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COUNTY NEWS

"The Wisdom to Know and the Courage to Defend the Public Interest"

NACo
Washington, D.C.

Vol. 10, No. 6

Feb. 6, 1978

Hill Unveils Transit Bills

WASHINGTON, D.C.—The Administration's transportation proposals for 1978, which were introduced into Congress recently, would change the way funds are allocated between highways and mass transportation and would consolidate a number of grant programs.

The Administration's bill proposes spending $50.4 billion over five years, $35.6 billion for highways and $14.8 billion for mass transportation.

Bill sponsors for the Administration's proposals are Sens. Lloyd Bensten (D-Tex.) and Harrison Williams (D-N.J.) and Rep. Harold Johnson (D-Calif.).

Because of jurisdictional responsibilities in Congress, Bensten's bill (S. 2440) pertains to highways; Williams' bill (S. 2441) pertains to public transportation; and Johnson's bill (H.R. 10578) deals with both highways and public transportation programs.

Small Urban and Rural Highways and Transit

The legislation would consolidate existing highway and transit programs into one formula grant assistance program. This would mean that highway projects on all roads other than primary or Interstate would be eligible for federal funds. The bill would keep the designated federal-aid secondary system, but designation as a part of that system would not be a prerequisite for federal assistance to a small urban or rural road project.

Currently federal funds are available for highways which are part of the designated federal-aid urban system in small urban areas (from 5,000 to 50,000 people), and for highways which are part of the designated federal-aid secondary system in rural areas (less than 5,000 population). Capital assistance for public transportation—for example, bus purchases—in these areas is currently available through Section 3 discretionary grants of the Urban Mass Transportation Administration (UMTA).

The bill would establish the federal share at 80 percent for capital projects and 33⅓ percent for operating expenses for public transportation projects. At least 10 percent of the funds given to each state must be used for public transportation projects, unless a lower level of service is warranted and agreed to by the Secretary of Transportation.

Fifty percent of each state's funds for the small urban and rural program could be used for projects in metropolitan areas or for primary system highway projects. Conversely, 50 percent of each state's funds for highway projects in metropolitan areas or for primary system projects could be transferred to the small urban and rural areas. States could switch one-half of their highway money between large metropolitan areas and areas under 5,000 population.

Highway Safety

The bill would consolidate six highway safety programs into one. The federal government would pick up 80 percent of costs. At least 30 percent of the safety funds would have to be spent on off-system roads. In addition, the Secretary of Transportation will issue new guidelines for highway safety standards for which 5 percent of the safety funds are to be spent.

Bridges

A total of $450 million is earmarked for the bridge program at 80 percent federal share, compared with $180 million now for bridges only on the federal-aid system. The legislation expands the existing federal bridge program to include rehabilitation as well as bridge replacement. However, the legislation is still aimed at bridges only on the federal-aid highway system; but a total of 30 percent of the funds could be spent on off-system bridges.

Planning

Planning funds are available from both UMTA and the Federal Highway Administration (FHWA). Recipients of this money generally include state transportation agencies, metropolitan planning organizations (MPOs), counties, or local transit operators. The legislation would consolidate the highway and mass transportation planning funds this way:

- Urban areas of 1 million or more would receive planning funds directly, with the Metropolitan Planning Organization (MPO) as recipient. These metropolitan areas would be required to submit plans and programs directly to the Secretary of Transportation for review.
- Urban areas with a population between 200,000 to one million would receive a portion of the state's planning money with the MPO as recipient.
- Urban areas with a population of 50,000 to 200,000 population would receive, according to the bill, a "fair and equitable share" of their state's planning funds through their MPOs.
- A portion of each state's planning funds will be earmarked for statewide planning and require a statewide planning process to be established by Oct. 1, 1980.

Under the legislation all planning activities would be eligible for funding under the combined UMTA and FHWA planning program. The federal share for planning grants would be 80 percent.

Urban Programs

Currently there are three major federal assistance programs for high-

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NACo First Vice President Charlotte Williams holds the attention of President Carter as she addresses the White House Conference on Balanced National Growth and Economic Development.

Health Planning: An Uphill Battle

WASHINGTON, D.C.—County officials will face an uphill battle in Congress to gain increased representation on Health Systems Agencies (HSAs). This fact became apparent last week when NACo testified before the House subcommittee on health and the environment.

Mike Gemmell, a NACo associate director, asked for a number of changes in H.R. 10460, the Health Planning and Resources Development Act of 1978, being considered by the subcommittee.

At press time, Terrance Pitts, Milwaukee County (Wis.) supervisor and chairman of NACo's Health and Education Steering Committee, was scheduled to present similar amendments before Sen. Edward Kennedy's human resources health subcommittee.

IN HIS testimony on S. 2410, the Health Planning Amendments of 1978, Pitts expressed concern over lack of "meaningful involvement of elected officials in some HSAs." He indicated that NACo supports a strong local planning process and that to implement this policy, the following amendments are needed:

- The governing board of a public HSA should be given authority to establish the rules and regulations for the agency; approve the Health Systems Plan and Annual Implementation Plan; approve criteria for projects, new construction and appropriateness review; appoint the members of the governing body for health planning; and approve the agency's budget.
- At least one-third of the members of an HSA governing body and executive committee should be composed of local elected officials or other representatives of general purpose local government directly appointed by a unit or combination of units of local government.
- Elected officials should be exempted from designation as consumers or providers.
- The formation of stronger subarea councils should be encouraged.
- Funds of $100 million for the renovation of public general hospitals should be added.

Gemmell, in similar testimony, indicated that without broad public support, neither public nor private HSAs can withstand the political pressure which will result from efforts to contain medical costs and reallocate resources.

Gemmell indicated that a constituency for local health planning must evolve at the local level. He further

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500 WEIGH OPTIONS

Channeling Future Growth

WASHINGTON, D.C.—Over 500 persons from all walks of American life met in Washington last week for the White House Conference on Balanced National Growth and Economic Development. The recommendations of the conference were presented to President Carter Feb. 2 as a means of offering guidance on how the challenges of growth and development can best be met.

NACo First Vice President Charlotte Williams told President Carter that her workshop on "governments and budgets" strongly recommends that "the federal government assume complete responsibility for the financing of the major social welfare programs—public welfare, Medicaid, subsidized housing and unemployment insurance; that the state governments should use freed-up social welfare dollars to relieve local governments of the heavy cost of local schools; and that local governments should be held responsible for the financing of basic local services ..."

Other conference recommendations were:

- Government programs and policies must be internally consistent and stable so that governments, investors and people can plan in confidence;
- The nation's top priority should be a strong full employment policy, with primary emphasis on creating jobs;
- Scarce federal resources should in the private sector be targeted to people, based on need, without regard to where, geographically they live;
- It is possible to have strong economic growth while not sacrificing the environment; and,
- Governmental organizations at all levels must work to achieve effective service delivery.

NACo President William Beach, Montgomery County, Tenn., and Williams, Genesee County (Mich.) commissioner, were among 14 county officials selected by their governors to participate in the conference.

Williams served as chairman of a workshop series.

Other county officials attending the conference were: Beverly A. Anderson, Cherokee County, Iowa; Clyde Anderson, El Paso County, Tex.; Victor Canty, St. Clair County, Ill.; Wayne B. Hamilton, Garrett County, Md.; Hill Healan, executive director, Georgia Association of

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County Opinion

A Fresh Start

Nearly everyone has had a crack at reviewing President Carter's first year in office and with the exception of Jody Powell's year-end evaluation they have been uniformly critical.

When we discussed this matter the other day with NACo past president Dan Gray of Anniston, Ala., he observed: "As President Carter does well the country will do well and as he does poorly the country will do poorly. In our own best interest, then, we should really try our best to help the President."

If President Carter has missed the mark in his first year as so many have suggested, NACo has the useful insight from Winston Churchill who said, "If you open a quarrel with yesterday you stand a good chance of losing tomorrow."

The stakes for county government in the agenda before the President and Congress are enormous. With a new year NACo has a fresh opportunity to get problems solved to the very best interest of our local citizens.

Starting with major welfare reform, NACo will come to grips with this agenda.

• The President's welfare reform plan was developed in close cooperation with NACo and generally parallels county conclusions of what should be done. The matter is now being debated by a special committee of the House and there has been real progress. NACo supports the President's efforts to bolster his own White House staff who seem to have given up on the possibility of passing a meaningful bill in this session of Congress.

• So far, the President has failed to convince the man in the street that the nation has a genuine energy crisis. But Congress has made significant progress on energy legislation. And even if they do not pass the President's program. Congress will certainly pass some program.

A good case can be made that much of the energy conservation progress made to date has been made at the state and local level. Enormous possibilities on that level remain. Still, despite the efforts of NACo energy chairman Jim Hayes, Los Angeles County supervisor, and other state and local leaders, counties have not been able to make energy czar James Schlesinger understand the importance of state/local policy interest in the energy field.

• At NACo's insistence and under the expert guidance of presidential aide (assistant to the President for domestic affairs and policy) Stu Eizenstat, the newer drafts of the proposed urban policy statement would direct federal efforts to people in distress and not places in distress. Earlier drafts of the statement prepared under the direction of HUD Secretary Patricia Roberts Harris had identified the urban problem as confined to the center of two dozen major cities.

• We all realize that bombarding problems with dollars does not guarantee program victory. But the flow of dollars (or the halt in that flow) is significant. The President's budget message does allay some of the fears that counties, cities and states would be asked to do the fiscal sacrificing to balance the federal budget.

NACo has prepared and distributed a detailed analysis of pluses and minuses in the President's budget. But the budget is, after all, only a document of intent. The decisions about how much money will be spent and for what it will be spent lie before us in the congressional authorization and budget hearings and in the power of the President of the United States to influence those decisions. Finally, the President may veto those measures he considers not in the best interest of the entire nation.

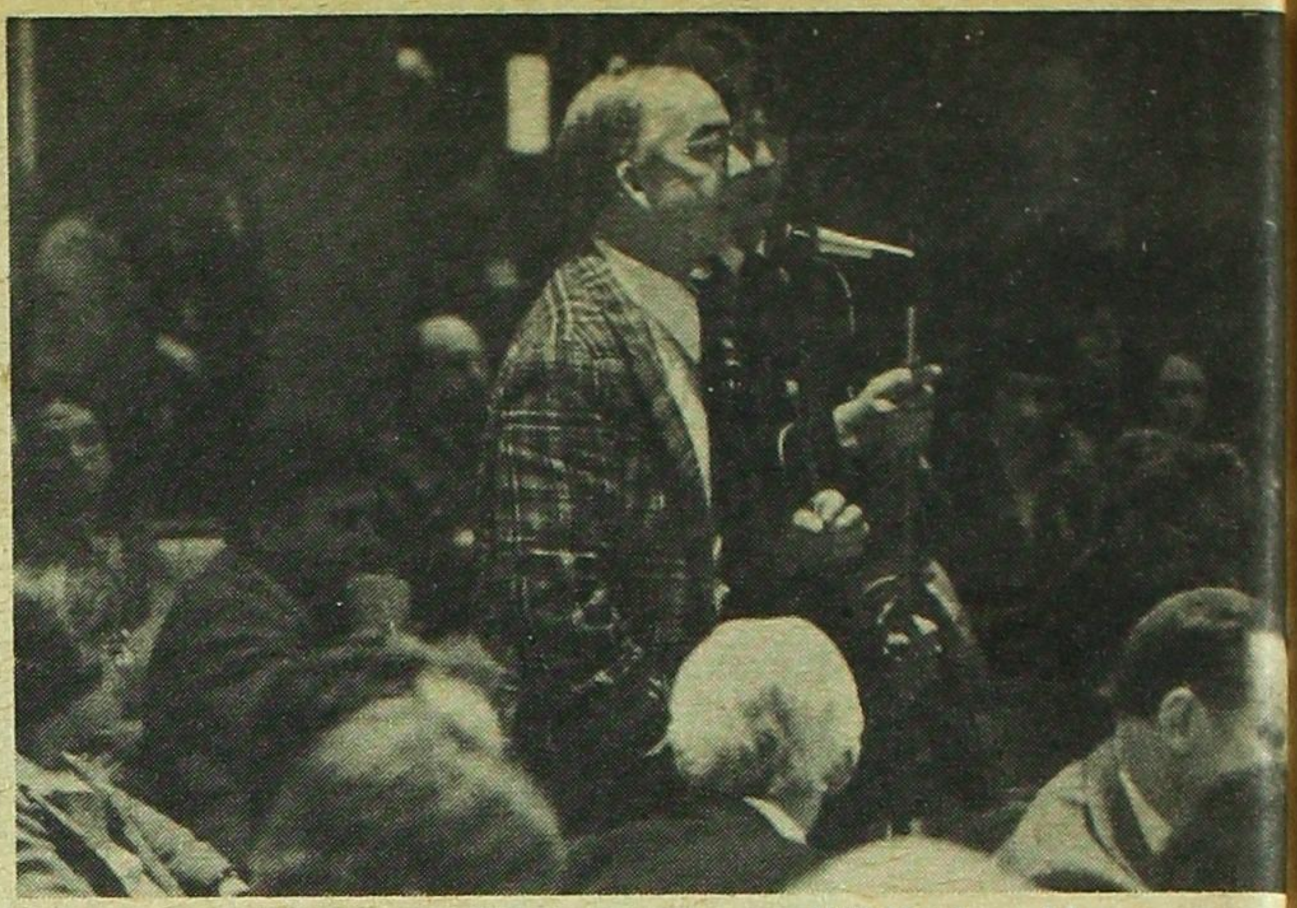
The new year for counties in their relationship with the federal government is not Jan. 1 when the new calendar starts but Jan. 20 when the second session of the new Congress begins. This new year for counties is a time for firm resolve and new dedication to help the President and Congress help our country "do well." There's a big agenda.

Minnesota's New Senator

NACo is delighted that Gov. Rudy Perpich of Minnesota has appointed Muriel Humphrey as the new U.S. senator from Minnesota to fill the unexpired portion of the term of Sen. Hubert H. Humphrey.

She is an outstanding person in her own right as most Americans are well aware and she will do a great job representing the good citizens of Minnesota.

We look forward to working with her in the coming months and we send hearty congratulations to Gov. Perpich for his excellent judgment in selecting Muriel.



Georgia State Association Executive Director Hill Healan addresses a ques tion to panelists at a balanced growth conference session on "Can we hav economic growth without damaging the environment?"

A Focus on Growth

Continued from page 1

County Commissioners; Winifred Hickey, Laramie County, Wyo.; John Horsley, Kitsap County, Wash.; Jim Hoskinson, Lake County, Fla.; Sharon Levy, Fresno County, Calif.; Hugh McCane, Franklin County, Mo.; Mike Moncrief, Tarrant County, Tex.; and Vincent J. Niese, Putnam County, Ohio.

Final recommendations for the conference will be submitted to President Carter within 180 days. Then the White House is to develop administrative and legislative proposals within an additional 90 days.

The White House Conference on Balanced National Growth and Economic Development was authorized by Congress in 1976. The proposal was passed as an amendment to the Public Works and Economic Development Act.

In addition to workshops, the conference provided a public forum for citizens to present their views and general sessions addressed by leaders from the public and private sectors.

West Virginia Governor John D. Rockefeller IV, conference chairman, called for a middle ground approach to environmental protection a economic growth.

Henry Ford II, chairman of t board of Ford Motor Compan echoed the opinion that the nati can have "vigorous economic grow and a high level of environment quality at one and the same time

Targeting and cooperation we themes of the speech delivered b Housing and Urban Developme Secretary Patricia Harris who sai "The great challenge ... is to bring i to harmony the interests of t business sector driven by profit a the competitive ethic, and the inte ests of the community, motivated b a search for stability and concer about the quality of neighborho life." Federal aid must be targeted assist "specific populations a specific areas which are currently e cluded from the benefits of econom growth," Harris said.

"All the government programs assistance you can devise and all t grand strategies you can employ a worthless unless they are made ava able and delivered where they a needed."

Local HSA Role Debated

Continued from page 1

noted that the present structure of many HSAs tends to undermine rather than increase credibility and support.

IN RESPONSE, Rep. Tim Lee Carter (R-Ky.), a physician, contended that NACo's amendments would put elected officials in control of the HSAs—a position he could not support.

The Administration, earlier in the week, indicated it would support representation of 25 percent elected officials on HSA governing bodies, but tempered this proposal when no firm support was found in Congress.

Both the House and the Senate bills give the governing board of a public HSA the authority only to approve the agency's budget a appoint the governing body f health planning. The power approve the major operating doc ments and policy documents st remains with the free-standing go erning body under these bills.

NACo will be working with t House and Senate to encourage t adoption of provisions which w ensure meaningful local involveme in the health planning proce Contact your congressional dele tion to urge adoption of the coun position.

For copies of the House, Sena and Administration bills a NACo's policy statement on t health planning law, contact Mi Gemmell, NACo's associate direc for health and education.

Hennepin Alternative for Youth Offenders

HENNEPIN COUNTY, Minn.—Counties looking for an alternative to locking up juvenile offenders might want to try Hennepin County's successful home detention approach.

Two years ago the county initiated a home detention program to alleviate overcrowding in its juvenile detention center. The center at times exceeded its 59-bed capacity by as much as 35 percent.

Home detention was seen as a "middle ground" between release with no supervision and lengthy periods in a secure detention facility. Juveniles placed in secure detention are isolated from home, school, jobs and other community resources.

In the home detention program, parents with the assistance of volunteers maintain supervision without taking the youth out of the community.

Initially there was concern, especially in a program managed primarily by volunteers, that juveniles released by the court would run away, fail to appear in court, or commit new offenses.

The county's experience, however, has demonstrated that the program has kept a majority of juveniles within the law and available to the courts while they await hearings or placement in a treatment facility. The average length of stay in the program is three weeks.

In addition, home detention saves money. The cost for home detention, using volunteer and paid staff, averages $7 per day per juvenile as opposed to a $50 daily cost in secure detention. Savings to the community for 1975 and 1976 were estimated at over $344,000. (These figures support current research findings and recent congressional testimony on the cost effectiveness of alternative approaches to institutionalization.)

Program success is also measured by the fact that only 3 percent of over 400 juveniles who participated in home detention were arrested for new offenses. Also encouraging was the 75 percent increases in juvenile referrals the second year of the program.

Home detention need not be considered a permissive approach to secure detention. Susan Smith of the Hennepin County Juvenile Service explained that youths are he accountable to the Home Detenti Order issued by the court. Paren are responsible for supervising th children with the assistance of home detention worker. If a you commits a new offense or brea program rules, he or she is return to a secure detention facility.

Home detention staff and vol teers are available seven days a we and assist with school problem family crisis, and in locating job recreation opportunities for the fenders.

For more information on the ho detention program, contact Su Smith, Hennepin County Juve Service, 1000 South Sixth St., Mi apolis, Minn., 612/348-6824.

Grant Reform: Losing Momentum?

WASHINGTON, D.C.—Federal-aid coordinators around the country are asking what has happened to the Presidential federal-aid reform efforts.

Counties are waiting for the final issuance of an Executive Order which would establish a new system for regulatory review and comment with increased local government involvement. Draft language appeared in the Nov. 18 *Federal Register*. The White House has indicated that final language is presently being drafted and the order will be issued soon.

Counties are also waiting for the final report on the zero-based review of planning requirements. The study, conducted last fall, is awaiting final submittal to the President by Office of Management and Budget (OMB) Director James McIntyre.

The President's budget request included $85 billion of federal-aid to state and local governments. The average percentage of federal dollars in a county's budget approaches a 30 percent level.

BOTH THE planning requirement study and the new regulation development procedure were the result of the President's grant reform proposal issued on Sept. 9.

The proposal directed agencies and departments to take immediate steps toward five areas of reform: application and reporting procedures; financial management practices; audit procedures; program requirements and improvement in developing regulations.

Included in this directive was the required use of standard application and financial reporting forms of the Office of Management and Budget's Circular A-102; a limit on the required number of grant applications to one original and two copies; elimination of unnecessary reports and requests for repeated information and the use of single audits wherever possible.

It further directed the Community Services Administration, the Equal Employment Opportunity Commission and the Council on Environmental Quality to combine in a single volume all environmental, civil rights and citizen participation requirements.

IN RELATED federal-aid reform action, Senate subcommittees on intergovernmental relations, and reports, accounting and management are developing an omnibus grant reform measure to be introduced this month. Sens. William Roth (R-Del.), Lawton Chiles (D-Fla.) and John Danforth (R-Mo.) are the principal drafters of the measure.

Although the bill is only in draft form, it would standardize crosscutting requirements in areas such as civil rights and environmental impact statements, with a single requirement for all federal programs; would provide for a single certification procedure for state and local government compliance; and would authorize the President to submit to Congress a grants consolidation package that would combine a number of categorical grants along functional areas.

In addition, the measure would include a major section on management capacity building of state and local governments. It would expand the present Intergovernmental Personnel Act (IPA) match from 50 percent to 66⅔ percent, provide a three-year experimental grant program of project funding of up to 90 percent to upgrade local management capabilities and provide grants for personnel management.

THE BILL MAY also include a section for communities of 50,000 persons or less which would require a relaxation of some program requirements, make programs more flexible and set aside funds from various other federal programs. It would require increased flexibility for the planning and administration of multiple year grant programs and develop an advanced appropriation procedure of funds in some programs.

The Advisory Commission on Intergovernmental Relations, NACo and other public interest groups are working with the Senate subcommittees to develop the legislative package.

At present, there is no companion legislation being developed in the House. Although some reform is a very real possibility, it is anticipated that an omnibus reform measure will be difficult to pass this year.

NACo urges county officials to demonstrate their interest in grant reform legislation this year by contacting the subcommittees and giving them examples of problems with the present grants-in-aid system. Send copies of your correspondence to Linda Church at NACo.

Members of the Senate subcommittees are: Edmund Muskie (D-Maine), Lawton Chiles (D-Fla.), John Glenn (D-Ohio), James Sasser (D-Tenn.), William Roth (R-Del.), Charles Percy (R-Ill.), John Danforth (R-Mo.), John Heinz (R-Pa.), Henry Jackson (D-Wash.), and Sam Nunn (D-Ga.).

In addition, the White House asks that county governments notify Larry Gilson, Office of Intergovernmental Relations at the White House, of agency noncompliance with the President's grant reform directive, or contact Linda Church of the NACo staff.

AIR TASK FORCE HOLDS SECOND MEETING—Bill Simmons, supervisor, San Diego County, Calif., offers the county point of view to officials from the Environmental Protection Agency, Office of Management and Budget and the Department of Transportation meeting at NACo. Also present were representatives from the National League of Cities and the National Governors Association. County officials voiced concern over the lack of available funding for the transportation planning process in regards to the Clean Air Amendments of 1977, and the fact that metropolitan planning organizations (MPO) will likely be responsible for most of the transportation planning. They pointed out that MPOs, in many cases, are not equipped with enough staff or financial resources to handle the various requirements of the act. NACo reminds officials that Feb. 7 is the deadline for local governments to agree on the designated planning organization for the state implementation plan (SIP) required under the Clean Air Act, and division of responsibility of the SIP.

WELFARE REFORM BILL

Panel Votes on Work Concepts

WASHINGTON, D.C.—The special House subcommittee drawing up a welfare reform bill has identified basic principles for providing jobs to eligible welfare recipients.

The panel met Jan. 26 to consider the jobs portion of the Administration's "Better Jobs and Income Act" (H.R. 9030).

The cash assistance part of the bill has already been drafted based on conceptual work by the subcommittee in December.

THE JOBS PROGRAM would require welfare recipients in the expected-to-work category—primarily the principal wage earner in two-parent families with children—to accept employment as a condition of continued welfare eligibility.

The subcommittee adopted a motion by Rep. Augustus Hawkins (D-Calif.) which would establish a wage range for welfare jobs of $7,200-$9,600 per year with the average being $7,700. According to Hawkins this provision addresses the equal pay for equal work issue.

The wage issue was further defined in a later motion by Rep. Ronald Sarasin (R-Conn.). Sarasin's motion, as adopted, will keep the equal pay for equal work concept, but provides that only the lowest rate of pay for a given job in an establishment be offered to the welfare recipient.

The Administration's bill proposes to pay only minimum wage to individuals in welfare jobs. NACo supports the equal pay for equal work concept.

A SECOND part of Hawkins' motion makes the welfare jobs program part of the structural title of the Comprehensive Employment and Training Act (currently CETA Title I).

The Administration's proposal would establish a separate Title IX under CETA for welfare recipients.

Also the Hawkins' motion provides an entitlement to the prime sponsor but not the individual. The federal government will not guarantee a job to all eligible welfare participants but will guarantee to reimburse the prime sponsor for all eligible welfare clients placed in jobs.

Under the Administration's bill there was no such job guarantee. NACo supports a guaranteed job for all eligible individuals similar to the guarantee for cash assistance.

The subcommittee also agreed to accept the job search and work requirement provisions of H.R. 9030 and instructed staff to prepare draft legislation which would incorporate the following motions:

- The job search requirement should include reimbursement for reasonable job search expenses, including transportation and child care.
- At the end of the first five weeks of job search, the individual would begin to receive cash assistance at the higher benefit level and continue the job search through the eighth week.
- Job search assistance would include referral to training and that will constitute referral to a job.
- Cooperative arrangements should be established between the Departments of Health, Education and Welfare, and Labor for uniform reporting.
- The job search requirement for those expected to work would continue once an individual moves to the higher level of cash assistance.
- Jobs program would provide for nontraditional job search and training assistance for women.
- Equal employment opportunity and nondiscrimination provisions should apply to welfare jobs and provide for quick resolution of conflicts.

The subcommittee plans to begin markup this week. Legislation will then go to the House Committees on Agriculture, Ways and Means, and Education and Labor. The full House hopes to have a final legislative package by April 1.

Labor Relations Conference Set

HILLSBOROUGH COUNTY, Fla.—A two-track program designed to meet the needs of both novices and experienced practitioners is planned for the Fourth Annual Labor Relations Conference for Counties.

Scheduled for April 30-May 2 at the Host International Hotel in Tampa, the program will focus on how counties can take an activist approach in dealing with union organization and attain their objectives in collective bargaining situations.

Co-sponsoring this year's conference along with NACoRF are NACo's Labor-Management Relations Steering Committee, chaired by Commissioner John Franke of Johnson County, Kan., Hillsborough County, and the Florida State Association of Counties.

Skills development workshops have been planned for those who are or anticipate being on the firing line but are short on practical experience. Advice will be offered on dealing with union organization campaigns, bargaining tactics and strategies, costing labor agreements, interpreting and administering contracts and handling grievances.

