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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

HUMAN RESOURCES  
DIVISION

January 28, 1982

B-199777

The Honorable William C. Wampler  
Ranking Minority Member  
Committee on Agriculture  
House of Representatives

**RESTRICTED — Not to be released outside the General Accounting Office except on the basis of specific approval of the Office of Congressional Relations.**

Dear Mr. Wampler:

Subject: Legal Services Corporation Grantees' Involvement  
in Activities Concerning the Tazewell County,  
Virginia, Workfare Project (HRD-82-34)

We have developed information pursuant to your July 13 and August 28, 1981, requests relating to the Tazewell County, Virginia, workfare project.

In response to your initial request, we examined the activities of the National Social Science and Law Center (NSSLC) and the Client Centered Legal Services (CCLS) of Southwest Virginia, Inc.--both funded by the Legal Services Corporation (LSC)--to ascertain whether these organizations interfered with or impeded the implementation of provisions of the Food Stamp Act. In response to your second request, we reviewed information concerning allegations that Federal funds were used illegally to persuade participants at an August 13, 1981, meeting in Tazewell County to lobby other Virginia local governing bodies not to permit workfare projects in their jurisdictions. We believe that the activities of the legal services organizations in Tazewell County did not violate the provisions of applicable statutes.

The information we developed on these matters was obtained primarily from interviews with LSC and NSSLC officials and our analysis of pertinent documentation obtained from LSC and NSSLC (one of LSC's support centers), both located in Washington, D.C. Additional documentation and clarifying information were obtained from officials of the Tazewell County, Virginia, workfare demonstration project; the CCLS of Southwest Virginia, Inc., in Castlewood, Virginia; the Client Council of Tazewell, Virginia; the Virginia Poverty Law Center; the Virginia Anti-Hunger Coalition; and certain local citizens involved in the activities discussed in the enclosure.



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Our objective was to determine the merits of the allegations made against LSC and its grantees in regard to the Tazewell County workfare demonstration project. Of particular interest was whether LSC and its grantees had initiated actions locally to (1) interfere with or impede the implementation of the Food Stamp Act of 1977, as amended, or (2) lobby to influence the passage or defeat of legislation being considered by local legislative bodies. We relied heavily on the legislative histories of both the Food Stamp Act of 1977 and the Legal Services Corporation Act of 1974, as amended, to determine the legality of the actions taken by LSC grant recipients in Tazewell County.

Our review was performed in accordance with the current "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions."

ALLEGED INTERFERENCE WITH TAZEWELL COUNTY  
WORKFARE DEMONSTRATION PROJECT

Section 134 of the Food Stamp Act Amendments of 1980 (7 U.S.C. 2027, Public Law 96-249) prohibits the use of Federal funds to interfere with or impede the implementation of the provisions of the Food Stamp Act of 1977, as amended. The provisions apply to the workfare demonstration projects authorized by 7 U.S.C. 2026. Section 134 provides in part as follows:

"(2) No funds authorized to be appropriated under this Act or any other Act of Congress shall be used by any person, firm, corporation, group, or organization at any time, directly or indirectly, to interfere with or impede the implementation of any provision of this Act or any rule, regulation, or project thereunder, except that this limitation shall not apply to the provision of legal and related assistance in connection with any proceeding or action before any State or Federal agency or court. The President shall ensure that this paragraph is complied with by such order or other means as the President deems appropriate."

The House Report 1/ which accompanied this legislation discusses the meaning of the words "interfere with or impede." The report indicates that the Congress was seeking to insure that Federal funds would not be used to support illegal or coercive activities designed to make implementation of such projects as workfare more difficult. Prohibited activities include, but are not limited to, violence, threats of violence, intimidation of public officials,

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1/H. Rept. No. 96-788, 96th Cong., 2d sess., pp. 143-4.

or mass demonstrations against such projects. However, the legislative history recognized that the Congress did not intend the enactment of this provision to, for example, preclude legal services organizations, with the use of Federal funds, from monitoring the program or from representing or advising clients with respect to it. Thus, the legislative history clearly indicates that the Congress did not wish to hinder legal assistance services to participants in the workfare demonstration projects.

NSSLC sent social science researchers to Tazewell County during the week of June 15, 1981, to study the local workfare project. NSSLC did not coordinate its efforts with the county official administering the local project. Rather, NSSLC visited the work sites where the participants were employed and interviewed some of them during their hours of work. LSC officials told us that, of the 19 interviews with participants, 8 were conducted at five different worksites and 11 were conducted at participants' homes. At four of the worksites, permission was granted by the job supervisors, and at the fifth site, no supervisor was present. According to Mr. Doug Taylor, Manager, Tazewell County workfare II project, although four of the supervisors granted NSSLC permission to conduct interviews, at least two did so under the impression that Mr. Taylor had already granted permission to the NSSLC researchers. Also, Mr. Taylor said that he was not aware that NSSLC researchers were conducting interviews at his project sites and never gave them permission and that NSSLC's unannounced and unscheduled visits caused some disruptions at the project work sites.

While the LSC-funded social science research activities caused some disruptions to the work of the project, these activities do not appear to be the type that the Congress intended to prohibit by the provisions of 7 U.S.C. 2027. Indeed, the legislative history recognized that federally funded organizations had a legitimate right to (1) monitor the project, (2) represent participants as clients, (3) advise participants of their legal rights under the program, or (4) seek to involve participants in any decisionmaking process affecting their status. These were some of the types of activities the LSC organizations carried on in regard to the Tazewell County workfare project. Moreover, it appears the recipient organizations did not consciously intend to disrupt the workfare project.

The few disruptions that occurred seemed to primarily stem from the desire of LSC-funded personnel to demonstrate total independence from the administration of the workfare project. They reportedly believed their separation from the project would place them in a better position to gain the confidence of workfare participants.

