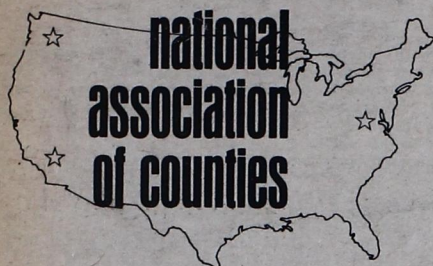


1975 Federal Budget Report: Pages 5-12



COUNTY NEWS

Our Prayer...
The Wisdom to Know
and the Courage to Defend
the Public Interest

Vol. 6 No. 6

February 11, 1974

Washington, D.C.



MASS TRANSIT MEETING: New York county executives and mayors emphasized a need for legislation to provide immediate and long-term assistance for operating mass transit systems, at a meeting with their Congressional delegation on Capitol Hill Wednesday, Feb. 6. Pictured above are meeting participants (from left) Nassau County Executive Ralph Caso, Senator Jacob Javits, Orange County Executive Louis Mills, Dutchess County Executive William Bartles, and Congressman Peter Peyser.

New York County Executives Lobby For Mass Transit Aid

New York county executives and mayors met with the state's Congressional delegation last week to discuss operating assistance to mass transit.

Elected executives from eleven counties and mayors of three cities met Congressmen on Capitol Hill to devise an effective strategy to provide operating assistance to mass transportation.

At the meeting, chaired by New York County Executives Association President Ralph Caso of Nassau County participants discussed three approaches to operating subsidies: the Williams-Minich bill currently in conference committee, the Administration's proposal which was outlined in the State of the Union message, and a new proposal by Congressman Hugh Carey (D-N.Y.) which is being considered by the House Ways and Means Committee.

The Williams-Minich bill would provide funds for urban mass transit operations in fiscal years 1974 and 1975. Several Congressmen urged support of that bill for immediate, short-term relief.

Congressman Carey outlined his proposal to levy an excess profits tax on gasoline and crude oil, along with a tax on excessive uses of energy. Funds raised as a result of those taxes would be applied to mass transportation needs.

Participants also discussed the Administration proposal to make some funds available to states, according to a complicated formula, over a six-year period. State and local governments could decide whether to use these funds for operating subsidies or capital improvements.

The county executives and mayors stated that \$200 million is now needed to keep mass transit operating in New York.

Congress must immediately take the lead in passing legislation providing immediate "crisis" relief, as well as long-range aid to mass transit.

(Continued on page 2)

Conferees Agree On Energy Measure

by Charles Wall
Research Assistant

The House-Senate Conference Committee has approved a complex plan, authored by Senator Henry Jackson (D-Wash.), that would require a rollback of prices on oil that is not presently subject to price controls.

The plan, adopted as an amendment to the pending Emergency Energy Act, would establish a ceiling for "new" oil. "New" oil, about 1/4 of all oil pumped is that oil which is pumped at post 1972 output levels. "Old" oil, about

three-fourths of all oil pumped, is that oil pumped at pre-1972 output levels and currently is sold at \$5.25 a barrel.

Under the conferees plan the price for new oil, presently \$10 a barrel, would be rolled back to at least \$7.09 a barrel and perhaps even lower. The \$7.09 a barrel price is 35 percent above the base price (\$5.25) for a barrel of oil.

The plan would give the President authority to raise the price up to \$7.09 if needed to stimulate additional supplies; however, a detailed explanation would have to be submitted to Congress who

could veto the increase within 15 calendar days.

The federal Energy Office was asking for a \$7.87 a barrel price or 50 percent above base price. This was turned down by the conferees.

The plan calls for the crude oil price rollbacks to be passed along to the price of gasoline and other refined products; thus meaning a reduction of as much as four cents per gallon. The formula would take effect 30 days after passage of the bill.

The plan was offered as a substitute for the windfall profits tax section that has forced the bill back to conference twice. This is the legislation that would give the President authority to ration gasoline, and waive environmental restrictions on the burning of coal.

The conference committee hoped to finish the energy bill Tuesday, February 5 and on the floor on Wednesday. It is possible that the bill could be sent back to conference committee for a third time by oil state senators. However, guarded optimism was being expressed on the chances of passage of the bill. The bill would go to the Senate first and if passed there, to the House.

Former NACo President Treacle Dies

by Bernard F. Hillenbrand
Executive Director

Beef Treacle was truly a giant. A giant physically. Well over six feet tall and he must have weighed 225.

A giant in his community, he died early last Thursday after a long illness.

At one time or another he served on about every important governmental body in his area. He held elective office for decades and ended as County Mayor.

He was a giant in the Old Dominion and, among many other honors, served two times as president of the Virginia Association of Counties.

He shown brightest and was at his very best on the national level. He served as President of NACo in 1953-54 and was our Treasurer until 1970.

He was one of the first to really understand the importance of a national voice for counties and, together with a handful of others, began to build our association.

If the full truth were known, much of the "start up" money for NACo came from Beef's own pocket. He was a very successful businessman and drew from his own resources to get NACo on the road.

From 1954 to 1970, every check issued by NACo was signed by Beef and

every financial transaction was under his experienced eye.

Beef's list of friends throughout the country was enormous. He knew hundreds of city, county and state



Beef Treacle

officials, meeting them through his NACo work and through work with the Navy in the Norfolk area where he led many athletic teams. For example, Mayor W.W. "Woody" Dumas of East Baton Rouge Parish, La. played ball for one of Beef's teams when Woody was a submariner

stationed in Norfolk, and they remained life long friends.

One of the great tragedies of life for Beef and Mrs. Treacle was the loss of their only son who was killed in action in the closing hours of World War II. Typically modest, the son never told his parents of his many awards for heroism and the parents discovered it only by accident two years ago.

We sorrow at the loss of this Virginia gentleman, but it is a sadness mixed with much pride. Our pride is for both the man and in our system of government. Our democracy enables men and women of such great ability and dedication to reach elective office.

This is a very dark period for America with much doubt and cynicism. We can learn much from Beef. It is typical of the man that he never let any obstacle blind him to the long, hopeful view of his country and his fellow Americans. In the 1960's, when nearly everyone else was in despair because our cities were burning, he went confidently about his business. He had no comments about the riots nor later about Watergate or any of the negative parts of American life.

He had an enormous confidence for the future based upon each person doing

(Continued on page 2)



DISCUSSING PROBLEMS in the national resource recovery systems at the recent meeting in Pittsburgh, Pa. were (l to r) Bill Maslin, Director Community Development Center, NACo; Bill White, County Administrator, Cattaraugus County, N.Y.; Ralph Barnes, Deputy County Executive, Erie County, N.Y..

Solid Waste Conference Held

Elected county officials and solid waste managers from 15 states met last week in Pittsburgh, Pa., to discuss the state of the art of solid waste management, problems they are encountering and alternative solutions they have developed.

With traditional incinerators and dumps outlawed by environmental regulations, new and ecologically acceptable forms of trash disposal are needed in most metropolitan areas. Large scale material recovery systems and energy recovery technology have recently become available.

However, in the short time span of operation, the few existing systems have raised questions of overall technical efficiency and economic viability. County officials are caught between the citizen concern for and expectation of operational resource recovery systems. Reliable data is necessary to make acceptable plans and satisfactory decisions.

Problems frequently stated by county officials included:

- Citizen pressure to make decisions without adequate time or information;
- Overall difficulty with technology evaluation;

Identification of the best suited recovery program;

- Recovered materials marketability;
- Local opposition to landfill location;
- The need for state legislation and assistance in disposal site procurement;
- Lack of information on hazardous waste;

Collection personnel problems;

Presentations by the Environmental Protection Agency (EPA) informed participants of an energy recovery pilot project in St. Louis and source separation programs throughout the country. Hazardous wastes and the decision making process were also subjects of workshop discussions led by the EPA.

In addition to these workshops, discussions also centered on operational techniques, organizational options, and the legal and financial constraints on solid waste operations. Attention was paid to the problems of site selection and winning public acceptance of a solid waste plan through political strategy citizen involvement and use of media.

Any questions concerning the conference or its participants should be directed to Roger Bason, Solid Waste Project Manager, NACo Washington Office, (202) 785-9577.

USDA Makes Changes In Food Stamp Rules

by Jerry Frockt
Legislative Representative

NACo has received through the A-85 review and comment process copies of the new Department of Agriculture (USDA) Food Stamp regulations. A number of changes in the regulations were required by the 1973 food stamp legislation such as allowing food stamps to be used by the elderly for purchase of meals and requiring states to issue food stamps at least twice a month.

USDA has gone further and made a number of other changes which may or may not be in the best interest of counties. NACo would appreciate comments on the new regulations by February 27, 1974. Copies of the regulations may be obtained from Carol Shaskan, NACo.

Some of the questionable changes are: Everytime a recipient is recertified, a new application documentation must be completed.

Any changes in income, deductibles of \$10 or more, or household size must be reported promptly. Failure to report such changes subjects the recipient to prosecution.

Recipients must "cooperate" in providing all necessary information or they may be terminated from the program. This section is too broadly

defined to be a fair process for the recipients and could cause legal problems for counties trying to enforce it.

Time for recipients to respond to notice of suspension, reduction or termination has been cut to 10 days from 15 days.

No advance notice to "class" households of loss or reduction of benefits. This section obviously refers to the temporary suspension allowing SSI recipients to purchase food stamps.

Work requirements are changed. States no longer must try to "find work" in the recipient's major field of employment. Commuting guidelines are eliminated, as are the health and safety ones, unless the recipient himself can show cause why he should take a job based on the above criteria.

Recipients would have to remain in jobs found for them indefinitely or their families could lose their food stamps.

States can determine "average" cost of shelter deductions such as utilities and housing costs. This could hurt a number of families who live in areas of high utility costs or high housing costs.

Aliens without permanent resident visas are ineligible for food stamps.

States have 120 days before they must change their "benefit tables" to conform to the new January 1 guidelines.

New York Executives

(Continued from page 1)

They also agreed with the Congressional delegation that they must work closely with New York Governor Malcolm Wilson, the federal Administration and representatives of other large urban states to devise a reasonable, effective plan for immediate and long-range assistance.

County Executives at the meeting included Caso, John Klein of Suffolk County, Edwin Crawford of Broome County, William Bryant of Oneida County, Alfred del Bello of Westchester County, William Murphy of Rensselaer County, Louis Mills of Orange County, John Mulroy of Onondaga County, William Bartles of Dutchess County, John Hazlett of Chemung County, and Lucian Morin of Monroe County. Mayors Tom Ryan of Rochester, Angelo Martinelli of Yonkers and Erastus Coming of Albany

also attended. The county executives represent 80 percent of the New York State population, exclusive of the population of New York City.

Treakle

(Continued from page 1)

his or her duty to the very best of his or her ability.

For more than a decade every NACo Annual Conference opened with an invocation by Beef which seemed to express his deepest feelings:

"God grant me the serenity to accept the things I cannot change; courage to change those things I can and the wisdom to know the difference."

Mark Your Calendars!

NACo's Legislative Conference

Featuring . . .

- A meeting with Vice President Gerald R. Ford.
- Major Addresses by Administration and Congressional Leaders.
- In-depth presentations, analysis, and discussion of major legislative proposals, including Community Development Block Grants, Social Services, Health Care, Tax Reform, Highway & Transit, Manpower Training, Law Enforcement Assistance, and others.
- Meetings with Congressmen.
- Strategy sessions on the passage and implementation of "County-Oriented" Federal programs.