Labor relations veterans will be able to share experiences through forums in such areas as fringe benefits, planning for and influencing state collective bargaining laws, alternatives to compulsory binding arbitration, and the conflict between collective bargaining, merit systems and antidiscrimination laws.

General sessions covering legal and legislative developments and the impact of federally mandated requirements on labor relations and personnel management are also planned.

County News will feature key program highlights in the next few weeks. For information contact Deborah Shulman or Ann Simpson at (202) 785-9577.

COUNTY NEWS

EDITOR: Bernard Hillenbrand
MANAGING EDITOR: Beth Denniston
NEWS MANAGER: Christine Gresock
PRODUCTION MANAGER: Michael Breeding
GRAPHICS: Robert Curry and Robert Redding
PHOTOGRAPHER: Lee LaPrell
CIRCULATION MANAGER: G. Marie Reid
Published weekly except during Christmas week and the week following the annual conference by:
National Association of Counties
1735 New York Ave., N.W.
Washington, D.C. 20006
202/785-9577
Entered as second class mailing at Washington, D.C. and additional offices. Mail subscription is $15 per year for nonmembers, $7.50 per year for county personnel in member counties. Send payment with orders to above address. While utmost care is used, *County News* cannot be responsible for unsolicited manuscripts.

Public Lands Legislation:

An Ambitious Calendar for 1978

Payments-in-lieu of taxes is not the only public land legislation affecting counties. The following article printed with permission from the *Public Land News*, published by Resources Publishing Co., provides an excellent summary of the public lands legislative outlook for 1978.

Underlying most public lands milestones in 1977 was a marked role reversal. Environmentalists, cast for the last eight years as critics of the Nixon-Ford establishment, found themselves in power as the new establishment.

Industry, stuck in the Nixon-Ford years as defenders of their compatriots running the government, became the critic in 1977.

For substantive policy this role reversal has had its most obvious impact on such issues as RARE II and the Alaskan d(2) lands.

RARE II, the Agriculture Department's effort to review for a second time roadless areas for possible national forest wilderness designation, would probably never have been attempted by Nixon-Ford forces.

SIMILARLY, the slow evolution of Alaska d(2) legislation has been directed by the role reversal. The environmentalists' bill, buoyed by a quasi-endorsement from the Administration, has become an early target for industry critics, sending self-described moderates scurrying to write compromise legislation.

However, environmentalists are quick to acknowledge they would rather accept the miseries of defending the new establishment than forgo the luxury of attack, attack, attack.

With the new order has come new personnel as well as new policies. The most important new boy on the block is, of course, Interior Secretary Cecil Andrus, the former Idaho governor. Andrus has made it clear that (1) he is not going to let his department be controlled by industry, and (2) he is going to actively pursue broad new environmental initiatives as outlined by the White House.

Andrus' policies were somewhat expected. Not so expected was the strong role, with an environmental emphasis, Rupert Cutler would play as assistant secretary of Agriculture for conservation. Cutler, who directs policy for the Forest Service, has been outspoken in advocating RARE II and about his role as supervisor of the Forest Service.

SITTING IN A hot seat in Interior comparable to Cutler's is Guy Martin, assistant secretary for land and water. Martin, a former Alaska Department of Natural Resources director, is attempting the impossible daily double—reconstruct a federal coal policy from the ruins brought about by litigation, a bad environmental impact statement (EIS), new legislation, and a new Administration policy and, at the same time, attempt to implement the Federal Land Policy and Management Act of 1976 in the face of intense opposition.

At the agency level, 1977 brought two crucial personnal changes. Curt Berklund was ousted as Bureau of Land Management (BLM) director and Vincent McKelvery was dropped as director of the U.S. Geological Survey. After a long search, Frank Gregg, chairman of the New England River Basin commission, has been tabbed as Interior's choice to head BLM. Interior is having an even more difficult time finding a successor to McKelvey.

Meanwhile, Forest Service chief John McGuire rolls securely on.

The landmark public lands legislation that rode in on the crest of the environmental wave in 1977 was the strip mining law. Signed into being by President Carter Aug. 3 as Public Law (P.L.) 95-87, it culminated years of congressional obstacles and White House vetoes.

However, implementation of the act has been anything but smooth. The Office of Surface Mining (OSM), established to administer the law in the Interior Department, has run into major roadblocks in implementing interim regulations. Understaffed and facing a most complex bill, OSM is still waiting for an appropriation bill (H.R. 9375) to staff its offices. H.R. 9375 is stuck in a House-Senate dispute over the B-1 bomber

TWO OTHER major laws were enacted in 1977 affecting the public lands—the Clean Air Act amendments (P.L. 95-95) and an act (P.L. 95-91) creating a new Department of Energy.

The Clean Air Act amendments said the air over major parks and wilderness lands must be kept pristine. The Environmental Protection Agency's interpretation of that law could affect coal development on nearby public lands in several Western states, including the siting of power plants. A little remarked provision of the same act directs Interior to consider forcing retrofits on existing pollution sources if those sources are impairing the air over federal lands where clean air should be protected.

The new Energy Department has absorbed key federal lands leasing functions from Interior, including setting production goals from public lands and controlling production requirements, such as diligent development and bidding systems.

For the Carter administration, one of the most onerous tasks has been the establishment of a stable coal policy, as it was for the Ford administration. Early on, the Carter administration said it wanted to review policy options and develop an EIS to cover all federal coal leasing. However, that was complicated on Sept. 30 when a U.S. District Court judge halted most leasing until a new EIS was prepared. Only some strictly defined extension of short-term leasing was allowed to continue by the judge. Interior is appealing.

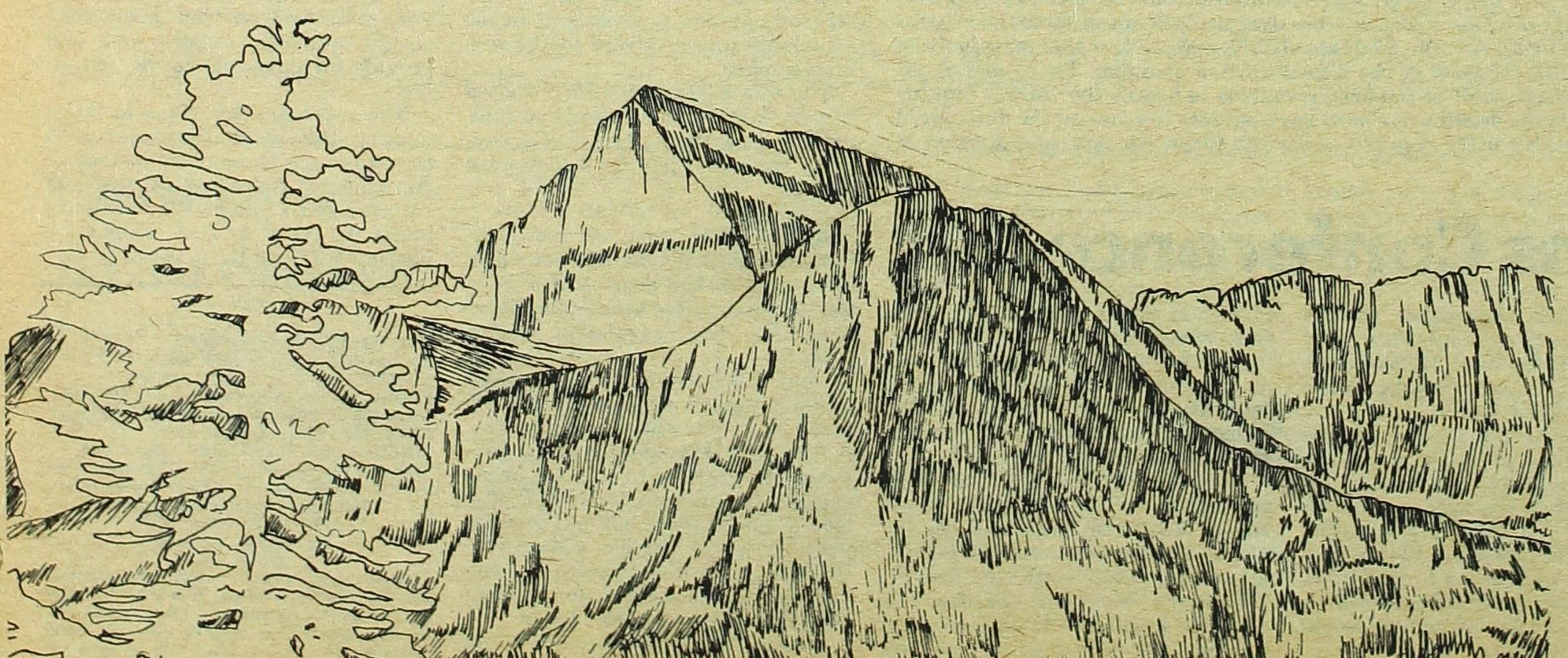
Implementation of the Federal Land Policy and Management Act of 1976 (FLPMA) took shape in 1977. Regulations were completed on recordation of mining claims, grazing (including 10-year leases), wild horse and burro controls, law enforcement, and more. In addition, Interior and Agriculture agreed to retain a fair market value formula for establishing grazing fees, with final regulations due by March 1.

Implementation of the National Forest Management Act of 1976 (NFMA) also progressed in 1977. Perhaps the most controversial area was several different sets of regulations requiring sealed bidding for timber sales. Opponents of blanket sealed bidding, including the timber industry and western communities, succeeded in persuading the Forest Service to water down the regulations, arguing sealed bidding allowed outside industry to pluck off timber sales needed by local economies.

PERHAPS THE winner in 1977 public lands programs were states and counties. Thanks to the payments-in-lieu of taxes law, FLPMA, NFMA, and the Coal Leasing Act amendments of 1975 (enacted in 1976), state and local shares of public lands revenues increased from roughly \$260 million in fiscal '76 to around \$390 million in fiscal '77 to around \$550 million in fiscal '78. Contributing to those totals are local shares of proceeds from mineral leasing, timber sales, and payments-in-lieu of taxes.

Much of the 1977 legislation and programs has set the groundwork for another important public lands year in 1978. These are a few key legislative and administrative issues to watch for:

FOREST PLANNING: Regulations required by NFMA on land management planning and even-aged management are due out in late October. The regulations were expected to be proposed last month. The Forest Service is still not sure how large a role even-aged management will play in those regulations.



GRAZING FEE: The Interior Department and the Department of Agriculture intend to implement a new procedure for bringing grazing fees up to fair market value by the beginning of the grazing season on March 1. However, congressional opponents who favor a grazing fee formula with a cost of production factor hope to legislate a moratorium and keep the present fee through grazing year 1978.

REORGANIZATION: It is impossible to crystal ball how the Carter administration will attempt to reorganize federal natural resources functions or if Congress will attempt to legislate a reorganization. An Administration task force is expected to make a recommendation by the end of Februrary. The most dramatic proposals are to (1) create a Department of Environment and Natural Resources in the Interior Department by adding the Forest Service and EPA or (2) create a Department of Agriculture and Renewable Natural Resources by moving most of Interior to Agriculture.

ALASKA D(2): Congress has until the end of 1978 to place some federal lands in the four d(2) systems—national forests, national parks, wildlife refuges, and wild and scenic rivers. Legislative initiatives before Congress propose from over 100 million acres (Rep. John Seiberling, D-Ohio) to 25 million acres (Sen. Ted Stevens, R-Alaska) to 92 million acres (the Administration). However, a "compromise" proposal by Rep. Lloyd Meeds (D-Wash.) is expected to place between 50 million to 80 million acres in the systems and is receiving considerable attention. It should be noted Congress can always extend its deadline and not complete a bill in 1978, as some industry and Alaskan interests clearly would like.

1872 MINE LAW: Attempts to replace the existing location/patent system with a leasing system were seriously damaged in 1977 when Rep. Morris Udall (D-Ariz.) switched his support to a mining industry bill introduced by Rep. Philip Ruppe (R-Mich.). Key Senate Democrats are intent on passing a leasing bill and key House Democrats are intent on passing a bill to reform the location/patent system with a royalty requirement and environmental protections included. The upshot may be no bill at all.

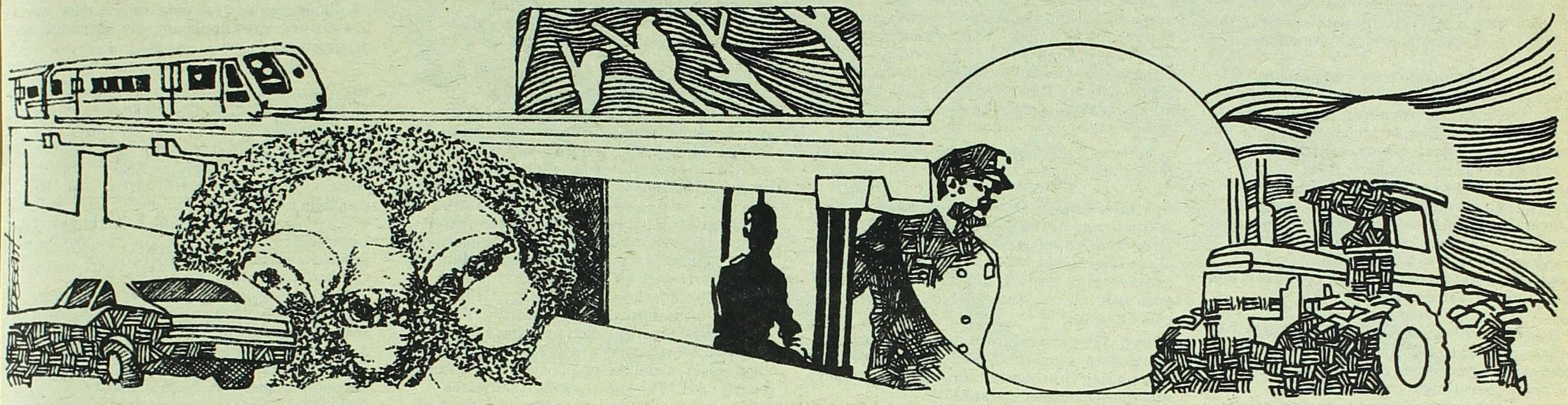
BLM QUADRENNIAL: As required by FLPMA, BLM's programs will be authorized for four years in a quadrennial bill enacted in 1978. However, the standard appropriation process will continue to put up the actual money to be spent within the authorization ceiling.

WILDERNESS: Although a number of bills to establish study areas and instant areas will be considered by Congress in 1978, the principal interest will focus on Forest Service and BLM efforts to identify potential wilderness lands in roadless areas. The Forest Service plans to spend most of 1978 evaluating 65.7 million acres of roadless lands and developing an EIS. The Forest Service hopes to make a large portion of its decisions by the end of 1978. BLM will begin its inventory process with as many as 120 million acres of roadless areas expected to be identified.

COAL POLICY: The Interior Department will continue to pursue an appeal of the lawsuit *Natural Resources Defense Council vs. Hughes* that has stymied federal coal leasing. However, Interior by March 1978 intends to come up with its own coal policy. A key part of that policy will be procedures the department is considering to discontinue environmentally unattractive existing leases and to force production of speculative leases. In August the department plans to complete the first of its regional EIS's with the last of them to be finished by the end of the year. A programmatic EIS is not anticipated until early 1979.

STRIP MINING: By Feb. 4, 1978 new strip mining operations on federal lands must be in compliance with environmental standards issued Dec. 15. By early May 1978 existing mining operations must be in compliance with the environmental standards. And by August 1978 a permanent federal strip mining program is to be completed by OSM.

New County Times
On County Modernization



Special Report on Federal Grants

This is a summary status of federal grant programs available to county governments as of Feb. 6, 1978. It updates *County News* (July 25, 1977 Special Report on Federal Grants). The designated OMB number (#) refers to the corresponding program number in the "Catalogue of Federal Domestic Assistance." For further information, refer to the OMB publication and/or contact the appropriate agency or department's regional office.

The Special Report on Federal Grants is cosponsored by the Council of Intergovernmental Coordinators (CIC), an affiliated organization established in 1966. CIC is devoted to the following principles:

- to promote a greater exchange of federal/state assistance program information
- to contribute to the improvement of federal/state assistance programs
- to improve techniques for securing and administering federal/state assistance programs
- to foster better intergovernmental relations

Department of Agriculture

Farmers Home Administration

Rural Development Programs (Rural Development Act of 1972): These programs are administered by the Farmers Home Administration (FmHA) with 1,780 local county offices, each run by a county supervisor. A summary of grant and loan programs follows:

• Rural Water and Waste Disposal Grants and Loans (OMB # 10.418)

The fiscal '78 appropriation for grants is $250 million and $750 million has been appropriated for loans at an interest rate of five percent with terms up to 40 years. Eligible activities include projects to develop, store, treat, purify, or distribute water and projects to collect, treat, or dispose of solid waste. Eligible applicants are defined as areas of population up to 10,000, with units of local government getting preference.

Grants and loans may be combined for project costs, the ratio being determined by the agency rule mandating that the community's debt-repayment level equal one percent of the median income. Grants may not exceed 50 percent of the project cost, the average in fiscal '76 being 30 percent.

• Rural Development Grants (OMB # 10.500, 49.001)

Fiscal '78 appropriation is $10 million for projects to facilitate development of private business enterprises including development, construction, acquisition of land, buildings, plants, equipment, access streets and roads, parking, utility extension, water and waste facilities, refinancing, services, and fees. Communities with a population up to 10,000 are eligible.

• Business and Industry Loans (OMB # 10.422)

For fiscal '78, $1 billion will be available for projects to improve, develop, and finance business, industry, and employment and to improve the economic and environmental climate in rural communities. Eligible areas will include those not within a city of 50,000 and not adjacent to an urban area with a population density of 100 persons per square mile. Special consideration is given to government units, other than cities, with a population of over 25,000.

• Rural Housing Programs (OMB # 10.514)

Fiscal '78 appropriations for Section 515 Rental Loans was $690 million. These are direct loans to private, nonprofit corporations and consumer corporations to provide rental housing for elderly low and moderate income families. The loans may be used for construction of new housing, purchase of new or existing housing, or repair of existing rental units.

The Section 514 Farm Labor Loan Program (OMB # 10.405) has $10 million appropriated for fiscal '78 and the 516 Farm Labor Grant Program has a $7.5 million appropriation. This funding is available for construction of rental housing for farmworkers and goes to farm owners, any state or political subdivision, or any public or private nonprofit organization. The loans carry 1 percent interest with terms of 33 years, and grants can cover up to 90 percent of development costs.

The Section 524 Site Loans Program (OMB # 10.411) has a fiscal '78 appropriation of $3 million. These loans are available to public and nonprofit organizations for the purchase and development of sites on which low and moderate income housing will be built.

• Rural Planning Grants

The Rural Development Service will be providing $5 million in Rural Planning Grants this year, since it has received appropriations. Counties will be able to apply for grants covering up to 75 percent of project cost for rural planning activities. The first grants are expected to be made later this year.

Drought Assistance: FmHA administers the portion of the Drought Relief Program that provides assistance to communities below 10,000. The agency has $75 million in 50 percent grants and $150 million in 5 percent loans for short term water supply assistance. Program funds may be used for improvement, expansion, or construction of water supply systems, and purchase and transportation of water to provide immediate relief of existing drought conditions. Emphasis will be given to projects eliminating threats to public health or safety.

Civil Service Commission

Bureau of Intergovernmental Personnel Programs

Project Grants and Formula Grants (Intergovernmental Personnel Act of 1970, Title II and III) (OMB # 27.012): Congress approved an appropriation of $20 million for the Intergovernmental Personnel Act of 1970 (IPA) in fiscal '78. This program is administered by the Civil Service Commission, Bureau of Intergovernmental Personnel Programs. Grants are provided to state and local governments to develop and strengthen their personnel administration programs and to train government employees in sound personnel and labor management practices. The act also provides for the interchange of personnel, on a temporary basis, between the federal, state and local governments, as well as institutions of higher learning. Additionally, the act encourages intergovernmental cooperation and authorizes interstate compacts for personnel and training activities. Eighty percent of these funds are distributed to state governments on a weighted formula, taking into account such factors as size of population and the number of state and local employees affected. Of this amount, not less than 50 percent must be allocated to local governments. The remaining 20 percent is to be used by the commission as discretionary funds.

IPA grant assistance may be offered to local governments in a number of ways: local governments serving a population of 50,000 or more may apply for and receive direct grants to improve their personnel systems or train their employees; combinations of local governments (including smaller local governments which collectively serve 50,000 or more persons) may group together to apply for assistance; local governments of any size may participate in statewide or other intergovernmental IPA programs as subgrantees or as participants in service programs offered to local governments.

The administration of the IPA programs is decentralized. With the exception of the most far-reaching policy issues and decisions regarding nationwide grant applications, all decisions are made at the regional office level. Also, in many states, the state office designated by the governor to administer the IPA grant program may also award subgrants to local governments and other organizations.

IPA, as enacted in 1971, provided that the federal match for programs funded by the Civil Service Commission be 75 percent for the first three years. An amendment was offered which would have extended the 75 percent match for an additional year, but it was defeated. NACo strongly endorses the reinstatement of the 75-25 percent matching requirement and will continue to work on obtaining this amendment. With the expansion of the program in fiscal '78, state and local allocations will be slightly increased above the fiscal '77 amounts.

Indications are the Administration will offer an amendment to expand the act to include productivity and general management projects for state and local governments.

Federal Grants

Department of Commerce

National Oceanic and Atmospheric Administration

Coastal Energy Impact Program (CEIP) (OMB # 11.421): This grant and loan program is for those states and local governments affected by energy development in their coastal areas. The program was established by Section 308 of the Coastal Zone Management Act Amendments of 1976.

Grants are available from state coastal offices for planning, building or improving public facilities, and repairing or preventing environmental damage which results from energy development. Loans and other credit assistance is available when a local government's revenues from the energy activity cannot sufficiently cover the costs.

Grant and loan assistance is allocated based on projected Outer Continental Shelf development, increased population and employment from coastal energy projects, and other impact factors.

Coastal Zone Management (OMB # 11.418-419): Grants and other assistance may be available from state coastal zone management offices for the preparation of coastal zone management programs and the implementation of management or regulation measures. This program is authorized by the Coastal Zone Management Act of 1972, and the amount of assistance available to each coastal county is determined by the state which receives the federal allocation.

Section 305 grants may be available to participate in the development of a state coastal zone management program. Program development must include consultation between the state and local governments in coastal areas. Section 306 grants may be available to implement state coastal zone management programs approved by the National Oceanic and Atmospheric Administration. Funds can be used to conduct planning and research studies, develop ordinances, and implement coastal zone or land use management measures other than land acquisition.

Economic Development Administration

Public Works and Development Facilities Grants (OMB # 11.300): This is a matching grant program administered by the Economic Development Administration. It is an important source of funding for abating substantial long-term unemployment through the construction of public facilities.

To be eligible for assistance, a project must be located within an EDA-designated area or designated Economic Development Center and must be consistent with an Overall Economic Development Program (OEDP). The principal requirements for an area's designation are high unemployment or low family income.

Eligible projects may receive grants of up to 50 percent of project costs. Supplementary grants are also available to severely distressed areas.

For fiscal '78 Congress has appropriated $184 million for public works facilities grants, and has authorized $425 million for fiscal '79.

Business and Industrial Loans (OMB # 10.422): This direct loan guarantee program, administered by EDA, is designed to encourage private industry to locate or expand new facilities in EDA-designated areas with substantial unemployment or low per capita income, thereby creating or retaining permanent jobs.

For fiscal '78 Congress has appropriated $53 million for the business and industrial development loan program.

The types and limitations on available loans vary depending on the assistance sought.

In fiscal '78, EDA plans to implement the Section 204 redevelopment area loan program on a demonstration basis. The program will permit designated redevelopment areas to receive interest-free loans to carry out plans including industrial land assembly, land banking, acquisition of surplus government property and rehabilitation of commercial and industrial properties for job-creating activities.

Although Congress authorized $125 million for the program in fiscal '78, only $15 million was appropriated. As a result, EDA will administer the program as a demonstration in a selected number of states. It is expected that additional funding will be available in fiscal '79.

Technical Assistance (OMB # 303, 11.307): The Economic Development Technical Assistance Program is designed to help solve economic problems by providing information, data, and know-how in evaluating and shaping programs for economic development.

Most often EDA provides technical assistance grants of up to 75 percent to applicants with the nonfederal share made up of cash or in-kind services. In contrast to other EDA programs, the technical assistance program is not limited to EDA-designated areas; it can be used in any area where it can assist in dealing with economic problems.

In fiscal '78 Congress has appropriated $32 million for the program.

Special Economic Development and Adjustment Assistance (OMB # 11.307): The Economic Adjustment Assistance Program (Title IX) is intended to help states and local governments respond to actual or threatened economic adjustments related to federal or other actions.

Two types of assistance are provided: development grants to help plan a strategy for responding to economic adjustment problems, and implementation grants.

Grants are made for up to 75 percent with a nonfederal share, cash or in-kind services required.

For fiscal '78 Congress has appropriated $72 million for this program.

Community Services Administration

Community Action (OMB # 49.002): The fiscal '78 budget estimate for this program is $330 million. Project grants are awarded to a designated Community Action Agency (CAA) to mobilize and channel the resources of private and public organizations and institutions into antipoverty actions. Projects may include community organization; job development, placement, and follow-up. Funds may be used for administrative costs of CAAs, nonprogram staff activities, and locally developed programs which further the objectives of community action.

A CAA must be designated by a local government. The applicant initially must have applied for recognition as a CAA under the provisions of Office of Economic Opportunity instruction 6302-2. Submit applications to the CSA.

Community Food and Nutrition (OMB # 49.005): To help communities counteract hunger and malnutrition among the poor, project grants and contracts are awarded to public and private agencies and nonprofit groups. Funds are flexible and may be used in a variety of ways depending on the needs and resources of the communities (i.e., for starting community nutrition programs). Funds are not to be used for continuing or long-range nutrition programs. Any agency which proposes to operate a Community Food and Nutrition project should submit proposed plans to its local CAA for application to CSA headquarters in Washington, D.C. The fiscal '78 estimate is $27.5 million.

Community Economic Development (OMB # 49.011): Project grants are awarded to Community Development Corporations (CDC) to carry out special impact programs in one of three basic categories: business development; community development; and training, public service employment and social services. In conjunction with the first two categories, a CDC may support manpower, health, or social service programs. These activities are secondary and must be supportive of the primary business and community development programs. Contact CSA regional office for an application. The fiscal '78 estimate is $30 million.

