WASHINGTON, Jan. 26.—(UP) —

The Costigan-La Follette bill, providing $500,000,000 for relief, was reported favorably today by the senate manufacturers committee.

Several members of the committee, it was understood, plan to offer amendments when the bill comes before the senate.

Under the measure 40 per cent of the $500,000,000 would be distributed to states, proportionate to their population, in the form of direct grants. The remaining 60 per cent would be used for emergency purposes where federal and state funds are insufficient to meet the needs.

A federal board, headed by the chief of the children's bureau, would be set up under the measure to administer the relief program. Included in the bill is a $15,000,000 item for the relief of destitute transients.

It was on that phase of the measure that much of the testimony was taken.

Pelham Glassford, Washington police chief in the strenuous days of the bonus army invasion, who has been making a survey of the youthful transients, testified the depression was spawning a "new generation of hoboes." He deplored the fact that many of the transients were forced to associate with calloused hoboos.

Senator Lewis, democrat, Illinois, warned that unless relief was provided in Chicago, many high school children there would degenerate into "youthful criminals."