awards, project managers were required to use local state employment offices to identify unemployed people to hire with these funds. For the two projects funded in the Lawrence-Haverhill metropolitan area, project managers said they used the state employment office to identify the unemployed people hired on their projects.
2. Project managers for several projects said that the provision to provide employment opportunities to the unemployed was not considered practicable because the projects required individuals with specific skills. For example, one project to repair and paint a city hall tower required individuals with steeplejack and related skills. According to a city official, because they believed that finding unemployed persons with these skills would be difficult, city officials did not consider it practicable to require contractors to target jobs to the unemployed.

Benefits, Other Than Short-Term Employment, Achieved and Expected

In addition to the short-term employment opportunities resulting from the projects, other benefits have been and are expected to be achieved in the Lawrence-Haverhill metropolitan area. These other benefits include (1) improvements to the area's waterways, such as dredging the entrance to a harbor; (2) general repair and maintenance of community facilities, including replacing sidewalks and street curbs; (3) humanitarian assistance, such as providing health care services to low-income persons; and (4) employment and training services to enhance individuals' opportunities to obtain employment.

The final report that we will issue to you on the six geographical areas will discuss projects funded by Public Law 98-8 in the high unemployment urban area of Cleveland, Ohio. We have already issued reports on

projects funded by the act in seven counties of northeast Texas (GAO/HRD-85-42); the Montgomery, Alabama (GAO/HRD-85-59), and Fresno County, California (GAO/HRD-85-90), metropolitan areas; and five counties of south central Georgia (GAO/HRD-85-98). The information provided in our reports on these areas should not be considered representative of all projects funded by the act or of the programs and activities that awarded funds to the projects reviewed. We will issue a final report to you summarizing the results of our review of Public Law 98-8, using information from the reports on the six geographical areas and a nationally representative questionnaire.

As arranged with your office, we are sending copies of this report to the House and Senate Committees on Appropriations and other interested congressional parties. Copies will also be made available to other interested parties who request them.

Sincerely yours,



Richard L. Fogel
Director

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Abbreviations

CDBG	Community Development Block Grant
GAO	General Accounting Office
HHS	Department of Health and Human Services

Objectives, Scope, and Methodology

In response to a request from the Chairman, Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources, we reviewed the implementation of the Emergency Jobs Appropriations Act (Public Law 98-8), enacted on March 24, 1983. As part of this review, we obtained information on projects that were awarded Public Law 98-8 funds in the Lawrence-Haverhill, Massachusetts, metropolitan area. This area in northeast Massachusetts includes the cities of Haverhill, Lawrence, and Newburyport and the towns of Amesbury, Andover, Boxford, Georgetown, Groveland, Merrimac, Methuen, Newbury, North Andover, Salisbury, and West Newbury.

The information we attempted to obtain for each project included the

- project's nature and status;
- funds awarded and expended as of March 31, 1984, about 1 year after the act's passage;
- number and characteristics of people employed, such as ethnic background and gender;
- efforts made by federal, state, and local government officials and project managers to provide employment to unemployed persons; and
- benefits, other than short-term employment, achieved and expected.

Because uniform comprehensive reporting is not required on the use of Public Law 98-8 funds, we were not able to obtain complete information for every project.

Our review of projects was limited to those that were allocated funds from 61 of the 77 federal programs and activities that had funds made available by the act. These programs and activities consist of 48 in which federal agencies selected projects and 13 in which state agencies, administering federally funded programs, selected the projects to be funded. We did not include 16 programs and activities (1) for which the Congress made funds available by disapproving the administration's proposed deferral of prior appropriations or by earmarking existing appropriations for other purposes; (2) that were strictly humanitarian assistance and income support, such as an emergency food and shelter program, thus providing limited employment opportunities; and (3) whose funds were consolidated with other funds, thus precluding projects from being separately identified.

Our fieldwork was done between June and September 1984, and more current information was obtained for selected projects in October 1985.

We did the review in accordance with generally accepted government auditing standards.