—There will also be a meeting of County Information Officers on Friday, March 1; a County Health Officers Caucus on Feb. 26; Steering Committee meetings on Feb. 26; a meeting of County Civil Attorneys on Feb. 25-26; Health Task Force meeting on Feb. 25; and a special seminar on elections held jointly by the American University Institute of Election Administration and the National Association of County Recorders and Clerks on Feb. 28-March 2.

Registration Form

NACo's LEGISLATIVE CONFERENCE

February 26-28, 1974

Shoreham Hotel
Washington, D.C.

Name: _____

Title: _____

County/Organization: _____

Address: _____

City: _____ State: _____ Zip: _____

Please reserve a room for me for _____ nights.

Single room: _____ Double room: _____

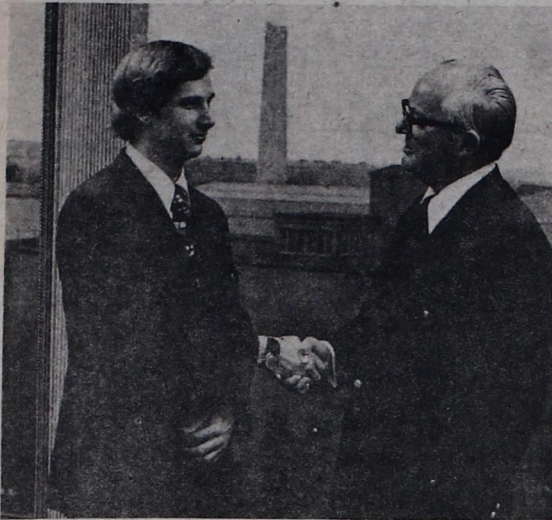
Arriving date: _____ Time: _____

Room rates: Single \$22, 26, 28, 30, 34
Double \$28, 32, 36, 40
(Suites available)

Return to: Reservations Department, Shoreham Hotel
Connecticut Avenue at Calvert St., NW
Washington, D.C. 20008
Phone: (202) 234-0700

The meeting will open with a Congressional reception on Tuesday evening, Feb. 26, and end with a general session on Thursday afternoon

Says Good—by



NACO PRESIDENT Gil Barrett (r) thanks Legislative Representative Larry Naake (l) for his work at NACO over the past several years. Naake is leaving NACO to become Executive Director of the California Parks and Recreation Society. While at NACO, Naake was staff liaison for the National Association of County Parks and Recreation Officials.



the Ballot Box by Richard G. Smolka

National Association of County Recorders & Clerks
American University Institute of Election Administration

The American University's Institute of Election Administration, in cooperation with the National Association of Counties and the National Association of County Recorders and Clerks, is offering a seminar on the Revolution in Campaign and Election Law to be held at the Shoreham Hotel in Washington, D.C.

The seminar which follows the NACO legislative conference, will begin at 1:30 p.m. on Thursday, February 28 and will conclude at noon on Saturday, March 2.

Members of Congress, legislative assistants, and others who are active in drafting legislation will meet with seminar participants to discuss their own legislative proposals and to learn the viewpoints of state and county officials.

On Thursday, the seminar will begin with a discussion of the proposed postcard registration bills. Friday sessions will be devoted to election fraud, absentee voting problems, campaign finance, and laws affecting the dates of elections and hours of voting. On Saturday, constitutional experts will review the recent decisions of the

Supreme Court relating to the elections process and comment on major election-related cases pending before the high court. A discussion and analysis of pending legislation providing for financial grants in aid to state and local governments for voter registration and election-related purposes will complete the program.

The seminar will provide an authoritative and complete discussion of the most important election-related legislation now pending before Congress and the Court and will give all participants an opportunity to affect the thinking of the legislators most interested in election law.

Registration fee for the conference is \$100. Participants will be provided with a handbook containing background information on all the subjects under discussion.

Reservations may be placed at this limited admission seminar by contacting Florence Zeller, National Association of Counties (202) 785-9577 or by mailing the reservation form printed below.

Please reserve a place for me at the Seminar,
"REVOLUTION IN CAMPAIGN AND ELECTION LAW",
to be held at the Shoreham Hotel, Washington, D.C.
February 28, and March 1-2, 1974.

Name _____

Address _____

Return to: New County, U.S.A. Center, NACO.

New Directions

Montgomery County, Md. VS. Impoundment

In an attempt to recover Montgomery County's portion of the funds, the *Montgomery County* (Md.) Council has decided to file suit against the federal government for impoundment of \$3 billion in funds scheduled for sewer and water projects. The impoundment means that Maryland's funds for sewer and water projects will be reduced from \$67.8 million to \$54 million. The impoundment of funds is forcing the county to bear the entire cost of building an advanced sewage treatment plant estimated to cost more than \$200 million before it is completed in 1978.

EDA Grants to Raleigh County, W. Va. and Greene County, Ala.

Raleigh County, W. Va. will receive \$375,000 in funds from the Economic Development Administration (EDA) of the U.S. Department of Commerce to develop a 170-acre air-industrial park adjacent to the airport at Beaver. The Raleigh County Airport Authority will match the EDA grant to meet the \$750,000 total project cost. Work will include water, sewer and storm drainage systems, street lighting and access roads.

EDA has awarded a \$28,816 grant to the *Greene County, Ala.* Economic Development Commission to help continue an economic development program for orderly, diversified industrial growth and business and job development in the county. The Greene County Economic Development Commission will provide \$22,662 to complete the \$54,478 total cost of continuing the program.

Borough of Juneau Receives UMTA Grant

The *City and Borough of Juneau Alaska* has received an Urban Mass Transportation Administration grant of \$106,304 to assist in the purchase of three new 40-45 passenger radio equipped diesel buses, three fareboxes and related support equipment. The new buses will supplement the borough's present five-bus system. The City and Borough of Juneau is providing the local one-fifth share of the project cost.

Mass Transit for Calhoun County

The *Calhoun County, (Mich.)* Metropolitan Planning and Economic Development Commission has approved a \$1,725,200 six-year mass public transit plan for Calhoun County. The plan calls for 32 buses with 31-passenger capacity for express and fixed routes and 14 buses with 12-passenger capacity for dial-a-ride service and includes one vehicle designed for the handicapped. The plan also calls for 46 radio units and 93 bus shelters by 1980.

Baltimore County, Md.: Computerized Traffic Control

Baltimore County, Md. is moving toward a computerized areawide traffic control system. The heart of the digital system is an IBM 1800 process controller at the county Traffic Engineering Department's headquarters in Towson. The controller gathers traffic information, determines action for signal control, verified operation success, and evaluates effects.

Eugene J. Clifford, director of the Department of Traffic Engineering, recently received county executive board approval for funds for new projects: coordinated signal systems connected with the Towson computer center; signal improvements; purchase and installation of modern equipment.

Baltimore County's computerized installation began operating late in 1969 after years of planning by Clifford. Present plans are for all major communities to be connected to the computer by 1979.

Lancaster County S.C. Converts to Propane

Lancaster County, S.C. has converted one of its 1973-model sheriff's vehicles from gasoline to propane to conserve short gasoline supplies. Reports indicate that the car runs smoother and gets better gas mileage from propane and, significantly, there is less pollution and less maintenance involved using a propane rather than gas-powered engine. The county plans to convert three other sheriff's cars to propane in the near future.

Morris County, N.J.: State of Emergency

A state of emergency in *Morris County, N.J.* was declared February 4 by the county's Civil Defense Coordinator, Alfred A. De Matteo, after industries reported that employees were unable or were experiencing much difficulty getting to work due to gasoline shortages. Area hospitals also reported much employee absence. Coordinator De Matteo's action was in part prompted by the severe effects Morris County and the state of New Jersey as a whole are experiencing from the energy crisis. This action points to a trend for counties, in general, and emergency preparedness directors, in particular, in taking action in emergency or crisis situations.

Lowndes County, Ga.: Cooperative Waste Disposal

A cooperative county-city effort in solid waste disposal is planned this year between *Lowndes County, Ga.* and the city of Valdosta. Buford McRae, Lowndes County Manager, said that several possibilities were being studied, although no cost figure had yet been determined. The county wants to enter into some type of agreement to use the Valdosta landfill which is operated under state guidelines. Lowndes County is now studying methods of pickup including use of six cubic-yard boxes scattered at convenient locations or larger trash collection boxes at 32 county locations. These larger boxes would be mobile and towed to the landfill when full. County commissioners are studying the possibility of contracting private collectors as well as county crews for the job.

Cumberland County, N.C. and Regional Dumpsters

Cumberland County, N.C. is developing an approach to rural garbage collection utilizing regional dumpsters. Commissioners are presently revising the garbage ordinance to specify residential pickup in urban areas, a regional dumpster system in rural areas, and county operation of a central landfill. The revisions provide for daily residential pickup for 104,000 county residents, while providing 23,600 persons with neighborhood dumpsters. Implementation of the dumpster system alone is expected to cost \$50,000 in addition to the cost of hauling the garbage to the landfill.

County News

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Letters To NACo

Dear sir:

I have read the item captioned, "Property Tax Problems," in the *County News*, January 14, 1974, with considerable interest.

The author of the article discusses the increase or decrease in assessments and tax rates as if those two elements were the reasons taxes increased or decreased. This is what we call yo-yo thinking.

The important catalyst — the common denominator — in taxes, particularly property taxes, is the amount of money spent: i.e., the budget process. Regardless of tax rates, assessments, etc., taxes go up and down depending upon the amount of money spent. If the news media and purported well-informed public officials would get away from the tax rate charade and concentrate on the budget process, they would be doing a great service.

By concentrating on the budget process, they would call attention to the many services performed by the budgeting agencies, and give the taxpayer more opportunity to object to those services he wants changed — either increased, decreased, deleted, or added.

It appears, from a reporting standpoint, that it is easier to relate the tax rate or the assessment in discussing property tax problems. They can zero in on the assessment because that is a general thing requiring an opinion of value. They can zero in on the tax rate because it is a simple arithmetic formula. Wouldn't it be nice to have somebody make an intelligent review and reporting of the various budgets?

E.C. Williams
County Assessor
San Diego County, Calif.

Dear Bernie:

Perhaps the County Executive of Dutchess County, N.Y. would not have such a profound love for mass transit if he would read what some of the most knowledgeable men in the transportation field have to say about the true facts on this dilemma. He should read Francis Turners article on "A Quick Solution to Washingtons Commuter Problems" in the *January American Roadbuilder*.

Any person with basic knowledge of the Highway Trust Fund knows that there is no hoarding of highway monies. Its all committed.

I really don't see how anyone can justify the final costs of a truly effective rail transit system when it transports people to work and cannot function for other uses such as freight, etc. The costs are outrageous for a method of transportation that will prove more costly and slower than some other mode of automotive type mass transit.

Turner pointed out a year ago that the 98 miles of rail transit for Washington, D.C. was estimated to cost 3 billion

dollars and the amount was comparable to the entire amount of money spent on roads since the beginning of the road and street network.

This expenditure was to provide for the movement of a mere five percent of the transportation load.

After the Highway Trust Fund is raided for construction who will subsidize this monster which can't pay for itself?