Public Assistance Training Grants—Title XX (OMB # 13.772): These grants provide for the training and retraining of personnel as directly related to the provision of public assistance services. States must include the grant application in its state Title XX plan. The state must put up the 25 percent match for the training grant. The fiscal '78 estimate is $50.85 million.

Department of Energy

State Energy Conservation Plans (OMB # 80.001 and 80.003): Under the Energy Policy and Conservaton Act (EPCA) of 1976, states were awarded grants to develop state energy conservation plans, designed to reduce energy use by 5 percent by 1980. To be eligible for funds, states were required to develop programs to reduce energy use in five mandatory areas (including thermal efficiency standards for buildings and right-turns-on-red).

Six months later, in August 1976, Congress passed the Energy Conservation and Production Act (ECPA) which began the supplemental State Energy Conservation Plans. This program requires states to coordinate their statewide conservation programs with other local and federal efforts. The terms of financial and technical assistance for counties will vary on a state-by-state basis. Although there is no mandatory pass-through to local governments, some states are funding local efforts with ECPA funds. Counties should contact their State Energy Office for more information on this program.

Like other energy programs, funding for state conservation efforts is tied up in the congressional deliberations over the National Energy Act. The House-Senate conferees, however, have agreed on an appropriation of $50 million for ECPA programs each year for fiscal '79 and fiscal '80.

Solar Commercial Grants (OMB # 24.024): The Energy Research and Development Administration, now part of the Department of Energy (DOE), has awarded grants to local governments, as well as other public and private organizations, for solar energy demonstrations in commercial (nonresidential) buildings. Grants are awarded on the basis of technological innovation, geographical representation, type of building, etc.

Because the commercial demonstration project is only one part of a large research and demonstration budget, dollar figures are not exact. However, in the third year of the project, DOE expects to award nearly $9 million in grants for the commercial building program; this compares to a total of $2.5 billion for the entire DOE research and demonstration budget.

During fiscal '78, solar commercial grants were awarded on a 50-50 cost-sharing basis. The funds can be used only for the solar system itself; the applicant must cover all other costs.

Weatherization Assistance for Low-Income and Elderly Persons (OMB # 80.002): Congress passed legislation in 1976 to provide weatherization assistance for low-income and elderly citizens through the Federal Energy Administration, now part of DOE. The DOE program began in the summer of 1977, with a $27.5 million appropriation, even though the Community Services Administration (CSA) operated a similar program through Community Action Agencies (CAAs).

The DOE program awards grants to the states or to local governments and CAAs if the state does not apply. In fiscal '77, each state received a base allocation of $100,000 plus a percentage of the remainder. (Alaska, the sole exception, received a base allocation of $200,000.) The states must give priority to CAAs that have been carrying out similar programs under CSA, but general purpose local governments are eligible subgrantees. Ninety percent of the funds must be used for weatherization materials, such as insulation and weatherstripping, in homes owned or rented by elderly and low-income citizens.

Congressional action on the weatherization program is tied up in deliberations on the National Energy Act; however, House-Senate conferees have agreed on an authorization of $130 million for fiscal '78 and $200 million each year for fiscal '79 and '80.

Federal Grants

Environmental Protection Agency (EPA)

Areawide Wastewater Management Planning (Section 208 of the Clean Water Act of 1977) (OMB # 66.426): Section 208 calls for wastewater treatment planning for all areas of the country. Each governor must designate areawide and/or state agencies, with the state having final approval over all plans.

There are three methods by which counties may be funded through the 208 process: designation as an areawide agency; subcontracting a portion of the workplan from a designated areawide agency; subcontracting a portion of the workplan from the designated state agency, if the county is not included within an areawide agency.

The act authorizes the expenditure of up to $150 million for each of the fiscal years '78, '79, and '80. Continued funding beyond that point is uncertain, although EPA has already begun its efforts to extend the program.

Construction Grants for Wastewater Treatment Works (Section 201 of the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977) (OMB # 66.018): The act authorizes the expenditure of $24.5 billion (fiscal '78, $4.5 billion; fiscal '79, $5 billion; fiscal '80, $5 billion; fiscal '81, $5 billion; fiscal '82, $5 billion) for the construction of wastewater treatment plants and some collector systems. Funding levels remain at 75 percent of the total project costs.

The construction grants program is designed to help communities meet the goal of applying the best practicable technology by 1977, and ultimately the 1980 goal of eliminating pollutant discharges into the nation's waters.

Municipalities, counties, intermunicipal agencies, states and interstate agencies who have jurisdiction over disposal of sewage, industrial wastes or other wastes are eligible to apply for funds. The project must have as its primary purpose the treatment of domestic wastes from a community or larger region. Eligible projects include construction or expansion of sewage treatment plants providing at least secondary treatment, construction or rehabilitation of interceptor sewers, construction, expansion, rehabilitation of sewage collection systems in most cases, and construction of combined sewer overflow control systems.

Funds are allocated annually among states on the basis of a "needs survey." States have assembled their own priority lists under EPA regulations to ensure that the most needed facilities will be constructed with the funds available. To be considered for federal assistance, a project must appear on the state priority list. EPA and the states rank construction of treatment facilities and needed interceptor sewers above other types of projects.

The grants process provides funds for projects in three steps: preliminary planning, detailed design, and construction.

In December, the Clean Water Act was passed by Congress and signed by the President after considerable debate. Significant provisions of the bill include:

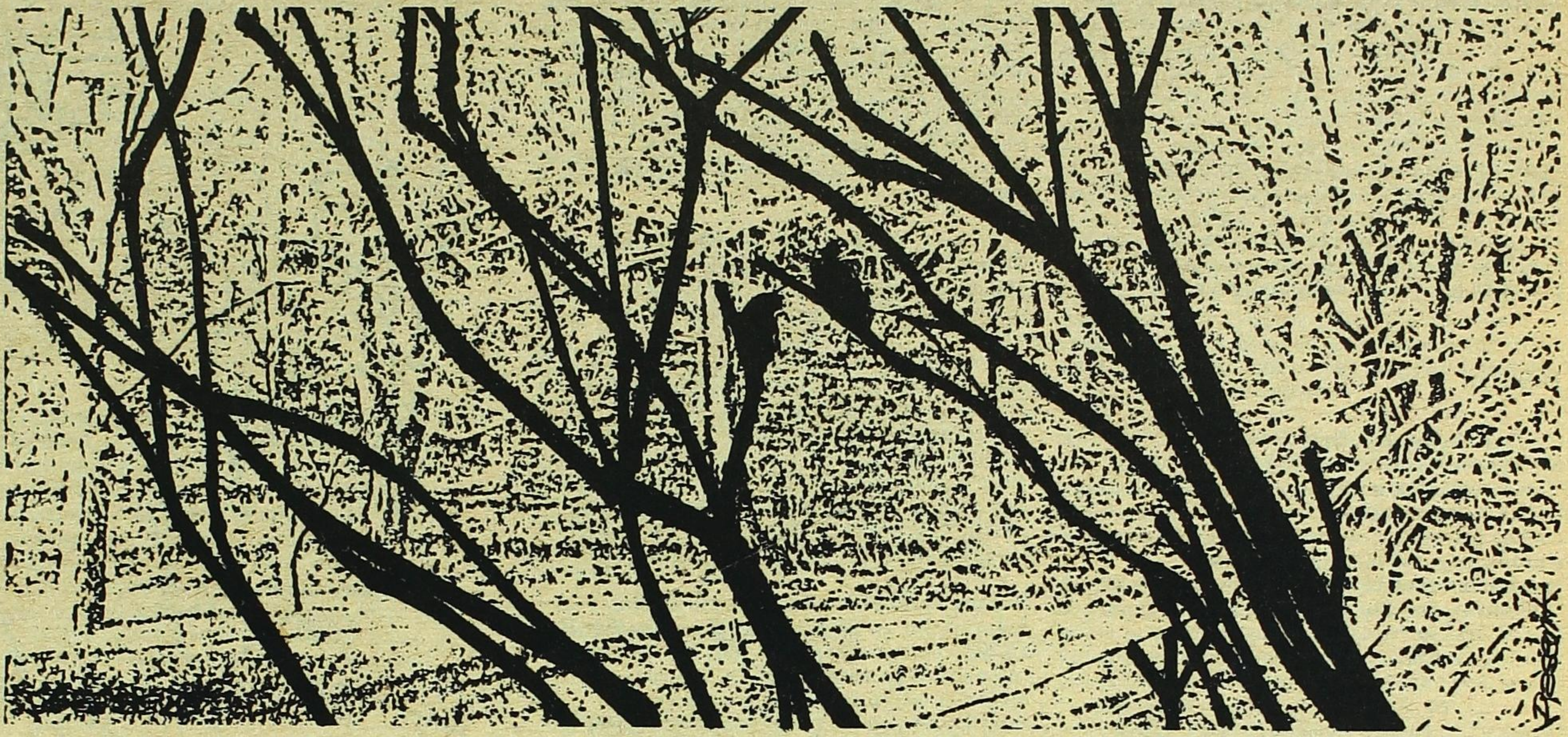
- Greater emphasis on the use of innovative treatment techniques, including a revision of the cost-effectiveness guidelines granting a 15 percent advantage to such techniques, federal funding levels of 85 percent as compared with 75 percent funding for conventional projects, and the requirement that all conventional plans demonstrate that innovative techniques cannot be applied.

- Funding for small privately-owned treatment systems, provided that a public entity applies for the funding and is responsible for operation and maintenance.

- Continued authorization for the Clean Lakes Program at a level of $60 million for fiscal '78.

- Authorization for delegation of the construction grants program administration to state agencies, under regulations to be developed by EPA.

- Delegation of greater responsibility for formulation of the state priority lists to the state agencies, with limits on EPA involvement in this process.



- Greater clarification of requirements for treating industrial sewage, including a listing of toxic pollutants, and amendments affecting user charges and industrial cost recovery.

- Setting aside funding for rural communities and for the rehabilitation and reconstruction of existing systems.

For more information on wastewater treatment construction grants, contact the local state water pollution control board, the EPA regional administrator or Harold P. Cahill, director, Municipal Construction Division, U.S. Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. 20460; (202) 426-8986.

Air Quality Implementation Plan Revision: The Clean Air Act Amendments of 1977 require states and local governments in nonattainment areas to revise State Implementation Plans (SIPs) by Jan. 1, 1979. Section 175 authorizes EPA to make grants to any organization of local elected officials with transportation or air quality maintenance planning responsibilities recognized by the state.

The grant recipient is determined by agreement between state and local governments or by designation by the governor. Grants shall be 100 percent of the additional cost of developing revisions to SIPs in nonattainment areas. Funds are available for the first two fiscal years following receipt of an initial grant.

County officials should contact their regional EPA office for information or their state air quality control agency. County officials should seek designation as a local agency to cooperate with the state in developing SIP revisions.

The 1977 amendments authorize the appropriation of $75 million to be available until expended. The Administration is considering funding this in part through the Department of Transportation planning funds.

Solid and Hazardous Waste Management Program Support Grants (OMB # 66.451): A number of provisions in the Resource Conservation and Recovery Act are designed specifically for meeting county planning and implementation needs in solid waste management. These include (with fiscal '78 authorizations—not appropriations—in parentheses): planning grants including pass-through of state grants ($30 million); implementation grants ($15 million); and Special Communities Assistance ($2.5 million) in Section 4008 of the act, plus Rural Communities Assistance ($25 million) in Section 4009.

Of these authorized funds only state planning grants were funded in fiscal '78 (at $14.3 million), and only a few states passed funds through to counties and cities. Prospects for additional fiscal '79 funds look doubtful unless EPA and Congress are strongly encouraged by states and local governments to fund those other programs at substantial levels.

Resource Conservation and Recovery Panels (OMB # 66.450): Technical Assistance Panels comprise the only source of assistance for counties in fiscal '78. Any county seeking technical assistance in collection, disposal, material or energy recovery, or other solid waste management functions should write to the panels coordinator, Office of Solid Waste in the appropriate regional EPA office or to NACo. A request for assistance should be as specific as possible, and it must be signed by an elected or appointed county official.

Other Sources of Solid Waste Assistance:

- Community Development Block Grants: Solid waste disposal facilities are eligible under the Community Development Block Grant program of the Department of Housing and Urban Development, particularly if the facilities will principally benefit low and moderate income people. *(See Community Development.)*

- Economic Development Administration/Public Works: Solid waste activities are eligible for funds under the Department of Commerce through the Local Public Works Act of 1976. *(See Public Works and Development Facilities Grants under Department of Commerce.)*

- Construction Grants for Wastewater Treatment Works: A county may apply for funding under the Construction Grants Program for planning, design, and construction of facilities to treat and dispose of sewage sludge. If a county wishes to dispose of sludge in conjunction with municipal solid waste by means of incineration or landfill, it is possible that a grant may be available under this program for the percentage of the cost required for sludge disposal. Land costs will be eligible only if sludge is applied to the land as a form of treatment. *(See Construction Grants under Environmental Protection Agency.)*

- Areawide Wastewater Management Planning (Section 208 of the Federal Water Pollution Control Act): Analysis of alternative methods of treatment and disposal of sewage sludge may be funded under some circumstances through the 208 process. *(See Areawide Wastewater Management under EPA.)*

- Farmers Home Administration: The Department of Agriculture provides assistance primarily to rural counties for the installation repair improvement or expansion of solid waste disposal systems. *(See Rural Water and Waste Disposal Grants and Loans.)*

- Regional Commissions: Solid waste management grants are generally available from the eight regional commissions (Appalachian, Coastal Plains, Four Corners, New England, Old West, Ozarks, Pacific Northwest, Upper Great Lakes). Grants are awarded based on applications approved through the appropriate state offices. Generally, grants are available for technical assistance and feasibility studies but not for construction. However, some commissions are able to grant funds for construction through their supplemental program. (Counties should contact their appropriate regional commission.)

Health, Education and Welfare (HEW)

The House and Senate ended a five-month deadlock last December over federal funding of abortions for Medicaid-eligible women. It also approved a continuing resolution to fund all programs administered by the Department of Health, Education and Welfare (HEW) through fiscal '78.

Medicaid can now fund abortions in cases where the mother's life would be endangered by a full-term pregnancy, where rape or incest causing the pregnancy is reported promptly to the police or public health agencies, or where two doctors determine that severe and long-lasting physical health damage would result in the mother from a full-term pregnancy.

Education

Most major education programs of interest to counties will expire this year. Congress, however, is expected to reauthorize them. For further information on these programs, contact the HEW regional office or state commission of education.

Education for the Handicapped—Formula Grants (OMB # 13.427, 13.443, 13.444, 13.445 and 13.449): These programs provide funds to extend and improve comprehensive education programs for handicapped children. The money is distributed on a formula basis. Project grants are also available. Congress appropriated $520 million for fiscal '78.

Education for Disadvantaged Children—Formula Grants (OMB # 13.428): This program provides funds to expand and improve educational programs to meet needs of educationally disadvantaged children in low income areas. (This is more commonly known as Title I of the elementary and Secondary Education Act.) Congress appropriated $2.7 billion for fiscal '78.

Higher Education (OMB # 13.453 and 13.463): This program provides several funding sources for higher education programs such as student assistance, work-study, insured loans, facilities, among others. Congress appropriated $3.7 billion for fiscal '78.

Head Start or Child Development—Project Grants (OMB # 13.600): This program provides project grants and contracts to public or nonprofit agencies to provide educational, nutritional, health and social services to preschool children of low income families. Congress appropriated $595 million for fiscal '78.

Federal Grants

Impact Aid—Formula Grants (OMB # 13.478): This program is similar to the payments-in-lieu of taxes program. It reimburses local school districts for costs incurred in educating children whose parents live and/or work on federal installations or live in government-subsidized public housing. Congress appropriated $800 million for the program. The Administration has proposed cutting back impact aid funds by $398 million by eliminating payments for category B children (children of parents who work on federal property but live in the community).

Health

Comprehensive Public Health Services—Formula Grants (OMB # 13.210): This program provides formula grants to state health and mental health authorities, including county public health departments, to assist in establishing and maintaining adequate community mental and environmental public health services. Congress has appropriated $90 million for fiscal '78. Contact HEW regional health administrator or state health officer.

Community Health Centers (OMB # 13.224): This program provides project grants to public (county) and nonprofit private agencies, institutions, and organizations to support a full range of public health services to meet special needs at the community level, especially on health problems of regional or national significance. Congress has appropriated $247 million for fiscal '78. Contact HEW regional health administrator for the Bureau of Community Health Services.

Home Health Services—Project Grants (OMB # 13.888): These grants are available to public and nonprofit private agencies [as defined in section 1861(o) of the Social Security Act] to provide home health services [as defined in section 1861(m) of the Social Security Act] to areas in which such services are not otherwise available. Funds ($6 million for fiscal '78) are to be given, at the discretion of HEW, to meet initial establishment and operational costs of such agencies. They may also be used by existing agencies to expand these services and for training professional and paraprofessional health personnel. Preference is to be given to areas with a large number of elderly, medically indigent, or both.

Health Maintenance Organization Services (HMOs) (OMB # 13.256): This program provides project grants, research grants, direct loans and guaranteed/insured loans to public and private nonprofit organizations that plan this program. Congress appropriated $21 million for fiscal '78. Contact HEW regional health administrator for the Bureau of Community Health Services.

Family Planning Projects (OMB # 13.217): This is a project grant program, which provides support to states, counties and cities, or private nonprofit entities to provide educational, comprehensive medical and social services dealing with contraception and other family planning methods, the health of mothers and children, and the reduction of maternal and infant mortality. Congress has appropriated $132 million for fiscal '78. Contact the HEW regional health administrator for the Bureau of Community Health Services.

Family Planning Services Training Grants (OMB # 13.260): This program provides project grants and research contracts to public or nonprofit private entities for developing inservice training for project staffs to improve the delivery of family planning services. Congress has appropriated $3.6 million for fiscal '78. Contact the HEW regional administrator for the Bureau of Community Health Services.

Maternal and Child Health Services—Formula Grants (OMB # 13.232): This program provides project grants to state health agencies and institutions of higher learning and formula grants to state health agencies for the purpose of funding extension and improvement programs for reducing infant mortality and improving the health of mothers and children, and special projects of regional or national significance. Congress has appropriated $322 million to fund this program in fiscal '78. Contact the state health agencies.

WIC Program—Project Grants (OMB # 10.557): This special supplemental food program for women, infants and children (WIC) provides $20 worth of food monthly to low income pregnant and nursing mothers and their children. Funds are allocated to states and counties for program administration. Approximately $250 million will be available in fiscal '78.

Crippled Children's Services (OMB # 13.211): This program provides formula grants to state and county crippled children's agencies to use in extending and improving medical and related services to crippled children, and project grants to state crippled children's agencies and institutions of higher learning for special projects of regional or national significance, which may contribute to the advancement of services for crippled children. Approximately $90 million will be available in fiscal '78. Contact the HEW regional health administrator for the Bureau of Community Health Services or the state administrator.

Sudden Infant Death Syndrome (SIDS) Information and Counseling Program (OMB # 13.292): This program provides project grants to public or private nonprofit entities to collect, analyze and furnish information relating to the causes of sudden infant death syndrome and provides information and counseling to families affected by the sudden infant death syndrome. Congress has appropriated $3 million for this program in fiscal '78. Contact the HEW regional administrator, Office of Maternal and Child Health.

Migrant Health Grants (OMB # 13.246): This program provides project grants to states, counties or cities, or nonprofit private agencies, institutions or organizations for establishing and operating family health services, clinics, or other projects designed to improve health conditions or provide health services and to raise the health status of migratory seasonal farmworkers and their families. Congress has appropriated $34.5 million in fiscal '78. Contact the HEW regional health administrator for the Bureau of Community Health Services.

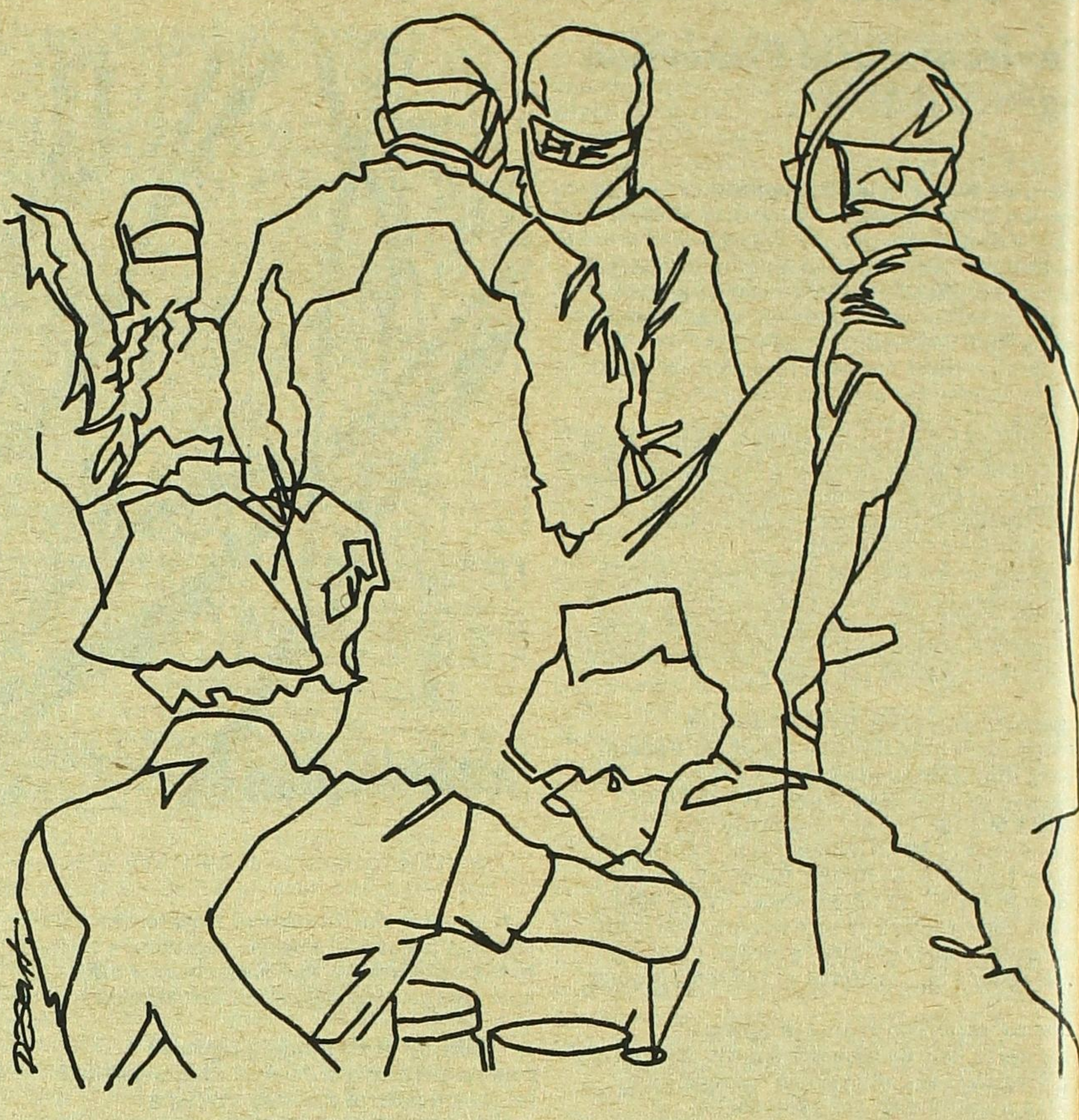
Emergency Medical Services—Project Grants (OMB # 13.284): This program provides project grants to states, units of general purpose local government or other public or private nonprofit agencies to assist and encourage the development of comprehensive emergency medical services systems throughout the country. Congress has appropriated $42.6 million for fiscal '78. Contact HEW regional administrator, Emergency Medical Services.

Hemophilia Diagnostic and Treatment Centers (OMB # 13.296): This program provides project grants in order to expand the nationwide availability of comprehensive outpatient diagnostic and treatment centers for persons with hemophilia, particularly in areas where the greatest number of severe or moderate cases exist. Congress has appropriated $3 million for fiscal '78. For more information, contact the HEW regional administrator for the Bureau of Community Health Services.

Hypertension Program—Formula Grants (OMB # 13.882): This program assists state and local health agencies in meeting and maintaining adequate community services. These services include screening, detection, diagnosis, prevention and referral for treatment of hypertension. Congress has appropriated $11 million for fiscal '78.

Development Disabilities—Project and Formula Grants (OMB # 13.631): This program provides formula grants to help states, public agencies and nonprofit organizations provide services for construction, administration and staffing of projects designed to improve rehabilitation of the developmentally disabled (substantially handicapped). The priority for funding is placed on establishing community-based programs for the disabled and the deinstitutionalization of these persons. Congress has appropriated $6.5 million for building facilities, $19 million for service grants, and $33 million for state formula grants for projects in fiscal '78.

Vocational Rehabilitation Services (OMB # 13.630): This program provides grants to states and counties for vocational rehabilitation services, and supports programs of rehabilitation research, training, and special projects. Congress has appropriated $45 million for fiscal '78 for special projects, and $760 million for state grants.



Health Planning (Health Systems Agencies) —Project Grants (OMB # 13.294): Through project grants, this program provides for effective planning at the area level to meet problems in health care delivery systems, inadequate distribution of health care facilities and manpower, and increasing health care costs. Congress has appropriated $107 million for fiscal '78. No more money has been appropriated for public general hospitals. For more information, contact NACo.

National Health Service Corps (OMB # 13.258, 13.288): This program provides specialized services to areas critically short of health personnel in order to improve the delivery of health care and services to residents. New health manpower legislation has redefined shortage areas to include population groups, medical facilities, and public institutions like prisons and inner-city areas which have trouble recruiting doctors. Applications may be made by state and local health agencies or other appropriate public or nonprofit health or health-related organizations. Congress has appropriated $43 million for fiscal '78. Contact the HEW regional administrator for the National Health Service Corps.

Family Medicine/Primary Care Training Grants (OMB # 13.379): This provides project grants to public and nonprofit private hospitals to cover the cost of developing and operating residency training programs in family medicine and primary care. Congress has appropriated $45 million for family medicine, and $15 million for primary care programs for fiscal '78. Contact the HEW regional administrator for the Division of Medicine, Bureau of Health Manpower.