Based on these factors and the available evidence concerning the social science research activities conducted in Tazewell County in mid-June 1981, we believe that the noninterference provisions of 7 U.S.C. 2027 regarding the Tazewell County workfare project were not violated. In addition, we did not find any evidence that NSSLC researchers intentionally represented themselves as employees of the Department of Agriculture during their visit to Tazewell County--which was alleged as having occurred in your July 13 letter requesting our review of these matters.

ALLEGED LOBBYING ACTIVITIES  
BY LSC GRANTEES

The Legal Services Corporation Act of 1974, as amended (42 U.S.C. 2996 et seq.), establishes certain criteria and restrictions that LSC must observe in administering grants and contracts made to providers of legal assistance. Of particular interest is the restriction contained in 42 U.S.C. 2996f(a)(5), which requires LSC to insure that the funds made available to recipients are not used, either directly or indirectly, to undertake to influence the passage or defeat of any legislation by the Congress of the United States or by State or local legislative bodies. Although other statutes (i.e., section 607(a) of the annual Treasury, Postal Service, and General Government Appropriation Act and the Moorhead Amendment--a provision in LSC's annual appropriations contained in the Departments of State, Justice, and Commerce; the Judiciary; and the Related Agencies Appropriations Act) provide restrictions on the use of appropriated funds for lobbying activities affecting the Congress and State legislatures, only 42 U.S.C. 2996f(a)(5) contains provisions regarding lobbying local legislative bodies.

LSC recipient organizations in Virginia participated in an August 13, 1981, meeting in Tazewell County, Virginia, concerning the County's workfare project. Workfare participants, State and local government officials, and officials of various LSC recipient organizations attended this meeting. Officials of LSC recipient organizations admitted that they spoke negatively at times concerning the local workfare project. At the same time, these officials said that they desired to learn as much about workfare as possible in order to effectively represent clients in other jurisdictions which might implement future workfare projects.

An LSC investigation of this matter found that no employees of LSC recipients made statements to the effect that meeting participants should persuade their local governing bodies to disapprove workfare projects as reported by the Richmond News Leader. Our interviews with several meeting participants did not refute LSC's claim.

Our review of the activities regarding the August 13, 1981, meeting to discuss the Tazewell County workfare project did not reveal any incidents of lobbying with Federal funds. Other than the salaries and travel expenses of LSC-funded personnel who attended the meeting, the only Federal funds used to defray the costs of conducting this meeting were from a Community Food and Nutrition Program grant given by the now defunct Community Services Administration. This grant authorized educational meetings to be held on issues concerning food programs for the poor, such as workfare. Although three legal services programs had advanced travel funds for their clients to attend this meeting, the funds were later reimbursed from the Community Services Administration grant.

Enclosure I briefly discusses (1) LSC's organizational structure and purpose, (2) the legislative intent of the Food Stamp Act of 1977 and the Legal Services Corporation Act of 1974, as amended, in regard to, respectively, interfering with or impeding the implementation of the workfare program or lobbying to influence local legislative bodies concerning workfare-related matters, (3) the relevant information developed concerning LSC personnel's involvement with the Tazewell County workfare demonstration project, (4) our views on the legality of actions taken in Tazewell County by individuals whose activities are funded by LSC, and (5) our discussion of LSC's written and oral comments on our report. Enclosure II is a copy of LSC's letter in response to our request for comments to this report.

#### LSC COMMENTS

As requested by your staff, we obtained comments on the report from the President of LSC. LSC agreed with our overall conclusions and provided several suggestions for clarifying changes to the report. LSC questioned the relevancy of our discussion of the Moorhead Amendment (see pp. 5 and 6 of enc. I) to the issues discussed in the report. We believe, however, that the Moorhead Amendment discussion is relevant for a completely responsive discussion about the lobbying restrictions which currently affect LSC. Where appropriate, we have made changes to the report based upon LSC's comments.

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As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of the report. At that time, we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Gregory J. Hart', written in a cursive style.

Gregory J. Hart  
Director

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ABBREVIATIONS

CCLS	Client Centered Legal Services
CSA	Community Services Administration
GAO	General Accounting Office
LSC	Legal Services Corporation
NSSLC	National Social Sciences and Law Center





LEGAL SERVICES CORPORATION GRANTEES'  
INVOLVEMENT IN ACTIVITIES CONCERNING  
THE TAZEWELL COUNTY, VIRGINIA, WORKFARE PROJECT

INTRODUCTION

In a July 13, 1981, letter, Congressman William C. Wampler, as Ranking Minority Member, House Committee on Agriculture, requested that we investigate the activities of the National Social Science and Law Center (NSSLC) and the Client Centered Legal Services (CCLS)--both funded by the Legal Services Corporation (LSC)--to ascertain whether these organizations interfered with or impeded the implementation of the Tazewell County, Virginia, workfare demonstration project. Tazewell County was 1 of the 14 demonstration project locations chosen by the Secretaries of Agriculture and Labor under provisions of the Food Stamp Act of 1977, as amended (Public Law 95-113, Sept. 29, 1977, 91 Stat. 958), to test the feasibility of food stamp participants working in return for their benefits.

Congressman Wampler was concerned that these organizations were harassing local food stamp workfare personnel. The propriety of these organizations' activities; the sources and uses of Federal funds, if any, in impeding the Tazewell County workfare project; and the accusation that employees of these organizations represented themselves as employees of the Department of Agriculture were specific areas of interest cited in the letter.

On August 28, 1981, Congressman Wampler forwarded to our staff a copy of an August 14, 1981, Richmond News Leader article concerning the Tazewell County workfare project. The article alleged that welfare recipients from more than 30 Virginia counties and cities had met in Tazewell County on August 13 to denounce the County's workfare program requirement for food stamp recipients to work on public service jobs in exchange for the value of their food stamp benefits. According to the article, attorneys and other speakers urged participants to take information gathered at the meeting and use it to persuade their local governing bodies not to approve workfare in other areas of Virginia. We were requested to determine who paid for the meeting (including travel expenses) and whether Federal funds were used for lobbying activities.

