

PRESIDENT NAMES NEW O.E.O. CHIEF

Appoints Maryland Man to Disburse Poverty Funds

WASHINGTON, June 26 (AP) —President Nixon named a new director of the embattled Office of Economic Opportunity today amid a Federal court fight over his efforts to phase out the antipoverty agency.

Mr. Nixon sent to the Senate the nomination of Alvin J. Arnett of Maryland as director after a Federal judge demanded that the Government name someone to disburse funds already committed for the agency.

Mr. Arnett has been executive director of the Appalachian Regional Commission.

Earlier, the judge, William B. Jones of United States District Court, had ruled that the acting O.E.O. director, Howard J. Phillips, was serving illegally because the President had never submitted his nomination as full-time director for Senate approval.

Judge Jones has refused a Government request to delay implementation of his order removing Mr. Phillips, and the Court of Appeals upheld his refusal.

The antipoverty agency is scheduled to expire at midnight Saturday unless Congress appropriates money for it by then. Mr. Nixon did not include any money for the agency in his budget for the fiscal year 1974, which starts Sunday.

Judge Jones ruled earlier that the President could not shut down the agency without Congressional approval, and barred Mr. Phillips from actions aimed at shutting it down.

The Government has not appealed. Despite the judge's order, the agency will shut down unless it gets new funds.