Allied Health Professions Special Project Grants (OMB # 13.305): This program provides project grants to states, counties and cities, or private nonprofit agencies for use in planning, establishing, developing, demonstrating, or evaluating programs, methods, or techniques for training of allied personnel. Congress has appropriated $16.5 million for fiscal '78. Contact HEW regional administrator for the Division of Associated Health Professions, Bureau of Health Manpower.

Advanced Nurse Training (OMB # 13.299): Through project grants, this program prepares registered nurses to teach in the various fields of nurse training, and to serve in administrative or supervisory capacities in nursing specialties and as nurse clinicians. Congress has appropriated $12 million for fiscal '78. Contact the HEW regional administrator for the Division of Nursing, Bureau of Health Manpower.

Nurse Practitioner Training Program—Project Grants (OMB # 13.298): This program provides funds to educate qualified registered nurses to provide primary health care. Congress has appropriated $13 million for fiscal '78. Contact the HEW regional administrator for the Division of Nursing, Bureau of Health Manpower.

Community Mental Health Centers—Staffing and Construction (OMB # 13.240): This program provides project grants to appropriate states, counties and cities, and private nonprofit agencies for the purpose of building community mental health centers, improving organization and allocation of mental health services, and providing modern treatment and care. Congress has appropriated $26 million for first year operation; $210 million for continuation programs; and $19 million to meet additional costs incurred by centers adding new services (i.e., elderly, alcoholics, children). No money has been appropriated for facilities assistance. Contact state mental health centers construction agencies for further information.

Mental Health Hospital Improvement Grants Deinstitutionalization (OMB # 13.237): This program provides project grants to installations which are a part of a state's formal system for institutional care of the mentally ill for the purpose of improving the quality of care, treatment and rehabilitation of patients. Congress has appropriated $5 million for fiscal '78. Contact the HEW regional office for the Division of Mental Health Service Programs, ASAMHA.

Mental Health Hospital Staff Development Grants (OMB # 13.238): This program provides project grants to installations which are a part of a state's formal system for institutional care of the mentally ill for staff development programs at the subprofessional and professional levels. Congress has appropriated $2.2 million for fiscal '78. Contact the HEW regional office for the Division of Mental Health Service Programs, ADAMHA.

Disease Control Project Grants (OMB # 13.268): This program provides project grants

Federal Grants

to states, or with its consent, to any political subdivision of instrumentality of a state, for supporting a communicable disease control program. Congress has appropriated $23 million for fiscal '78. It also appropriated $32 million for venereal disease programs.

Center for Disease Control Investigations, Surveillance and Technical Assistance (OMB # 13.26): This program provides training, advisory services and counseling, dissemination of technical information, and provision of specialized services to states, political subdivisions of states, local health authorities and individuals or organizations with specialized health interests to assist in controlling communicable diseases and other preventable health conditions. Congress has appropriated $53 million for this program for fiscal '78. For further information, contact the Center for Disease Control.

Childhood Lead-Based Paint Poisoning Control (OMB # 13.266): This program provides project grants to encourage communities in developing comprehensive lead-based paint poisoning control programs and to assist states in establishing appropriate centralized laboratories. Eligible applicants are state and local government agencies and appropriate nonprofit organizations. Congress has appropriated $10 million for this program for fiscal '78. Contact the regional health administrator for the Center for Disease Control.

Urban Rodent Control (OMB # 13.267): This program provides project grants to appropriate states, counties and cities, or nonprofit entities for supporting comprehensive community programs to reduce rodent infestations and conditions conducive to rodent infestations. Congress has appropriated $13 million for fiscal '78. Contact the HEW regional health administrator for the Center for Disease Control.

Occupational Health (OMB # 13.262 and 17.500): This program provides funds to conduct research, develop criteria for occupational safety and health standards, and provide technical services to government, labor, and industry including training in the recognition, avoidance, and prevention of unsafe or unhealthful working conditions and the proper use of adequate safety and health equipment. Congress has appropriated $45 million for fiscal '78. Contact the HEW administrator for the National Institute of Occupational Safety and Health.

Occupational Safety and Health Research and Training Grants (OMB # 13.263): This program provides project grants to states, counties and cities, or private nonprofit agencies able to conduct research on occupational health aimed at eliminating or controlling factors in the work environment which are harmful to the health and/or safety of workers. Also, this program provides project grants for training at technical, professional or graduate levels. Congress has appropriated $11 million for this program for fiscal '78. Contact the HEW regional administrator for the Office of Extramural Activities, the National Institute for Occupational Safety and Health.

Rural Health Clinics: This program (P.L. 95-210) authorizes Medicare and Medicaid coverage of rural health clinic services. Services covered include services and supplies that would be covered in conjunction with physician services as well as additional services provided by physician assistants or nurse practitioners. The program specifically authorizes Medicare and Medicaid to pay for services not rendered directly in the presence of a physician. Many county health departments may qualify for Medicare and Medicaid coverage. For further information, contact the regional health care financing administrator. Medicare and Medicaid do not require annual appropriations.

Rehabilitation Services and Facilities (OMB # 13.626 and 13.269): This program provides grants to states and counties for vocational rehabilitation services; it supports programs of rehabilitation research, training and special projects; trains professionals to deal with various types of clients; and demonstrates new methods of fostering innovative programs in rehabilitation. The program funds comprehensive services including physical and mental restoration, vocational training and placement and needed social services. Congress appropriated $870 million for fiscal '78. For further information, contact the HEW regional office or state rehabilitation director.

Drug Abuse Community Service Programs—Project Grants (OMB # 13.235): This program provides project grants and contracts to states, counties and cities and nonprofit mental health facilities to use in reaching, treating, and rehabilitating narcotic addicts, drug abusers and drug dependent persons. Congress has appropriated $160 million for fiscal '78. Contact the HEW administrator for the Alcohol, Drug Abuse, and Mental Health Administration, ADAMHA.

Drug Abuse Demonstration Programs (OMB # 13.254): This program provides project grants to states, counties and cities, or private nonprofit agencies or organizations for the operational cost of programs to evaluate the adequacy of drug and narcotic treatment programs and to treat and rehabilitate narcotic addicts and drug abusers in demonstraton programs. Congress has appropriated $9.4 million for fiscal '78. Contact the HEW administrator for the National Institute on Drug Abuse, ADAMHA.

Drug Abuse Pevention—Formula Grants (OMB # 13.269): This program provides formula grants to state agencies, designated in state plans for alcoholism and drug abuse, to assist in planning, establishing, conducting and coordinating projects for drug abuse prevention. Congress has appropriated $40 million for fiscal '78. Contact HEW regional administrator for the National Institute on Drug Abuse, and state agencies. HEW also awards drug abuse community service project grants (OMB # 13.235). The Congress has appropriated $161.5 million for fiscal '78.

Narcotic Addict Rehabilitation Act—Contracts and Grants (OMB # 13.234): This program provides specialized services to narcotic addicts who request it or who are charged with or convicted of a federal crime. Congress has appropriated $6 million for fiscal '78. Contact the HEW regional administrator for the National Institute on Drug Abuse, ADAMHA.

Alcohol Community Service Programs—Project Grants (OMB # 13.251): This program provides project grants to counties, community mental health centers and associated organizations for prevention and control of alcoholism through a community-based program. Congress has appropriated $78.7 million for fiscal '78. Contact the HEW regional administrator for National Insitute on Alcohol Abuse and Alcoholism (NIAAA).

Alcohol Demonstration Programs (OMB # 13.252): This program provides project grants and contracts to states, counties and cities, or private nonprofit organizations for prevention and control of alcoholism through programs directed toward special population groups and other projects designed to demonstrate new and effective methods of service delivery. Congress has appropriated $9 million for fiscal '78. Contact HEW regional administrator for NIAAA, ADAMHA.

Alcoholism Grants to States (OMB # 13.257): Under the comprehensive Alcohol Act, P.L. 94-371, for fiscal '78, $56.8 million goes to states to assist in planning, establishing, maintaining, coordinating and evaluating projects for the development of more effective prevention, treatment, and rehabilitation programs to deal with alcohol abuse and alcoholism. Contact HEW regional administrator for NIAAA, ADAMHA, or the state alcoholism authority.

Alcohol Research Programs (OMB # 13.272): This program provides project grants and research contracts to investigators affiliated with states, counties and cities or nonprofit private agencies to develop new data and approaches for the causes, diagnosis, treatment, control, and prevention of alcohol abuse and alcoholism. Congress has appropriated $16 million for fiscal '78. For further information, contact the HEW administrator for NIAAA, ADAMHA.

Alcohol Training Program—Project Grants (OMB # 13.272): This program provides project grants to public and private nonprofit institutions for use in providing specialized training of personnel who will staff community projects. Congress has appropriated $7.1 million for fiscal '78. Contact the HEW administrator for NIAAA, ADAMHA.

Special Alcoholism Projects to Implement the Uniform Act (OMB # 13.290): This program provides project grants to eligible states to assist in their implementation of the Uniform Alcoholism and Intoxication Treatment Act, which facilitates their efforts to approach alcohol abuse and alcoholism from a community care standpoint. Congress has appropriated $13 million for fiscal '78. Contact the projects related to the field of aging. Stipends for students and legal and administrative education can also be obtained. There is no local match. The state office on aging should be contacted for training funds.

Administration on Aging

Programs for the Elderly (funding levels in millions)

	1978 Appropriations
The Older Americans Act	
Title III—Community Programs	
Area Agencies	153
State Agencies	17
Model Projects	15
Title IV	
Training	17
Research	8.5
Gerontology Centers	3.8
Title V—Senior Centers	40
Title VII—Nutrition	250
Title IX—Part-time Jobs	190
Other federal programs	
ACTION	
Foster Grandparents	34.9
Senior Companions	7
RSVP	20.1
Community Services Admin.	
Senior Opportunities and Services	10

Counties may obtain the above funds by applying to:

- Area or state agencies on aging for grants under Titles III, IV, V, VII of the Older Americans Act;
- State governments or local branches of four national organizations for grants under Title IX of the Older Americans Act;
- ACTION office for the federal region for the volunteer programs;
- Local community action agency for Senior Opportunities and Services.

Title III (OMB # 13.634): Counties may obtain funds for coordinating and planning services for the elderly or for a broad range of community programs. Programs most likely to receive funds are: transportation, legal and financial counseling, in-home services, and residential repair. Counties with a significant number of low-income or minority people 60 years or older will be given priority consideration. The local match is 25 percent for planning, 10 percent for direct services.

Title IV (OMB # 13.637): Counties may obtain funds for short-term training projects related to the field of aging. Stipends for students and legal and administrative education can also be obtained. There is no local match. The state office on aging should be contacted for training funds.

Title V (OMB # 13.639): Counties may obtain funds for altering, renovating and equipping senior centers. No new construction can be funded. The local match is 25 percent.

Title VII (OMB # 13.635): Counties may obtain funds to cover the cost of purchasing, preparing and delivering at least one hot meal five or more days per week to people 60 years or older. The local match is 10 percent.

Title IX: A small number of jobs for the elderly were made available in 1977 to the state for the first time. Four national private contractors also distribute these funds. They are: National Retired Teachers Association/American Association of Retired Persons (NRTA/AARP); Green Thumb Inc.; the U.S. Forestry Service; the National Council of Senior Citizens; and the National Council on Aging. Counties should apply to either their state agency on aging or to one or more of the four national contractors for grants to provide jobs to people 55 or older.

ACTION (OMB # 72.001): Programs provide elderly people with a chance to volunteer for useful and fulfilling activities such as helping children, senior citizens, or other needy citizens in the community.

The Senior Opportunities and Services (OMB # 49.010): This is a small program that funds either employment, volunteer activities, or services for low-income elderly. Most community action agencies operate these programs but some may be willing to subcontract with counties who want to operate the program.

Office of Human Development

Title XX: The funding source to states for social service programs is Title XX of the Social Security Act. Title XX replaced the services previously placed in Titles IV-A and VI of the Social Security Act in 1975. The funding total currently is $27 billion and this amount is allocated on the basis of state population. The federal financial participation is 75 percent for service costs and for personnel training and retraining related to the services plan. Ninety percent federal funding is available for family planning services.

Title XX funds such programs as: child care services; protective services for children and adults; services for children and adult foster care; services related to the management and maintenance of the home; day care services for adults; transportation services; training and related services; employment services; information, referral and counseling services; preparation and delivery of meals; health and support services; appropriated combinations of services designed to meet the special needs of children, the aged, the mentally retarded, the blind, the emotionally disturbed, the physically handicapped, alcoholics, and drug addicts.

Each state must develop an annual plan which provides for services to eligible groups of people. Each county must develop material for services in its geographic area and submit this to the state. The state incorporates these services into its final state plan which is submitted to the HEW regional office. Counties interested in these programs should contact their state welfare agency.

The fiscal '78 estimate is $2.7 billion.

Child Welfare Research and Demonstration Grants (OMB # 13.608): This program provides project grants and research contracts to public nonprofit institutions, agencies, and organizations engaged in child welfare activities (i.e., for the demonstration of new methods or facilities which contribute to the advancement of child welfare). Contact the Office of Human Development at HEW. Funds for fiscal '78 are estimated at $16.7 million.

Child Abuse and Neglect Prevention and Treatment (OMB # 13.628): Project grants and research contracts are available to state, local and voluntary agencies to develop new programs that will prevent, identify, and treat child abuse and neglect. Contact the Office of Human Development at HEW. The fiscal '78 estimate is $18.92 million.

Youth Research and Development (OMB # 13.640): State and local governments, public, private, and nonprofit organizations are eligible for research contracts to research, develop, and evaluate effects related to youth development issues. Contact the Office of Human Development, Services Contracting Office at HEW. The fiscal '78 estimate is $1 million.

Federal Grants

Department of Housing and Urban Development (HUD)

Community Development Block Grant Program (OMB # 14.218, 14.219): This is a 100 percent block grant program administered by the department. This program is the major source of federal funding for comprehensive development and redevelopment activities.

In October 1977 Congress approved the Community Development Act Amendments of 1977, providing for a three-year reauthorization of the program at $3.5 billion for fiscal '78; $3.65 billion for fiscal '79; and $3.8 billion for fiscal '80. For fiscal '78 Congress has appropriated the full $3.5 billion authorized. This is an increase of $300 million over fiscal '77.

Under provisions of the act, 80 percent of the funds are available to metropolitan areas and 20 percent to nonmetropolitan areas. Within metropolitan areas, entitlement grants are distributed by a needs formula to metropolitan cities (more than 50,000 population) and urban counties (more than 200,000 minus the population for metropolitan cities therein). Smaller counties and cities, both within metropolitan areas and nonmetropolitan areas are eligible for either single purpose or comprehensive discretionary grants. Applicants must develop a comprehensive three-year community development plan as well as a housing assistance plan. Application requirements, however, are streamlined for communities under 25,000 people. Funds must be used for activities which eliminate or prevent slums and blight, benefit low and moderate income persons or meet other urgent community development needs.

Urban Development Action Grant Program: This is a complementary program to the community development block grant program and is also administered by HUD. Grants are made for 100 percent of project cost.

This program has been authorized for three years, through fiscal '80 at $400 million annually, as part of the Community Development Act Amendments of 1977. For fiscal '78, Congress has appropriated the full $400 million authorized, with 25 percent earmarked for cities with less than 50,000 population.

Eligible applicants for the program are "distressed cities" and "distressed urban counties" which meet certain criteria on a jurisdiction-wide basis: aged housing, per capita income, population decline, unemployment, job decline, poverty and other unique distress factors which have demonstrated results in providing equal employment and housing opportunities for low and moderate income persons. Potential applicants must secure a determination from HUD as to their eligibility.

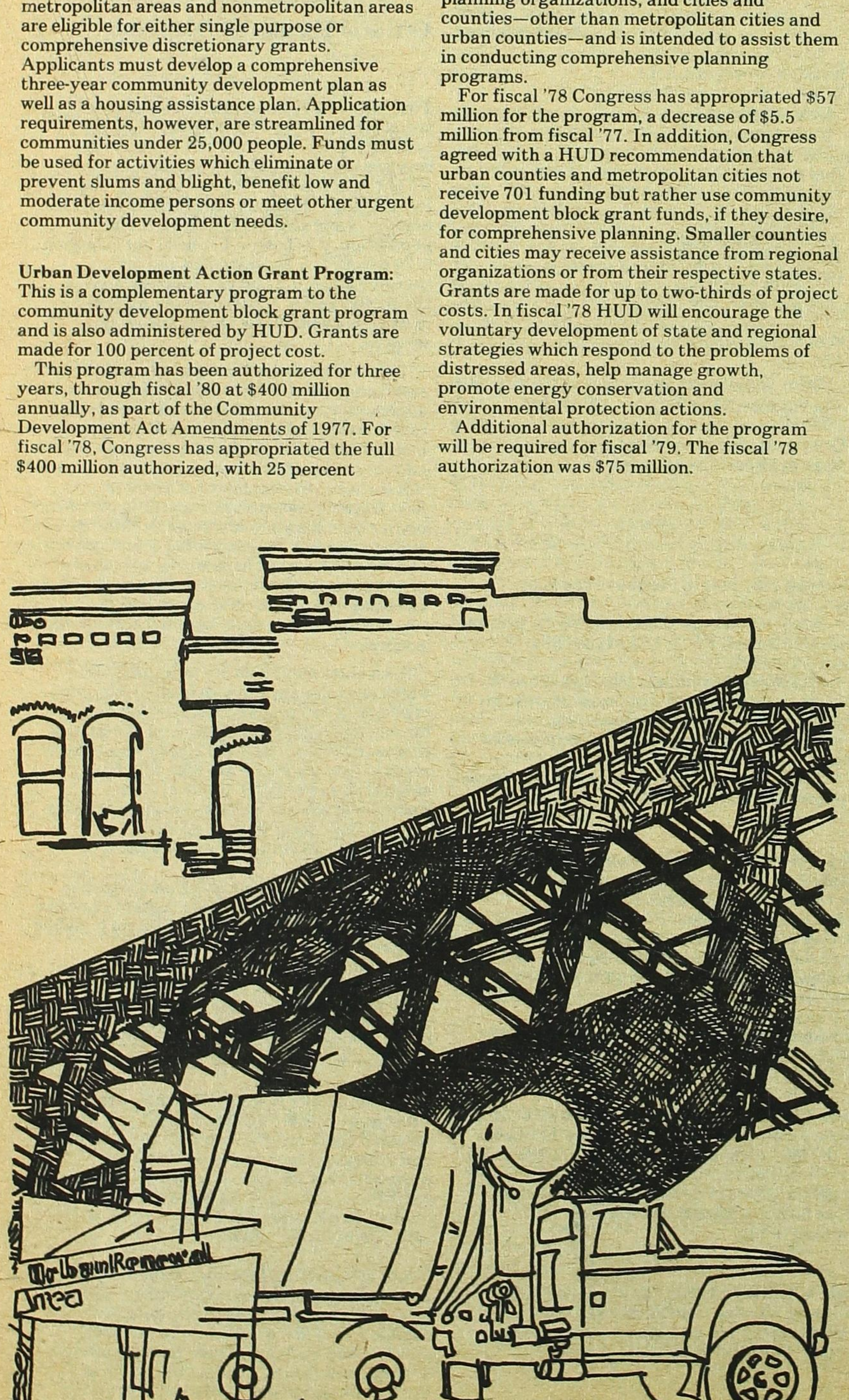
The program is intended to assist applicants in revitalizing their economic bases and reclaiming deteriorated neighborhoods. Applicants must have firm financial commitments from the private sector to qualify. The extent to which employment opportunities for low and moderate income persons would be generated by the project is a prime factor in whether it is approved.

Applications will be received by HUD during the first month of each quarter and approvals made by the end of the quarter.

Comprehensive Planning and Management Program: A matching grant program administered by HUD, this program is a source of assistance to states, regional planning organizations, and cities and counties—other than metropolitan cities and urban counties—and is intended to assist them in conducting comprehensive planning programs.

For fiscal '78 Congress has appropriated $57 million for the program, a decrease of $5.5 million from fiscal '77. In addition, Congress agreed with a HUD recommendation that urban counties and metropolitan cities not receive 701 funding but rather use community development block grant funds, if they desire, for comprehensive planning. Smaller counties and cities may receive assistance from regional organizations or from their respective states. Grants are made for up to two-thirds of project costs. In fiscal '78 HUD will encourage the voluntary development of state and regional strategies which respond to the problems of distressed areas, help manage growth, promote energy conservation and environmental protection actions.

Additional authorization for the program will be required for fiscal '79. The fiscal '78 authorization was $75 million.



Department of the Interior

Bureau of Land Management

Payments-in-Lieu of Taxes: The Payments-in-lieu of Taxes Act of 1976 authorizes direct payments to 1600 counties based on the amount of entitlement acres, population, and a deduction for the amount of payments received as a share of federal timber, mineral, and grazing leases.

A supplemental appropriation of $100 million was approved by Congress and signed by the President to fully fund the Payments-in-Lieu of Taxes Act during fiscal '77. A regular appropriation of $100 million was also approved by Congress and signed by the President this year. This will provide funding for the second year of the program in fiscal '78; $105 million has been requested for fiscal '79. Annual appropriations by Congress will be required for future years.

The entitlement lands included are national forests (including grasslands); lands administered by the Bureau of Land Management; national park system lands; wilderness areas; Army Corps of Engineers reservoir and drainage projects; and Bureau of Reclamation lands.

These lands are usually categorized as federal "natural resource" lands that either produce or have the potential of producing timber, grazing, or mineral lease revenues. However, lands held in state or local government ownership at the time of federal acquisition are excluded.

The funds may be used for any general government services, equipment, supplies, capital projects, or tax relief—depending upon the priorities established during the county's regular budget process. The public hearings required by state laws in the county's regular budget process are adequate.

Congress recognized that audits required by state laws are adequate to ensure that funds are spent for government purposes. Maintaining an "audit trail" is definitely recommended for payments-in-lieu funds. There are no federal grant matching prohibitions for payments-in-lieu funds. However, it should be noted that some other federal programs prohibit use of federal funds as the local matching share. Therefore, it is recommended that an audit trail be maintained for use of payments-in-lieu funds.

The bureau computes and mails payments annually (subject to approval of an annual appropriation). Payments are computed upon entitlement acreage provided by federal agencies, the latest population data certified by the U.S. Bureau of the Census, and federal timber, mineral, and grazing receipt data certified by the governor of each state. The total "overhead" cost for the bureau to administer the program is a remarkably low .2 percent. No grant application is necessary.

Final regulations governing payment procedures were published in the *Federal Register*, Vol 42 on Sept. 29, 1977. A county may inquire about or protest the payment computation in writing to the director, Bureau of Land Management, 1800 C Street N.W., Washington, D.C. 20240. Information on calculations can also be obtained from regional bureau offices.

National Park Service

Historic Preservation Fund (OMB # 15.904): Grants are available through states for acquisition and restoration of historic places. for fiscal '78, $41 million was appropriated. To be eligible for funding, sites must be included on the "National Register of Historic Places." This can be done by application to the National Park Service by the state, local government or private interests. Historic places that are of national, in addition to local, significance can also become National Historic Landmarks and projects to acquire or restore them could be given priority. "Historic" places can be districts, sites or buildings and may include places of architectural, cultural, or ethnic significance. Once a place is listed, counties can then apply to their state Historic Preservation Office for the 50 percent matching federal funds. Some states do make a contribution to the local share.

Also, the National Trust for Historic Preservation, a congressionally-chartered, private nonprofit group, assists public and private agencies in historic preservation, complementing federal and state programs.

Bureau of Outdoor Recreation

Land and Water Conservation Fund (OMB # 15.400): This matching fund program is the major source of federal money for the acquisition and development of state and local outdoor recreation facilities. Funds must be matched by state or local governments on a 50-50 basis. Federal money is passed through state agencies to local governments.

In 1977 Congress approved the full $600 million requested by Interior for fiscal '78. this doubled the amount of money available in previous fiscal years. Under provisions of the act, a maximum of 60 percent of the fund is available to states and local governments. The remaining portion is used by federal agencies to acquire federal park land. However, for fiscal '78 actual appropriations created an equal split between funds for state and local programs and funds for federal parks. Congress has approved increased authorization for $750 million in fiscal '79, and $900 million in fiscal '80.

Federal Grants

Department of Justice

Law Enforcement Assistance Administration

Juvenile Justice and Delinquency Prevention (OMB # 16.516): The Juvenile Justice and Delinquency Prevention Act of 1974 was reauthorized in 1977 for an additional three years. The juvenile justice office, a part of the Law Enforcement Assistance Administration (LEAA), administers both formula grants to states and special emphasis grants in categorical areas. The act has a separate authorization from that of the rest of LEAA and has historically received increased funds each year. The authorization for fiscal '79 is $175 million.

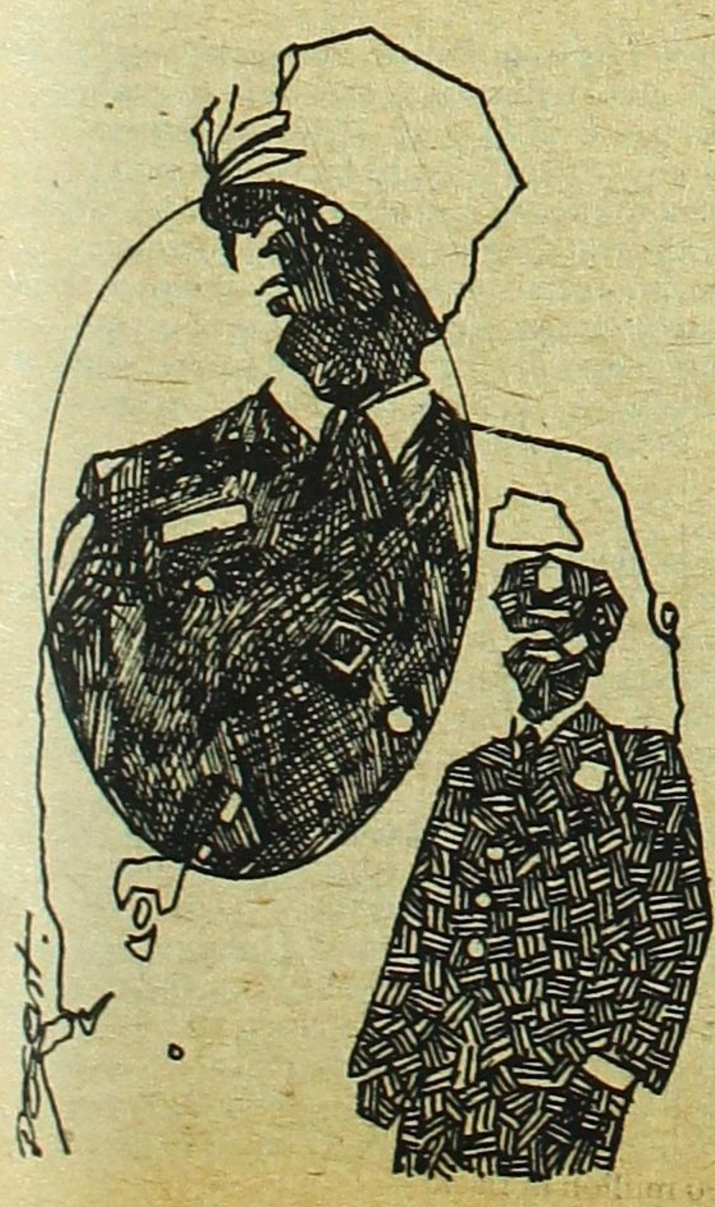
The law, as amended last year, relaxes a key provision in the original act requiring the deinstitutionalization of status offenders within two years after a state has accepted funds. States now have three years to comply (compliance is defined as removing 75 percent of the state's status offenders from detention). About a dozen states have declined formula funds because of the difficulty in meeting this provision.