Gerald E. Hann, P.E.P.S.
Athens County (Ohio) Engineer

Dear Bernie:

I want to thank you and your staff for the help you have given us in getting the draft Uniform Guidelines on Employee Selection Procedures out for comment. You were also very helpful in advising us on changes needed in the draft. These comments should lead to significant improvement in the final document.

The work group of the Coordinating Council has already begun to review and evaluate the comments but this process will take some time, probably a few months. We expect to be in touch with you shortly regarding what would be the most effective role for State and local representatives in the process of revision.

In the meantime, we think that it is important to let the state and local officials who have a vital interest in the final outcome know what the timetable looks like at this time. I would appreciate it if you would notify the membership of your organization that the representatives of the federal agencies are now reviewing the considerable volume of comments which have been received and will attempt to work out appropriate changes. You realize, I'm sure, that this will involve a significant amount of work and that no *Federal Register* publication is possible until that process has been completed.

Please also assure them that they will again have an opportunity for comment during the period in which the guidelines are published as proposed rulemaking, if not sooner.

Joe Robertson
Director
Bureau of Intergovernmental
Personnel Programs
U.S. Civil Service Commission

Allied Services Act Introduced

On January 24 the Allied Services Act of 1974 was introduced to the House of Representatives by Congressman Albert Quie (R-Minn.) and co-sponsored by Congressmen Carl Perkins (D-Ky.), John Brademas (D-Ind.), and Edwin Eshleman (R-Pa.). (See January 28 *County News*

Guest Commentary

The Railroad Reorganization Act

by John C. Kavanagh

Editors Note: John C. Kavanagh is President of the Economic Research Council at Washington, D.C. The council has recently added an experienced firm of transportation consultants to its group and has been consulting with local communities in area economic management for a number of years.

In this past week, the Department of Transportation unveiled its preliminary plan to restructure bankrupt railroads in eastern and midwestern parts of the country. This is the first of a series of steps required by Public Law 93-236 which was signed by the President January 2, 1974.

The preliminary plan suggests a potential abandonment of more than 25 percent of total track mileage of the bankrupt roads, which include the Ann Arbor Railroad, the Boston and Maine, Lehigh Valley, Reading, Jersey Central, Erie Lackawanna and the Penn Central. Nineteen states and the District of Columbia are affected. Some states have very high potentials for final track abandonment. Michigan, for example has 37 percent proposed as potential excess, Indiana 37 percent, New Hampshire 49 percent and New York 34 percent.

In the past, these abandonments could be blocked or delayed for years under the procedures of the Interstate Commerce Commission. The ICC could require continued operation if it determined that the line was required by "public convenience and necessity". Explicit economic standards for defining this phrase has not been developed by the Commission, and this resulted in protracted and expensive hearings.

Such procedures no longer apply for the regions covered by the present law, and additional legislation is before the congress which may extend the new approach to the entire country — not just the roads now in reorganization.

In the long run, the Regional Rail Reorganization Act may be good news rather than bad for state and local government. The end was about in sight for the bankrupt roads, with liquidation as the answer... a clearly unacceptable solution. The governments involved are substantial creditors of the roads in terms of delinquent taxes. A reorganization which would create a viable property would be able to discharge its debts, pay its taxes, and provide a health service to the segments remaining.

States, local governments and regional governmental entities will have an opportunity to study the proposed abandonments and to utilize federal subsidies and loans if they find an acceptable plan for operation such as an organization financed and managed by shippers.

As an alternative in some cases, profitable railroads in the area will be

encouraged to purchase and operate some of the trackage proposed for abandonment. There is an authorization of \$90,000 for each of two years to be appropriated for state subsidies, and 70 percent loans can be obtained from the Department of Transportation for upgrading and modernization of the officially abandoned lines which may be operated under these circumstances.

A brief summary of the entire act follows:

Title I

A declaration of policy which points out that the bankrupt roads must be reorganized rather than liquidated in view of their importance to the economy. In addition, railroads create fewer pollution hazards.

Title II

Orders the formation and structure of the United States Rail Association. This is an interim organization which will plan a restructured railroad system in the region and will be able to make emergency loans to keep the bankrupt roads functioning. Its plans will be subject to review and comment by the Interstate Commerce Commission, with the final approval subject to the courts and Congress.

Title III

Provides for the formation and structure of the Consolidated Rail Corporation. This is a private Corporation created to operate the system as proposed by the United States Railroad Association if the plan is approved by the Congress and the court. The CRC will appraise and receive conveyance of the estates of the bankrupt roads for the benefit of creditors, and operate the system.

It will have authority to utilize \$1.5 billion in federal loan guarantees for new rolling stock and renovation and consolidation of track and yards.

Title IV

With the signing of the legislation, railroads in reorganization are generally prevented from abandoning service until two years from now.

Then, 540 days after enactment, these railroads will be allowed to serve notices of discontinuation to states, communities and shippers. Sixty days later, lines can be discontinued which are not in the final system plan. However, these lines can be continued for another two years through subsidies. Ninety million dollars a year for two years will be provided for this purpose on a 70/30 matching basis with the states. Thereafter, states, regions, local communities or shippers can continue to operate the lines if they desire, and 70 percent loans can be obtained from the federal government.

Title V

Provides \$250 million for the payment of benefits to separated employees on a formula basis, and for collective bargaining procedures for the employees retained.

Title VI

This title contains miscellaneous provisions of relationship to other laws, separability and an annual report to the Congress.

County officials will need to follow these developments closely. Much of the economy of their area will be affected, some of it adversely. Most importantly, they must be prepared to assist shippers who may be cut off by the final plan, and provide them with guidance in finding the best alternative solutions.



SPECIAL REPORT ON THE 1975 FEDERAL BUDGET

Nixon's Budget And The Counties - An Overview

Was it only last February, just one year ago, when President Nixon presented his hold-the-line, anti-inflationary budget with sweeping program cuts and terminations?

In contrast, this year's budget is remarkable. Not only is it expansionary, but inflation is clearly a secondary consideration. We also are told that the Administration is prepared to spend billions more if the economists' worst fears are realized.

What does this budget mean to county officials? Despite the overall increase in proposed spending — up \$30 billion — we still have many disagreements with the Administration on priorities.

Unfortunately, most of our differences are in the "people" programs where counties are heavily dependent on federal and state aids. Many of these programs, particularly in the health and social services areas, are unlikely to be given a higher priority if the Administration later decides on massive pump-priming.

Looking at the balance sheet, there are several significant pluses in the budget. First of all, the President strongly reiterates his support for the general revenue sharing program. It remains as one of his major accomplishments. While there is more willingness this year to compromise the other New Federalism proposals, the Administration continues

to stress the need to give state and local officials more responsibility and funding flexibility.

The budget also reflects the continually increasing growth of federal aid to state and local governments. The total is estimated to reach almost \$52 billion in 1975, which is more than three times the amounts available in the mid-1960's (see chart on page 11).

Health Insurance

County officials should be encouraged by the commitment given to health insurance. The merits and political practicability of the President's proposal still have to be assessed. But there is no doubt about the seriousness of the Administration on this issue. Whether or not it passes in 1974 or 1975, the time is drawing near.

The Administration's renewal of welfare reform is welcome. It remains a high county priority. Without White House support, welfare reform will stay on the back burner. However, we question the Administration's approach. They want to iron out all differences of views before sending a bill to Congress. This could take forever. Despite the cost implications for future federal budgets, we hope the Administration moves ahead as quickly as possible to get a bill passed.

Urban counties, both large and small, will be heartened by the Administration's reversal of its previous position on transit operating assistance. The President is now supporting transit operating aid. The

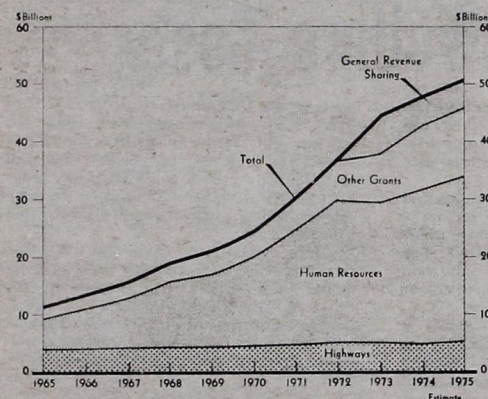
proposed amount of \$700 million next year is woefully inadequate and there are serious questions about how the funds should be distributed. We believe that there is room for much further compromise on both these issues. It would be advisable to speak temperately and cautiously for the next several months. Urban officials know what is needed but there are many options on how we are going to get there.

Economic Development

The other significant reversal on the part of the Administration is the economic development program. The Administration wanted to end the program last February. Ultimately Congress prevailed in obtaining a one-year extension at a limited funding level. Now the White House is calling for expansion and reorganization of the program to make it more responsive to state and local elected policy makers. Depending on the amount of pump-priming needed, this program could be increased many times

(Continued on page 11)

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS
Federal Grants to State and Local Governments



Department Of Commerce Continues EDA One Year

The fiscal 1975 budget proposes to continue the Economic Development Act (EDA) grant and loan programs through the next fiscal year as a transition into a new program called "Economic Adjustment Assistance".

In 1973, the Administration sought to abolish EDA calling it an ineffective program and one which had minimal effect on reducing unemployment through construction of public facilities. The Congress, however, took a different view and passed a one-year extension of the "Public Works and Economic Development Act of 1965" (P.L. 93-46) through the end of fiscal 1974. The extension bill also directed the Administration to undertake a study of EDA programs and recommend improvements. On the basis of that study, the Administration is recommending that EDA be replaced by the "Economic Adjustment Assistance" program.

Congress appropriated a total of \$220.5 million in grants and loans for fiscal 1974. The Administration is only requesting \$154 million to continue the programs through fiscal 1975. Included are:

- \$135 million for public works grants and loans, compared to \$175 million in fiscal 1974;
- \$15 million for business loans, compared to \$20 million for fiscal 1974;
- \$4 million for planning, technical assistance and research, compared to \$26.5 million in fiscal 1974.

No new funds were requested for planning grants to economic development district organizations as they are to be funded through fiscal 1975 on the basis of a \$6.5 million supplemental appropriation for fiscal 1974. The request for Title V Regional Action commissions is also below that of last year from \$42 million to \$35 million in order to provide

transition to the new Economic Adjustment program.

Eighty percent of whatever funds are authorized for the "Economic Adjustment Assistance" program would be distributed by formula in block grants to states having an approved statewide economic development plan. The remaining funds would be distributed to states on a needs basis to meet unforeseen economic problems, such as the closing of federal installations. The states would be given complete discretion in distributing funds to local governments. Local governments, however, would have to be consulted in the preparation of the statewide economic development plan.

The fiscal 1975 budget requests no new funds for the Economic Adjustment program indicating that once new legislation is enacted a supplemental appropriation of \$100 million will be requested.

Budget Highlights

State and Local Funding
Climbs to \$52 billion

Manpower
Funding as anticipated

Rural Development
Grants still frozen

Alcoholism, Drug Abuse, Mental Health
Drastic cutback

LEAA
Continued full funding

EDA
New breath of life

Airports
Funded to maximum

Hill-Burton
Still trying to kill

Solid Waste
Program barely survives

Land and Water Conservation
Look for new project funding

Mass Transit
Change in philosophy;
now supports operating subsidies

Community Development
Funds held in ransom to
pass legislation

Copies Sent

NACo has arranged with the Office of Management and Budget to have summaries of the FY 75 budget sent to all members of the NACo Council of Intergovernmental Coordinators and the chief elected officials of urban counties.