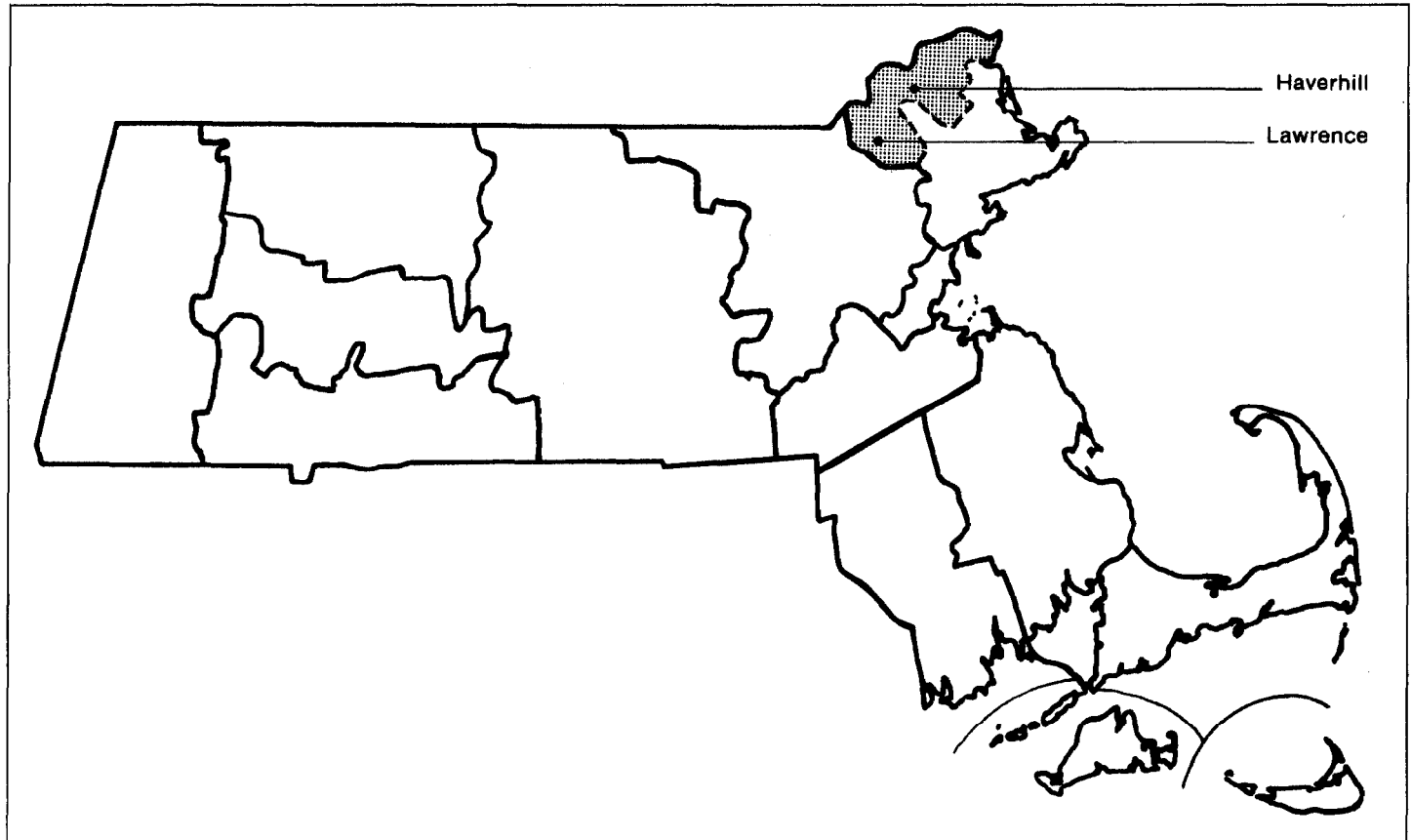
Criteria Used to Select the Lawrence-Haverhill Metropolitan Area

We judgmentally selected the Lawrence-Haverhill metropolitan area as one of six areas to review based on criteria developed with the Subcommittee Chairman's office. These criteria were to select (1) a range of geographical areas, (2) areas of high and low unemployment as of March 1983, (3) rural and urban areas, and (4) different types of projects funded by the act, such as public service and public works activities.

To obtain nationwide coverage, we selected six states with varying unemployment rates in different parts of the United States. We obtained from federal agencies project listings as of the February-March 1984 time frame for the 48 programs and activities in which federal agencies selected projects to receive Public Law 98-8 funding within these states. We did not include four of these programs and activities because the project listings did not contain enough details and a significant amount of time would have been necessary to identify specific project locations. Based on the established criteria and the projects identified within the six states, we selected the Lawrence-Haverhill metropolitan area—a relatively low unemployment urban area—as one of six geographical areas to review.¹ This area is shown in figure I.1 as the darkened area superimposed on a map of Massachusetts.

¹The other areas selected for review were a high unemployment rural area composed of seven counties in northeast Texas near Texarkana; the high unemployment urban areas of Montgomery, Alabama; Fresno, California; and Cleveland, Ohio; and a low unemployment rural area consisting of five counties near Valdosta, Georgia.

Figure I.1: Geographical Location of the Lawrence-Haverhill, Massachusetts, Metropolitan Area Examined in the GAO Study



In addition to the programs and activities in which federal agencies selected projects, there were 13 programs and activities in which states were responsible for selecting projects to be allocated funds made available by the act. We interviewed state officials administering these federally sponsored programs and activities to identify and obtain information on other projects in the Lawrence-Haverhill metropolitan area in order to include them in our review. We did not include projects in which (1) other funds were awarded to the project and information on Public Law 98-8 funds was not separately identifiable and (2) other areas were served and those funds benefiting only the metropolitan area were not separately identifiable.

Project Review Methodology

Having identified the projects awarded Public Law 98-8 funds in the Lawrence-Haverhill metropolitan area, we obtained information about each project as of March 31, 1984. To obtain the project information, we

interviewed federal, state, and local government officials and project managers; reviewed their records on the projects; and visited projects.