Law Enforcement Assistance Administration (LEAA)(OMB # 16.602, 16,605, 16.500): Funds administered by this agency are used to strengthen their criminal justice systems within state and local governments. This is accomplished through both planning grants and block grants for demonstration projects.

LEAA has sustained serious appropriations cuts each year since 1975 due to increasing congressional scepticism about the effectiveness of programs financed by the agency. In an attempt to meet those criticisms, Attorney General Griffin Bell has proposed a major reorganization of LEAA and its programs. Disposition is not expected until 1979 when LEAA's present authorization expires. Congress has authorized $800 million for fiscal '79, but appropriations have never met authorization levels in LEAA's nine-year history.

National Institute of Corrections

National Institute of Corrections (NIC)(OMB # 16.602, 16.605): The National Institute of Corrections has a $5 million budget for fiscal '78 to provide assistance in the form of training, evaluation and research, and information to state and local corrections administrators. A National Jail Center has been established in Boulder, Colo. to provide counties with training and information on how to deal with jail problems. Small grants and contracts are available to counties for activities such as staff development, classification and screening of jail programs and operations.



CETA Appropriations by Title (in millions)

Title	Fiscal 1977	Fiscal 1978
I	$1880	$1880
II	1540	-0-
III	2195.73*	1080.93
IV	274.1	417
VI	6847	-0-
VIII	(233.33*)	-0-
Totals	$12736.83	$3377.93

Note

*233.33 million was appropriated under Title III authority and later assigned to be spent under Title VIII authority leaving $1,962.40 million in Title III. $595 million was appropriated for in fiscal '77 and $693 million was appropriated in fiscal '78 for the summer youth program.

Department of Labor

On Dec. 28, 1973 the President signed into law the Comprehensive Employment and Training Act (CETA), which called for decentralizing and decategorizing manpower funding. Block grants are now being allocated to chief elected officials whose jurisdictions exceed 100,000 population. CETA became effective July 1, 1974, with authority to operate for three years, ending Sept. 30, 1977.

P.L. 95-44 extended CETA for one year through Sept. 30, 1978. Forty-one percent (181) of the 446 prime sponsors are single counties, while only 15 percent (66) are single cities and 31 percent (140) are local consortia, almost all of which include one or more counties.

P.L. 95-205, the fiscal '78 Labor-HEW Appropriations Act, maintains the existing $1.88 billion for Title I but does not include additional public service employment funds beyond those available in the Economic Stimulus Supplemental Appropriations Act (P.L. 95-29). A supplemental appropriation for Titles I and III 304(a) summer is expected in March to meet the additional wage costs created by the increased minimum wage which took effect Jan. 1. It is likely that additional money for Title III-C (Youth Employment Training Program) will also be included in this appropriation to increase the present funding level by $500 million.

For a detailed breakdown of the CETA appropriations by title for fiscal '77 and '78, see chart above.

Comprehensive Manpower Services (Title I) (OMB # 17.232): Local prime sponsors receive 80 percent of the funds appropriated to provide job training and related services to unemployed, underemployed and economically disadvantaged, based upon a three part formula: 50 percent, prime sponsor's previous fiscal year funding; 37.5 percent, relative number of unemployed persons; 12.5 percent, relative number of adults in low-income families.

Public Service Employment (Title II) (OMB # 17.232): Local prime sponsors receive public employment funds to serve those who are most disadvantaged in target areas of greatest need and within labor market areas where unemployment reaches 6.5 percent or more for three consecutive months. Prime sponsors receive 80 percent of the funds appropriated, and the remaining 20 percent is distributed by the Secretary of Labor.

Special Federal Responsibility for National Programs (Title III-A) (OMB # 17.230, 17.232, 17.233): This supports special target group programs (P.L. 95-205) and will fund programs of "demonstrated effectiveness" serving Indians, migrants, youth, ex-offenders, persons of limited English-speaking ability and older workers.

The Economic Stimulus Law (P.L. 95-29) funded two new employment and training programs: Skills Training and Improvement Programs (STIP) and Help Through Industry Training and Employment (HIRE). STIP is available to prime sponsors on a competitive application basis to provide classroom and on-the-job training to unemployed or underemployed low-income individuals. HIRE is a national program in which contracts are let directly to private industry by the Department of Labor for on-the-job training, with primary emphasis on veterans. Both programs have been obligated for fiscal '78.

Summer Programs for Economically Disadvantaged Youth (SPEDY) (OMB # 17.232) is administered by prime sponsors to provide summer employment for low income youth, and is also authorized under Part A, Section 304(A)(3).

Research, Training and Evaluation (Title III-B) (OMB # 17-218): To assist the nation in expanding work opportunities, Part B authorizes the establishment of programs to research the methods and techniques needed to meet the employment needs of the nation.

A new part III-C of CETA has been added via P.L. 95-93, the Youth Employment and Demonstration Projects Act of 1977. One billion dollars has been appropriated for youth in the Economic Stimulus Supplemental Appropriations Act; $766.67 million of the $1 billion will be targeted for Title III-C programs. Part C is divided into three subparts: Youth Incentive Entitlement Pilot Projects; Youth Community Conservation and Improvement Projects; and Youth Employment and Training Programs.

Youth Incentive Entitlement Pilot Projects have been awarded to prime sponsors through competitive application. The projects are designed to demonstrate the effectiveness of guaranteeing employment and/or training for economically disadvantaged youth, ages 16 to 19, who do not have a high school diploma. Fifteen percent of the funds authorized for Part C will be available for projects under the subpart.

Competitive application is also the means for prime sponsors and sponsors of Native American, migrant, and seasonal farmworker programs to obtain Youth Community Conservation and Improvement Projects. Fifteen percent of the funds authorized for Part C will be available under this subpart. Seventy-five percent of the available funds will be allocated to states by the relative number of unemployed in that state to all states, with the remaining 25 percent available as discretionary funds to the secretary. Out of the 25 percent, 2 percent is reserved for Native Americans and 2 percent for migrants. A minimum of 5 percent of the funds for this subpart will be spent in each state.

Community improvement projects will be similar to special projects under Title VI of CETA, serving youth 16 through 19 who are unemployed. Projects approved by the prime sponsors for funding must then be forwarded to the Secretary of Labor for final approval.

Youth Employment and Training Programs in the final subpart are made available to prime sponsors by formula allocation. Prime sponsors must use a minimum of 22 percent of the allocation for in-school programs. The remaining money may be used for a variety of employment and training programs such as counseling, supportive services, work experience, on-the-job training, etc.

Eligibility for participation in the employment and training programs is restricted to youth aged 16 to 21. However, the Secretary of Labor may prescribe regulations allowing participation of 14 and 15-year-old youth. All participants must be unemployed, underemployed or in school. Ninety percent of all youth served must be members of families whose income is 85 percent of the Bureau of Labor Statistics' lower living standard budget. The remaining 10 percent may be from all economic backgrounds.

Special governors' grants (5 percent of Part C) are included in this subpart. This money may be used by a state for youth under its supervision, along with other activities such as occupational information and career guidance.

Job Corps (Title IV) (OMB # 17.211): Funds are provided to Job Corps centers throughout the country which provide residential and nonresidential manpower services to low income disadvantaged young people. The fiscal '78 Labor-HEW appropriations bill increases Job Corps funding to $417 million.

Temporary Employment Assistance (Title VI) (OMB # 17.322): Funds for this title have been provided by P.L. 95-29 (the Economic Stimulus Appropriations Act). Public service employment job levels will increase jobs to 725,000 from the current 310,000 level by the end of fiscal '78. More targeted Title VI client eligibility requirements were added by P.L. 94-444, the Title VI amendments signed into law in October 1976.

Young Adult Conservation Corps (Title VIII): the Young Adult Conservation Corps appears as a new Title VIII of CETA with a three-year authorization (fiscal '78-'80) under P.L. 95-93. It is open to unemployed youth ages 16-23 without an income criterion. Thirty percent of the funds for this title will be available for state and local programs on the basis of total youth population within each state. $233.33 million of the $1 billion previously mentioned (P.L. 95-29) will be available for Title VIII of which $69.99 million will be for state and local programs.

Economic Stimulus Appropriations P.L. 95-29 Employment Programs

Title	Amount (in millions)
I	-0-
II—Public Service Employment (regular)	1,[illegible]40
III—Youth Programs (assigned to III-C and VIII by P.L. 95-93)	1,000
Skill Training Improvement Programs (STIP)	250
Help Through Industry Training and Employment (HIRE)	120
IV—Job Corps	68
VI—Public Service Employment (countercyclical)	6,847
Older Americans Act (Title IX)	59.4

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Department of Transportation

Federal Highway Administration and National Highway Traffic and Safety Administration

For information on all FHWA programs, contact your state highway agency or FHWA division offices.

This section on federal-aid highway funds includes information on both Federal Highway Administration (FHWA) and National Highway Traffic Safety Administration (NHTSA) safety programs.

Much of the information in this section comes from "Highways and Safety 1976—A Summary of the Federal-Aid Highway Act of 1976," published by the Highway Users Federation, Washington, D.C., and "Financing Federal-Aid Highways—Revisited," published by the Federal Highway Administration. NACo thanks the Highway Users Federation and FHWA for permission to use their information, including tables. Copies of both booklets are available from the NACo Transportation team.

Federal-Aid Highway Act of 1976 (OMB # 20.205): This act provides funding for the three-month transition period (July 1-Sept. 30, 1976—prior to the start of the new fiscal year, Oct. 1, 1976) and for fiscal years '77 and '78.

Table 1, "Authorizations: Federal-Aid Highway Act of 1976, Highway Safety Act of 1976," indicates funds for highway and safety programs. Some additional programs, however, are not included. The table shows those funds which come from the Highway Trust Fund and those from the general funds of the U.S. Treasury.

Authorizations
Federal-Aid Highway Act of 1976, Highway Safety Act of 1976
(millions of dollars)

	From Highway Trust Fund						From General Funds					
Highway Development	Fiscal '76*	3 Months Ending 9-30-76	Fiscal '77	Fiscal '78	Fiscal '79	Total Thru Fiscal '79	Fiscal '76*	3 Months Ending 9-30-76	Fiscal '77	Fiscal '78	Total Thru Fiscal '78	Grand Total
Interstate[1]	3,000	—	3,250	3,250	3,250	9,750	—	—	—	—	—	9,750
Interstate—Min. ½ %	50	—	—	91	125	216	—	—	—	—	—	216
Interstate—Rehabilitation	—	—	—	175	175	350	—	—	—	—	—	350
Primary[2]	1,415	—	1,350	1,350	—	2,700	—	—	—	—	—	2,700
Secondary (Rural)	450	—	400	400	—	800	—	—	—	—	—	800
Urban System	800	—	800	800	—	1,600	—	—	—	—	—	1,600
Non-Interstate Transition Quarter	—	1,637.39	—	—	—	1,637.39	—	—	—	—	—	1,637.39
Economic Growth Center Dev. Highways	100	—	50	50	—	100	—	—	—	—	—	100
Forest Highways	33	8.25	33	33	—	74.25	—	—	—	—	—	74.25
Public Lands Highways	16	4	16	16	—	36	—	—	—	—	—	36
Emergency Relief	60	15	60	60	—	135	40	10	40	40	90	225
Access Roads	—	—	—	—	—	—	25	3.75	15	15	33.75	33.75
Traffic Signal Demo. Projects	—	—	40	40	—	80	—	—	—	—	—	80
Highway Beautification, Landscaping	—	—	—	—	—	—	11.5	0.37	66.5	66.5	133.37	133.37
Off-system Safer Roads[3]	(100)	—	—	—	—	—	200	—	200	200	400	400
Highways Crossing Fed. Projects	—	—	—	—	—	—	—	—	100	—	100	100
Rural Highway Public Trans. Demo.	40	—	—	—	—	—	20	—	—	—	—	—
Bikeway Demo. Projects	—	—	—	—	—	—	10	—	—	—	—	—
Total Fiscal Year Authorizations[1]—Highway Development	6,092.30	1,675.41	6,153.84	6,389.26	3,550	17,768.51	679.2	98.46	781.50	667.64	1,547.60	19,316.17
Highway Safety												
State and Community Grants												
NHTSA	150	—	122	137	—	259	—	—	—	—	—	259
FHWA	35	—	25	25	—	50	—	—	—	—	—	50
Research and Development												
NHTSA	65	10	40	50	—	100	—	—	—	—	—	100
FHWA	10	2.5	10	10	—	22.5	—	—	—	—	—	22.5
Incentive Grants	56.5											
Fatality Rate Reduction	—	1.875	7.5	7.5	—	16.875	—	—	—	—	—	16.875
Fatality Reduction	—	1.875	7.5	7.5	—	16.875	—	—	—	—	—	16.875
Bridge Reconstruction & Replacement	125	—	180	180	—	360	—	—	—	—	—	360
Pavement Marking	75	—	50	50	—	100	—	—	—	—	—	100
High-Hazard Locations & Obstacles	150	—	125	125	—	250	—	—	—	—	—	250
Rail-Highway Grade Crossings												
On-system	75	—	125	125	—	250	—	—	—	—	—	250
Off-system	—	—	—	—	—	—	—	18.75	75	75	168.75	168.75
Federal-aid Safer Roads Demo. Program[3]	100	—	—	—	—	—	—	—	—	—	—	—
Drug Use & Driver Behavior	10	—	—	—	—	—	—	—	—	—	—	—
Total Fiscal Year Authorizations—Safety	851.5	16.25	692.0	717.0	—	1,425.25	—	18.75	75.0	75.0	168.75	1,594.0
Grand Total	**6,943.80**	**1,691.66**	**6,845.84**	**7,106.26**	**3,550**	**19,193.76**	**679.2**	**117.21**	**856.50**	**742.64**	**1,716.35**	**20,910.11**

*Authorized in Federal-Aid Highway Act of 1973 and Federal-Aid Highway Amendments of 1974.

[1]Interstate funds authorized for fiscal '77, '78, and '79 in the Federal-Aid Highway Act of 1973. Fiscal '77 funds apportioned in December 1975.

[2]Primary System—Fiscal '76 authorizations were Rural Primary, $800 million; Priority Primary Routes, $300 million; Urban Primary Extensions, $300 million; and minimum one-half per cent, $15 million.

[3]Fiscal '76 authorizations were Federal-aid Safer Roads Demonstration Program, $100 million; and Off-system Roads, $200 million.

NOTE: Totals include sums for programs not indicated on table.

The 1978 Appropriations Act imposes aproximately a $7.45 billion limit in fiscal '78. Some of the provisions of the act are:

- Extends expiration date of the Highway Trust Fund for two years—from Sept. 30, 1977 to Sept. 30, 1979.

- Makes Oct. 1 (starting in fiscal '78) the date for apportioning other than Interstate federal-aid highway and safety funds. Previously, non-Interstate funds were apportioned at least six months before the start of the fiscal year.

- Makes funds for federal-aid highway systems (other than Interstate) available for three years after the fiscal year for which authorized, rather than two years, as previously allowed.

- Consolidates rural primary, priority primary and urban primary extension programs into a single primary system funding category.

- Increases authority of states to transfer funds between programs. Up to 40 percent of the funds for primary and secondary systems can be transferred from one to the other. Funds may be transferred between the primary system and the urban system, within a 20 percent limitation. However, local officials in urban areas of 200,000 population or more must approve transfers of urban system funds.

- Amends the 1973 highway act provision which allowed states and local governments jointly to withdraw nonessential large urban area Interstate segments and their costs and receive an equal amount of federal general funds for mass transit. General fund financing for highway projects now is also permitted. To be approved by the Secretary of Transportation, the highway project must be in the same general area as the withdrawn Interstate segment and must be on the federal-aid primary, secondary or urban system.

- Revises the definition of highway construction to include resurfacing, restoration and rehabilitation (R-R-R) of existing roads. Funds can be used to restore existing roadway pavements to a smooth, safe and usable condition. Rehabilitation projects may include strengthening or reconditioning of deteriorated or weakened sections of existing pavement, replacement of malfunctioning joints and pavement undersealings and other similar operations to assure adequate structural support for a new roadway surface. Funding is permitted for projects such as resurfacing or widening rural and urban pavements with or without revision of horizontal or vertical alignment or other geometric features. Congress emphasizes that this definition change shows no intent to fund normal periodic maintenance.

- Amends provisions under which states can certify compliance with federal procedural requirements for non-Interstate federal-aid projects, called "certification acceptance." Rather than requiring that states have procedures "at least equivalent" to those in federal law for certification, the act now allows the Secretary of Transportation to certify a state's procedures if they will "accomplish the policies and objectives" of federal laws and regulations.

- Reinstates an earlier provision of law, the Secondary Road Plan (SRP). Under the provision, the Secretary of Transportation can approve a certified statement from a state highway agency that plans, design and construction of each secondary system project are accomplished according to standards and procedures adopted by the state and approved by the Secretary.

Federal-Aid Highway Programs (OMB # 20.205): The term "system" refers to one of the federal-aid highway systems; "funds" means identifiable sums authorized for specific purposes; and "programs" means groupings of purposes for which funds can be used.

NOTE: With a few exceptions, the federal government does not pay for the entire cost of federal-aid highway projects. Federal funds are normally matched with state and/or local government funds to account for the necessary dollars to complete projects. The federal share is usually based on a percentage of total project cost. Interstate system projects are normally funded 90 percent federal/10 percent state. Most other projects are funded on a 70 percent federal basis. Rather than using the term "federal match," the term "federal share" will be used. Table 5 shows the federal share of programs applicable to counties.

Interstate System Funds: Amounts of $3.25 billion for each fiscal '78 and '79 are authorized. Annual authorizations of $3.625 billion are set for fiscal '80 through '90 to complete federal financing of the Interstate system; these authorizations must be considered tentative since the 1976 act provides for extension of the Highway Trust Fund only until Sept. 30, 1979.

Primary System Funds: Funds authorized are $1.35 billion for each fiscal '77 and '78 for the consolidated primary program. Rural, urban and priority primary programs received separate authorizations prior to the 1976 act. Consolidated primary system funds will be apportioned to the states under a formula based on area, rural area population, mileage of rural and intercity highway mail routes, and an urban factor based on urban area population.

Urban System Funds: For each fiscal '77 and '78, $800 million is authorized. According to the law as of June 30, 1976, the federal-aid urban system must be located in each urbanized area and other such urban areas as the state highway departments may designate and should consist of arterial routes and collector routes, exclusive of urban extensions of the federal-aid primary system. As of Dec. 31, 1976, the federal-aid urban system consists of 124,003 miles.

Secondary System Funds: For each fiscal '77 and '78, $400 million is appropriated. As of June 30, 1976, the federal-aid secondary system consisted of rural major collector routes. As of Dec. 31, 1976, the federal-aid secondary system consists of 398,330 miles.

Safer Off-System Roads Program (SOS): Amount of authorization is $200 million from general funds for each fiscal '77 and '78; federal share—70 percent. However, the fiscal '77 appropriation is $90 million, and funds have been apportioned among the states. All off-system roads funds for fiscal '76 must be used in each state prior to obligation of safer off-system roads funds. (The off-system roads

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program preceded the safer off-system roads program; see below.) Any fiscal '76 off-system funds which have not been obligated may be used for projects in urban as well as rural areas. All fiscal '77 funds must be used in each state prior to obligation of fiscal '78 funds.

The Senate Appropriations subcommittee on transportation has indicated it will support a future supplemental fiscal '79 appropriation if states and counties are successful in obligating fiscal '77 funds.

Out of the fiscal '78 SOS appropriations, $500,000 is designated for initiation of an inspection program to inventory, inspect, and classify all bridges not on a federal-aid system (off-system bridges). A state-by-state distribution of the $500,000 has been made. Contact Tom Bulger at NACo for more information.

The new safer off-system roads program is established by combining the previously authorized off-system roads and safer roads demonstration programs.

Funds are apportioned two-thirds according to the existing off-system formula (one-third area, one-third population of rural areas, and one-third off-system road mileage) and one-third in the ratio which the population in urban areas in each state bears to the total population of urban areas of all states. According to the 1976 legislation, sums apportioned shall be available for obligation "throughout such state on a fair and equitable basis." Previous language provided for "obligation in the counties of such state on a fair and equitable basis."

SOS funds are for "construction, reconstruction, and improvement of any off-system road (including, but not limited to, the replacement of bridges, the elimination of high hazard locations, and roadside obstacles)." "Off-system" means "any toll-free road (including bridges) which is not on any federal-aid highway system and which is under the jurisdiction of and maintained by a public authority and open to public travel." Previously, the program was limited to rural areas.

The principal objective of the program is to construct, reconstruct, or otherwise improve off-system roads and streets, with special emphasis on low-cost projects which contribute significantly to the safety of the traveling public. Final regulations on the SOS program were published in the *Federal Register*, Vol. 42, No. 107, June 3, 1977.

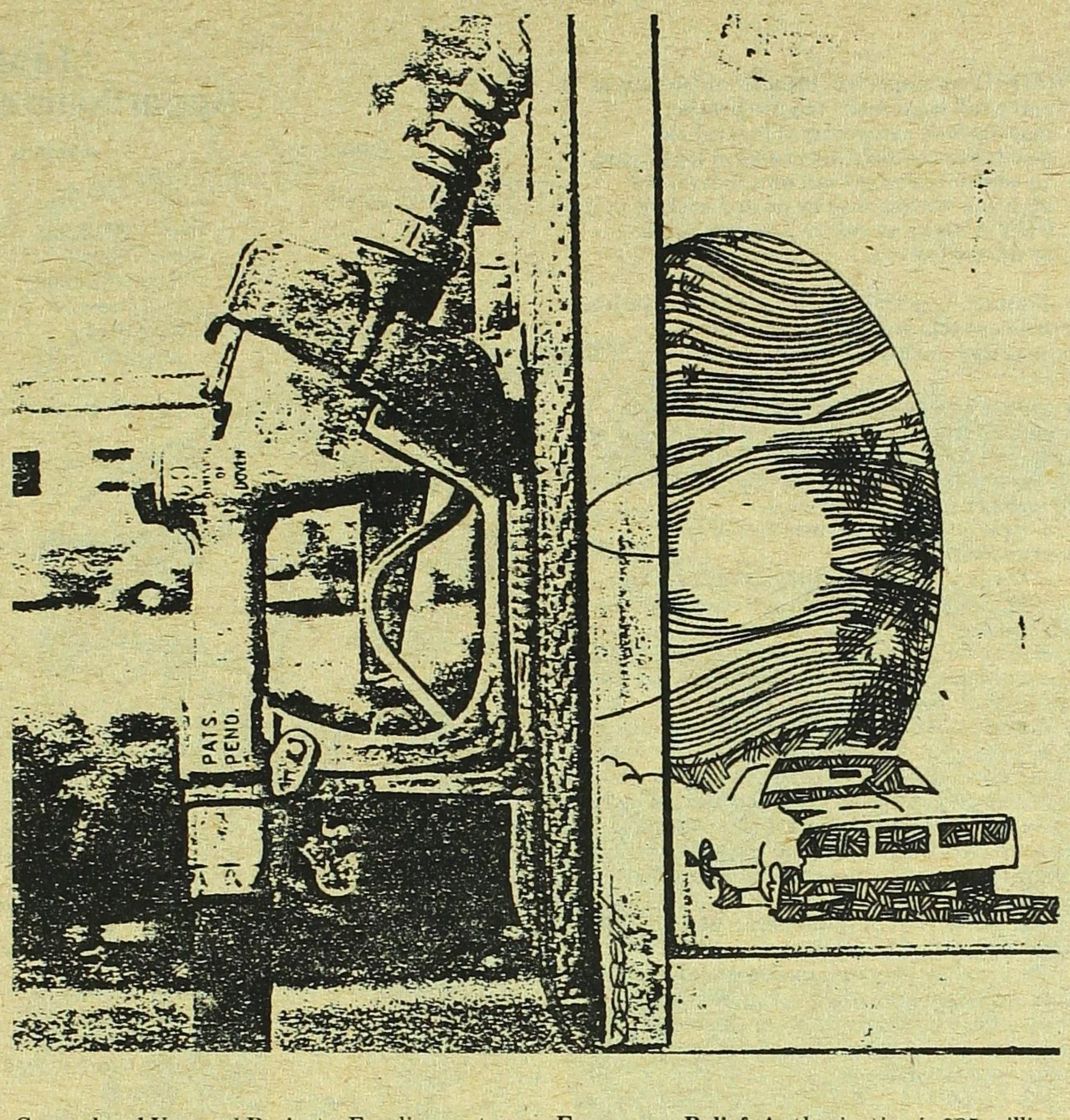
Rural Highway Public Transportation Demonstration Program: Fiscal '75 and '76 appropriations totaling $24.65 million have been obligated for 100 percent funding of 100 demonstration programs. No appropriation was made in fiscal '77, and no appropriation is included in the proposed fiscal '78 budget.

This program was authorized for $75 million by the Federal-Aid Highway Act of 1973 as a two-year program; however, more than $45 million of the authorization has not been appropriated. Although no funds are presently available, the following information is provided in order that counties may participate in the program when funds become available.