Energy Research Budget Increases 81 Percent

The total obligations in the FY 1975 budget for energy research and development will be \$1.8 billion. This is an 81 percent increase over the amount obligated in the FY 1974 budget. An additional \$216 million is included in the budget for supporting programs in basic research and environmental health efforts.

The purpose of the program is to accelerate development and application of technologies to the point that self sufficiency in energy is achieved as soon as is practicable, and that this capability can be maintained.

A large proportion of the FY 1975 energy research and development budget is devoted to environmental control. The obligation from several agencies budgets is \$178 million, about 10 percent of the total. Of the \$216 million mentioned above, \$134 million will go to environmental and health efforts and basic research and manpower development will be increased \$82 million to provide for long-term energy needs.

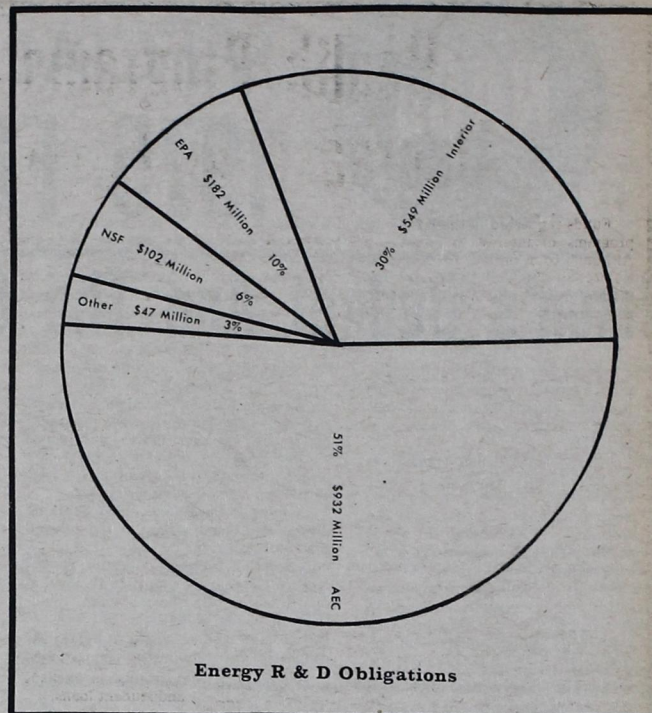
The largest share of obligated funds continues to go to the Atomic Energy Commission — \$932 million which is a 44

percent increase over FY 1974 budget. An additional \$186 million for supporting programs is budgeted for the AEC.

The Department of Interior's obligated funds will increase to \$549 million, a 145 percent increase over FY 1974. Primarily these funds are targeted to greatly expand the nation's utilization of coal in an environmentally acceptable manner. Continuing in the environmental area, the Environmental Protection Agency will receive \$182 million, a 164 percent increase in obligated funds. An increment of \$150 million for supporting programs is designated for E.P.A.

To meet the long-term energy R&D needs, the National Science Foundation will receive \$102 million in obligated funds and an increment of \$151 million for supporting programs in basic research, environmental efforts and manpower development.

The remaining \$47 million is spread out among the other agencies, Department of Transportation, Department of Defense, etc., for R&D. This is a 68 percent increase in obligated funds over FY 1974.



Welfare Reform Back

Medicaid Pushes Up Welfare Costs

The President has stated his intention to introduce new welfare reform legislation. If it is introduced and passed this year or next year, it would not take effect until fiscal year 1976 or 1977.

The Administration is still opposed to the concept of Social Services Revenue Sharing (H.R. 3151) which is stalled in the House Ways and Means Committee. Congress has suspended the restrictive November 1 Social Service regulations until January 1975.

Generally, the welfare budget of the Department of Health, Education and Welfare shows significant increases in requests for 1975, but a closer analysis indicates that Medicaid and full Supplemental Security Income (SSI) funding account for all of the increase. Most other social service programs are being reduced substantially.

Transfer of 2.8 million people to the SSI program in January and new regulations on ineligibility and overpayment are the reasons given by HEW for a \$1 billion decrease in the budget for maintenance assistance.

Aid For Dependent Children (AFDC) recipients are expected to increase by 295,000 this year. HEW is hopeful that most states and counties will be able to live with a three percent error on ineligibles and five percent error on overpayments. Current error rates are 10 and 23 percents respectively. A \$200 million savings included in the budget is based on HEW's hope that Congress allows HEW to use a new \$60 disregard on earned income for AFDC cases.

The Medicaid budget shows a significant increase of \$1.3 billion: \$400 million for increased medical costs, \$340 million due to new SSI recipients and the remainder due to 1.3 million new AFDC recipients.

HEW is planning a major effort during FY 1975 to contain soaring Medicaid cost. Washington and regional offices, it is proposed, are being increased to handle this effort at a cost of approximately \$6 million.

Even though Congress has allowed a 2.5 billion ceiling, about \$2 billion is expected to be spent for Social Services. Most states and counties are so confused over what regulations are in effect and what services they can expect reimbursement for that they will not spend the full amount allocated by Congress.

Due to recent state estimates on their cost and a new emphasis on in-service training for AFDC recipients, state and local training funds have been cut \$12 million.

HEW has also reduced social work and child welfare training funds. These training and research funds (\$8 million less for FY 1975) can be used for special projects in areas of high priority such as child abuse, foster care and quality control.

Child Welfare funds (Title IV B) would be reduced \$1.5 million. The budget contains no explanation for the reduction of funds but it does include a chart which indicates a increase of 120,000 new recipients. The President recently signed a new Child Abuse and Prevention Act which appropriated \$20 million not included in HEW's budget.

The Work Incentive Program (WIN) shows a significant decrease of \$60 million for FY 75 funding. HEW is trying to emphasize less institutional training (ex-Job Corp) and more direct job placement. It also shows a larger cash outlay for FY 75 due to use of impounded funds during FY 75.

Because of the 1973 Rehabilitation Act, Rehabilitative Service Programs will have a new funding system. State formula grants will be increased by \$40 million with an additional \$28 million from Social Security funds for special vocational programs for social security recipients.

HEW has restricted its rehabilitation services by eliminating a number of service projects and training programs to balance this new funding system. Only \$2 million is being added to this program over FY 74. The program for the development of the mentally disabled is being continued at the same budget levels as FY 74.

On January 1, 1974, the new SSI program took effect, aiding approximately 3.4 million blind, disabled and aged Americans. The FY 1975 budget estimates that it will cost \$2.6 billion over FY 1974 which only includes a 6 month SSI budget. Under the SSI program, direct payments cost an additional \$2.2 billion, state supplementation — \$293 million, increased vocational rehabilitation services — \$14 million and cost of administration up \$29 million. By the end of 1975, 80 percent (5.8 million) of those eligible for SSI will be receiving assistance. Congress recently approved new Social Security increases which will cost \$9 billion: \$5.5 billion for current recipients and \$3.4 billion for new recipients.

HEW has consolidated child development, special programs for native Americans and aging programs into the Office of Human Development. All programs except

the aging ones are schedules for increases in FY 1975. Head Start, the comprehensive child development program will receive an additional \$38 million (\$22 million for programs, \$16 million for administrative costs formerly carried by OEO). Aging programs have been funded at the same levels as FY 74 except for the elderly training program which has been decreased by \$10 million.

Office of Economic Opportunity (OEO) phase out funds have been included in the Office of the Secretary's budget (\$33 million). HEW expects to submit OEO "wrap up" legislation to Congress in the near future. A new Allied Services program is being recommended at a \$20 million level. The Allied Services Act of 1974 has been introduced in both houses of Congress.

Select Welfare Appropriations
(millions of dollars)

Programs	1973 (Estimate)	1974 (Estimate)	1975 (Proposed)
Public Assistance			
Maintenance Assistance	6,311	5,487	4,398
Medicaid	5,761	5,256	6,537
Social Services	1,810	2,000	2,000
State & Local Training	31	45	33
Child Welfare	46	47	46
Other Programs			
Work Incentives (WIN)	290	340	280
Rehabilitation Services	694	713	715
Developmental Disabilities	44	54	54
Head Start	392	392	430
Youth Development	10	10	15
Aging Programs			
Community Services	96	96	96
Nutrition	100	100	100
Research & Training	15	17	7
Supplemental Security Income			
Benefit Payments	—	1,644	3,871
State Supplementation	—	159	452
Vocational Rehabilitation	—	40	54
Food Stamps			
Program Costs	2,496	2,995	3,985
Allied Services	—	—	20

Health Programs Of County Interest Decrease In Fiscal 1975 Federal Budget

Funds requested in the FY 75 budget for basic health programs of interest to counties are lower this year. Although total outlays for health are up \$3 billion from FY 74, the bulk of the money is for cancer and heart disease research, Medicare and Medicaid. Outlays reflect commitments from FY 73 released impounded funds, FY 74 appropriated monies and FY 75 requested funds.

Like last year, the Administration is determined to end certain programs such as hospital and other health facilities construction, capitation support for schools of nursing, allied health and public health, regional medical program and support for community mental health centers. This year alcoholism and drug abuse project grants are drastically reduced.

In general, basic health programs either are cut or are at the same funding level as last year. It's important to note that while many of these program funds remain the same, the inflation rate last year went up 8 percent.

The health section of the budget contains three major legislative proposals. One for \$369 million stresses geographic distribution of health manpower in rural areas and inner cities and equal access to health professions for women and minorities. Another for \$75 million is a proposed consolidation of comprehensive health planning and the regional medical program into a plan designed to blanket the country with multi-jurisdictional health planning, development and regulatory agencies. The third is a \$20 million allied services proposal to allow flexibility to state and local governments for integrating human service programs. Funds for the Administration's proposed national health insurance are not included in this budget.

Health Services

The bulk of funds supporting state and local public health and medical care programs are administered by the Department of Health, Education and Welfare's Health Services Administration (HSA). Overall HSA programs are up by only \$1 million but this hardly covers last year's 8 percent inflation. Specific programs of concern to counties are outlined below.

Community Health Services. FY 75 requests for health services are \$5 million below the FY 74 budget. This category includes: (1) \$90 million for 314(d) program formula grants for states with a 70 percent pass-through to local governments to support basic public health programs; (2) 314(e) grants for demonstration projects are terminated; (3) \$200 million for community mental health centers (\$5 million decrease); (4) \$244 million for maternal and child health formula grants (the \$111 million increase reflects elimination of project grants that have been folded into formula grants); (5) \$101 million for family planning (no change); (6) \$24 million for migrant health (no change); (7) \$60 million for health maintenance organizations; (8) \$9 million for the national health services corps which attempts to place health professionals in underserved areas (a \$1 million decrease); (9) \$27 million for emergency medical services; and, (10) \$200 million for community health centers (transferred from OEO).

Health Resources

The Health Resources Administration (HRA) is responsible for administering funds earmarked for health manpower, health planning and medical facilities construction. The budget proposes a \$563 million reduction for HRA.

Health Resources Planning. This category represents a new thrust to consolidate all health planning functions into one program called health resources planning. It will require legislation.

The FY 75 budget terminates comprehensive health planning (CHP) and regional medical programs (RMP) and requests \$75 million for the development of 200 regional health boards to assist in planning and regulation of health facilities, manpower and services within a particular multi-county area. Termination of CHP and RMP represents a 42 million decrease in the overall planning program.