The information we developed on these matters was obtained primarily from interviews with LSC and NSSLC officials and our analysis of pertinent documentation obtained from LSC and NSSLC (one of LSC's support centers), both located in Washington, D.C. Additional documentation and clarifying information were obtained from officials of the Tazewell County, Virginia, workfare demonstration project; the CCLS of Southwest Virginia, Inc., in Castlewood,

Virginia; the Client Council of Tazewell, Virginia; the Virginia Poverty Law Center; the Virginia Anti-Hunger Coalition; and certain local citizens involved in the activities discussed in this enclosure.

Our objective was to determine the merits of the allegations made against LSC and its grantees in regard to the Tazewell County workfare demonstration project. Of particular interest was whether LSC and its grantees had initiated actions locally to (1) interfere with or impede the implementation of the Food Stamp Act of 1977, as amended, or (2) lobby to influence the passage or defeat of legislation being considered by local legislative bodies. We relied heavily on the legislative histories of both the Food Stamp Act of 1977 and the Legal Services Corporation Act of 1974, as amended, to determine the legality of the actions taken.

Our review was performed in accordance with the current "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions."

#### LSC--ORGANIZATION AND PURPOSE

LSC was established by the Legal Services Corporation Act of 1974 (88 Stat. 378, 42 U.S.C. 2996), approved July 25, 1974, as amended, to provide financial support for legal assistance in non-criminal proceedings to persons financially unable to afford legal services.

LSC is governed by an 11-member Board of Directors, appointed by the President, with the advice and consent of the Senate. LSC provides financial assistance to qualified programs furnishing legal assistance to eligible clients and makes grants to, and contracts with, individuals, firms, corporations, organizations, and State and local governments to provide legal assistance to these clients.

LSC also conducts research, training, and technical assistance activities and serves as a clearinghouse for information relating to the delivery of legal assistance.

LSC's Research Institute on Legal Assistance was established in 1976. Its primary functions are to (1) stimulate legal research in the area of poverty law, (2) develop new ideas and approaches to delivering legal services to hard to reach client groups, (3) oversee the 17 national support projects which LSC funds, and (4) examine the problems associated with and develop approaches to improve the delivery of legal services.

The issue of workfare and the need to develop a strategy to broaden poor people's access to private sector jobs were cited in LSC's July 1981 report on the Research Institute as projects which will have to be further developed. However, the Institute is also

concerned about developing new issues. According to the recent LSC report, a major Institute focus in fiscal year 1982 will be to identify legal concerns brought about by contemplated changes in many benefit and entitlement programs.

NSSLC, one of LSC's specialized litigation and support centers, was funded by LSC for about \$342,000 in 1981 to assist in this overall project. The evaluation and monitoring of workfare demonstration projects was one of the new priority areas contained in NSSLC's work plan for 1981.

LEGISLATIVE INTENT OF THE  
FOOD STAMP ACT OF 1977 AND  
LEGAL SERVICES CORPORATION  
ACT OF 1974

The legislative histories of the Food Stamp Act of 1977, as amended, related to impeding or interfering with the workfare demonstration projects, and the Legal Services Corporation Act of 1974, as amended, concerning the lobbying of local legislative bodies, are particularly relevant to the Tazewell County situation.

Food Stamp Act of 1977

Section 134 of the Food Stamp Act Amendments of 1980 (7 U.S.C. 2027, Public Law 96-249) prohibits the use of Federal funds to interfere with or impede the implementation of the provisions of the Food Stamp Act of 1977, as amended. This section applies to the workfare demonstration projects authorized by 7 U.S.C. 2026 and states in part that:

"(2) No funds authorized to be appropriated under this Act or any other Act of Congress shall be used by any person, firm, corporation, group, or organization at any time, directly or indirectly, to interfere with or impede the implementation of any provision of this Act or any rule, regulation, or project thereunder, except that this limitation shall not apply to the provision of legal and related assistance in connection with any proceeding or action before any State or Federal agency or court. The President shall ensure that this paragraph is complied with by such order or other means as the President deems appropriate."

The stated congressional intent of the statutory provision quoted above is included in House Report No. 96-788, 96th Cong., 2d sess., pp. 143-4, which accompanied the Food Stamp Act Amendments of 1980 (S.1309). That report reads in part as follows:

"This Committee has no quarrel at all--and could not under the First Amendment--with any organization's right, with the aid of Federal funds, to monitor the food stamp program through oversight activities, to represent participants as clients in court or before an administrative agency or department, be it Federal or State or local, or to advise recipients of their rights or obligations under the Act and consult with them prior to any legal proceedings or action, or to seek to involve recipients in any decision-making process affecting their status. The Committee does not, however, want Federal funds employed to finance illegal non-First Amendment-covered activities that intentionally seek to prevent or block or impede the implementation of legislation sponsored by this Committee or of rules and regulations promulgated by the Department pursuant to this Act or projects called for by this Act. A suit to enjoin workfare or comments filed with the Department vigorously voicing opposition to workfare regulations are within and, indeed, the very genius of our democratic system. But counselling recipients to hassle or harass State and local officials with a view to changing illegally what legal means have failed to change cannot be countenanced. There can be no federally funded resort to counselled violence or intimidation or similar tactics in confronting problems that recipients and their organizations may have with this program. Legal authorities can deal with the resulting violations of law, but this Committee will assure the cut-off of Federal funds utilized to finance and foment those violations." (Underscoring supplied.)

This report provides the congressional intent as to the meaning of the words "interfere with or impede." The Congress was seeking to insure that Federal funds would not be used to support illegal activities designed to make implementation of such projects as workfare more difficult. Prohibited activities would include, but not be limited to violence, threats of violence, intimidation of public officials, or mass demonstrations against such projects. However, the legislative history recognized that the Congress did not intend the enactment of this provision to preclude organizations, with the use of Federal funds, from monitoring the program or from representing or advising clients with respect to it. Thus, the legislative history clearly indicates that the Congress did not wish to hinder legal assistance services to participants in the workfare demonstration projects.