Projects' Status

We established three categories to reflect the status of each project as of March 31, 1984—completed, partially completed, and not started. We classified projects as completed if work on the project site was finished or funds were reported as fully expended as of March 31, 1984. A project was classified as partially completed if any work had begun or project funds had been spent before March 31, 1984, and funds remained to be spent on the project. We classified a project as not started if work on the project site had not begun or no funds had been spent as of March 31, 1984. The allocation and expenditure information obtained is as reported by federal, state, or local government officials or project managers.

Employment Data

From the project managers, we obtained employment data, including information on the number, ethnic background, gender, hours worked, employment duration, and prior employment status of persons employed. Because there are no uniform comprehensive requirements to report on the use of Public Law 98-8 funds for most programs and activities, detailed employment information was not readily available for some projects and would have required a significant effort to obtain or develop. The Department of Housing and Urban Development was the only federal department or agency that was required by the act to submit detailed quarterly reports to the appropriate congressional committees on the use of its community development funds. These quarterly reports contain estimated data on the number of people employed and weeks of employment, but not race, gender, and prior employment status data. In cases in which data were not readily available, we asked project officials to estimate the employment information.

Efforts to Provide Employment Opportunities

Because one objective of the act was to provide employment opportunities to the unemployed, we discussed with federal, state, and local officials and project managers the efforts made to hire such individuals. Because of the limited employment information available, we did not assess the degree to which these efforts were successful.

Project Benefits

To determine project benefits achieved and expected, we interviewed project managers and federal, state, and local officials; visited and

Appendix I
Objectives, Scope, and Methodology

observed projects; and reviewed project documentation. We were interested in identifying benefits other than the short-term employment opportunities created with Public Law 98-8 funds, such as construction, humanitarian assistance, and long-term employment opportunities.

Emergency Jobs Act of 1983 and Projects Funded in the Lawrence-Haverhill Area As of March 31, 1984

Twenty-nine projects in the Lawrence-Haverhill, Massachusetts, metropolitan area were awarded about \$2.3 million in funds made available by the Emergency Jobs Appropriations Act of 1983.

Emergency Jobs Appropriations Act of 1983

To meet economic problems facing the nation, the Congress passed the Emergency Jobs Appropriations Act, providing emergency supplemental appropriations for fiscal year 1983 and subsequent years. The act's primary objectives were to (1) provide productive employment for jobless Americans, (2) hasten or initiate federal projects and construction of lasting value to the nation and its citizens, and (3) provide humanitarian assistance to the indigent. Title I of the act made funds available to provide, among other things, essential and productive jobs and humanitarian assistance. Two other titles provided appropriations for other purposes, including the creation of a temporary emergency food assistance program for the needy.

Congressional Concerns

The Congress found that a severe economic recession had resulted in nearly 14 million unemployed Americans, including those no longer searching for work. Millions of other Americans were working part-time because they could not find full-time jobs. The annual cost of unemployment compensation had reached \$32 billion. Compared with previous recessions, hardships were more severe, people were out of work longer, and a reduced percentage of unemployed were receiving unemployment benefits. Business failures were 49 percent higher than the previous year. The Congress passed the Emergency Jobs Appropriations Act to help alleviate some of the hardships of the unemployed.

Objectives of Title I

Title I of the Emergency Jobs Appropriations Act is entitled "Meeting Our Economic Problems With Essential and Productive Jobs." It made over \$9 billion available to 77 federal programs and activities, including public service, public works, and employment and training programs.¹ Among these were programs and activities administered by the Department of Commerce's Economic Development Administration, the Department of Health and Human Services' (HHS') Health Resources and Services Administration, and the Department of Labor's Employment and Training Administration.

¹A list of these programs and activities and the amounts made available to each is included in enclosure II of our report on federal agencies' implementation of the act (GAO/OACG-84-1), issued in November 1983.

Title I contains a number of provisions concerning the targeting, use, and administration of Public Law 98-8 funds. Sections 101(a) and (b) provide specific formulas based on unemployment information for federal agencies to use in allocating funds. To the extent practicable, states receiving funds under section 101(b) were to spend them in areas of high, long-term unemployment and for purposes that would have the greatest immediate employment impact.

Section 101(c) specified that, to the extent practicable, federal agencies, states, and political subdivisions of the states were to use the funds in a manner that quickly provided new employment opportunities for individuals who were unemployed at least 15 of the 26 weeks before passage of the act. This section also specified that the funds be obligated and disbursed as rapidly as possible to quickly assist the unemployed and the needy, as well as to minimize future budgetary outlays.