Health Manpower. The budget proposes to terminate institutional assistance to schools of public health, allied health professions and nursing.

HEW on one hand wants a new manpower distribution program; on the other, it kills resources to develop that manpower. Yet it continues capitation support to private practice oriented professional institutions like schools of medicine, osteopathy, dentistry, optometry, etc.

HEW proposes to deemphasize public health oriented institutional assistance in favor of student/scholarship assistance in exchange for service in underserved areas and student loans.

Health Facilities Construction. No FY 75 funds are requested for medical facilities construction (Hill-Burton) and health teaching facilities construction. HEW maintains there is an oversupply of beds. There is, however, \$375 million remaining in FY 73 and FY 74 funds to be utilized for construction of modernization projects which could be utilized by county hospitals and clinics. These funds have not been committed.

Selected Health Spending
(In millions)

	1973 (Actual)	1974* (Estimate)	1975 (Requested)
Community Health Services:			
Comprehensive Health Grants to States	90	90	90
Community Health Centers	209	205	200
Maternal & Child Health	267	266	266
Family Planning	131	101	101
Migrant Health	24	24	24
Health Maintenance Organizations	-----	65	60
National Health Services Corps	8	10	9
Disease Control	125	100	102
Occupational Health	28	29	26
Drug Abuse, Community Programs	167	176	157
Alcoholism, Community Programs	140	113	78
Health Resources Planning (replaces CHP & RMP)	-----	-----	75
Health Manpower	592	567	369
Health Facilities Construction (Hill-Burton)	-----	375	-----
Community Mental Health Centers	205	189	199

*Estimates reflect amount appropriated by Congress less \$400 million reduction option compromise reached when President signed the FY 74 appropriation bill.

Alcohol, Drug Abuse and Mental Health Administration

This agency (ADAMHA) is composed of previously free standing agencies of drug abuse, mental health administration and the national alcohol institute. The three programs are slated for drastic reductions. Decreases account in part to the completion of

alcoholism and drug abuse service projects.

Alcoholism. Perhaps the most serious social/medical problem today, the program to support projects to abate

the alcoholism problem will receive \$38 million less in FY 75 than in FY 74. Project grants to communities have been cut from \$106 million in FY 74 to \$32 million in FY 75.

Federally supported projects will now be for demonstrations only. Over \$45 million is requested for state formula grants which could be utilized by counties.

Drug Abuse. Treatment and project grants to communities will be funded at \$122 million, a decrease of \$39 million from FY 74. However, state formula grants for treatment and rehabilitation are up \$20 million to \$35 million for FY 75.

The reduction in project monies reflects the long-term HEW strategy to fold project and demonstration monies into state formula grants.

Mental Health. No FY 75 funds are being requested for new starts of community mental health centers. There is money from FY 74 to assist the development of 86 new centers. Continuation support of \$172 million for center staffing and \$27 million for child mental health grants is requested in 1975.

HEW wants states and local governments to pick up the centers when federal funding expires. It does not propose to request extension of the mental health law due to expire June 30th.

Preventive Health Services

The Center for Disease Control (CDC) has responsibility for programs in disease control, environmental health and occupational health. Only two environmental health programs survived the FY 74 budget cut-back (lead and rat control because both have legislative mandates). The FY 75 budget for CDC contains no money for the nutritional program of last year. Project grants for venereal disease (\$25 million), immunization (\$6 million), lead-based paint poisoning (\$7 million), and rat-control (\$13 million) are the same for FY 75 as in FY 74. Again, no additional funds to account for inflation are requested. Disease investigation and control is up \$1 million to \$40 million as is health education to \$3 million. Eight million is requested for lab improvement to train county health department personnel. Some FY 75 funds requested by CDC will finance technical assistance to public agencies and stimulation of health and safety programs in state and local governments and in industry.

Other Health Programs

Other programs in the FY 75 budget of interest to county officials are: (1) Food and Drug Administration, with programs for food inspection, product safety, blood supply, drugs and medical devices, is requesting \$200 million an \$35 million increase from FY 74; (2) SRS is requesting a \$2 million increase in its \$715 million program for rehabilitation services; (3) SSA is requesting \$54 million for vocational rehabilitation; (4) the Office of Education is requesting \$6 million for drug abuse education, \$2 million for environmental education and \$2 million for nutrition and health programs; and (5) the Medicare and Medicaid programs for health services to the poor and aged are budgeted for over \$20 billion, an increase of 2.6 billion. (For details, see sections dealing with SRS, SSA, EPA, DOL and DOT in this issue).

Law Enforcement Assistance Administration Block Grants Remain The Same

The 1975 Law Enforcement Assistance Administration budget increased by \$15.3 million to a total of \$886.4 million although block grant funds going to state and local governments are at the same level as they were in fiscal 1973 and 1974.

Planning funds increased 10 percent to a total of \$55 million. At least forty percent of the planning funds are passed through to local governments, or combinations of local governments, after a formula allocation to the state planning agencies.

Counties should be applying for unexpended block grant funds held by some of the state planning agencies. The leveling off of funds (Part C) reflects a concern by the Office of Management and Budget and Congress that block grants to the states from previous years have not been expended at a rate that justifies further appropriations. Under the Safe Streets Act, as amended, funds appropriated to the LEAA program are to remain available until expended.

Considerable disagreement has developed over how long these funds should remain unexpended. Since funds are not obligated until LEAA approves the state comprehensive plans and are not expended until after action grants are awarded to sub-grantees, the annual expenditure rates that are applied to other federal programs cannot be applied to LEAA. Debates on this issue are expected when the Administration budget goes to Congressional appropriations committees.

Eighty-five percent of the block grant funds are allocated to states according to population, subject to approval by LEAA of state comprehensive plans. Local governments are sub-grantees under the

state plans. Fifteen percent of the funds are allocated directly to states and localities according to the discretion of LEAA regional and national offices.

Most of these discretionary funds will

be used to continue the impact program in eight cities and other special programs developed by LEAA. The amount of new funds available to local governments in this category has not been determined by LEAA at this time.

Most of the \$15.3 million increase in the LEAA budget will be spent by the national office to implement new authorities given the agency by 1973 amendments to the Safe Streets Act of 1968. These include privacy and security of criminal justice information, evaluation of programs, and international authorities in narcotics, sky-jacking and terrorism. In addition, an office of Inspection General has been created primarily to audit financial procedures of the states and some of the larger units of local government.

Fire Prevention

The Department of Commerce has established a new program for state and local fire services under the National Bureau of Fire Prevention. Obligations of \$13 million have been allocated to three program activities: Fire service education and training, a national fire data system, and research and development.

The new agency will provide grants and subsidies for training and educational programs to be offered at existing facilities for members of state and local fire services. The bureau will also collect and analyze data on fire losses and compile technical information on building materials and fire detection methods.

LEAA Appropriations
(millions of dollars)

	1973 Actual	1974 Actual	1975 Request
Comprehensive planning grants (Part B)	50.0	50.0	55.0
Matching Action grants (Part C)			
Allocated to states by Population	480.3	480.3	480.3
Discretionary	88.7	88.7	84.7*
Corrections (Part E)	113.0	113.0	113.0
Technical Assistance	10.0	12.0	15.0
Technology Analysis (National Institute research grants)	31.5	40.1	45.2
Manpower Development (LEEP)	45.0	45.0	45.0
Data Systems and Statistical Analysis	21.2	24.0	26.5
Management and Operations	15.5	18.0	21.7
	855.3	871.1	886.4

* Discretionary funds were adjusted to bring Part C funds in compliance with the formula of 85 percent allocation to the states and 15 percent discretionary.

Environmental Protection

Program Emphasis Changed In EPA Budget

The Environmental Protection Agency's operating budget will increase \$215 million for FY 1975. However, \$169 million of this increase is for energy research and will probably have little immediate impact on counties. The EPA 1975 budget has increases or reflects a change in emphasis in several programs which are of concern to counties.

Water Pollution

In water pollution control \$4 billion of contract authority for sewage treatment construction has been released for 1975 by EPA. (Of the \$18 billion of contract authority approved by Congress for FY 1973, 1974, 1975 in the Federal Water Pollution Control Act of 1972, the President has impounded half — \$9 billion.) For reimbursement grants for treatment plants constructed between 1966 and 1972, EPA has only requested \$1.9 billion, not the \$2.6 billion approved by Congress.

In addition to the impoundments, there has been a serious problem for counties in terms of actual cash flow of federal grant funds from the states. EPA has set up a task force of EPA regional administrators and state water pollution officials to expedite funding and some administrative requirements will be simplified to permit simple reordering of priorities by states when needed. In FY 1975, \$7.5 billion in construction grant authority will be available because of the unobligated amounts from 1973 and 1974. EPA estimates obligation of these funds will stretch through 1976.

Beginning in July 1974 (the beginning of fiscal year 1975), FY 1973 water pollution control funds allocated to the states but not spent by them may be reallocated

among other states. Also funds allocated by states to local governments but not spent may be "deobligated" back to the state for reallocation.

In another action resulting from legislation during the last session of Congress, states will be able to provide phased funding for large projects which they cannot completely fund with EPA funds.

EPA has requested \$150 million of budget authority for areawide waste treatment management planning grants (Sec. 208 of the water pollution control act), but expects to obligate only \$25 million in 1974 and only \$100 million in 1975.

Of the \$18 billion of water pollution construction grant funds appropriated by Congress for FY 1973, 1974, 1975 and \$2.6 billion for reimbursement grants — a total of \$20.6 billion — less than \$11 billion (\$9 billion for construction and \$1.9 billion for reimbursement) is scheduled to be actually obligated by EPA by the end of FY 1975.

Air Pollution

A \$13 million increase is proposed for the air programs, but there is no increase in the amount for control agency grants which assist county air pollution control agencies.

Only \$51.5 million has been requested for control agency grants for 1975, the same amount as in 1974. EPA believes 1975 will be a critical year for their air programs because compliance with primary ambient air quality standards will come due.

Most of the funding increase will be used to strengthen the capability of EPA to do research into the health effects of air pollution, determine the causes and

effects of atmospheric concentrations of sulphates and to develop improved instrumentation and analytical methods for monitoring air pollutants. EPA plans to push for implementation of air pollution control plans and has pledged that the Department of Transportation (DOT) will give priority consideration for funding of buses to localities for which transportation control plans have been adopted.

Solid Waste

In his press conference on the FY 1975 budget, EPA Administrator Russell Train said there has been a turnaround in EPA's position on solid waste, and the Administration is now firmly committed to a vigorous solid waste management program.

However, the funding requested (\$14.8 million) only maintains the program at its 1974 level which was partially funded by 1973 appropriations. (In 1974 the Administration had requested \$5.7 million; Congress appropriated \$3 million more plus \$6 million was appropriated from 1973, meaning \$14.8 million was available.) It appears there will be \$9.7 million available for technical assistance to states and localities. One major priority of the program will be for technical assistance for energy recovery from solid waste.

EPA has also proposed a \$3 million increase to implement the Safe Drinking Water Act which they expect to be enacted this spring; a \$2 million increase to expand the pesticide registration program required in pesticide legislation enacted last year; and \$4.5 million to implement the Toxic Substances Act which EPA believes will pass this session.