Legal Services Corporation Act of 1974

The Legal Services Corporation Act of 1974, as amended (42 U.S.C. 2996 et seq.), provides LSC with broad authority to fund programs that furnish legal assistance to eligible clients. LSC does this by making grants to, and contracts with, individuals, organizations, and local governmental entities, known as recipients.

The provisions of 42 U.S.C. 2996f establish certain criteria and restrictions that LSC must observe in providing grants to, and contracting with, providers of legal assistance. Of particular interest is the restriction contained in 42 U.S.C. 2996f(a)(5), which requires LSC to insure that the funds made available to recipients are not used, either directly or indirectly, to undertake to influence the passage or defeat of any legislation by the Congress of the United States or by State or local legislative bodies. This provision restricts the use of LSC funds for lobbying activities except on behalf of an eligible client or where LSC or the grantee desires to, or is requested to, comment directly to Federal, State, or local legislative bodies on legislation that impacts directly on LSC or the grantee. 1/

In addition to the limitations on legislative representation discussed above, annual appropriation act restrictions have, in our opinion, also curtailed such activities. Section 607(a) of the Treasury, Postal Service, and General Government Appropriation Act, which has been included in the act every year since the establishment of LSC, provides that no part of any such appropriation contained in that act, or any other act, can be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

Aggressive legislative representation by LSC program personnel at the State level led the Congress to extend the section 607(a) restriction as it applies to LSC and its fund recipients to also cover publicity and propaganda activities aimed at State legislatures. This extension was accomplished by the Moorhead Amendment, which was first included as a restriction on the use of LSC appropriations in the Departments of State, Justice, and Commerce; the Judiciary; and the Related Agencies Appropriation Act of 1979, Public Law No. 95-431 (Oct. 10, 1978), 92 Stat. 1021.

The only lobbying-related statutory provision that restricts LSC fund recipients from lobbying on matters being considered by local legislative bodies is 42 U.S.C. 2996f(a)(5), inasmuch as section 607(a) and the Moorhead Amendment do not restrict lobbying at the local level.

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1/B-202116, May 1, 1981, 60 Comp. Gen. \_\_\_\_.

LSC has disagreed with our construction of the above-cited statutory restrictions and explains its position as follows: 1/

"The major difference between GAO and the Legal Services Corporation on this issue is the intermeshing of the Treasury, Postal Service Appropriations rider, the Moorhead rider and the Legal Services Corporation Act. The Legal Services Corporation concluded that the three must be read together in order to be meaningful and consistent \* \* \* it is not the view of the Legal Services Corporation that the Treasury, Postal Service rider is inapplicable to LSC appropriations on the basis that it was originally adopted prior to the establishment of the Corporation. Rather it is our view that the Treasury, Postal Service rider, the Moorhead rider and the LSC Act must be viewed as an integral whole to fully determine Congressional intent with regard to this subject. It is a well established rule of statutory construction that two legislative provisions which appear to conflict should be construed, if possible, in a manner which renders them capable of co-existence.

"As noted by GAO, the Treasury, Postal Service rider has been in effect since 1972. The LSC Act was passed in 1974, and its lobbying provisions were carefully drafted after an indepth consideration of the issue. One must assume that both the general prohibition on lobbying in the Act, and the specific exceptions thereto were adopted by the Congress with full awareness not only of the Treasury rider, but of the prohibitions in Section 1913 of Title 18 of the U.S. Code. Section 1913, you will recall, also prohibits lobbying, unless otherwise authorized by Congress. Thus, we concluded that the exceptions in the LSC Act are also exceptions to the Treasury, Postal Service rider and Section 1913 of the U.S. Code."

In our opinion, the LSC explanation fails to recognize that appropriation restrictions are temporary measures and must be reenacted annually if the Congress does not intend to let them expire along with the appropriation act in which they are contained. Since appropriation restrictions are reenacted annually, it is presumed that the Congress intends them to control over permanent existing organic legislation. LSC's rationale would require that permanent legislation generally control over appropriation restrictions, a result we believe was not intended by the Congress.

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1/LSC letter, dated May 11, 1981, to GAO.

NSSLC'S EFFORTS TO EVALUATE AND MONITOR  
WORKFARE DEMONSTRATION PROJECTS

During the autumn of 1980, NSSLC developed its program priorities for requesting grant funds from LSC. One of these program priorities involved a new area entitled "Evaluation and Monitoring of Workfare Demonstrations."

According to NSSLC's Director, the idea to conduct research on the workfare demonstration projects was not proposed by any single individual. Suggestions to do some kind of study were received from attorneys in local programs whom NSSLC called during priority setting for 1981. All of NSSLC's proposed 1981 priorities were approved by the National Clients Council--an organization of representatives of local legal services' clients. NSSLC's Board of Directors made the final decision on October 9, 1980, to include the workfare research effort among its 1981 priorities.

NSSLC stated in its justification to LSC that its workfare study " \* \* \* will be needed by advocacy groups interested in opposing workfare or in adding a more acceptable work and training component to the Food Stamp program."

The full NSSLC justification for the workfare evaluation is as follows:

- "2. Evaluation and Monitoring of Workfare Demonstrations There has been increased pressure from state and federal officials to implement a 'workfare' component in the Food Stamp and AFDC programs. In March of 1979, sponsor sites for testing and evaluating the workfare component were to be selected, but not enough sponsors indicated interest in participating, and the deadlines were extended. Workfare refers to the requirement that Food Stamp clients work off their benefits without pay, after seeking work on their own for thirty days. Any member of the family can work off the required hours, which are determined by the size of the benefit payment to the family.

"Advocates in the welfare field are opposed to the institutionalization of workfare for several reasons: they feel that it is inequitable to require some public benefit recipients to work to repay the benefits they receive, but not others; that that (sic) the jobs available, according to existing research, do not offer adequate training or education; that the workfare component would add disproportionately to administrative costs; and that the example would be followed by other benefit programs. Also, the economy argument advanced by workfare proponents is also questionable: neither the added administrative costs, nor the possibility that the jobs assigned to workfare enrollees would be taken from others, is given adequate consideration. However, the concept of workfare enjoys a good deal of support and may be widely implemented eventually despite the social and economic costs to low-income people. In any event, the workfare demonstrations should be monitored and evaluated. The critiques we propose will be needed by advocacy groups interested in opposing workfare or in adding a more acceptable work and training component to the Food Stamp program. (Underscoring supplied.)