The program's objectives are to encourage the development, improvement and use of public mass transportation systems in rural areas by use of demonstration projects. Projects eligible for federal funds include, but are not limited to: highway traffic control devices; construction of passenger loading areas and facilities, including shelters; fringe and transportation corridor parking facilities to serve bus and other public transportation passengers; purchase of passenger equipment other than rolling stock for fixed rail.

Funds may cover both capital and operating expenses for a multiyear period, after which nonprogram funds must be used to continue services. Applications are screened by state and federal field staffs before final selection by the Federal Highway Administration and the Urban Mass Transportation Administration (UMTA).

Traffic Control Signalization Demonstration Projects: Authorization is $40 million from the Highway Trust Fund for each fiscal '77 and '78—100 percent funding. The fiscal '78 appropriation is $20 million. This program is to demonstrate, through technology not in general use, the value of traffic control signalization in increasing the capacity of existing highways, conserving fuel, decreasing traffic congestion, improving air and noise quality and furthering safety. Priority is to be given to projects on any public highway coordinating two or more intersections.



Carpool and Vanpool Projects: Funding up to $1 million for each approved project from primary and urban system funds is authorized; federal share—90 percent. The carpooling demonstration program has been made permanent and expanded to include vanpools to permit acquisition of carpool vehicles, and to provide carpooling opportunities for the elderly and handicapped.

Generally, the program funds those activities which encourage carpooling, use of vanpools, and greater use of buses. Eligible activities include:

- Systems designed for locating potential carpool or buspool users and informing them of participation opportunities.
- Necessary plans to grant carpools, or carpools and buses, priority use of existing highway lanes.
- Studies to determine the best carpool criteria for the specific highways and streets involved (including signing, marking, minor physical modifications, and initial enforcement, equipment, and personnel).
- Traffic control devices to advise drivers and control the movement of carpools.
- Signing of, and minor modifications to, publicly owned facilities to provide preferential parking for carpools.

Bicycle Transportation and Pedestrian Walkways: The federal share is 70 percent. The new act raises the annual limitation on total obligation for bicycle and pedestrian walkway projects from $40 million to $45 million and the limitations for any state from $2 million to $2.5 million. Any federal-aid highway apportionment, except the Interstate, can be used for construction of cyclist and pedestrian facilities. Eligible costs may include:

- Grading, drainage, paving, barriers, landscaping, and necessary structures;
- Supplementary facilities such as shelters, parking, bicycle storage, and comfort stations;
- Traffic control devices;
- Fixed source lighting where appropriate;
- Curb-cut ramps on new and existing facilities;
- Right-of-way;
- Walks, barriers, and additional widths and lengths on bridges necessary for route continuity;
- Grade separations under certain conditions.

Access Highways to Public Recreation Areas on Certain Lakes: Federal share—70 percent. The fiscal '76 appropriation was $10 million. The '77 DOT appropriations act provides that this appropriation remain available until Sept. 30, 1979; it also provides an additional $4.8 million for the program. The fiscal '78 appropriation is $8.65 million.

Emergency Relief: Authorization is $25 million for the three-month transition period and not more than $100 million in any one fiscal year, beginning with fiscal '77; federal share is 70 to 100 percent. Funds are authorized for the repair of federal-aid roads, highways, and bridges damaged by natural disasters and other catastrophes. Funding continues at 60 percent from the Highway Trust Fund and 40 percent from general funds.

Eligible activities include permanent repairs to, or reconstruction of, damaged facilities within the highway right-of-way. Before emergency funds can be made available there must be "serious" damage over a wide area, an emergency must be declared by the governor of the affected state, the declaration must have concurrence by the Secretary of Transportation, and an application for emergency assistance must be made by the state highway agency.

Roads and streets not on a federal-aid highway system may be eligible for assistance from the Federal Disaster Assistance Administration which administers a similar program under the Disaster Relief Act of 1974.

Highway Beautification and Landscaping (OMB # 20.214): Funds available from the general fund (federal share—70 percent) include: $25 million for each fiscal year '77 and '78 for landscaping and litter removal (litter removal is a new provision); and $15 million for each fiscal '77 and '78 for junkyard control. The fiscal '78 appropriation is $19.15 million.

Regular federal-aid construction funds, from the Highway Trust Fund, can be used for landscaping and scenic enhancement inside and adjacent to the highway right-of-way on federal-aid projects. Previously, landscaping development outside the right-of-way was financed by general funds.

Highway Safety: Safety programs in the 1976 act are contained in a separate title, the Highway Safety Act of 1976. The act authorizes appropriations of nearly $1.6 billion during the 27 months from July 1, 1976 to Sept. 30, 1978. Some of the safety programs include:

- State and community safety grants (both FHWA and NHTSA);
- Bridge reconstruction and replacement;
- High hazard locations and roadside obstacles;
- Rail-highway crossings; and
- Pavement markings.

State and Community Safety Grants (OMB # 20.600): Money granted to states is used for safety activities under the national highway safety program standards. The program is administered at the national level by the National Highway Traffic Safety Administration (NHTSA) and the Federal Highway Administration (FHWA).

NHTSA has primary responsibility for administering the following highway safety program standards: periodic motor vehicle inspection, motor vehicle registration, motorcycle safety, driver education, driver licensing, codes and laws, traffic courts, alcohol in relation to highway safety, traffic records, emergency medical services, pedestrian safety—education aspects, police traffic services, debris hazard control and cleanup, pupil transportation safety, and accident investigating and reporting.

For NHTSA state and community grants, the 1976 safety act authorizes $122 million for fiscal '77 and $137 for fiscal '78. In each fiscal year, $7 million must be used for school bus driver training programs.

There is a $172 million limit for fiscal '78 for obligations that may be incurred for NHTSA's state and community highway safety programs. According to the Senate Appropriations subcommittee on transportation, "funds are to be used to continue to maximize state investments in such high payoff areas as alcohol countermeasures and selected traffic enforcement, with emphasis on the demonstrated life-saving and fuel-saving elements of the 55 m.p.h. speed limit."

For more information on NHTSA programs, contact either your governor's safety representative through the governor's office; the National Highway Traffic Safety Administration, Washington, D.C. 20590; or the National Highway Traffic Safety Administration regional offices.

The FHWA administers the standards on: identification and surveillance of accident locations; highway design, construction, and maintenance; traffic engineering services; and the engineering and traffic control devices portions of the pedestrian safety standard.

The Highway Safety Act of 1976 authorizes for FHWA state and community grants $25 million for each fiscal '77 and '78. The '77 DOT appropriations act establishes a fiscal '77 funding level of $21 million. The '78 DOT appropriations act establishes a fiscal '78 funding level of $28 million.

High Hazard Locations and Roadside Obstacles: Authorization is $125 million for each fiscal '77 and '78 from the Highway Trust Fund; federal share—90 percent. The 1973 Safety Act established special categories of grants for elimination or reduction of hazards at high hazard locations and for elimination of roadside obstacles on the federal-aid highway system. The 1976 act combines these programs into one funding category.

Rail-Highway Crossings: Authorization is $125 million each for fiscal '77 and '78 from Highway Trust Fund; federal share—90 percent. Funding for elimination of hazards at rail-highway grade crossings on any federal-aid highway system other than the Interstate is continued under the act, with a provision that at least one-half of the money be used for the installation of protective devices at crossings.

The act also creates a new program for the elimination of hazards at rail-highway crossings on roads off the federal-aid system. Funding of $18.75 million from the general fund is authorized for the three-month transition period; $75 million each for fiscal '77 and '78.

Funds for the off-system rail-highway crossing program have been apportioned to the states one-half on the basis of area, rural population and specified rural mail routes, and one-half by urban population. This is the same apportionment formula as the on-system program.

States can now use the authorized amount of transition period funds and fiscal '77 funds for the off-system rail-highway crossing program. State highway agencies will approve county projects on a first come, first served basis.

Pavement Marking: Authorization is $50 million for each fiscal '77 and '78 from Highway Trust Fund; 100 percent funding. The new legislation eliminates the requirement that DOT Secretary give priority under the pavement marking program to federal-aid secondary system and off-system roads.

As previously authorized, funds can be transferred to off-system locations for correction of high hazard locations when all rural pavement markings have been completed.

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Special Bridge Programs

Special Bridge Replacement Program: Authorization is $180 million for each fiscal '77 and '78 from the Highway Trust Fund; federal share—75 percent. Funds may be used for inventory, inspection and classification of bridges as well as replacement of deficient structures. Funds may be used only for bridges on a federal-aid highway system. Eligible activities include:

- Total replacement of deficient bridge at or close to existing location.
- Complete relocation of a deficient bridge with a new structure in the same general corridor.
- Replacement of superstructure when substructure is structurally adequate.

The deficient bridge must be removed or permanently closed following the opening of the replacement bridge. Funds may not be used for costs of right-of-way, utility relocation or adjustments, long approach fills, or similar items (other federal-aid highway funds may share in the cost of these items). The structure to be replaced must be on one of the federal-aid highway systems. It must be inspected, rated, and be determined to be deficient; submitted as a replacement candidate, and must be considered as having a high priority for replacement.

FHWA Highway Safety Program Funds: These funds may be used for inventory, inspection and classification of bridges either on or off a federal-aid highway system, but not on a state highway. Funding is 70 percent federal and may be increased up to 95 percent in states with large areas of public lands. For fiscal '77, $25 million is available nationwide for all of the FHWA 402 safety programs.

FHWA Safer Off-System Roads Funds (see description of SOS program): These funds may be used for inventory, inspection and classification of bridges on roads and streets which are not on a federal-aid highway system. Funding is 70 percent federal and possibly may be increased in states with large areas of public lands. For fiscal '77, $200 million is available nationwide for SOS programs. The fiscal '78 appropriation is $90 million; $500,000 of this is for initiation of an inspection program to inventory, inspect, and classify off-system bridges. A state-by-state distribution of the $500,000 has been made.

The inspection program is to be done according to the Federal Highway Administration's National Bridge Inspection Standards. States that have completed initial inventories of off-system bridges with other funds may use fiscal '78 SOS funds to update their inventories.

FHWA Highway Planning and Research Funds: These funds may be used by states to collect inventory data (as required under the Special Bridge Replacement Program) for bridges either on or off the federal-aid highway systems. These funds may not be used for structural appraisal or posting of bridges.

NOTE: Once inspected, bridges which cannot carry full legal loads require posting. Appropriate categories of federal-aid construction funds may be used for posting. In addition, bridges not on a federal-aid highway system may be posted with the FHWA highway safety program funds mentioned above.

Contact Tom Bulger, NACo transportation legislative representative, for more information on bridge funds.

Program Transferability: The 1976 act increases from 30 to 40 percent the amount of Highway Trust Fund apportionments that states can transfer from one funding category to another in three programs:

- Special bridge reconstruction and replacement.
- On-system rail-highway grade crossing.
- High hazard locations and roadside obstacles.

It is no longer required that the purpose of the individual program be met before transfer can be approved. The Secretary of Transportation is given additional authority to approve the transfer of up to 100 percent of the apportionment from one of the three above safety programs to another if requested by the state. In this case, the Secretary must be assured that the purposes of the program from which the funds are being transferred have been met.

Also, all or part of the general funds apportioned for the off-system rail-highway grade crossing program can be transferred to the safer off-system roads program. This transfer can be approved by the Secretary if the purposes of the off-system crossing program have been met.

How Federal-Aid Highway Programs Are Funded. (Information is updated to include provisions of the Federal-Aid Highway Act of 1976.) The process of funding federal-aid highway projects is extremely complex. It is hoped that the following information will clarify the process. The information, including tables, comes from a portion of a Federal Highway Administration publication, "Financing Federal-Aid Highways—Revisited," by Barry Felrice.

Highway Trust Fund, General Fund Highway Financing: The Federal-Aid Highway Act of 1956 established the Highway Trust Fund as a mechanism for financing the then accelerated highway program. The trust fund is not a physical entity in which revenues are deposited. It is only a bookkeeping entry in the Treasury. User taxes are not deposited in the trust fund but in the general fund of the U.S. Treasury. Amounts equivalent to these taxes are then transferred from the general fund to the trust fund. Transfers are made at least monthly on the basis of estimates by the Secretary of Transportation and later adjusted on the basis of actual tax receipts.

Not all federal-aid highway funds come from the Highway Trust Fund; some programs are financed by the general fund. Table 2 shows the source and percentage of funds for programs involving counties.

Table 2
Trust Fund and General Fund Financing

Fund	Percent Financed From: Trust Fund	Percent Financed From: General Funds
Secondary System	100	
Urban System	100	
Forest Highways	100	
Public Lands Highways	100	
Economic Growth Center Development Highways	100	
Landscaping and Litter Removal		100
Control of Junkyards		100
Safer Off-System Roads		100
Access Highways		100
Traffic Control Signalization Demonstration Projects	100	
Highway Safety Programs	100	
Bridge Reconstruction and Replacement	100	
Pavement Marking	100	
High-Hazard Locations and Roadside Obstacles	100	
Rail-Highway Crossings		
(a) on a Federal-aid system	100	
(b) off Federal-aid Systems		100

Table 3
Apportionment Formulas

Fund	Factors	Weight	Minimum Apportionment
Secondary System	Area	1/3	1/2 percent (except for D.C.)
	Rural Population	1/3	
	Rural Delivery Route Mileage and Intercity Mail Route Mileage	1/3	
Urban System	Urban* Population	1	1/2 percent
Urban Transportation Planning	Urbanized Population	1	1/2 percent
High-Hazard Locations and Roadside Obstacles	Total Population	3/4	1/2 percent
	Public Road Mileage	1/4	
Forest Highways	Area of Forests	1/2	———
	Value of Forests	1/2	
Safer Off-System Roads	Area	2/9	———
	Rural Population	2/9	
	Off-System Road Mileage	2/9	
	Urban Population	1/3	
Highway Safety Programs	Total Population	3/4	1/2 percent**
	Public Road Mileage	1/4	
Rail-Highway Crossings (on a federal-aid system)	Area	1/6	———
	Rural Population	1/6	
	Rural Delivery Route Mileage and Intercity Mail Route Mileage	1/6	
	Urban Population	1/2	
Rail-Highway Crossings (off-system)	Area	1/6	———
	Rural Population	1/6	
	Rural Delivery Route Mileage and Intercity Mail Route Mileage	1/6	
	Urban Population	1/2	

For information on state apportionments, contact your state highway agency.

*Places of 5,000 or more persons.
**Except that the Virgin Islands, Guam and American Samoa each get only one-third percent.

Highway Authorizations: The first step in the funding is authorization by Congress. Federal-Aid Highway Acts provide funds, termed "authorizations," for the federal-aid highway program. Over the past 50 years, this program has expanded from two categories (primary and forest highways) to more than 40 categories, each having a separate authorization.

Authorizations are amounts of money the Secretary of Transportation is permitted to obligate on behalf of the federal government. They are the maximum limits on the amount of federal funds which can be spent.

Contract Authority: The federal-aid highway program differs from other federal programs. Most federal programs require a two-step process. The first step is the congressional passage of authorizations (indicated above). The authorizations may be used only after passage of a second piece of legislation, an appropriations act. It is at this point that the program may proceed.

In the highway program, most categories do not require this two-step authorization-appropriaton process to obligate federal funds. Through what is termed "contract authority," sums authorized in federal-aid highway acts are available for obligation prior to their being apportioned. The use of contract authority was first legislated in the Federal-Aid Highway Act of 1922.

Apportionment and Apportionment Formulas: FHWA apportions or divides the sums authorized for the various highway programs among the states. The apportionment is based on several formulas prescribed by law. Table 3, above, shows formulas for apportioning authorized sums for certain highway programs appropriate for counties.

Allocations: Some funds do not contain a legislatively mandated apportionment formula. In these cases, the sums are divided among the states at the discretion of the Secretary of Transportation. These discretionary or administrative divisions are called "allocations," rather than apportionments.

Table 4 below indicates some allocated funds and how funds are distributed.

Table 4
Allocated Funds

Fund	Distribution
Emergency Relief	Project by project
Control of Junkyards	As requested by States
Economic Growth Center Development Highways	Administratively derived formula giving equal weight to: area, mileage of rural delivery and intercity routes, and population outside of urbanized areas. One-half percent minimum.
Special Bridge Replacement	Relative needs

Federal Grants

Obligations—Availability: At the time of apportionment, certificates denoting the sums deducted and the exact amount of each apportionment are transmitted to each state highway agency. It is through these certificates that states receive the ability to obligate the federal government to repay the debts they incur. Thus each apportionment connotes the granting of new "obligational authority." It is not cash that is apportioned; it is only authority to incur new obligations.

Federal-aid funds are available for obligation for a period of four year. Funds for use on other than the Interstate system are to be apportioned on Oct. 1, the first day of the fiscal year for which they are authorized. These non-Interstate funds are available "for a period of three years after the close of the fiscal year for which such sums are authorized ... ." Thus, they are available for four years. Prior to the Federal-Aid Highway Act of 1976, non-Interstate funds were available for two years after the fiscal year for which they were authorized.

Should a state not obligate its entire apportionment within this four-year period, the authority to obligate the remainder lapses.

Federal Share of Project Costs: As mentioned earlier, with a few exceptions, the federal government does not pay for the entire cost of federal-aid highway projects. The table below shows the federal share for funds of interest to counties.

Table 5
Federal Share of Funds

Fund	Federal Share (percent)
Interstate System	90*
Primary System	70*
Secondary System	70*
Urban System	70*
Emergency Relief	70**
Railway-Highway Crossings	70**
Outdoor Advertising	75
Control of Junkyards	75
Economic Growth-Centers	70***
Bridge Replacement	75
Pavement Marking	100
High Hazard Locations and Roadside Obstacles	90
Access Highways to Lakes	70
Highways Crossing Federal Projects	100
Forest Highways	100
Public Lands Highways	100
Safer Off-System Roads	****
Highway Safety Programs	70*
Rural Highway Public Transportation Demonstration Program	100
Demonstration Projects-Railroad Highway Crossings	70*
Traffic Control Signalization Demonstration Projects	100
Rail-Highway Crossings (on/OFF A Federal-aid system)	90

* May be increased up to 95 percent for states with large areas of "public lands."
** May be increased to 100 percent.
*** May be increased to 100 percent for engineering and economic surveys.
**** Unknown at this date.

Urban Mass Transportation Administration

For information on all UMTA programs, contact the Urban Mass Transportation Administration, Office of Public Affairs, 400 7th Street S.W., Room 9330, Washington, D.C. 20590; (202) 426-4043; and UMTA regional offices in the 10 federal regions.

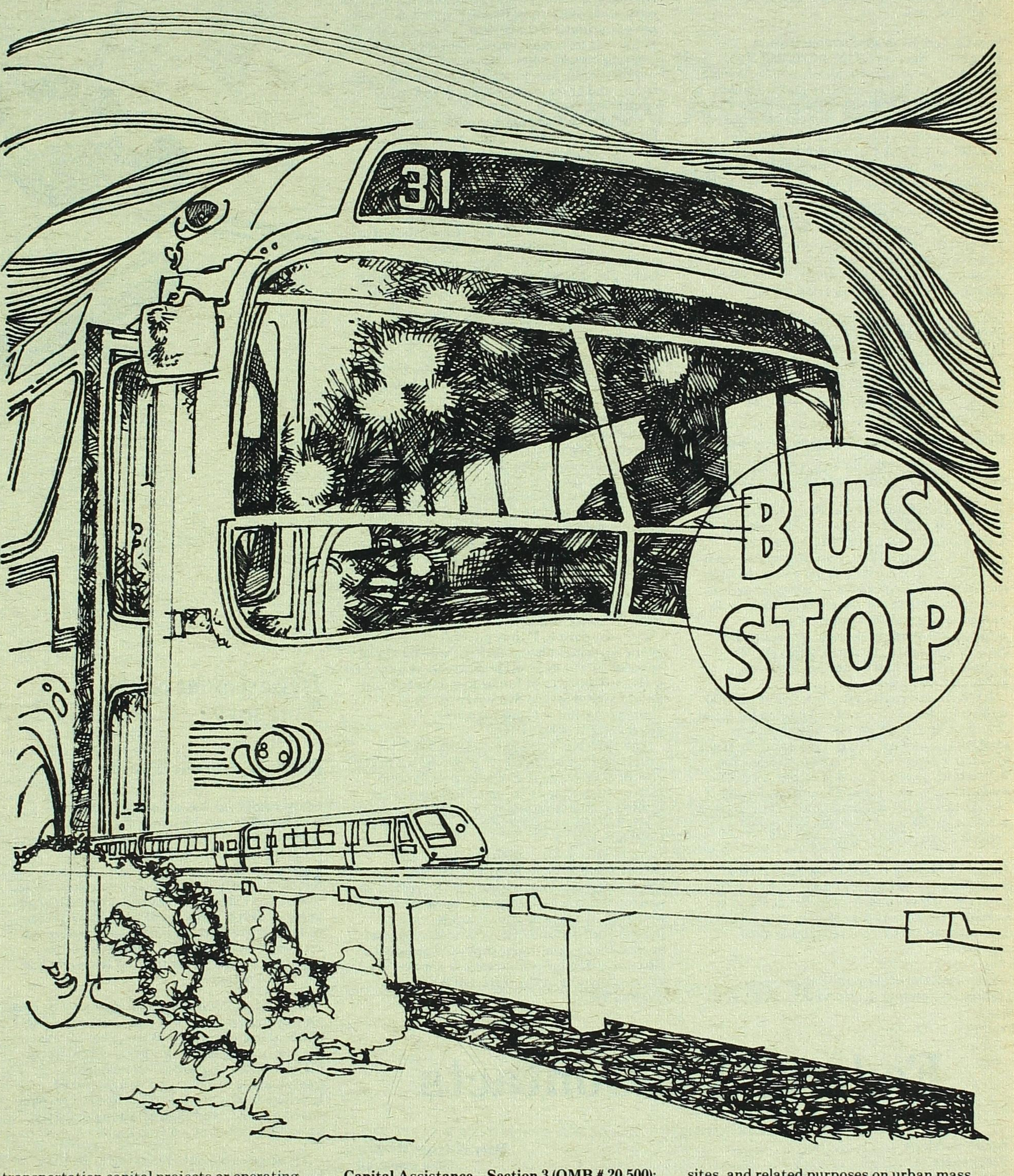
Capital and Operating Assistance: The National Mass Transportaton Assistance Act of 1974 (NMTA) amended the Urban Mass Transportation Act of 1964 to establish an $11.8 billion, six-year mass transportation program. Up to $500 million of the $11.8 billion may be spent in rural areas under Sections 3, 6, and 9 of the act. No funds can be spent for operating expenses in rural areas (Section 5).

Operating and Capital Funds—Section 5 (OMB # 20.507): Section 5 provides for the apportionment by formula of $3.975 billion over a six-year period to urban areas (designated recipients) for either mass transportation capital projects or operating assistance. Operating expenses include, for example, gasoline, oil, labor, and maintenance costs associated with capital equipment. The distribution formula is based one-half on population and one-half on population density. The federal matching share for funds used for capital purposes is up to 80 percent. The federal share for operating assistance may be up to 50 percent of the project; however, this is limited by the availability of Section 5 funds and local matching funds.

The schedule provided by NMTA calls for distribution of the formula funds through fiscal '80 as follows:

Fiscal Year	Amount (in millions)
1975	$300
1976	500
1977	650
1978	775
1979	850
1980	900

These sums are to remain available for obligation by the governor or designated recipient for two years following the close of the fiscal year of apportionment.



Capital Assistance—Section 3 (OMB # 20.500): The fiscal '78 obligational authority for capital facilities grants is $1.4 billion. In fiscal '77 the amount obligated was $1.25 billion to provide capital assistance to public bodies. UMTA provides up to 80 percent of project costs, such as facilities and equipment which include personal property, buses, and other rolling stock; and real property which includes land, but not public highways, within the area affected by the construction and operation of transit improvements, including station sites.

This is a "discretionary program" with grants made on a case-by-case basis. The most common use of funds by counties is for purchase of buses and related equipment.

There is no specific state role in the application process. UMTA encourages counties to submit a joint application on behalf of several communities. Rural counties may apply for Section 3 funds using the same grant application process as that in urbanized areas.

Ten-year Capital Loans (OMB # 20.501): Under Section 3 these loans are available to finance the acquisition of real property and interests in real property for use as rights-of-way, station sites, and related purposes on urban mass transportation systems. Section 3 also provides funds for preliminary engineering studies.

Planning Assistance and Technical Studies—Section 9 (OMB # 20.505): The fiscal '78 obligation amount is $55 million. Section 9 funds may be used for the planning, engineering, design, and evaluation of urban mass transportation projects and for other technical studies, included or proposed, for an urban transportation program as part of a comprehensive development of an urban area. Counties, in conjunction with councils of governments, have been active in using technical studies funds. Counties in rural areas may use Section 9 funds to prepare local transit development programs required to qualify for UMTA capital assistance to nonurban areas.

Research, Development and Demonstration (R, D and D)-Section 6 (OMB # 20.504): The fiscal '78 appropriation for Section 6 is $70 million. The fiscal '77 appropriation was $61.2 million. R, D and D grants and contracts are awarded for the development, testing and

Federal Grants

demonstration of new facilities, equipment, techniques and methods to improve mass transportation service and contribute toward meeting total urban transportation needs at minimum cost.

Service and Methods Demonstration Program—Section 6 (OMB # 20.506): This Section 6 program provides funds to develop, test and promote innovative and nationally relevant public transportation services and methods, including those for the elderly and handicapped. Funds may cover up to 100 percent of project expenses involving capital investment, operations, administration, and evaluation during the projects's life (usually 1 to 3 years).

Grants may be made to counties submitting unsolicited proposals; however, potential applicants should initially contact UMTA informally (by letter or telephone) to determine demonstration concept compatibility with current UMTA demonstration plans.

Managerial Training Grants—Section 10 (OMB # 20.503): About $500,000 is available in each fiscal year '77 and '78. UMTA awards not more than 100 fellowships each year for training managerial, technical and professional personnel in the urban mass transportation field.

Federal Aviation Administration

For more information on FAA programs, contact FAA regional, area or district office.

Airport Development Aid Program (ADAP) (OMB # 20.102): The Airport and Airways Development Act of 1976 extended this program through 1980. Funding comes from the Airport and Airway Trust Fund. ADAP includes both a construction grant program and a planning grant program for air carrier and general aviation airport. Air carrier airports are those with regularly scheduled service. General aviation airports serve private aircraft and do not have regularly scheduled service.