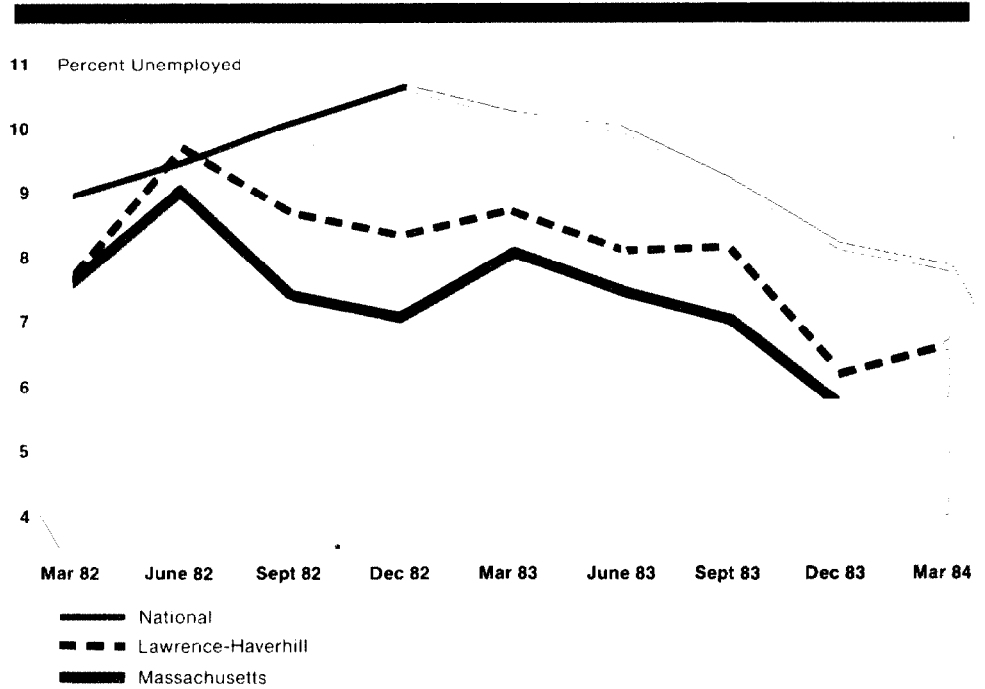
Overview of Funds Allocated to the Lawrence-Haverhill Area

The Lawrence-Haverhill metropolitan area had a 1980 population of about 257,000, covers over 190 square miles in northeast Massachusetts, and had a labor force of about 133,300 in March 1983. The area's economy includes government, manufacturing, trade, and service-oriented industries.

When the act was passed in March 1983, about 11,700 people, or nearly 8.8 percent of this urban area's labor force, were unemployed. At that time, the unemployment rates in the area ranged from 3.5 percent in the town of Boxford to 12.6 percent in the town of Newbury. State and national unemployment rates during this period were 8 and 10.3 percent, respectively. In March 1984, about 1 year after passage of the act, the unemployment rates for the nation, the state, and the Lawrence-Haverhill metropolitan area were 7.8, 5.8, and 6.6 percent, respectively. Figure II.1 illustrates the unemployment trends for these areas 1 year before and after passage of Public Law 98-8.

Appendix II
 Emergency Jobs Act of 1983 And Projects
 Funded in the Lawrence-Haverhill Area As of
 March 31, 1984

Figure II.1: Quarterly Unemployment Rates for the Lawrence-Haverhill Metropolitan Area, Massachusetts, and the Nation (March 1982-March 1984)



Massachusetts was allocated about \$100.3 million² of the direct appropriations and obligational authority made available by Public Law 98-8. Twenty-nine projects in the Lawrence-Haverhill metropolitan area were awarded about \$2.3 million from 12 federal programs and activities that were appropriated funds by the act. Twenty of these projects were allocated about \$1.7 million for public works activities, such as making improvements to the area's harbors and water systems and repairs to city streets and sidewalks. The other nine projects are public service projects that were allocated about \$577,000 for employment and training services and humanitarian assistance activities, such as providing health care and energy conservation services. Appendix III provides general background information on the 29 projects funded.

²The amount allocated to Massachusetts is based on data reported to us by federal departments and agencies in February and March 1984. These data were reported in our April 10, 1984, letter to the Chairman of the Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources, on the allocation of the act's funds.