"Information collected by the Food Research and Action Center on the seven separate currently operating workfare demonstration sites indicates that the findings reported are not comparable, and that a critique is indicated. For instance, the current results have not been examined in the light of earlier data on work requirements. The research which has been done on demonstration programs stresses cost/benefit ratios and short-term savings, while administrative costs are often either ignored or underestimated. (The cost of placing recipients in private sector jobs averages \$6,500, and in public sector jobs \$9,000.) Department of Labor and Agriculture findings concerning the employment components of Food Stamp programs have been contradictory, and agency personnel differ as to the need for and interest in employment opportunities for specific Food Stamp recipient groups. A great deal is now known about the chances for successful transition from the public to the private job market associated with different kinds of training, education, and vocational programs. However, this information, especially as it applies to sub-groups of the recipient population and to varying conditions in different geographic areas, has not been organized in a useful way.



"Further, the need and desire for employment, education and training among many groups of welfare recipients suggests the possible utility of a study of client opinion and attitudes toward work requirements, and perceptions of the various models which combine work and benefits payment. This study would be designed to ascertain which parts of the current plans have the most promise for groups in the welfare population and which are most objectionable from their viewpoint. We will discuss this proposal with the National Clients Council.

"Thus, this project will involve two, or possibly three, three [sic] components: (a) monitoring of the evaluation plans and research processes supported by the Departments of Labor and Agriculture in relation to Workfare Demonstration sites; (b) review and analysis of current literature on work requirements and benefits programs; (c) and research on opinions and attitudes of a segment of the client community. The goals of the latter two activities will be to develop guidelines for model programs applicable to certain types of Food Stamp recipients, and to produce a document which would be useful in advocating for changes in program plans and implementation practices."

In November 1980, NSSLC published its newsletter that goes to other LSC-funded organizations. Included in the newsletter was a short description of its planned workfare study program. The Director of NSSLC had tentatively planned to explore the possibility of doing his first workfare evaluation on the Montgomery County, Maryland, pilot project, but had apparently not implemented any part of this plan.

In December 1980, Tazewell County, Virginia, began to implement its workfare pilot project. This project caught the attention of two Virginia LSC grantee organizations--CCLS of Southwest Virginia, Inc., in Castlewood, Virginia, and the Virginia Poverty Law Center in Richmond, Virginia. After Tazewell County had organized its workfare program and selected food stamp participants, CCLS organized a February 20, 1981, meeting concerning the program.

CCLS invited all the local food stamp participants and certain advocates for the poor. One of the advocates invited was Mr. Greg Lucyk, a Virginia Poverty Law Center attorney. He, in turn, invited Ms. Barbara Linden, a social science researcher with the NSSLC in Washington, D.C.

CCLS, in a letter written 1 week after the February 20 meeting, described the meeting's purpose as follows:

"The purpose of our meeting in Tazewell County was to begin finding out what problems workfare participants were having, not only so that we could work on those problems here, but also so that information on this program will be available to advocates who are trying to influence the future form of the program. It was for this latter purpose that Greg [Lucyk] of the Virginia Food Law Project [1/] came down and invited Ms. Linden to come with him."

CCLS was pleased to have a Washington-based advocate, such as Ms. Linden who they felt impressed local county workfare administrators and encouraged Food Stamp program recipients to speak out against the program more openly. These ideas were expressed in a February 23, 1981, letter from CCLS to NSSLC as follows:

"Approximately 20 workfare participants attended, along with a large number of local welfare officials. It was my impression, and also that of Greg Lucyk and the other people in this program who attended, that the mere presence of someone from Washington with the local advocates had a great impression on the participants and, particularly, upon the local officials. Prior to that meeting the only contact between this county and Washington had been government officials encouraging the local officials. I believe that they realized for the first time that opinion on workfare is less than unanimous. I also feel that Ms. Linden's presence encouraged the local participants to speak up more than they might have if only the local advocates were present.

"We are planning quite a bit of followup to this meeting, and we will be working with Virginia Food Law Project on that. I hope that your office will encourage Ms. Linden to continue to work with us on this, as I think her help would be of great benefit to us locally, as well as enabling her to be effective in helping other advocates deal with the issue of workfare."

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1/The Virginia Poverty Law Center is an LSC and Community Services Administration (CSA) grantee. The Virginia Law Project was an organizational entity within the Virginia Poverty Law Center, but it was funded by the now defunct CSA. The Law Project's overall purpose was to increase participation in the Food Stamp program within Virginia.

Based on Ms. Linden's report of the February Tazewell County workfare meeting, in March 1981, NSSLC decided that its workfare study should be done first in Tazewell County.

On May 13, 1981, NSSLC sent a memorandum to CCLS proposing a plan for its investigation of Tazewell County's workfare demonstration project from June 14 through June 22. The investigation was proposed although this project had only been in existence since December 1980.

The May 13, 1981, memorandum from NSSLC described the plan as follows:

"NSSLC plans to investigate the client experiences with the Workfare program. This would include study of the reactions of those actively participating in workfare (having one member of the household working at least 10 hours a month), those who are eligible to work but who have not been placed in a job, those who are eligible and subject to sanctions, and those who have recently withdrawn from the food stamp program because of workfare requirements.

"Types of Interviews: We hope to interview about thirty participants and about ten job sponsors. Interviews with the clients would be designed to obtain their opinions, reactions and suggestions about the program and would not include structured, close-ended questions. In addition, the interview would include discussions of these kinds of subjects: household size, ages of family members, present employment, description of last job, type of job done for workfare, problems with transportation and child care, and work-related expenses.

"Employers would be asked to describe their entry into the program, how job descriptions were done and updated, their reactions to workfare participants so far, perceptions of problems, description of value of the program, and estimate of future jobs to be offered if the program becomes permanent.