ADAP construction funds amount to $400 million for fiscal '77 and $465 million for fiscal '78. "Commuter air service airports" are guaranteed at least $15 million annually from air carrier funds. ADAP authorizations for developing general aviation airports are $70 million for fiscal '77 and $75 million for fiscal '78. At least $15 million annually from general aviation funds must be made available for "reliever" airport development.

Airport Planning Grant Program (OMB # 20.103): For both fiscal '77 and '78, $15 million from the Airport and Airway Trust Fund is available for airport planning grants (PGP). This amount is to remain available until expended.

Counties and other public agencies are eligible for funding in the ADAP program if their airport is included in the National Airport System Plan. This program provides grants for land acquisition; construction of runways, taxiways and aprons; navigation aids; and safety equipment. Expanded purposes under the new legislation include public use terminal space in air carrier airports meeting certain safety and other requirements, purchase of land for noise buffer zones, and snow and noise suppression equipment.

Medium and large hub airports are eligible for 75 percent federal funds. Small hub, general aviation, reliever and commuter airports are eligible for 90 percent grants in fiscal '77 and '78. In fiscal '79 and '80 their federal share is reduced to 80 percent.

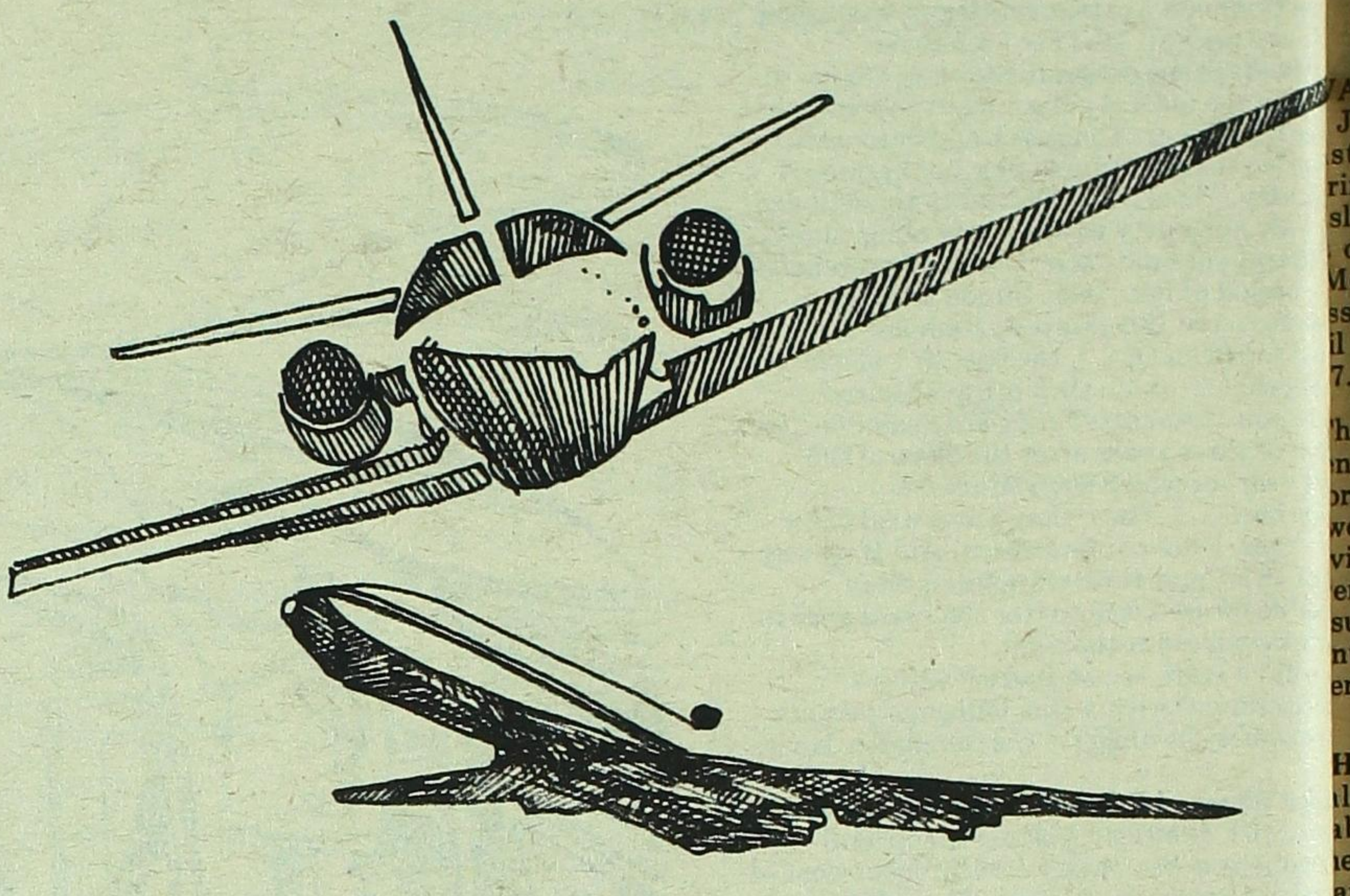
The formula provides that two-thirds of ADAP air carrier funds will be distributed on the basis of a weighted passenger emplacement formula. Every air carrier facility is eligible for a minimum $150,000 up to a maximum $10 million in formula funds. Remaining funds may be expended at the discretion of the Secretary of Transportation, including the $15 million for commuter airports. General aviation funds are distributed partly on a formula basis by state, and partly at the discretion of the Secretary of Transportation.

The 1976 legislation allows the Secretary of Transportation to commit funding for a single project application covering several multiyear projects or several single-year projects which all begin in the year of approval. This provision applies only to those air carrier airports entitled to automatic funding on the basis on an enplanement formula.

Amounts apportioned among the states are available for general aviation airports in the state for a two-year period. Amounts designated for individual air carrier airport sponsors through the enplaned passenger formula contained in the act are available for a three-year period. Funds not obligated by a grant agreement between FAA and an airport sponsor by the expiration date will be added to a discretionary fund for airport development administered by the Secretary of Transportation without regard to geographical boundaries.

The 1976 legislation authorizes FAA to provide public agencies with 75 percent of the cost of developing regional airport system plans. Master plans for specific airports are funded at the same federal level as the airport is eligible to receive for construction grants (75 to 90 percent).

An airport system plan deals with the extent, general type, location, and timing of airport development within a state, region, or metropolitan area. Generally, these plans are prepared by state or areawide agencies. A master plan contains the type of development needed by an existing or proposed airport to serve a particular community or county. The airport must be in the National Airport System Plan.



Department of the Treasury

Office of Revenue Sharing

State and Local Assistance Act of 1976 (General Revenue Sharing): P.L. 94-488 extended the General Revenue Sharing program through Sept. 30, 1980. This legislation authorizes the return of $25.6 billion to nearly 39,000 states, counties, cities, towns, townships, Indian tribes and Alaskan villages. During this fiscal year, $6.85 billion will be distributed. The money is distributed according to a formula based on tax effort, population, intergovernmental transfers and per capita income.

General revenue sharing money may be used for any purpose which is legal under the applicable state and local law. Shared revenues may be used to match grants received under other federal programs. The recipient governments are required to hold public hearings to discuss the use of general revenue sharing money and their relationship to the unit of government's own budget.

Those governments receiving more than $25,000 annually are required to have an "independent" audit in accordance with generally accepted auditing standards once every three years. Recipient governments are prohibited in the use of revenue sharing funds without regard for race, color, national origin, sex, religion, handicapped status or age.

Antirecession Fiscal Assistance to State and Local Governments: The countercyclical antirecession program, authorized by Title II of the Public Works Employment Act of 1976 and amended by the Intergovernmental Antirecession Assistance Act of 1977, provides emergency budgetary assistance (grants) to state and local governments hard hit by the recession. The grants are intended to help those governments avoid service cutbacks, employee layoffs or tax increases, and thus avoid actions which contradict other federal actions intended to spur economic recovery. The program would be activated when the national rate of unemployment exceeds 6 percent and would shut itself off when national unemployment drops below that level.

The level of countercyclical assistance authorized by Title II varies with changes i[n] the national unemployment rate. The act as amended in 1977 authorized funds for July 1 1977 through Sept. 30, 1980. Authorization [for] that period was $1.4 billion.

ACTION

Mini-Grant Program (OMB # 72.010): Project grants are awarded to state and local governments to mobilize relatively large numbers of part-time, uncompensated volunteers to work on human, social, and environmental needs. Local governments applying for grants should initially coordina[te] development of a proposal by contacting the appropriate ACTION regional office. The fiscal '78 estimate is $500,000.

National Student Volunteer Program (OMB [#] 72.005): Advisory services and counseling, specialized services and technical assistance are supplied to state and local agencies desiring to assist the development of studen[t] volunteer programs which provide services [to] the poverty community. Contact the NSVP program through the ACTION agency. The fiscal '78 estimate is $326,000.

ACTION Program for Elderly *(See Administration on Aging, HEW.)*

National Endowment for the Arts

Arts Program (Challenge Grants) (OMB # 45.013): This is a challenge grant program (matching) administered by the National Endowment for the Arts. The endowment is the principal source of funds and informatio[n] on both public and private arts and cultural activities.

For fiscal '78, Congress approved the full $123.5 million for the endowment's 12 program areas. Of this amount, $18 million was indicated for the Challenge Grant Program. This is the first year in the histor[y of] the endowment that Congress has passed a[n] appropriations bill providing full funding f[or] the Administration's budget request.

The *Guide to Programs* put out by the endowment (2401 E Street N.W., Washingt[on] D.C. 20506) explains all endowment progra[ms,] application procedures and eligibility requirements.

Federal Aid Contacts

Aging Services	Mary Brugger Murphy
Alcoholism	Mike Gemmell
Community Action Programs (OEO)	Aliceann Fritschler
Community Development	John Murphy
Criminal Justice (LEAA)	Donald Murray
Criminal Justice (Legislation)	Bill Bertera
Drought	Elliott Alman
Economic Development (EDA)	John Murphy
Education	Mike Gemmell
Employment	Jon Weintraub
Energy	Sue Guenther
Environment (EPA)	Bob Weaver
Environment (Legislation)	Bob Weaver
Federal Regulations and Grants	Linda Church
Health (HEW)	Mike Gemmell
HUD Consolidation	Bruce Talley
Labor-Management Relations (Legislation)	Ann Simpson
Intergovernmental Personnel Act	Bruce Talley
Parks and Recreation (HUD and Interior)	Bob Weaver
Public Lands	Jim Evans
Public Works	John Murphy
Rural Affairs (USDA)	Elliott Alman
Social Services	Aliceann Fritschler/Jim Koppel
Social Services, Title XX	Aliceann Fritschler
Solid Waste	Bob Weaver
Transportation	Marian Hankerd
Transportation (Legislation)	Tom Bulger
Arts	Bruce Talley

Bill Would Expand Public Liabilities

VASHINGTON, D.C.—The Sen- Judiciary subcommittee on the nstitution will be conducting arings this month on far-reaching islation to amend the Civil Rights t of 1871. Sens. Charles Mathias Md.) and Edward Brooke (R-ss.) have cosponsored S. 35, the vil Rights Improvement Act of 77.

The legislation is designed to engthen and guarantee continued forcement of the Civil Rights Act. wever, it contains a number of ovisions which would open county vernments to potentially costly vsuits and would directly affect unty government expenditures in her ways.

THE BILL WOULD eliminate al government immunities, ablish both injunctive and netary relief against the county, and supervisory liability, and minate absolute liability for secutors. The effect of these nges would be to expand the erall liability of local governments h probable increases in litigation, netary judgments, and insurance ts.

cording to Mathias and Brooke, bill is a response to recent preme Court decisions that have nded to restrict access to federal urts to remedy civil rights olations, particularly under Secn 1983 of the Civil Rights Act of 71.

Section 1983 of the act establishes liability of any "person" who, acg under authority of law, causes other to be deprived of his civil hts. The Supreme Court has inpreted "person" to apply only to lividuals, thus preserving the imnity of local governments from tential lawsuits.

This bill specifically defines "per" to include, in addition to the inidual, "any municipality, county, ish, or other state, territorial, or al government subdivision." It ther allows monetary damages inst the governmental unit as l as removing restrictions on inctive relief.

SINCE 1960, the number of suits brought under Section 1983 in federal courts has increased dramatically. While a total of only 283 civil rights suits were filed in that year, the number grew to 8,000 in 1972 under Section 1983 alone. This figure reached 16,000 suits in 1976.

The potential impact on local governments for liability from potential suits could be enormous in terms of costs; this would include the expense of defending such actions, as well as the costs of any monetary judgments rendered against the county.

The sponsors of the legislation have cited the need to ensure the availability of remedies where violations exist—through removal of restrictions on injunctive relief— and to deter future violations—through monetary damages against local governments.

A possible alternative solution, which would provide relief while limiting local government expense, might be to provide injunctive relief, but make monetary damages available only in exceptional circumstances, with a strict ceiling on the amount of damages.

There is precedent for this. Monetary damages have at times been precluded due to "judgment proof" employees. In addition, the Supreme Court has limited the availability of injunctive relief to circumstances where the violation was committed at the direction of the supervisor or the governmental entity.

THE BILL ALSO deals with the immunity currently enjoyed by local prosecutors. While such immunity is eliminated, the bill does not attempt to limit the immunity of legislators or judges themselves. However, the legislation does provide for the liability of the unit of government for any violations that officials may commit. It specifically prohibits the local government from asserting personal immunity from liability as a defense to lawsuits.

NACo will testify when the subcommittee begins hearings. Panel chairman is Sen. Howard Metzenbaum (D-Ohio).

Job Opportunities

ounty Administrator, New Kent County, Va. ry $15,000 to $20,000 commensurate with lifications. Board of supervisors seeks indial with experience in rural public administra- and county government. Must be familiar industrial development and federal prons, utilities development and growth and ennmental preservation problems of a rural munity. Graduate degree in public administion or related field and three to five years onsible administrative experience. Send me to: Acting County Administrator, P.O. 50, New Kent, Va. 23124 by Feb. 22.

unty Health Officer, Dane County, Wis. y $19,000 to $23,100. Duties include devel- and implementing a county health program npassing the functions of the former depart- of Public Health Nurses and Environal Health. Requires a master's degree in c health administration plus three years of nsible public health practice including some visory experience, or an equivalent combin- of training and experience. Further informa- is available from the Dane County Person- ffice, Room 104, City-County Building, Mad- Wis., (608) 266-4123. Closing date Feb. 17.

unty Engineer, P.E. and Assistant Engineer, okee County, Iowa. Salary open. Resume to: okee County Board of Supervisors, Cherokee, 51012, (712) 225-4890.

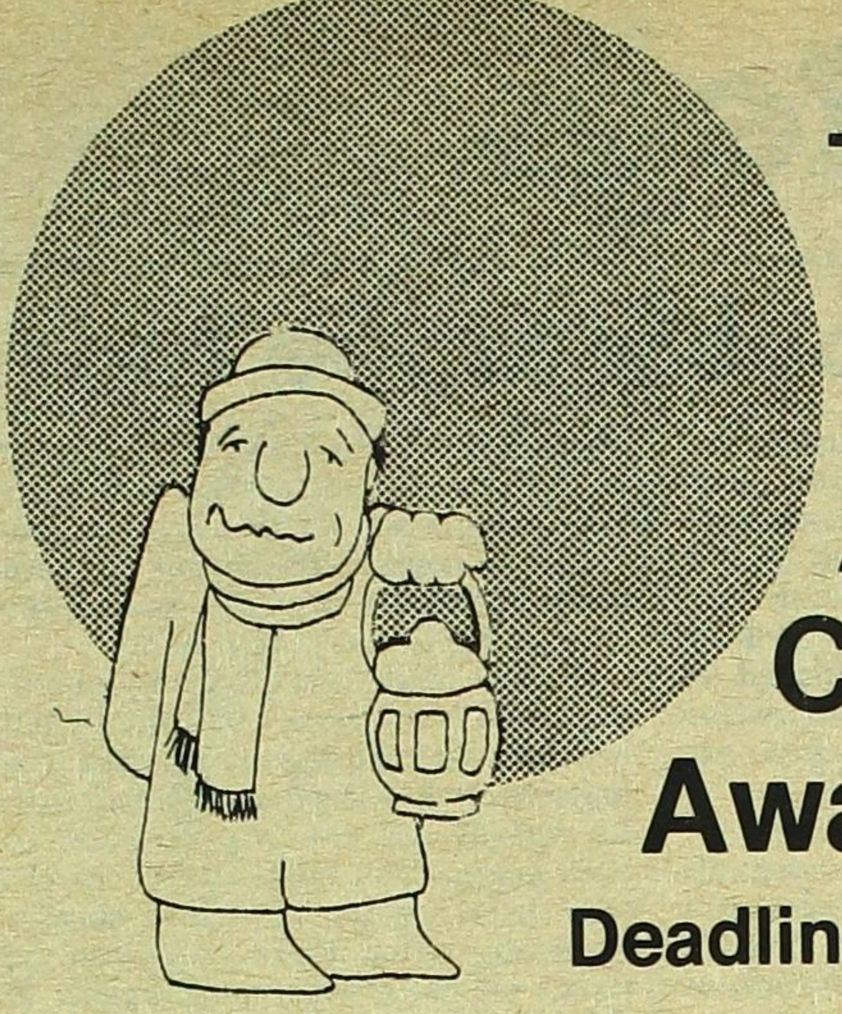
nior Planner/Transportation, Central New Regional Planning and Development Board, Salary $13,125 to $16,477. Responsibilities include assistance in several areas of transtion planning: highway transit, aviation and ad. Work will include refining and impleing transit development programs in small n areas. Master's degree in regional or transation planning, plus two years experience ing with local government required. Resume salary history to Central New York Regional ning and Development Board, Midtown a, Room 711, 700 East Water St., Syracuse, 13210.

Regional Planner I, Lowcountry Council of Governments, Yemassee, S.C. Salary $10,000 to $12,000. Responsible for developing a regional outdoor recreation plan. Master's in urban or regional planning and no experience or master's in related field with two years relevant experience. Planner will participate in broad range of regional planning activities. Send resumes to: N.S. Thompson, Executive Director, Lowcountry Council of Governments, P.O. Box 98, Yemassee, S.C. 29945.

Personnel Director, Washtenaw County, Mich. Shall be responsible for all aspects of personnel function including recruitment, testing, scheduling of interviews, employee relations, union negotiations, grievances, affirmative action, contract compliance, employee training and improvement. Resume to: Washtenaw County Personnel Department, P.O. Box 8645, Ann Arbor, Mich. 48107.

Planning Director, Summit County, Ohio. Salary $20,000 to $28,000. The director will be responsible for a professional staff of 15 employees and shall report directly to the three-member board of county commissioners. Master's degree in urban studies or public services, planning or other related field with a minimum of three years extensive supervisory experience in all phases of government planning, including the administration of federal- and state-funded programs. Send resume and salary history and requirements to: Summit County, Administrator's Office, City-County Safety Building, 53 East Center St., Akron, Ohio 44308 by March 1.

Corrections Administrator, Merrimack County, N.H. Responsible to board of county commissioners for administration of facility for 54 pretrial and adjudicated misdemeanants. Bachelor's degree and three years experience required. Resume to: Board of County Commissioners, 163 North Main St., Concord, N.H. 03301.



The Search Is On

Announcing the 1978

County Achievement Award Program

Deadline for Entry: Feb. 17, 1978

Purpose: To give national recognition to progressive county developments that demonstrate an improvement in the county's structure, management and/or services.

NACo Seeks: 1) to recognize the county government rather than individuals; 2) to solicit programs representing counties with various populations, administrative structures, population mixtures, economic structures, geographic distributions, and various historic and cultural traditions; 3) to elicit a wide range of case studies including an assortment of particular interest to the NACo functional affiliates; 4) to select achievement award recipients on the basis of general recognition of the progressive development in their county rather than on the basis of a national contest.

Case History: 1) Case studies must be accompanied by completed entry form which has been signed by the county elected executive, board chairman, or president of board. 2) The decisive role of the county in developing and implementing the program must be detailed. 3) Evidence of the program's accomplishments over a significant time period must be documented for adequate evaluation for an award. 4) Case studies should be no longer than 10 double spaced, 8-1/2" x 11" pages and must include all information requested on the following outline. When including supportive data, please place it in a 9-1/2" x 12" manila folder to ensure it does not become separated from the case study.

I. Historical Background (use exact dates)
- A. Need for program
- B. Responsibility for program development
- C. Role of the county
- D. Role of other governments, civic groups and press (if applicable)
- E. Means of financing
- F. Law under which program exists

II. Summary of Program's Accomplishments

III. Prospects for Future of Program

Whenever possible include photographs (black and white glossy), charts and other supportive data. All entries become the property of the National Association of Counties. NACo reserves the right to edit all entries for the most effective means of presentation. Selected case histories will be made available through NACo's New County Living Library. Recognition for award recipients will be made at NACo's annual conference.

Miscellaneous: Please include a list of any consulting firms, equipment companies or other private firms utilized by the county in accomplishing your program. Please note that programs which received a NACo Achievement Award in prior years are not eligible for another award. Multiple entries are welcome; however, one plaque will be given with each of the awards listed thereon. Additional plaques may be purchased for $20 each.

1978 New County Achievement Award Entry Form

County________________ State ________________

Mailing address and name of: Board Chairman/President/Elected County Executive

____

____

________________ ________________

Signature

Title of Case StudyProgram to be considered for NACo County Achievement Award:

____

Case Study prepared by:

Name ________________

Department ________________

Title ________________

Address ________________

Phone Number ________________

Date Submitted ________________

Please return to:

New County, U.S.A. Center
National Association of Counties
1735 New York Avenue, N.W.
Washington, D.C. 20006
202/785-9577

Please Note: All materials sent with achievement award entry become property of NACo.

Deadline for all entries to be received by New County, U.S.A. Center is Feb. 17, 1978. For more information call Joan Paschal or Linda Ganschinietz.

EPA's New Regs

Trouble at the Tap?

WASHINGTON, D.C.—The federal government has acted to limit organic substances which may cause cancer in drinking water. Man-made organic contaminants are being found in the water supply of almost every community, although at very low concentrations.

"We're only beginning to understand the health effects of these substances," said Douglas Costle, administrator of the Environmental Protection Agency (EPA). He referred to EPA's action as an "insurance policy to protect the American public."

THE PROBLEM of organics in drinking water has two aspects: contamination by chemicals which are formed at the drinking water plant itself, and contamination by chemicals which are found in the community's raw water supply. EPA's approach is likewise two-pronged.

In proposed regulations due to be published soon, EPA will set a limit on the amount of trihalomethanes (THMs) allowable in the water at the tap. This group of chemicals is formed when chlorine added at the treatment plant to kill bacteria reacts with naturally occurring substances. The THM chemical family includes the known carcinogen, chloroform, the most common organic contaminant of drinking water. The proposed limit, 100 parts per billion, need only be met by the very largest systems, those serving over 75,000 people.

Systems which cannot meet this maximum contaminant level for THMs will have to make technical adjustments in their chlorination process or substitute other disinfectants for chlorine. Those systems serving between 10,000 and 75,000 will be required to monitor the amount of THMs in their drinking water, but will not be required to reduce the level of contamination even if it exceeds 100 parts per billion.

TO LIMIT RAW water organic contaminants, EPA will require systems over 75,000 to install granular activated carbon filters, at present the best known way to remove the chemicals. Only those large systems which can prove their water supply is uncontaminated with organic pollutants will be exempt from making this investment. These pollutants can come from agricultural or urban runoff, sewage discharges or industrial spills. Those systems drawing water from deep underground sources or protected reservoirs may not have a problem, but the burden of proof will be on the community to prove their water is uncontaminated.

EPA estimates that the proposed regulations will involve capital expenditures of about $350 to $450 million over a three to five year period, and total annual operating costs of about $60 million. The average cost for a family of three living in a large county or city would be about $6 to $10 a year. At this time, there is no EPA grant program to help local governments with the expense of upgrading a drinking water system.

Environmentalists have been seeking the regulations for many years. They maintain that protection at the tap against carcinogens may be crucial, since water pollution programs to control discharges of these toxic chemicals into the waterways are just getting off the ground.

On the other hand, others, including some waterworks and municipal officials, feel the regulations are premature or that the health benefits to be derived are not in proportion to their costs. "Not contracting cancer" is a particularly intangible benefit, especially since there has been no direct evidence that consumption of drinking water has actually caused a human cancer, said one official.

UNDERLYING THE new generation of public health and environmental law is a preventative philosophy. Legislative history of the Safe Drinking Water Act of 1974 emphasizes the concept that conclusive proof of an adverse health effect of a substance is not a prerequisite to regulation. This is particularly significant in regulating suspected carcinogens, since they are often present in exceedingly low levels and since cancer can take a long time to develop.

The recent National Academy of Sciences report on the health effects of drinking water contaminants concludes that "methods do not now exist to establish a threshold for long-term effects of toxic agents." This means, as EPA readily admits, that even the proposed maximum contaminant level for THMs is no health guarantee. The standard is designed to take economic and technological feasibility into account. The National Interim Primary Drinking Water regulations already control the levels of several inorganic substances, a few pesticides, turbidity, radioactivity and bacteria.

It is the economic feasibility of the regulations that may be an important issue for local governments. Controlling the THMs may not be a severe financial burden, but those systems which do have to install granular activated carbon (GAC) could incur major costs.

Some communities have a problem with the process-generated THMs, others with organics in their raw water supply. One county, Miami-Dade, Fla., has been identified as having both. The county will probably have to find purer water or install the carbon filter system. The county's estimate of the cost to install the new filter is higher than EPA's by several million dollars.

THE CAPITAL investment, although considerable, could be a smaller burden than the operation and maintenance costs of the system. GAC filters must be regenerated periodically to retain effectiveness. It is over the regeneration costs that EPA and the county disagree. A Dade County water official predicted that the energy bills for regeneration could be immense.

By placing requirements on only the largest systems, the proposed regulations would still protect over 100 million people, or 52 percent of the population served by community systems (those serving 15 connections or 25 people at least 60 days a year). Also, those areas that would be covered under the regulations are those most likely to draw water from polluted sources, or are most likely to use chlorine in the treatment process.

"It's still only a first step," says Costle, referring to this population cut-off. "The experience we gain in carrying out this first phase will help us expand the program later to provide even more comprehensive protection." Eventually, systems serving under 75,000 will be required to comply with regulations, though this may be fairly far in the future. The kinds of costs this would place on residents of these areas is not as yet estimated.