**Appendix II
Emergency Jobs Act of 1983 And Projects
Funded in the Lawrence-Haverhill Area As of
March 31, 1984**

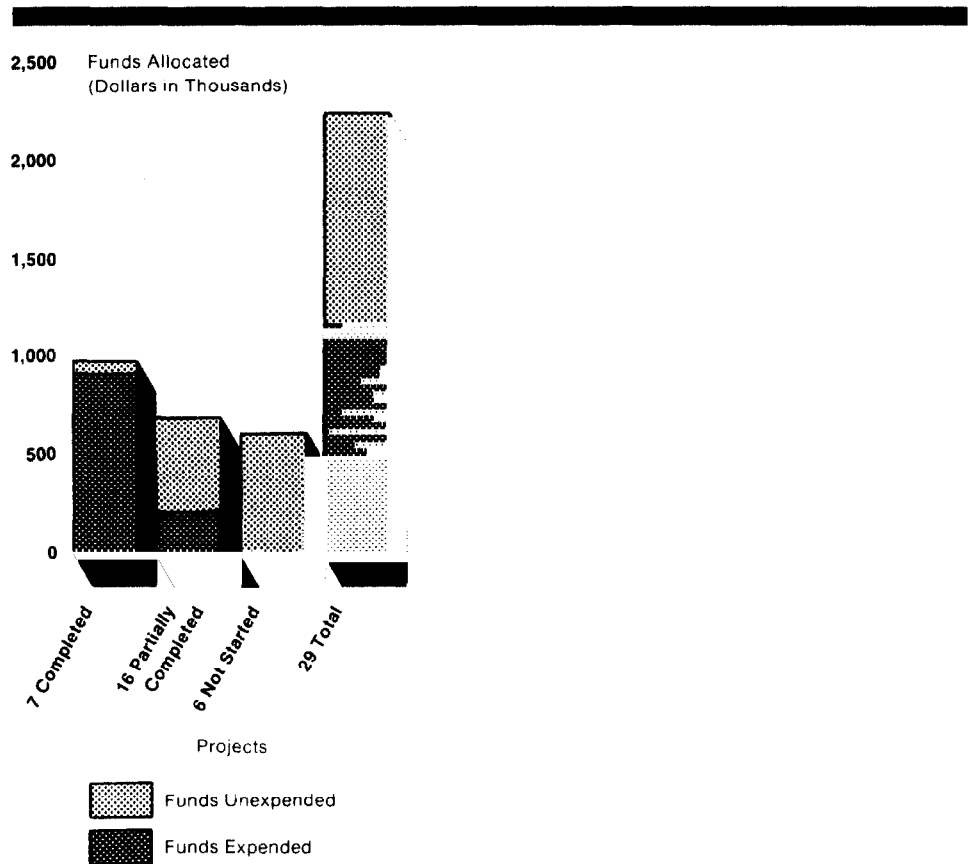
**About 52 Percent of Project
Funds Expended**

About \$1.2 million, or about 52 percent of nearly \$2.3 million awarded to 29 projects in the Lawrence-Haverhill metropolitan area, had been spent as of March 31, 1984—about 1 year following passage of the act.³ As illustrated in figure II.2, about \$963,900 had been spent on seven projects that were completed; about \$238,700, or nearly 36 percent of about \$669,900 allocated, had been spent on 16 projects that were partially completed; and no funds had been spent on six projects allocated over \$623,400 that had not started.

**Expenditures for Seven Completed
Projects**

Five public works and two public service projects in the Lawrence-Haverhill metropolitan area were completed as of March 31, 1984, and had spent \$963,854, or about 96 percent of the \$999,319 allocated.

Figure II.2: Funds Allocated and Expended on 29 Projects in the Lawrence-Haverhill, Massachusetts, Metropolitan Area As of March 31, 1984



³Appendix IV shows the expenditure status of the funds awarded to the 29 projects in the Lawrence-Haverhill area as of March 31, 1984.

The five public works projects that were completed by March 31, 1984, consisted of the following:

- The U.S. Army Corps of Engineers spent \$660,000, which represents about 29 percent of the total Public Law 98-8 funds allocated to the metropolitan area, to dredge the entrance channel at Newburyport Harbor. According to a Corps official, the project, which was originally planned for fiscal year 1985, began in 1983 as a result of these funds becoming available. The dredging operation was completed by a Louisiana contractor in August 1983 after 11 days of work.
- Two other public works projects were completed by September 30, 1983, as a condition of a Small Business Administration Parks and Recreational Area Development Grant to the state. The cities of Haverhill and Lawrence received awards of \$50,000 and \$56,454, respectively, from the state to purchase and plant trees and shrubbery in public parks and other publicly controlled or owned land.
- The remaining two projects completed by March 31, 1984, were Department of Housing and Urban Development Community Development Block Grant (CDBG)-Entitlement Cities projects in Haverhill. The \$35,000 awarded to one project was used to repair leaks in the city's water system; the other project spent \$7,000 on a traffic light synchronization study in an area populated by senior citizens.

Two public service projects were awarded \$190,865 of the Low-Income Energy Conservation Program funds granted to the state by the Department of Energy. These funds were awarded to community action agencies in Lawrence and Haverhill to provide insulation and other related energy conservation measures to low-income persons. Any funds not spent by March 31, 1984, had to be returned to the state. As of March 31, 1984, \$155,422, or 81 percent of the funds awarded, had been spent. According to the managers of these two projects, because they were not able to spend all the funds by that date, the remaining \$35,443 was returned to the state.