"Timing: We plan to be in Tazewell from June 14 through the 22nd. Four staff members would be conducting interviews; three with clients and one with employers. Most client interviews would be done by two staff members.

"Assistance needed:

1. Advice about obtaining access to names of participating Food Stamp Clients (and those of former clients):

I assume that the Director of Social Services will not be able to release names of food stamp or workfare clients, although he may be able to give us names of job sponsors.

The job sponsors may introduce us to clients, but it is extremely unlikely that we would obtain 30 interviews in this manner. In addition, we would not be able to contact the clients prior to our visit to ask whether they would be willing to discuss their experience with us. Your office's client population would be the appropriate one, but you would have to obtain permission from the clients before we could contact them. Another alternative would be to have a group meeting of food stamp clients, in order to introduce ourselves to them, explain what we would like to discuss, and make individual interview appointments with clients. This might be too much of a logistical problem, however. In addition, a group meeting might be attended by representatives of the workfare program, and this might make clients reluctant to discuss their experiences openly. This type of group meeting, however, might make it easier for clients to discuss some of their difficulties with the program.

If you are willing to ask clients whether their names and phone numbers could be sent to us, perhaps an explanatory letter similar to the one attached could be used.

2. Suggestions about contacting clients who do not have telephones: Those without telephones could be mailed letters, or if necessary, could be visited during the week of June 15-22nd without prior contact. If you have any ideas about how this group could be reached, in addition to mailings, these would be welcome.
3. Contact with a person in Tazewell who could offer assistance during the week of June 15-22nd: We will probably need help in Tazewell--finding our way around, meeting clients, and so on. We would pay an hourly wage, and would want someone familiar with the client community and with the county as a whole. We need suggestions from you about people who might be interested and good for this.

4. Access to a room for interviewing purposes, in a convenient in-town location: Some clients may prefer to discuss their workfare experiences with us away from their homes. We will need an easily accessible private office for this purpose. Any suggestions you have about places to call (churches, community organizations, and so on) would be helpful."

According to the above-cited memorandum, NSSLC did not from the outset intend to coordinate its investigation with the county administrator of the program. As indicated in the memorandum, NSSLC planned to hire a guide to take its investigators to meet with clients and job sponsors rather than obtaining this information from the county official.

In May 1981, NSSLC published another newsletter and announced that it was planning an investigation of the Tazewell County workfare program. The newsletter stated that the Congress was considering controversial workfare legislation that would allow communities to require certain Food Stamp recipients to work off their benefits in public service jobs at the minimum wage. According to this NSSLC publication, it was possible that legislation could be enacted without the benefit of much evidence based on experience or research to guide the decisionmaking process. The stated purpose of the small scale study of the rural workfare demonstration project in Tazewell County was to get some idea of the extent to which workfare achieves its objectives and to see how it affects individuals and families. It solicited reports on workfare projects from readers of the newsletter in other areas of the country.

On June 15, 1981, Barbara Linden and Deborah Vincent, social science researchers with NSSLC, began their investigation of the workfare program in Tazewell County. They obtained the services of a Tazewell County resident to guide them. Before their visit they had prepared questionnaires to use in interviewing workfare participants and sponsors as well as letters of introduction to use with the persons interviewed.

When Ms. Linden and Ms. Vincent began their investigation, they did not contact the Tazewell County official in charge of the county's workfare program. Rather on June 15, 1981, they began to visit work sites, such as the local high school where they conducted interviews with three workfare participants. Later, they went to the Tazewell County sanitary landfill, another workfare worksite, where they were intercepted by Mr. David Bandy--a supervisor in charge of workfare workers.

Mr. Bandy believed that the NSSLC representatives were from the Department of Agriculture in Washington, D.C. Also, because they were visiting the work site, Mr. Bandy assumed the researchers had cleared their visit with the county workfare manager,

Mr. Douglas Taylor. However, when he called Mr. Taylor to inform him that the visitors were there, he discovered that they had not sought authorization or coordinated their work with Mr. Taylor. Other workfare worksite supervisors reported similar instances in which, in the supervisors' opinions, the NSSLC researchers were attempting to mislead them as to their true identity and the approval from Mr. Taylor to conduct their investigation.

During their visit, which concluded on June 20, 1981, the NSSLC researchers interviewed 19 clients and 3 job sponsors. LSC officials told us that, of the 19 interviews with participants, 8 were conducted at five different worksites and 11 at participants' homes. At four of the worksites, permission was granted by their job supervisors; at the fifth site, no supervisor was present. According to Mr. Taylor, although four of the supervisors granted NSSLC permission to conduct interviews, two did so under the impression that Mr. Taylor had already granted permission to the NSSLC researchers. Also, Mr. Taylor said that he was not aware that NSSLC researchers were conducting interviews at his project sites and never gave them permission and that NSSLC's unannounced and unscheduled visits caused some disruptions at the project worksites.

During their visit, the NSSLC researchers did not obtain figures on the number of people participating in workfare, the number of hours worked, or the number of job sponsors and positions available. The researchers reported that job sponsor interviews were with respondents who were uniformly positive about the workfare program.

In addition to the researchers' salaries incurred during the staff time (estimated to be about 180 staff hours) devoted to the preparation for, and pursuit of, the interviews in Tazewell County, about \$720 in per diem, car rental, and other miscellaneous expenses were incurred by the researchers from June 14 through 20, 1981. These expenses exclude the round trip air transportation expenses, from Washington, D.C., to Roanoke, Virginia, for both investigators.

At our request, LSC initiated an investigation of NSSLC's involvement in regard to the Tazewell County workfare project. According to LSC, its investigation established that there had been misunderstandings on the part of both NSSLC and Mr. Taylor about what was expected and/or required of each in connection with the NSSLC research effort. Although, in LSC's opinion, NSSLC's actions did not violate 7 U.S.C. 2027, LSC believed NSSLC was incorrect in its failure to contact Mr. Taylor before beginning its interviews.