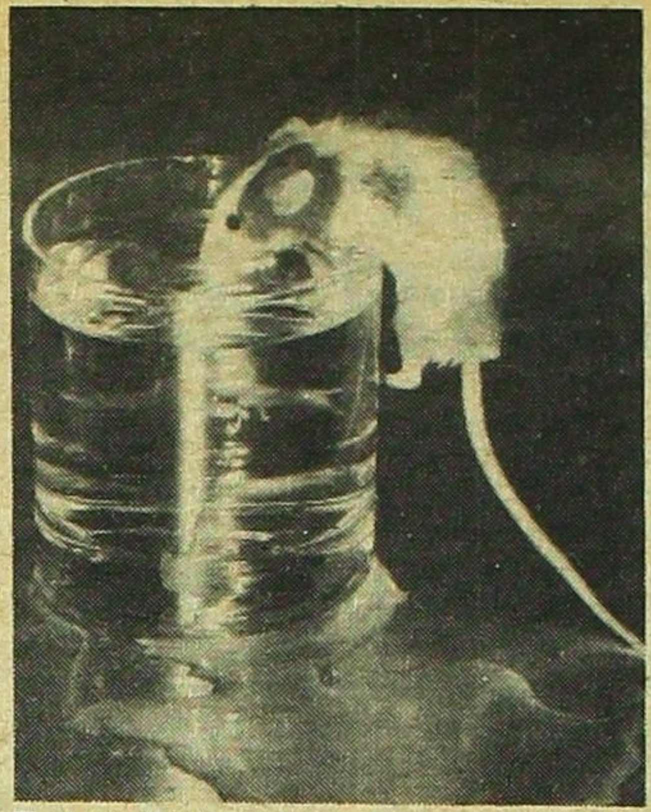
When will our water be safe to drink? Costle reassured the nation recently that he drinks water straight from the tap, even living in the District of Columbia, identified by EPA as having a high THM concentration.

Granular activated carbon systems, when required, will be allowed five years to come into full operation. The efficacy of home filtration systems is unevaluated; their expense and maintenance problems may be more than the average user is willing to bear anyway. Bottled water is in many areas no freer of organic contaminants than tap water.

As detection methods improve, more and more chemical contaminants of drinking water are being discovered in smaller and smaller concentrations. Health protection actions for carcinogens are not measured in terms of cause and effect, but of contribution of reducing the "risk of malignancy."

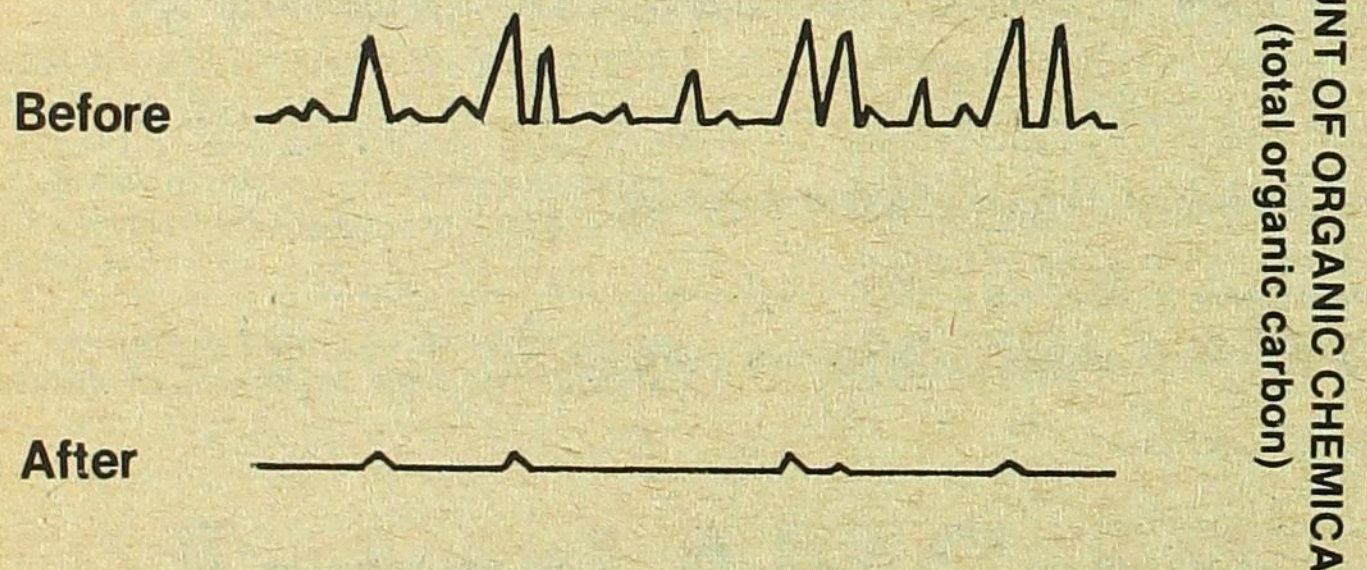
The decisions federal officials are making for us will be based on the balance of the risk with the cost of reducing it.

—Arleen Shulman, NACoR



Extrapolating from mouse to man, scientists try to predict the hazard to humans of exposure to toxic substances. Animal toxicological studies form much of the basis for the proposed EPA regulations. *Photo by Oberhellinger.*

Organic Chemicals in Drinking Water Before and After Granular Activated Carbon Treatment



GAS CHROMOTOGRAPH READOUT

The range of organic chemicals is shown on the horizontal axis, with the chemicals of low molecular weight to the left, and heavier chemicals to the right.

EPA/Corps Form New Water Tean

WASHINGTON, D.C.—Two eral agencies recently announ plans for improved managemen the multibillion dollar program provides grants for the construc of wastewater treatment facilitie

Under the agreement, the En onmental Protection Agency (E will use Army Corps of Engine specialists to review designs and oversee construction of the faciliti

EPA administrator Doug Costle said that the new progr does not imply that the 4,400 sew treatment plants now under struction have not been built to highest standards. He said the ag ment is more a reflection of growth of the program—2,000 struction grants and nearly $5 lion a year after fiscal '78—and an tempt to improve quality control.

Under the plan the corps will tially provide up to 600 "man-yea to EPA. EPA will be responsible review and approval of the plann and early design of the facilities, the corps will then review deta plans and specifications of propo facilities to assure their techn feasibility.

The corps experts will also m sure that the projects are "bid on, contracted for, and construc in accordance with the highest sta ards of the construction industr EPA said.

In addition, the corps will pro continuous on-site presence at jects which cost $50 million or m There are currently about 100 facilities in various stages of struction.

Costle said that help from Corps of Engineers will allow E "more time to devote to envi mental aspects of the construc grant program."

NACo Forming Arts Committe

NACo has received a grant f the National Endowment for Arts to advance the cultural aw ness of counties, to disseminate gather local government experie in the arts field and to empha arts activities in workshops and Achievement Award Program.

An initial task is the estab ment of a national county task f on the arts. NACo is seeking in ested elected and appointed cou officials to serve on this impor advisory body. Interested count ficials should contact Bruce Talle the NACo staff as soon as poss President Beach will announce pointments.

NACo Supports Removal of Employee Education Tax

WASHINGTON, D.C.—NACo support for a Senate bill to rescind federal taxes on employee training and advanced education was voiced in congressional testimony by Chip Morrison, vice president, National Training and Development Service (NTDS).

The Internal Revenue Service (IRS) has ruled that educational and training assistance provided by employers to employees is taxable income to workers if it equips them for advancement or entry into a new field.

The IRS ruling was disputed by Sen. Robert Packwood (D-Ore.) who noted that the "job-related" distinction is ambiguous and can be quite restrictive.

The legislation, S. 2388, introduced by Packwood, is being sponsored by Sens. Gaylord Nelson (D-Wis.), Jacob Javits (R-N.Y.) and Daniel Patrick Moynihan (D-N.Y.).

Morrison told the subcommittee on taxation and debt management that NTDS' sponsoring organizations—NACo, the National Governors Association, the National League of Cities, and the International City Management Association—were backing Senate efforts to rescind the IRS ruling.

Morrison cited specific examples of programs which might be curtailed as a result of the IRS position: programs for hiring the disadvantaged—the unemployed and the underemployed; affirmative action programs for minorities and women; programs of cities, counties and states to encourage public safety personnel (police, fire, corrections and court personnel) to continue their education; and special training and development programs which states, counties and cities have instituted, aimed at improving the overall effectiveness and responsiveness of their organizations.

Said Morrison, "NTDS is joined by our sponsoring organizations in requesting that Congress enact legislation which exempts from taxation public employer tuition payments for training and education and other public employer-sponsored training and development programs.

"We believe that in so doing, Congress can preserve and encourage the present trend to employer-sponsored human resource development programs which recognize work to enhance the human worth and dignity of each individual employee."

NACo believes that different interpretations from one place of employment to the other, an administrative overload in making decisions and figuring taxes for each individual case, and unending hassles with the IRS will result from the IRS position.

The case of the accountant who needs law courses to improve present job skills was cited by Sen. Javits during the hearing.

If that accountant takes courses at an accredited law school, which is generally a prerequisite for taking the bar exam, the accountant m pay taxes on any tuition assista provided by his/her emplo because courses at an accredited school could conceivably lead t new career, he said.

If, however, the accountant ta those same courses at an unacc ited law school, which in most c would preclude taking the bar ex he or she will not be taxed "beca he is not simultaneously prepa for a new trade or business." A under the IRS rulings, employers responsible for making decis (which IRS can challenge) ab which education or training is " able income" to employees— which isn't—and then withhol taxes accordingly.

HEW CONGRATULATES SAN DIEGO COUNTY SUPERVISORS—Arabella Martinez, assistant secretary of the Office of Human Development (OHDS), Department of Health, Education and Welfare, met with San Diego County, Calif. supervisors to congratulate them on successfully streamlining and coordinating the administration of human services programs. "I am particularly impressed," said Martinez, "by the way the community has organized itself in identifying human service needs and then developed comprehensive plans to address those needs. Likewise, how the various citizen and consumer coalition groups were able to agree on county human service needs and priorities, and help determine how the limited human service dollars would be allocated. These kinds of coalitions tend to break up when it comes time to divide the pie." Ms. Martinez is seen in front. Front left (back) is Jim Bates, board chairman; Lucille Moore, board vice chairman; Jim Parham, deputy assistant secretary of OHDS; and Ruben Dominguez, chief administrative officer of the county's Human Resources Agency. San Diego won a NACo Achievement Award last year for its innovative approach to providing services to those who need help.

Welfare Error Rates Stabilize

WASHINGTON, D.C.—Welfare error rates for states and counties administering Aid to Families with Dependent Children (AFDC) are no longer on the decrease. According to statistics recently released by Secretary of Health, Education and Welfare Joseph Califano, the decrease, which began in 1973, has leveled off. In fact, the most recent figures available show a slight increase, from 8.5 percent for the period July-December 1976 to 8.6 percent for the period January-June 1977.

The amount of money misspent on payments to persons ineligible and overpayments to those eligible was $439.7 million, up from $423.4 million.

CALIFANO HAS included in the Administration's welfare reform bill, H.R. 9030, provisions for a greatly strengthened federal computer payment system designed to reduce fraud and error, with a goal of an overall error rate of 4 percent or below.

The system is dependent on federal administration of the cash payment system, and would permit states to perform certain intake functions only. However, the House welfare reform subcommittee has amended the bill to permit total state administration so that the function of the federal central computer is not clear, except for states that choose federal administration of the cash assistance program.

Califano said, "While it is true the payment error rate has decreased from 16.5 percent in 1973 to 8.6 percent, we have now reached a point where the remaining problems are more difficult to resolve; corrective actions are more complex and take longer to have an effect on the caseload."

The Secretary also cited recent amendments to the Social Security Act that make wage and beneficiary records available as a means of helping states establish the income of AFDC applicants.

AN ADDITIONAL incentive permits states that reduce their error rates to 4 percent or less to share in the dollar savings with federal government. However, this incentive is unlikely to provide much relief since only Indiana, Nevada, North Dakota, and Utah currently have payment error rates low enough to qualify, while most of the large welfare states have payment error rates far in excess of 4 percent.

Of the large states, only California's payment error rate is close—down from 4.4 percent to 4.1 percent, a figure largely attributable to Los Angeles County's low rate of 2.6 percent. This compares with an average of 15.1 percent for all major urban areas of the country, and the national average of 8.6 percent for all areas, large or small. In a county the size of Los Angeles, each 1 percent of payment error translates into a loss of property tax revenue of $7 million per year. If Los Angeles County's error rate matched the national average, it would add $40 million a year to county costs.

Transit Bills Introduced in Congress

Continued from page 1

ways and transportation in urban areas. They are:

- UMTA grants under Section 3 for major capital items, with the federal share at 80 percent.
- UMTA Section 5 program which funds both transit capital and operating expenses in areas more than 50,000 people. The federal share is 80 percent for capital expenses, and up to 50 percent for operating expenses.
- FHWA urban system program funds highways on the federal-aid urban system and capital projects for transit in areas with a population of over 5,000 with a federal share of 70 percent.

The legislation would establish two formula programs for highways and public transportation. Both programs would be available to urban areas over 50,000, and the federal share for capital highway and transit projects would be 80 percent.

The Section 3 discretionary grant program of UMTA would be modified to provide grants only for major capital transit expenditures. The Section 5 UMTA formula grant program would be expanded by means of a new apportionment formula to provide for operating expenses at 33⅓ percent of total operating and annual capital replacement costs.

The urban highway formula program would consolidate five existing programs; the funds could be used for projects on any road or street not on the primary or Interstate system. Funds would be distributed on the basis of urban area population.

Primary Highway System

The federal-aid primary highway program is now aimed at assisting states build and reconstruct important state roads. The federal share is 70 percent. The legislation would consolidate seven highway programs into the existing primary program. The federal share would be 80 percent. Up to one-half of the money could be used for other rural or urban highway and public transportation projects.

Interstate Highway System

The bill aims federal assistance toward the completion of "essential gaps" in the Interstate system. The apportionment formula to the states of this money would be modified from one based solely on cost to complete the total system to one based 50 percent on cost.

In order to complete the Interstate system the states would be allowed to borrow from their following year's Interstate money. The time for which funds will be available to the states for Interstate construction would be reduced from four to two years. A date of Sept. 30, 1980 is established for all Interstate projects to be under construction.

Currently nonessential gaps of the Interstate system may be withdrawn from the total system and the amount of saved funds can be used for other highway or transit projects. The legislation would provide that the federal share for substitute highway or transit projects would be 90 percent.

Also now, if other highway projects are substituted for Interstate projects, the federal share is only 70 percent, and if transit projects are substituted the federal share is 80 percent.

—Thomas Bulger

Matter and Measure

NATIONAL ASSOCIATION NACE COUNTY ENGINEERS

MISSISSIPPI WORKSHOP

Approximately 50 federal, state and county representatives participated in our Mississippi workshop on right-of-way (ROW) acquisition regulations and the safer off-system (SOS) roads program.

I was pleased to moderate the Jan. 27 workshop sponsored by the Mississippi Association of County Engineers (MACE) and held in Hinds County. I would like to thank Jimmy Kemp, MACE president, for putting together such a fine program. Kemp has also been instrumental in organizing MACE.

All of us were glad to see Senator Foster, presidential assistant of the Miss-ississippi Association of Supervisors and Bill Bowen, president of the Mississippi association, at the workshop. Mississippi Gov. Cliff Finch attended the luncheon where he emphasized the importance of cutting red tape in state as well as federal programs.

Right-of-Way Acquisition Regulations

The ROW acquisition regulations workshop began with panel presentations by federal, state, and county representatives. Gerald B. Saunders, chief of FHWA's Real Property Acquisition Division, pointed out that the Uniform Act (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970) applies to all projects where federal funds are included in any phase of project costs.

FHWA has put into effect a simplified appraisal procedure with different requirements for different problems; these include value finding and short form appraisals. For example, the value finding can be used in any situation where the value of the part taken and cost-to-cure items, such as fence replacement, do not exceed $2,500. FHWA has developed a one-page sample form which includes all of the required items. You may want to check with your state for information on this FHWA sample form.

Saunders explained FHWA intention regarding qualifications of appraisers, relative to implementation of Department of Transportation regulations on the Uniform Act, is to treat small counties and cities on a more or less special exception basis, subject to state approval. FHWA intends to state that a person who, by reason of experience, training, or occupation, can adequately estimate the value of real property in the area of the project, will be qualified to prepare value finding appraisals. Concerning the review appraiser function, FHWA's present thinking is to provide that a knowledgeable elected public official, such as a county commissioner, or perhaps a county superintendent, can serve in this capacity and establish the amount of the offer for negotiating purposes.

Cliff Parish of the Mississippi State Highway Department represented the state point of view. He explained that in Mississippi counties acquire most right-of-way through donations and that FHWA regulations ae followed. For example, the county must advise the property owner that he is entitled to just compensation for his land.

Joe Lauderdale, president-elect of MACE and county engineer for De Soto and Tunica Counties stated that since property owners are entitled to compensation for their land, many are requesting compensation.

William E. Ready, president-elect of the National Association of County Civil Attorneys and attorney for the Lauderdale County Board of Supervisors, also represented the county view during the ROW workshop. Ready stressed the importance of teamwork and communication among the county engineer, the county attorney, and the county treasurer when ROW is acquired. If these individuals work together early in the ROW acquisition process, problems can be minimized. Ready has developed standardized forms to use in ROW acquisition and will share these forms with the Mississippi counties.

Safer Off-System (SOS) Roads Program

James L. Rummel, chief of the policy development branch of FHWA's Office of Highway Safety, explained that the SOS program was created by the Federal-Aid Highway Act of 1976 from the off-system roads program and the safer roads demonstration program. The act authorized $200 million for each of fiscal '77 and '78 for the SOS program. Funds may be used for the construction, reconstruction and improvement of any off-system road, including bridge replacement and the elimination of high hazard locations and roadside obstacles.

The fiscal '78 appropriation for the SOS program is $90 million. (Annual appropriations are required since funds come from the General Fund and not the Highway Trust Fund.) Of the fiscal '78 appropriation, $500,000 is for an inventory of off-system bridges. A state-by-state distribution of the $500,000 has been made.

Within a state, SOS funds must be spent in order of their fiscal year appropriation. All fiscal '76 funds ($200 million from 1974 highway act) must be spent first, and these funds may be used for projects in urban as well as rural areas. Then, fiscal '77 funds ($200 million) and then, fiscal '78 funds ($90 million) are to be spent.

The emphasis in SOS projects is on low cost safety improvements.

Marcus D. Williams, Mississippi State Aid engineer, discussed provisions of a pending bill in the Mississippi legislature to amend a feeder road act that counties could use SOS funds.

Kemp, MACE president, expressed his views concerning the feeder road act and said that counties have been confused about use of SOS funds.

Emery I. Shaw, FHWA Mississippi Division administrator, discussed standards for implementing off-system projects. In Mississippi, the FHWA division office uses AASHTO standards and exceptions are approved by the division office.

Following presentations on the SOS program, workshop participants discussed Mississippi's feeder road law and standards for resurfacing, restoration, and rehabilitation (R-R-R) projects. Participants were informed that FHWA has withdrawn the docket on geometric design standards for R-R-R projects based on "substantial adverse comments" on use of AASHTO's "Purple Book." FHWA will develop its own criteria for federal-aid R-R-R projects and will publish them for comment in the *Federal Register*.

The Mississippi workshop provided federal, state, and county representatives an opportunity to share valuable information with each other. It was a pleasure for me to participate in the event and see first-hand how MACE has grown as an organization.

—Blake Livingston
NACE Southeast Region Vice President
St. Clair County, Ala. Engineer

Washington Briefs

• **Welfare Reform.** Subcommittee completes concept markup on jobs title. (See page 3.) Cash assistance markup continues.

• **Public Assistance Amendments.** H.R. 7200 is expected to come to the Senate floor in February. NACo will continue its efforts to increase the Title XX ceiling and child welfare (Title 4-B) funding.

• **Older Americans Act.** NACo testified before the Senate Human Resources subcommittee on aging concerning the reauthorization of the Older Americans Act.

• **Rural Planning Grants.** Rural Development Service has not yet released new regulations and applications for $5 million rural planning grant program. The agency anticipates release in early February, with initial grants to be awarded in March. Grants will cover 75 percent of cost for rural planning programs.

• **Rural Development Loans.** House Agriculture subcommittee on conservation and credit will mark up H.R. 8315 in February. NACo opposes provision in legislation that would drop the 5 percent interest rate on water and waste disposal and community facility loans and substitute the prevailing market rate of 9 to 10 percent. The Senate subcommittee on agricultural credit and rural electrification deleted a similar provision, thus maintaining the 5 percent interest rate, during markup of companion bills, S. 312 and S. 2126.

• **Rural Development Policy Act of 1978.** House Agriculture subcommittee on conservation and credit will consider legislation in February to strengthen the role of FmHA. Proposed bill would expedite consolidation of Farmers Home Administration and Rural Development Service, mandate implementation of a federal Rural Development Council under Section 603 of the Rural Development Act of 1972, and expand the Section 111 Rural Planning Grant authorization from $10 million to $50 million.

• **Municipal Securities Disclosure.** Sen. Harrison Williams (D-N.J.) has introduced S. 2339, the Municipal Securities Full Disclosure Act of 1977. The legislation, amending the Securities Exchange Act of 1934, would require all governments to issue annual reports and distribution documents when issuing municipal securities. Senate Banking and Housing and Urban Affairs Committee will schedule hearings early in 1978.

• **Public Liability.** Senate Judiciary subcommittee on Constitution to conduct hearings on Feb. 8 and 9 on S. 35, the Civil Rights Improvement Act of 1977. The legislation, sponsored by Sens. Charles Mathias (R-Md.) and Edward Brooke (R-Mass.), amends Section 1983 of the Civil Rights Act of 1871. Provisions in the legislation would specifically define "person" in Section 1983 to include "any natural person ... municipality, county, parish, local government. ..." This directly expands liability for civil rights violations to the governmental unit itself, as well as to the individual. The legislation provides for monetary as well as injunctive relief and for prosecutorial liability for monetary damages in specified circumstances. NACo will testify, opposing expansion of county monetary liability. See page 17.

• **EEOCC Guidelines.** The Uniform Employee Selection Guidelines were published in the *Federal Register* Dec. 30. Interested counties will have a 60-day comment period. The final guidelines are expected to be published in April. A public hearing is scheduled for late February. Interested counties should contact Ann Simpson or Deborah Shulman for more information.

• **Intergovernmental Personnel Act (IPA) 1970.** The House subcommittee for Treasury, postal service and general government chaired by Rep. Tom Steed (D-Okla.) is tentatively planning to hold hearing on the fiscal '79 appropriations in late February. The President's '79 budget proposal is $20 million, which is consistent with the NACo-supported level last year. NACo will provide testimony when hearings are scheduled seeking additional funds for this program.

• **Agricultural Land Preservation.** House Agriculture subcommittee markup on H.R. 4569 is scheduled for Feb. 14. The bill would establish a national commission to identify methods for preserving agricultural farmland and would provide for demonstration grants to states and counties to establish preservation programs. Sen. Warren Magnuson (D-Wash.) is expected to introduce his own but similar bill this month, as a result of Senate hearings last fall.

• **National Energy Policy Act.** Conferees have yet to resume formal sessions. A compromise on natural gas pricing and regulation is being worked out by House and Senate conferees behind closed doors. Compromise might include a price somewhat in excess of $1.75, with a phaseout of price regulation, unless the President found that it was in the national interest to continue controls. Agreement on tax provisions of the bill await final agreement on natural gas pricing. A formal meeting of conferees has not been scheduled at this writing.

• **Clean Air Budget.** The Administration failed to include a request in EPA's budget for $75 million for grants to local governments to participate in the revision of State Implementation Plans for achieving clean air. Negotiations are now underway between EPA and the Department of Transportation on ways to mesh transportation planning and transportation control planning under the Clean Air Act Amendments of 1977. The Administration has expressed an intent to request additional funds once the agreement is worked out for grants to counties and local governments either through EPA or DOT.

• **Wastewater Construction Grants Supplemental.** The Administration's supplemental request for $4.5 billion for wastewater construction grants during fiscal '78 has been returned to a House-Senate Conference committee after the full House of Representatives agreed to delete funds for the B-1 bomber. The B-1 controversy had been holding up agreement by the House conferees on a 1978 supplemental since last fall.

NACo Box Score... Priority Issues

Welfare Reform.................. Special subcommittee continues markup.
Employment.................... Administration's CETA draft circulating.
Antirecession.................. President's budget anticipates extension.
Payments-in-Lieu.................... Full funding called for by President.
Community Development.................... Increase asked by President.
Rural Development.............. Loans' interest rate increase in markup.
Transportation............. Major proposals coming from Administration.
Water Pollution......... Substantial funding increases asked by President.
Air Pollution...... President's budget calls for more compliance assistance.
LEAA.................................. Cuts asked by President.
Health...... Carter budget emphasizes needs of young and cost containment.

Washington Dialogue

1978 Annual Legislative Conference

March 12-15/Sheraton Park Hotel/Wash., D.C.

Delegates to NACo's 1978 Annual Legislative Conference can both preregister for the conference and reserve hotel space by completing this form and returning it to NACo.

Conference registration fees must accompany this form before hotel reservations will be processed. **Enclose check, official county purchase order or equivalent.** No conference registrations will be made by phone.

Refunds of the registration fee will be made if cancellation is necessary, **provided that written notice is postmarked no later than Feb. 27.**

Conference registration fees:
$95 member $125 non member $50 spouse **(Make payable to NACo)**

Conference Registration

Please print:

Name____
(Last) (First) (Initial)

County____________________ Title____________________

Address____

City_______________ State______ Zip______ Tele.(______)________

Hotel Reservation (Sheraton Park)

Special conference rates will be guaranteed to all delegates whose reservations are **postmarked by Feb. 20.** After that date, available housing will be assigned on a **first come basis.**

Please print:

Occupant's Name______________________________ Single $32, 35, 38, 41, 43

*Arrival Date/Time________________ Departure Date/Time________________

Occupant's Names______________________________ Double $42, 45, 48, 51, 53

*Arrival Date/Time________________ Departure Date/Time________________

Send preregistration and hotel reservations to:
National Association of Counties—
Legislative Conference
1735 New York Avenue, N.W.
Washington, D.C. 20006
For further **housing information** call NACo Conference Registration Center:
(703) 471-6180

***Hotel reservations are only held until 6 p.m. on the arrival day. If you anticipate arriving near or after that time, list a credit card name and number below to guarantee your first night reservation.**