**Appendix II
Emergency Jobs Act of 1983 And Projects
Funded in the Lawrence-Haverhill Area As of
March 31, 1984**

**Expenditures for 16 Partially
Completed Projects**

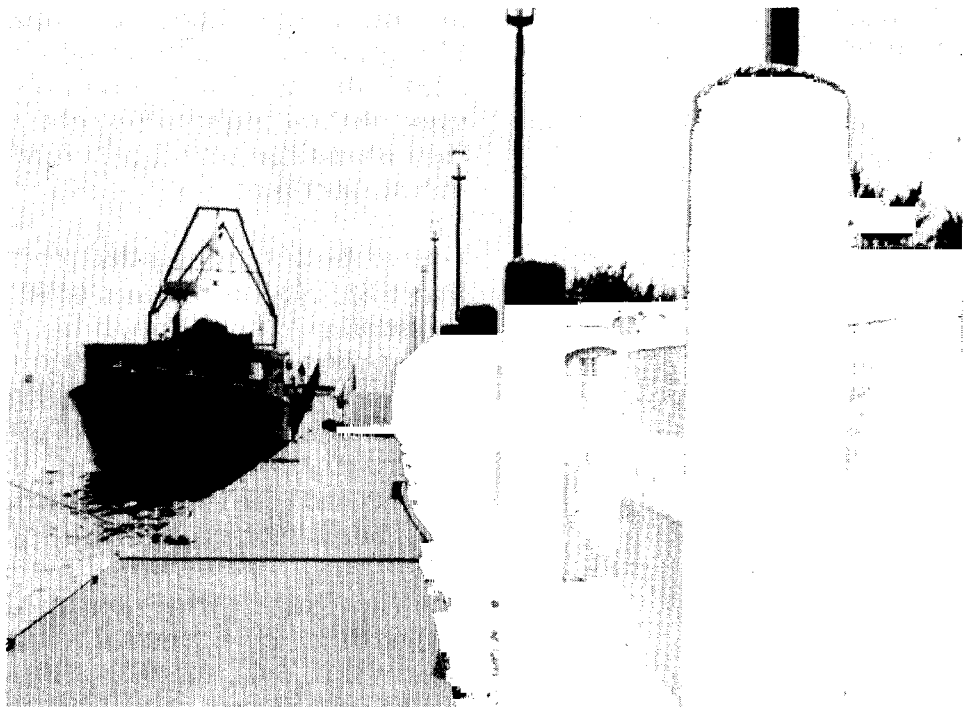
In addition to the 5 projects completed within the first year of the act, 16 other projects were partially completed as of March 31, 1984. About \$238,700, or nearly 36 percent of about \$669,900 allocated, had been spent on these projects. Five of these projects each spent at least half of their allocations; the other 11 spent from 5 to 49 percent of their individual allocations.

Four of the five projects that spent at least 50 percent of their funds by March 31, 1984, were allocated \$127,000 of the funds awarded to Haverhill in a CDBG-Entitlement Cities grant. The largest of these four projects was awarded \$70,000 to extend a municipal sewer line to a group of residents who were having problems with their septic systems. As of March 31, 1984, about \$54,400, or about 78 percent of the award, was spent. About \$39,000 of \$57,000 awarded to the other three projects had been spent on activities that include resurfacing streets and providing additional park security.

The 11 projects in which less than 50 percent of their funds were spent by March 31, 1984, received allocations from the Departments of Commerce (\$116,400), HHS (\$127,280), the Interior (\$20,000), Housing and Urban Development (\$163,000), and Labor (\$107,000). These projects include the following:

- The Department of Commerce's Economic Development Administration awarded \$116,400 of its Public Law 98-8 appropriation to fund 60 percent of a project to replace fender piles at the Newburyport waterfront promenade (see figure II.3). An official of Newburyport's Office of Community Development estimated that as of March 31, 1984, about 25 percent of the funds, or \$29,100 of Public Law 98-8 moneys, had been spent on material for the project. Although the contract was awarded in December 1983, the official said that replacement of the fender piles did not begin until April 1984 because of inclement weather.

Figure II.3: Fender Piles at the
Waterfront Promenade in Newburyport,
Massachusetts



- As of March 31, 1984, \$10,352, or about 45 percent of an HHS grant to the city of Lawrence, had been spent on a home health care services and training project to train people over 50 years of age as home health aides. This project began in November 1983 and was completed in June 1984.
- The state awarded \$20,000 of its Public Law 98-8 funds provided through the Department of the Interior's Historic Preservation Fund program to the city of Lawrence to restore its city hall tower (see figure II.4). As of March 31, 1984, \$1,040, or about 5 percent of the award, had been spent on building a construction sign and other administrative costs. Although the contract to restore the tower was awarded in December 1983, a project official said that inclement weather prevented work from beginning until April 1984. According to a state official, the project was completed in July 1984.

Figure II.4: City Hall Tower in Lawrence,
Massachusetts



No Funds Spent on Six Projects

As of March 31, 1984, no funds had been spent on six projects that were awarded about \$623,400. These projects include the following:

- The city of Lawrence allocated \$450,000 of its \$533,000 CDBG-Entitlement Cities award to two projects, which had not started as of March 31, 1984. One project that was allocated \$250,000 to improve the water system in one area of Lawrence began in April 1985 and was completed by October 1985. The other project—allocated \$200,000 to replace sidewalks, realign street curbs and historic granite walls, and install new lighting around the city's Campagnone Common (see figure II.5)—began in July 1984 and was completed in September 1984.

**Figure II.5: Replacement of Sidewalks
Around Campagnone Common In
Lawrence, Massachusetts**



- In December 1983, the Department of Education, based on an application filed in 1969 for assistance in constructing a new high school, notified the North Andover Public School Committee of a \$142,800 allocation in Impact Aid funds. Since the school had been completed in 1973, the Department instructed the Committee to file an application for equipment for the school. The Committee filed an application in April 1984 to purchase computers for a word processing laboratory, its mathematics department, and administrative purposes. According to the project manager, the application was approved in July 1984 and the equipment was obtained between April and August 1985.
- In February 1984, the state awarded \$4,550 of its Alcohol, Drug Abuse, and Mental Health Services Block Grant funds to make building improvements to a halfway house for alcoholics in Newburyport. According to the director of the halfway house, work began in May 1984 and was completed in June 1984.