NSSLC initially took the position that the integrity of its efforts required some distance between its staff and the management of the workfare project. NSSLC officials now recognize that they

could have established rapport with Mr. Taylor without jeopardizing their research effort. LSC agreed with Mr. Taylor's observation, made during LSC's investigation, that the cost in both time and money caused by a breach of etiquette was unfortunate.

LSC also indicated that NSSLC had no specific litigation in mind at the time it initiated its work in Tazewell County. Rather, NSSLC was seeking to develop expertise on workfare in order to later provide technical assistance to legal services programs. NSSLC viewed itself or other LSC recipients using the information developed to assist local clients in advocating the implementation of better and consequently more successful workfare projects.

AUGUST 13, 1981, MEETING IN  
TAZEWELL COUNTY, VIRGINIA

On August 13, 1981, the Virginia Poverty Law Center, an LSC and CSA grantee, was the sponsor of a meeting in Tazewell, Virginia, to inform poor people about workfare.

According to a memorandum sent by the Virginia Poverty Law Center to its clients announcing the informational meeting, the August 13 meeting would be important because recent actions taken in both the House and Senate would have changed the Food Stamp Act to make workfare an option for all localities. Given the likelihood that workfare would become a reality, the Virginia Poverty Law Center believed it was obligated to become educated and to begin discussions with, among others, local elected officials who would be deciding whether or not to implement workfare in Virginia cities and counties.

The Poverty Law Center sponsored a limited number of clients' attendance at the Tazewell meeting. Its aim was to provide representation from as many different Virginia localities as possible. Seventeen persons spent the evening of August 12, 1981, at a Tazewell, Virginia, motor inn with lodging costs paid by the Poverty Law Center. About \$2,500 was spent to cover the cost of lodging as well as busfare, meals, and child care for participants of the meeting.

The Executive Director, Virginia Poverty Law Center, indicated that only CSA funds were used to cover these expenses. Initially, three legal services programs had advanced travel funds for participants to attend the meeting. However, these funds were later reimbursed from CSA funds.

According to the Executive Director, CSA had authorized funds through one of its Community Food and Nutrition Program grants for the Poverty Law Center to hold educational meetings on issues concerning food programs for the poor, such as workfare. Individuals who attended were expected to carry information back home and to share such information with clients and advocates in neighboring cities and counties.

A few State and county officials interested in the workfare project were invited to speak at the meeting. As it turned out, these officials were confronted by hostile advocates for the poor which consisted of about 50 persons who had been bussed in from other Virginia locations.

A report of the meeting that appeared in the Richmond News Leader on August 14, 1981, reads as follows:

VA. WELFARE RECIPIENTS  
SCORE 'WORKFARE' PLAN

"Welfare recipients from more than 30 Virginia counties and cities have denounced a 'workfare' requirement for getting food stamps.

"They met yesterday in Tazewell County, the only locality in Virginia with a workfare program requiring some food stamp recipients to work.

"Some 50 people from as far away as Norfolk and Virginia Beach gathered at the Tazewell Rescue Squad building for a meeting sponsored by the Tazewell Client Council, Virginia Poverty Law Center and Virginia Anti-Hunger Coalition.

"Attorneys and other speakers urged participants to take information gathered at the meeting and use it to persuade their local governing bodies not to approve workfare.

"Tazewell County is one of 14 localities in the nation with pilot workfare programs. This one got under way last December, after the U.S. Department of Agriculture agreed to pay 50 percent of the administrative costs.

"Local officials have termed the program successful.

"But Martin Wegbreit, staff attorney for Client Centered Legal Services of Southwest Virginia Inc. in Castlewood, said the county's workfare positions-except for a few showcase jobs such as clerk-typist or mechanic's aide-are custodial or menial.

"He said many jobs planned for the program could not be filled because workfare participants lacked the skills, education and training to fill them.



"He said the county has 1,700 households on food stamps, and only 380 people from those households were found qualified for the workfare program. Of these, he said, only 80 are working and they each work an average of 46 hours a month.

"About a quarter of the 380 people were able to raise their incomes. Another quarter never responded to the letter informing them they should report for a workfare interview, and 62 have forfeited their food stamp allotment.

"Wegbreit also argued that the administrative costs of the workfare program are more than the value of the work done."

In response to our request, LSC initiated an investigation into this matter. Based on the investigation by its Northern Virginia Regional Office, the President of LSC concluded that no LSC funds were used in connection with the meeting. However, salary and travel expenses were incurred by LSC-funded personnel who attended the meeting.

The following paragraphs taken from a September 18, 1981, letter from LSC to GAO provide additional information developed during the LSC investigation.

"Speakers at the meeting included Margaret Cover, a member of the Virginia State Board of Welfare who lives in the area, and Eli Jones, Executive Director of the Tazewell County Development Corporation which was under consideration as a potential administrative agency for the workfare program. Douglas Taylor, Assistant County Administrator in charge of the workfare program, was scheduled to deliver an address on the Tazewell County experience. However, Mr. Taylor was unable to appear due to a family emergency; despite efforts by the organizers of the training to obtain a substitute speaker from the Tazewell County Welfare Department, the county did not supply a speaker for the group.

"In addition, two legal services lawyers, Martin Wegbreit and Gregory Lucyk, were invited to speak to the group. Mr. Wegbreit presented the factual materials on the Tazewell County experience with workfare as described in the newspaper article. Mr. Lucyk provided counsel as to the potential for citizen involvement in the workfare program. Contrary to the assertion in the newspaper article attached to Congressman Wampler's letter, neither Mr. Wegbreit nor Mr. Lucyk called for action to block workfare programs.

Other press coverage and eyewitness accounts confirmed that Mr. Lucyk advised those attending the meeting that they could seek to participate in all decisions having to do with workfare in their communities including the decision whether to institute such a program as well as those relating to program design, administration and evaluation. The United Press International story of the meeting, which appeared in the Richmond Afro-American quoted Mr. Lucyk as saying 'Educate your own communities so that regardless whether we have it or not, at least it will be beneficial.'