Department Of Labor

\$2.05 Billion Requested For Manpower Programs

In December 1973, Congress enacted and the President signed into law the Comprehensive Employment and Training Act of 1973 (CETA) which makes funds for manpower training and public service employment programs available to local governments. For fiscal 1975, \$2.05 billion has been requested. The 1974 funding still has to be approved by Congress in a supplemental appropriations bill.

Highlights of the Budget

The triggered public service employment aspect of the manpower budget includes \$250 million for FY 74 through a supplemental appropriation and \$350 million as part of the FY 75 budget.

The Administration will be requesting \$458,584,000 in a supplemental FY 74 appropriation from the Congress. This includes the \$250 million for triggered public service employment and \$208,584,000 for summer youth activities. In addition to this amount for summer youth, \$91,416,000 is available from unobligated 1973 funds, giving states and localities an opportunity to provide 709,200 jobs for youth during the summer of calendar year 1974 at a \$300 million level.

The Work Incentive Program (WIN) will continue the same spending level to help 200,000 recipients of Aid to Families with Dependent Children into subsidized jobs.

In 1975, 30 states will be enforcing occupational safety and health standards. The Department of Labor will pay 50 percent of the cost of these state programs.

The government will increase efforts to prevent job discrimination through the Federal Contract Compliance Program and Equal Employment Opportunity Commission.

It is important to look at what happens to the \$2,050 billion requested for FY 75 under the CETA formula. Since only the first \$250 million (not \$350 million) of Title II monies is applied in the CETA allocation methodology, one must subtract \$100 million to yield a base of \$1,950 million.

Not more than twenty percent is then taken for Titles III and IV or \$390 million, but Labor will use \$381 million for those accounts. This leaves \$1,569 million plus the \$100 million of Title II monies added back to the pot for a total of \$1,669 million for Titles I and II of CETA, \$350 million of which is earmarked for Title II.

Thus, \$1,319 million remains for Title I. The Title I funds allocated by formula to state and local prime sponsors is 79.2 percent of \$1,319 million or \$1,044.6 million. The state planning councils will get \$10.6 million or 0.8 percent of \$1,319 million for statewide planning. The governors will get 4 percent of the Title I funds or \$52.8 million for statewide programs. The Secretary of Labor will get 6 percent of \$79.1 million as discretionary monies. The governors will get \$66 million for vocational education grants, while the remaining \$66 million will be available to the Secretary of Labor for consortia incentives.

Of the \$350 million available under

Title II, 80 percent or \$280 million will be allocated to state and local prime sponsors eligible at 6.5 percent unemployment rate based on their relative number of unemployed. Title II discretionary money available to the Secretary of Labor amounts to \$70 million or 20 percent.

Legislation will be recommended to extend the law which prohibits job discrimination against older workers so that it will cover state and local government workers. The Administration will also push to secure passage of pension legislation which requires adequate vesting, funding, and fiduciary responsibility.

**Department Of The Interior
Land, Water Fund Up; Land Use Included**

The Administration is requesting \$300 million in appropriations (commitments for new projects) for the Land and Water Conservation Fund during fiscal 1975. This is a substantial increase over 1974 when only \$76 million was requested.

The explanation for the lower figure last year was that there were unused funds available and that actual spending would be kept fairly level without an increase. Next year's actual spending (as opposed to new project commitments) is estimated to be \$256 million. This compares with \$275 million in fiscal

1974.

Of the \$300 million appropriation request for FY 1975, \$196 million will be available for matching grants (at a 50 percent rate) to states and local governments to continue programs for comprehensive state planning, land acquisition, and development of facilities for public outdoor recreation use.

The remainder of the \$300 million is available to federal agencies to expand the nation's park, forest, wildlife, rivers and trails systems.

In anticipation of the passage of the

National Land Use Policy Act some time this spring, the Department of the Interior has requested \$41.5 million to establish a program of grants to states and local governments as incentives to develop and implement statewide land use control programs. This amount is below the \$100 million per year level that is being proposed in both House and Senate versions of the measure.

In a related area, the department of Commerce has requested \$12 million for FY 1975 to carry out the provisions of the "Coastal Zone Management Act." This program, administered by the National Oceanic and Atmospheric Administration, provides matching grants to states to develop land use programs to preserve and control coastal areas.

The program will be closely coordinated with the National Land Use Policy Act once it is signed into law.

**Budget Proposes
OEO Finish,
Program Transfers**

The 1975 budget proposes the transfer and termination of the Office of Economic Opportunity (OEO) and its programs by June 30, 1974.

The Department of Health, Education and Welfare has been given the primary responsibility for phasing out OEO. Administered OEO programs not included in the HEW operation are Head Start, child research and development projects, post Head Start (Follow Through) programs, and educational research projects.

The current status of OEO programs in other federal agencies covers a wide range. For example, there is no distinct and separate funding for programs authorized by the 1964 Economic Opportunity Act that are now part of the Department of Labor's Manpower budget.

Other programs are still in transition. For example, the transfer of the Office of Minority Business Enterprise to the Department of Commerce has not yet been completed though that department is requesting \$39.3 million to fund it. The Legal Services Program still awaits a readiness for funding through legislation.

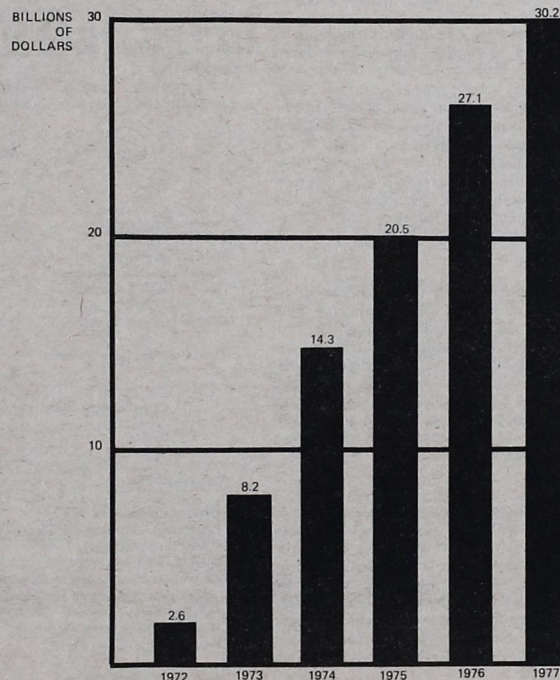
Obligations by Program
(In millions of dollars)

	1973 (Actual)	1974 (Estimate) ¹	1975 (Estimate)
Public employment program ²	-----	250.0	350.0
Summer youth employment program ²	239.1	300.0	300.0
Training and work experience programs	1,132.4	1,339.3	1,357.7
Program support	35.5	43.5	42.5
Computerized job placement	25.7	-----	-----
Total obligations	1,432.7	1,932.8	2,050.2

¹ Reflects 1974 supplemental budget requests.

² Actual use subject to state and local government discretion in 1974 and 1975.

**Revenue Sharing Dollars
To States, Counties & Municipalities**



Department Of Transportation Philosophy Changed-Mass Transit Subsidies In

Federal Highway Administration
The proposed 1975 budget calls for \$4.8 billion in new obligations and almost the same amount in spending.

Obligations incurred provide the best comparison of the proposed 1975 budget with previous years as follows:

Systems study provided for in the Federal-Aid Highway Act of 1973.

Highway Trust Fund

It is estimated that unexpended dollars in the highway trust fund will increase to \$7.27 billion by the end of fiscal 1974.

(In millions of dollars)

Program level	1973	1974	1975
Federal-aid highways	4,489.1	4,433.5	4,600.0
Interstate	1 (2,958.2)	1 (2,600.0)	(2,500.0)
Rural transportation program	(651.8)	(647.1)	(675.0)
Urban transportation program	(507.5)	(800.0)	(875.0)
Safety programs	(53.0)	(75.0)	(250.0)
Other	(318.6)	(311.4)	(300.0)
Motor carrier safety	4.8	5.9	6.3
Highway beautification	38.7	50.1	50.0
Highway-related safety grants	12.9	13.0	15.0
Rail crossings—demonstration projects	2.2	21.7	12.6
Railroad highway crossings — demonstration program	—	6.0	—
Right-of-way revolving fund	47.7	48.0	45.0
Rural highway public transportation demonstration program	—	—	10.0

¹Includes \$325 million for advanced construction of Interstate in 1973; excludes that amount in 1974.

Highway Beautification

Federal-Aid Highway Act of 1973 permitted the use of existing funds but no further authorizations were made pending the report of the Highway Beautification Commission on the program.

The emphasis will continue to be the removal of all non-conforming outdoor signs along interstate and primary highways. About \$40 million or 80 percent of the funds will be spent for this purpose.

Highway-related Safety Grants

The Highway Safety Act of 1973 provided for grants to states and communities for implementing certain highway-related safety standards.

About \$15 million will be provided in grants to assist states and localities in implementing highway safety standards such as traffic control devices, accident location surveillance and highway related aspects of pedestrian safety. This is in addition to the other safety funds.

Rural Highway Public Transportation Demonstration Program

The Federal-Aid Highway Act of 1973 authorized \$30 million for a 2-year program, ending June 30, 1976, to encourage development, improvement, and use of highway related public mass transportation systems in rural areas.

To initiate this program, \$10 million will be spent in fiscal 1975. Unofficially, the Administration is planning to spend another \$20 million in fiscal 1976.

Public Lands-Forest Highways

Funds are only being requested to pay for prior obligations when the programs were funded from general revenues. Beginning in 1974, projects are funded under the regular federal aid primary and secondary programs. A total of \$20.7 million is requested from general revenues for both programs.

National Scenic and Recreational Highway

The planned program for spending \$20 million in 1974 and \$10 million in 1975 is being deferred pending completion of the National Scenic Highway

These impounded funds are used to support general borrowing by the federal government.

Urban Mass Transportation Administration

In 1975, it is planned that \$200 million in transit projects will be financed from the trust fund plus \$1,225 million from general fund. These funds can only be used for mass transit capital improvements.

FY 1975 funding will assist in purchase of 7000 new buses and continued construction support for new transit systems and extensions.

As of October 31, 1973, total federal funds had assisted in purchase of 14,698 new buses, 2,348 rapid rail cars and 1,009 commuter rail cars.

Under legislation to be proposed, the Administration will request a total of \$16 billion over the next six years for mass transit with \$700 million to be available each year from the Secretary of Transportation for capital projects (total of \$4.2 billion).

The remaining funds, \$11.8 billion, will be distributed to the states on a population formula basis to be used for capital projects or transit operating subsidies.

The choice will be made by state and local officials. Under the proposal, most of these formula funds (\$9.4 billion) will be available starting in fiscal 1978. During the next three years, the formula amounts would be \$700 million (1975), \$800 million (1976), and \$900 million (1977).

National Highway Traffic Safety Administration

The FY 1975 program provides for implementation in 1974 of incentive grant programs, initially authorized by Highway Safety Act of 1973.

As incentives, the states are given bonuses for adopting seat belt legislation and for making significant progress in reducing the rate of highway fatalities.

Planned for NHTSA's highway safety program is \$133 million composed of \$85 million for basic grants and \$48 million for incentive grants.

In addition to the \$133 million, \$15 million will be provided to the states in grants under the Highway-related Safety grants in the Federal Highway Administration program.

The 1975 program will emphasize the upgrading of planning and evaluative

(Continued on page 11)

HUD Budget Proposes \$2.5 Billion For BCA: Nothing For Community Development Programs

The proposed fiscal 1975 budget requests an appropriation of \$2.3 billion for the Better Communities Act now under consideration by the Congress.