**An Estimated 208 People
Employed**

Data obtained from project officials indicate that an estimated 208 people were employed on 22 projects that had begun by March 31, 1984.⁴ As of that date, about \$1.2 million had been spent on these projects. At least 37 of those employed had been previously unemployed; however, information was not readily available to determine how long they had been unemployed. Employment data were not readily available for one other project that had started by March 31, 1984. On 18 projects for which detailed data were available on how long people were employed, 124 people worked an estimated 1,176 weeks, or an average of 9.5 weeks per person.

**Other Benefits Achieved
and Expected**

In addition to the short-term employment opportunities resulting from the projects, other benefits have been and are expected to be provided to the communities in the Lawrence-Haverhill metropolitan area. These other benefits include improvements to or maintenance of public facilities, property, and waterways, as well as humanitarian assistance, employment training, and public services.

Public Law 98-8 funds have resulted or are expected to result in improvements to or maintenance of public facilities, property, and waterways. For example, the city of Haverhill used CDBG-Entitlement Cities funds to repair leaks in its water system. Also, the city was using these funds to extend a municipal sewer line, resurface streets, and rehabilitate its armory building, which is used for cultural activities. Public Law 98-8 funds were also used to make improvements to the area's waterways. For example, the Corps of Engineers used its General Operation and Maintenance funds to dredge a sand bar in the channel entrance at Newburyport Harbor. In addition, the city of Newburyport replaced the fender pile system on its waterfront promenade with funds made available by the Department of Commerce's Economic Development Administration.

The Lawrence-Haverhill metropolitan area also received Public Law 98-8 funds for employment training, humanitarian assistance, and public service activities. For example, HHS' Community Services Block Grant funds were used to provide employment training and assistance to recipients of Aid to Families with Dependent Children benefits to enhance their opportunities to obtain employment. In addition, HHS' Maternal and

⁴Appendix V summarizes employment data available for 22 projects that employed people in the Lawrence-Haverhill metropolitan area as of March 31, 1984.

Child Health Services Block Grant funds were being used in the metropolitan area to provide prenatal health care services.

Efforts to Provide Employment Opportunities to the Unemployed

The act requires federal agencies, states, and political subdivisions of the states to use funds, to the extent practicable, "in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act"—March 24, 1983. In implementing the act, federal, state, and local efforts varied in providing employment opportunities to the unemployed.

Following are some examples of the efforts made.

- In awarding funds under its Parks and Recreational Area Development Grant Program, the Small Business Administration instructed the administering state agency to assure that expenditures resulted in employment of the maximum number of unemployed persons. As a condition of their awards, project managers were required to use local state employment offices to identify unemployed people to hire with these funds. For the two projects funded in the Lawrence-Haverhill area, project managers said they used the local state employment office to identify the unemployed people hired on their projects.
- Officials for several projects indicated that the provision to provide employment opportunities to the unemployed was not considered practicable given that individuals with certain skills were needed for the projects. For example, a Corps of Engineers official said that the Newburyport Harbor dredging project required highly technical dredging machinery and persons that could operate the equipment. As a result, the Corps contracted with a firm from Louisiana that had the equipment and used its existing crew to do the dredging. Also, according to a city official, the restoration of the Lawrence city hall tower required specialized labor, such as steeplejacks and painters experienced at working at great heights. Consequently, because they believed that finding unemployed persons with these skills would be difficult, city officials did not consider it practicable to require contractors to target jobs to the unemployed.

Public Law 98-8 Funded Projects in the Lawrence-Haverhill Area

Federal department/agency	Program/activity	Number of projects	Project(s) description	Location (city/town)	Public Law 98-8 funds*		Percent of allocations expended
					Allocated	Expended as of 3-31-84	
Public Works:							
Department of Commerce:							
Economic Development Administration	Economic Development Assistance	1	Replace fender pile system on a waterfront promenade	Newburyport	\$116,400 ^a	\$29,100	25
Department of Defense—Civil:							
Department of the Army, Corps of Engineers—Civil	Operation and Maintenance, General	1	Dredge harbor entrance	Newburyport	660,000	660,000	100
Department of Health and Human Services:							
Alcohol, Drug Abuse, and Mental Health Administration	Alcohol, Drug Abuse, and Mental Health Services Block Grant	1	Renovate and repair a halfway house for alcoholics	Newburyport	4,550	0	0
Department of Housing and Urban Development:							
Community Planning and Development	Community Development Block Grant-Entitlement Cities	9	Fund community development projects, including repairing sewer and water lines and resurfacing streets	Haverhill	275,000	146,298	53
		5	Improve water system, replace sidewalks, and improve energy conservation	Lawrence	533,000	15,584	3
Department of the Interior:							
National Park Service	Historic Preservation Fund	1	Restore a city hall tower	Lawrence	20,000 ^b	1,040	5
Small Business Administration	Parks and Recreational Area Development Grant	2	Plant trees and shrubs on public property	Haverhill and Lawrence	106,454	106,454	100
Total Public Works		20			1,715,404	958,476	56