"Eyewitnesses reported that there was no unanimity among the participants as to whether or not the workfare program was in the best interests of their communities. However, according to the Bluefield Daily Telegraph, at least one member of the audience stated that 'We're not opposed to workfare, Mrs. Cover. But we're opposed to the way it is being implemented and we are opposed to the way it is hurting poor people, black and white.'"

The main speakers, mentioned above, at the August 13 meeting had definite opinions about the meeting. Ms. Cover told us that she was very upset over the antiworkfare attitude of the people at the meeting. Mr. Jones characterized the meeting as being a "publicity stunt," but admitted that both sides of the workfare program were presented. Our discussions with these and other individuals who attended the August 13 meeting failed to provide any specific evidence that LSC recipient organization employees made statements that meeting participants should persuade their local governing bodies to disapprove workfare projects.

#### CONCLUSIONS

NSSLC sent social science researchers to Tazewell County during the week of June 15, 1981, to study the workfare project. NSSLC did not coordinate its research efforts with the county official administering the local project. Rather, NSSLC visited the work sites where the participants were employed and interviewed some of them during their hours of work. Their unannounced and unscheduled visits caused some disruptions at the project worksites.

While somewhat disruptive of the work of the project, these activities do not appear to be the type that the Congress intended to prohibit by the provisions of 7 U.S.C. 2027. Indeed, the legislative history recognized that federally funded organizations had a legitimate right to (1) monitor the project, (2) represent participants as clients, (3) advise participants of their legal rights under the program, or (4) seek to involve participants in any

decisionmaking process affecting their status. These were some of the types of activities the LSC recipient organizations carried on in regard to the Tazewell County workfare project. Moreover, the LSC recipient organizations did not appear to consciously intend to disrupt the workfare project.

The few disruptions that occurred stemmed primarily from the desire of LSC-funded personnel to demonstrate total independence from the administration of the workfare project. They felt their separation from the project would place them in a better position to gain the confidence of workfare participants. Accordingly, we are unable to conclude that, on the basis of available evidence, the LSC recipients violated the noninterference provisions of 7 U.S.C. 2027 regarding the Tazewell County workfare project.

In addition, we did not find any evidence that NSSLRC researchers intentionally represented themselves as employees of the Department of Agriculture during their visit to Tazewell County.

Also, LSC recipient organizations in Virginia participated in an August 13, 1981, meeting in Tazewell, Virginia, concerning the County's workfare project. Workfare participants, State and local government officials, and officials of various LSC recipient organizations attended this meeting.

Officials of LSC grantee or recipient organizations spoke negatively at times concerning the local workfare project. At the same time, these officials desired to learn as much about workfare as possible in order to effectively represent clients in other jurisdictions which might implement future workfare projects.

Our review of the activities regarding the August 13, 1981, meeting did not reveal any incidents of lobbying with Federal funds. Other than the salaries and travel expenses of LSC-funded personnel who attended the meeting, the only Federal funds used to cover the costs of conducting the August 13 meeting were from a Community Food and Nutrition Program grant provided by the now defunct CSA. This grant authorized educational meetings to be held on issues concerning food programs for the poor, such as workfare.

Although the Richmond News Leader account of the August 13, 1981, meeting indicates that "attorneys and other speakers" urged people in attendance to persuade their local governing bodies not to approve workfare projects, an LSC investigation of this matter found that no employees of LSC recipients made such statements. Furthermore, other accounts of this meeting do not corroborate the Richmond News Leader account.

LSC COMMENTS

At our request, the President of LSC on January 13, 1982, provided written comments on our report--see enclosure II. Also, LSC officials orally made several suggestions which are referred to, but not specified, in the President's January 13 letter.

LSC agreed with our conclusions. LSC officials suggested, however, that our discussion of LSC lobbying restrictions, contained in 42 U.S.C. 2996f(a)(5), should be expanded to discuss a third exception to such restrictions--that is, where legislation impacts directly on the grantee or LSC. We agree. However, as previously stated (see p. 5), the third exception limits LSC and its grantees to commenting directly to Federal, State, and local legislative bodies on legislation that impacts directly on LSC and its grantees but does not permit it to initiate lobbying activities (e.g., soliciting public support) on its own behalf with regard to such legislation.

LSC also questioned the relevancy of our discussion of the Moorhead Amendment (pp. 5 and 6 of this enc.) to the issues discussed in the report. We believe the Moorhead Amendment discussion is relevant for a completely responsive discussion about the lobbying restrictions currently affecting LSC.

Finally, LSC officials suggested that the report discuss more specifically (see p. 3 of the letter and pp. 13 and 14 of this enc.) the NSSLC interviews with project participants and whether worksite supervisor permission had previously been sought by NSSLC researchers and granted. We have accordingly added more specificity about interview locations and the granting of permission by worksite supervisors.



**LEGAL SERVICES CORPORATION**  
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Dan J. Bradley  
President

Writer's Direct Telephone  
(202) 272-4040

January 13, 1982

Mr. Gregory J. Ahart  
Director  
Human Resources Division  
United States General Accounting Office  
Washington, D.C. 20548

Dear Mr. Ahart:

This is in response to your December 31, 1981 letter requesting our comments to your proposed report to Congressman Wampler on the involvement of programs funded by the Legal Services Corporation in the Tazewell County, Virginia Workfare Project.

We have reviewed your draft and are pleased that your overall conclusions are consistent with the previous findings by our Office of General Counsel. We question the need for the discussion of the Moorhead amendment as contained on pages 8-9 of Draft Enclosure I. There is no relevance for the discussion in light of the issues addressed in the report. Since receipt of your draft, we have offered several minor changes to your staff which clarify statements or correct factual inaccuracies.

We appreciate the opportunity to comment on your draft and commend your staff for the thorough and objective review of the activities of programs funded by the Corporation.

Sincerely,

Dan J. Bradley

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GAO note: The page reference in this letter may not correspond to the page number in the final report.