Community development legislation, if enacted, would consolidate seven community development programs including urban renewal, model cities, open space, water and sewer, public facility loans, neighborhood facilities and rehabilitation loans into a single block grant. Each of these programs were terminated in fiscal 1973 with no new commitments to be made by the Department of Housing and Urban Development in fiscal 1974.

Although no new commitments will be made, outlays in the amount of \$1.6 billion will be made in fiscal 1975 to cover prior commitments still in the pipeline. Of these existing commitments, \$1.15 billion is available for urban renewal; \$220 million for model cities; \$160 million for water and sewer; \$70 million for open space; and \$35 million for neighborhood facilities.

If new community development legislation is enacted and implemented in fiscal 1975 (uncertain at this time), the budget anticipates that \$560 million of the \$2.3 billion requested would be distributed given the amount of lead time necessary for local governments to apply for and receive funds. The full amount would be available, however, if it were required.

The Administration has requested \$110 million for the comprehensive planning funds (701). Upon enactment of the Responsive Governments Act, presently under consideration by Congress, the department will make additional grants for planning and management.

An appropriation of \$2,425 million is requested for subsidized housing

programs (homeownership, rental housing, rent supplements and public housing) to take care of existing commitments.

New commitments for these programs had been temporarily suspended in fiscal 1974 for reevaluation by the White House. In September 1973, the President lifted the suspension for the section 23 Public Housing program.

Assisted Housing Payments (Dollars in millions)

Program by activities	1973 (Actual)	1974 (Estimate)	1975 (Estimate)
Rent Supplement	108.6	146	192
Homeownership Assistance	278.4	338	374
Rental Housing Assistance	175.8	260	394
Low-rent Public Housing	1,038	1,263	1,473
College Housing Grants	6.1	13	21
Total Program Costs Funded:	1,607	2,020	2,454

Community Planning and Development Programs — Appropriations (Dollars in millions)

Appropriations:	1973 (Actual)	1974 (Estimate)	1975 (Proposed)
Better Communities Act	—	—	\$2,300
Comprehensive Planning Grants	\$ 100	\$ 75	110
Model Cities Programs	500	150	—
Open Space Land Programs	100	25	—
Community Development Training and Urban Fellowship Programs	3.5	—	—
Neighborhood Facilities	40	—	—
Urban Renewal Programs	1,450	600	—
Rehabilitation Loan Fund	70	—	—
Total Appropriations	\$2,263.5	\$850	\$2,410

Nixon's Budget And The Counties

(Continued from page 5)

over before the end of the next fiscal year. Several other county priority programs should be mentioned where the President is going ahead will full funding. The Administration has kept its word on the new manpower act and is requesting \$2 billion for next year (plus \$1.8 billion for 1974 in a supplemental appropriation).

This program, especially public service jobs, also is expected to be pushed much higher later this year. Full funding (\$310 million) again is proposed for the airport improvement program. The same is true for the 701 planning program (\$110 million).

We are pleased to see the small, but highly effective, Intergovernmental Personnel Act being restored to \$15 million (up from \$10 million last year). A lot more is needed.

Shortcomings

Now, what about the shortcomings?
The biggest catastrophe in the budget

Department Of Transportation

(Continued from page 10)

capabilities of state highway agencies and achievement of program goals.

Obligations:

Highway safety grant programs
Basic grants
Incentive grants
Other

Total obligations

1973 (Actual)	1974 (Estimate)	1975 (Estimate)
82,061 (82,061)	75,771 (66,771)	133,000 (85,000)
---	(9,000)	(48,000)
73,853	85,197	87,000
155,914	160,968	220,000

Federal Aviation Administration
Full funding for grants-in-aid for carrier airports (Airport and Airway Trust Fund) will continue with \$275 million available for construction grants to include runway, taxiway and apron improvements, lighting, land purchases, firehouses and anti-hyjack equipment.

FY 1975 funds of \$35 million available for projects at general airports, with \$15 million in grants for airport

planning. The planning funds will be merged with highway and transit planning funds whenever possible.

Legislation will be introduced to provide for gradual introduction of new user fees for private aircraft consistent with airport and airway cost allocation study recommendations.

is the gutting of major health programs administered by states and counties. Like last year, the Administration is determined to end certain programs such as hospital and other health facilities construction, capitation support for schools of nursing, allied health and public health, regional medical programs and support for community mental health centers. This year alcoholism and drug abuse project grants also are drastically reduced.

The health service and prevention programs either are cut (e.g., by \$5 million for comprehensive health services) or are at the same funding level as last year (e.g., maternal and child health, family planning, immunization, public health laboratories). It's important to note that while some of these program funds remain the same, the inflation rate last year went up 8 percent.

Counties should not be deceived by the overall health figures which show a \$3 billion increase. The bulk of this is for

medicare, medicaid and research on cancer and heart disease.

In new legislative proposals, the health bureaucrats don't seem to have heard about New Federalism. It is being proposed that state and local officials be put in a secondary role in planning and coordinating local health programs. Further program cuts also are disguised in this legislation.

The Administration is continuing to ignore the existence of a Rural Development Act (enacted back in 1972) and the problems of poor people in small towns and rural areas. Only a small

amount (\$30 million) is being requested in grants for development. Last February, the Administration tried to cover up by blurring the loan programs with grants. This time, they are just ignoring the grants programs. The situation on rural housing is not much better.

County officials must take a leadership role in obtaining more funding for rural areas. The Rural Development Act has been left on the shelves long enough.

The picture on urban community development and housing is just as bleak. The Administration continues to hold up

(Continued on page 12)

Impact of Federal-aid Outlays on Governmental Expenditures

Fiscal year	Federal aid		
	As a percent of —		
	Amount (millions)	Domestic Federal outlays ¹	State-local expenditures ²
1959	\$ 6,669	15.9	13.9
1960	7,040	16.4	13.5
1961	7,112	15.4	12.6
1962	7,893	15.8	13.2
1963	8,634	16.5	13.3
1964	10,141	17.9	14.6
1965	10,904	18.4	14.6
1966	12,960	19.2	15.6
1967	15,240	19.5	16.3
1968	18,599	20.9	18.2
1969	20,255	21.3	17.4
1970	23,954	21.9	18.3
1971	29,844	23.5	19.8
1972	35,940	24.5	21.5
1973	43,963	26.8	23.5
1974 estimate	48,293	25.8	23.3
1975 estimate	51,732	24.7	22.4

¹ Defined for this purpose as excluding outlays for defense, space, and international programs.

² "Governmental Finances in 1971-72," Bureau of the Census.

Grants Down, Funding Low For Rural Development

The Administration's preference for guaranteeing loans rather than making grants for rural development activities is again reflected in the fiscal 1975 budget.

Despite substantial grant authorizations contained in the Rural Development Act of 1972 (\$300 million for water and waste disposal grants; \$30 million for water and waste disposal planning grants; \$10 million for rural development comprehensive planning and \$50 million for industrial development grants) the Administration intends to make only \$30 million in grants available. Included is a request for \$10 million in

grants to local governments to facilitate development of private business facilities, such as industrial parks — the same amount as appropriated in fiscal 1974. Out of a total of \$150 million appropriated in fiscal 1972 and 1973 but not spent, \$20 million in funds previously impounded will be released during fiscal 1974.

The total amount of rural development loans is proposed to increase to \$1 billion in fiscal 1975 over the \$720 million requested for fiscal 1974. These loans are long-term 40-year loans and bear interest at five percent.

Education Goal Is Consolidation Of Existing Program Funding

The major goal in education is consolidation of elementary, secondary, adult and vocational education programs. A new advanced annual grant system is to be developed to distribute funds to states and localities (block grants).

The Department of Health, Education and Welfare is requesting an additional \$179 million for FY 74 (school year 74-75) and \$23 million additional for FY 75 (school year 75-76). These increases come at the expense of other educational programs such as impacted area "B" category aid \$253 million, emergency school aid, \$159 million, other elementary and secondary education aid \$75 million and library resources, \$33 million.

The actual increase proposed for the education budget is only \$15 million over proposed FY 74.

The higher education proposed budget is up over FY 74 by \$272 million for greater assistance to students. Most of this increase is for the new Basic Opportunity Grant program. Approximately 500,000 students participated in FY 73. Over 1.5 million students will participate in FY 75.

Institutional assistance has been decreased by \$48 million due to the shift in direct aid students instead of institutional programs. Work study and

cooperative education programs will continue at slightly lower levels. The guaranteed loan program has increased \$31 million.

HEW is once again recommending the elimination of impact area "B" funds. These funds are contributions to local schools for education of federal employee's children. Category B funds cover children who live in the community as opposed to those who live on federal land and send their children to local schools ("A" category).

Educators are quite leary of HEW's grant consolidation plans since the total impact of the new Elementary and Secondary Education budget is only \$14 million. This level of funding is barely adequate to cover inflationary increases on general educational expenditures. Congress is currently marking up a new Elementary and Secondary Education bill which consolidates a number of programs but not to the extent HEW is recommending in their proposed budget and "soon to be sent to the hill" legislation.

One of the higher education programs slated to be dropped is the popular Community Service program (Title I) which universities use to assist local governments with technical assistance and training programs.

Rural Development Spending (In millions)

	1973 (Actual)	1974 (Estimate)	1975 (Proposed)
Grants			
Rural water and waste disposal grants	\$ 30	\$ 30	\$ 20
Rural business and industrial development grants	---	10	10
Total grants	30	40	30
Loans			
Water and waste disposal loans	400	470	400
Community facilities loans	---	50	200
Business and industrial development loans	---	200	400
Total loans	400	720	1000

The Budget And The Counties

(Continued from page 11)

HUD's community development programs as ransom for passage of a bill consolidating the programs. The impoundments started in January, 1973. Most of the funds in the pipeline for urban renewal, water and sewer, open space and the others have dried up, or at best are down to a trickle. There is no word about what will happen if Congress does not act by the summer.

An equally important question is the need for some type of transition funding between the current programs and start-up of the proposed block grants program. Again, there is no mention of such funding in the budget.

There is a lot of rhetoric from the Administration on environmental protection but this budget makes us wonder about real commitment. The Administration is quick to move on regulating state and local actions, but where are the funds for helping us solve the problems? The Administration continues to impound \$9 billion in appropriated funds for sewage treatment. The impoundments would be even greater had it not been for decisions of the courts last year. The same questions can be asked about air pollution control and solid waste.

While the Administration supports the land use policy bill (still to be enacted), the budget is only calling for funding 40 percent of the expected \$100 million authorization. Their five-year projections show no increases in future years. This program supposedly is to be one of the major tools in protecting our environment.

In the area of social services, the Administration hopes that states will use only 80 percent of the authorized \$2.5 billion. Because of the constant hassle in 1973 on HEW regulations, this projection could turn out to be correct. Programs will be held down because states and counties still do not know what ultimately will be acceptable to the auditors.

The related child development programs (Title IV-B, Social Security Act) again are being held down to less than 25 percent of authorized funding. Only \$46 million is requested. These programs include foster care, child services, and prevention of child abuse. To spread the existing federal funds, the effective matching rate is down to about 10 percent in most states. The rest comes from local governments and private agencies. This program should be held up as a model of the Nixon Philosophy.