**Appendix III
Public Law 98-8 Funded Projects in the
Lawrence-Haverhill Area**

Federal department/agency	Program/activity	Number of projects	Project(s) description	Location (city/town)	Public Law 98-8 funds ^a		Percent of allocations expended
					Allocated	Expended as of 3-31-84	
Public Service:							
Department of Education:							
Office of Elementary and Secondary Education	School Assistance in Federally Affected Areas (Impact Aid)	1	Purchase computers for school system	North Andover	142,800	0	0
Department of Energy:							
Office of the Assistant Secretary for Energy Conservation	Energy Conservation/ Low-Income Energy Conservation	2	Weatherize homes of low-income and elderly persons	Haverhill and Lawrence	190,865	155,422	81
Department of Health and Human Services:							
Health Resources and Services Administration	Community Services Block Grant	2	Provide employment training and assistance	Haverhill and Lawrence	20,797	13,987	67
	Home Health Care Services and Training	1	Provide training to the elderly as home health care workers	Lawrence	23,198	10,352	45
	Maternal and Child Health Services Block Grant	2	Provide prenatal health care services	Haverhill, Lawrence, and Methuen	92,500	38,508	42
Department of Labor:							
Employment and Training Administration	Dislocated Worker Program	1	Provide employment and training service to dislocated workers	Lawrence	107,000	25,762	24
Total Public Service		9			577,160	244,031	42
Total		29			\$2,292,564	\$1,202,507	52

^aData were obtained from review of records and discussions with project officials.

^bFunds, in addition to Public Law 98-8 funds, were allocated to some of these projects. These other funds are not included in our figures.

Status of Public Law 98-8 Funds Allocated to Projects in the Lawrence-Haverhill Area As of March 31, 1984

Program/activity ^a	Number of projects	Public Law 98-8 funds ^b		Percent of allocations expended
		Allocated	Expended	
Projects completed:				
Community Development Block Grant-Entitlement Cities:				
Haverhill	2	\$ 42,000	\$ 41,978	100
Corps of Engineers— Operations and Maintenance, General	1	660,000	660,000	100
Energy Conservation/ Low-Income Energy Conservation	2	190,865	155,422 ^c	81
Parks and Recreational Area Development Grant	2	106,454	106,454	100
Total	7	999,319	963,854	96
Projects partially completed:				
Community Development Block Grant-Entitlement Cities:				
Haverhill	6	232,000	104,320	45
Lawrence	2	58,000	15,584	27
Community Services Block Grant	2	20,797	13,987	67
Dislocated Workers Program	1	107,000	25,762	24
Economic Development Assistance	1	116,400 ^d	29,100	25
Historic Preservation Fund	1	20,000 ^d	1,040	5
Home Health Care Services and Training	1	23,198	10,352	45
Maternal and Child Health Services Block Grant	2	92,500	38,508	42
Total	16	669,895	238,653	36
Projects not started:				
Alcohol, Drug Abuse, and Mental Health Services Block Grant	1	4,550	0	0
Community Development Block Grant—Entitlement Cities:				
Haverhill	1	1,000	0	0
Lawrence	3	475,000	0	0
School Assistance in Federally Affected Areas (Impact Aid)	1	142,800	0	0
Total	6	623,350	0	0
Total	29	\$2,292,564	\$1,202,507	52

^aSee appendix III for the federal department/agency responsible for each program/activity.

^bData were obtained from review of records or discussions with project officials.

^cAccording to the project officials, \$35,443 was not spent and was returned to the state.

^dFunds, in addition to Public Law 98-8 funds, were awarded to these projects. These other funds are not included in our figures.

Estimated Employment-Related Data for Projects Funded by Public Law 98-8 in the Lawrence-Haverhill Area As of March 31, 1984^a

Program/activity ^b	Projects with employment data	Number employed	Number previously unemployed	Weeks of employment
Community Development Block Grant-Entitlement Cities:				
Haverhill	8	27	^c	243
Lawrence	2	13	0	^c
Community Services Block Grant	2	4	1	33
Corps of Engineers—Operations and Maintenance, General	1	18	^c	40
Energy Conservation/Low-Income Energy Conservation	2	86	6 ^d	284 ^d
Economic Development Assistance	1	8	^c	120
Historic Preservation Fund	1	6	^c	^c
Home Health Care Services and Training	1	2	^c	^c
Maternal and Child Health Services Block Grant	2	14	1 ^e	208
Parks and Recreational Area Development Grant	2	30	29	248
Total	22	208	^f	^f

^aIncludes only projects that were completed or partially completed by March 31, 1984, and employment data that were readily available or estimated by project managers.

^bSee appendix III for the federal department/agency responsible for each program/activity.

^cData were not readily available.

^dData reflect information for 23 people employed by community action agencies. Data were not readily available for 83 people employed by contractors on these projects.

^eEmployment status information was available for only seven of those employed.

^fTotals have not been provided because data were not available for some projects.

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