County officials and the Congress have mixed views about the future of OEO as a

separate agency. But there is no question about continuation of funding for many of the programs still being run at the local level. Whether the programs are run by counties and cities or by community action agencies, many local elected officials want funding to continue. This is especially true in counties where more time is needed to decide on the future role of a community action agency. No transition funds are being requested.

A final point should be made about anti-recessionary programs. One of the traditional pump-primers is defense contracts. Defense spending already is proposed to be increased from \$69 billion to \$74 billion. Many of our county officials will feel strongly about specific defense projects but the issue has to be met in a broader sense. Is this the best way to boost our economy?

What about more public service jobs? More transit funding? Releasing funds

more quickly for sewage treatment plants? Greater incentives for private and public development in small towns and rural areas?

In other words, there are alternatives.

County officials should start listing their priorities now and letting their Congressmen know what is needed. We should not wait until the Administration decides to announce its crash program.

Program Cuts, Deferrals, Terminations

Alcoholism	Down \$35 million.
Drug Abuse	Down \$19 million.
Hill-Burton	Down \$311 million — to be terminated.
Health Manpower	Down \$198 million.
Child Welfare	Down \$1 million.
Rural Grants	Release of only \$30 million (authorization).
Water Pollution Control	Impounded \$9 billion (over 3 years).
Solid Waste	Sustained at \$14 billion.
Model Cities	Obligations down \$686 million — to be terminated.
Urban Renewal	Obligations down \$4.5 billion — to be terminated.
Neighborhood Facilities	Obligations down \$87 million — to be terminated.
Water and Sewer	Obligations down \$149 million — to be terminated.
Open Space	Obligations down \$218 million — to be terminated.

NACo Won't
Paste a Gold Star on your
Forehead like your 3rd grade
teacher did...



But Your County can Receive a
County Achievement Award!

In recognition of Distinguished and Continuing Contributions to the Cause of strong, efficient, modern County Government in America.

March 31, 1974 is the final date entries can be received to be considered for presentations at the Miami Beach (Dade County, Florida) Annual Conference, July 14-17, 1974.

GUIDELINES

1. Case studies must be accompanied by completed entry form which has been signed by the chief executive official or chairman of the county government body.
2. Case study (10 pages maximum - 8 1/2" x 11" double spaced bond paper) must include following:
Historical Background (include dates); need for program; responsibility for program development; role of county; role of other groups— government and private; finances; legal aspects.
Program Accomplishments — tangible evidence.
Future of Program.
Include as much descriptive material as possible — charts, photographs, news clips.

(detach)

COUNTY _____ Phone: _____

Mailing address of chief elected official or chairman of the governing body: _____

Title of Case Study/Program to be considered for a County Achievement Award: _____

Case Study prepared by:

Name: _____

Title: _____

Case Study approved by (chief elected official or chairman of governing body)

Name: _____

(Signature)

Title: _____

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

1973 Federal Budget

The budget analysis was written by the entire NACo staff. Carol Shaskan, Legislative Assistant, coordinated the special report.

Extra copies are available by writing NACo, 1735 New York Ave., N.W., Washington, D.C. 20006.

Children In Trouble

by David C. Mills

Editors Note: David Mills was formerly Director of Youth Services, Broward County Fla. He is currently with the firm of Caudell Rowlett Scott, Houston, Texas.

As citizens of the wealthiest and most technologically advanced nation in the world, we Americans think of ourselves as a modern, sophisticated and aware people. But are we really as civilized as we think we are? Consider the children.

Today, it is possible for a twelve-year-old child to actually serve up to five years in a juvenile correctional institution for the following offenses (and I quote from an existing state juvenile code): being found on premises occupied or being used for illegal purposes; repeatedly absenting himself from school; habitually idling away his or her time.

While these actions are not commendable, they certainly do not warrant holding a child in a secure detention home or committing a child to a state school. Yet even worse than the possibility of these things happening is the reality that they happen regularly in almost every state.

With public time, money and conscience concerned with other matters, we quietly brand thousands of children as common criminals. In spite of the old saying "sticks and stones", names do in fact hurt.

These children, identified by society as juvenile delinquents, carry the criminal tag with them the rest of their lives. We cloud this reality by calling them "status offenders" or "children in need of supervision". The fact of the matter is that even though these children may be given special identification numbers or accorded other nominal classification courtesies, they are treated in the same manner as hardened delinquents.

Call them what you will, they remain our children and our responsibility.

While the public continues to express its concern for our society "dropouts", few of us have ever so much as even heard of the children our society has kicked out. Among the few professionals and concerned citizens who recognize the problem is Howard James.

In his 1969 book, *Children In Trouble, A National Scandal*, James notes that "It is essential to recognize that only a small percentage of the several million children in trouble have committed serious crimes. Obviously, society must be protected from those who have, but experts ask why the millions of children who are not a threat to society — any may in fact have been neglected by their parents — should be treated like hardened criminals".

In spite of the efforts of these professionals and concerned citizens, we still put our school truants and runaways in security oriented detention homes as our official response to their cry for help.

Even the mass murders of 26 children in Houston have resulted in a surprisingly minimal public and governmental response. The recently proposed federal program for runaways (prompted by the Houston mass murders) would result in allocations totalling only \$40,000 per state per year.

County government can and must respond in a more affirmative manner; no unit of government is in a better position to serve. Time is short but there are ways to bring these children back into society.

A suggested course of action is outlined in the following nine steps:

- Conduct an audit of local resources, youth-serving agencies and review juvenile

court records to determine exactly how many child-in-need-of-supervision cases are being formally handled by the criminal justice system;

- Fully publicize the findings of your audit;

- Develop a workshop session with local judges, school officials, criminal justice staff and other service agencies dealing with youth. The goals of this workshop should be to: take an inventory of existing services; inform agency personnel of the availability of those services; and, of those services found to be lacking, determine which are most essential to the youth of your area;

- Develop a list of all positive forms of treatment that could be used as an alternative to the formal juvenile justice system. Examples of such alternatives would be to provide temporary housing at YM & YWCA, voluntary foster homes, etc.;

- Survey the national programs currently available to help youthful offenders. Some suggested readings would be the "National Council on Crime and Delinquency" publication, Youth Service Bureau; Sherwood Norman's book, *Children in Trouble, A National Scandal*. There are many other good resources for material that are usually obtainable through the National Council on Crime & Delinquency and other agencies.

- Hold public seminars to educate the general public in the problems of the child in need of supervision, and to solicit public assistance in developing alternatives to the juvenile justice system. No resource would be more important to the development of these youth than an informed and concerned citizenry;

- Require through policy or local legislation an immediate initiation of the alternatives developed from your workshop session;

- Fund these alternatives appropriately. Interestingly enough, good programs for children in need of supervision should not cost the county large sums of new money, as these kind of "offenders" need not be formally housed in expensive secure juvenile detention facilities. Instead, these offenders may be accommodated by less expensive, non-secure existing community programs such as foster homes, YM-YWCA and group homes.

- Lobby for legislative changes. Perhaps one of the most significant programs that could be developed would be for your State Legislature to de-criminalize acts such as "habitually idling away time", "school truancy" and "running away from home".



LABOR-MANAGEMENT EXPERTS TO ADDRESS COUNTY ATTORNEYS: David T. Stanley, (l) Senior Fellow at the Brookings Institution and author of *Managing Local Government Under Union Pressure*, and Sam Zagoria, (r) Director of the Labor-Management Relations Service, will participate in a panel entitled "The County Attorney and the Unionization of County Employees" at the mid-winter meeting of the National Association of County Civil Attorneys. Zagoria is a former member of the National Labor Relations Board. Also serving on the panel is Newton Holcomb, Assistant County Executive of Santa Clara County, Calif.

NACE "Matter and Measure"

National Association of County Engineers

FHWA Implements 55 MPH

Effective January 31, 1974, the Federal Highway Administration (FHWA) is implementing Section 2 of the Emergency Highway Energy Conservation Act and requiring states to change their speed limits to 55 mph. States not complying by March 3, 1974 will not get approval for any federal-aid highway project.

The act allows states to pay 100 percent of the cost for modifying speed limit signs and federal-aid highway systems with their apportioned federal-aid highway funds. Because states must act quickly, simplified procedures for submission and approval of projects for sign modifications have been authorized. States should submit a single statewide project for each federal-aid system; a complete PS&E is not required. Each state must prepare and submit a cost estimate to permit the development of a project agreement. FHWA will accept simplified cost records: the development and use of an average cost-per-sign figure will be acceptable for cost reimbursement purposes.

Each state must furnish its FHWA Division Engineer with a statement that it

has complied with the Act and that speed limit signs have been changed when necessary.

1972 Highway User Tax Disbursement

According to data compiled by the Federal Highway Administration, the states disbursed \$11.5 billion in state highway-user taxes in 1972. Of this, \$7.4 billion went for state highways, \$2.9 billion for local roads and streets, and \$1.3 billion for non-highway purposes. These data do not include federal aid monies for highways or federal, state, and local funds for highways obtained from other sources.

Of the \$7.4 billion for state highway purposes, \$5.7 billion went for capital outlay, maintenance, and administration of state highways systems; \$774 million for highway safety activities and law enforcement; \$883 million for interest and retirement of state highway bonds.

Of the \$2.9 billion applied to local governments in 1972, grants-in-aid totaled \$2.5 billion.

A comparison of net revenues (after deduction of collection costs) and allocations in the past three years follows:

	1970	1971	1972
Revenues			
Motor-fuel taxes	\$6,406	\$ 6,816	\$ 7,577
Motor-vehicle registration fees and allied imposts	3,401	3,560	3,927
Total	\$9,807	\$10,376	\$11,504
Allocations:			
For State-administered highways	\$6,317	\$ 6,514	\$ 7,354
For local roads and streets			
Grants-in-aid	2,271	2,328	2,546
State expenditures	255	314	336
Subtotal, local roads and streets	2,526	2,642	2,882
For nonhighway purposes	964	1,220	1,268
Total	\$9,807	\$10,376	\$11,504

Sensible Salting

The Salt Institute is conducting two-hour environmental seminars for road maintenance engineers, supervisors, and equipment operators. The seminars are conducted by a Salt Institute field representative in the Midwest and a consultant in the East, aided when possible, by one of 11 Sensible Salting Reps trained by the Institute.

The Sensible Salting Reps also provide guidance to officials who must decide whether salt used on highways should be banned or curbed because of environmental concerns. The seminars are free and are conducted locally.

At the seminars, a color film, "A Tale of Four Towns... Community Action For The Environment," demonstrates how the citizens of four communities in Massachusetts solved their salting problems. Also included are a slide presentation on proper and improper ways to store salt (indicating that 90 percent of environmental problems involving salt stem from improper storage); types of snow removal equipment; types of automatic controls for salt spreaders which prevent overuse of salt; and a demonstration of a spreader calibration method developed by the Salt Institute.

Also included is a training film for equipment operators, "The Snowfighters," which shows proper ways to remove snow and ice, including use of salt.

Seminar participants are given information and worksheets on how to calibrate spreader trucks and Sensible Salting kits which include a handbook on proper salt storage and the publication, "Snowfighter's Handbook."

The films shown are available for loan from the Salt Institute.

For additional information contact the Salt Institute, 206 North Washington Street, Alexandria, Virginia 22314.

Arizona Officers

The new officers of the Arizona Association of County Engineers are: President, Joseph B. Sarvis, Yavapai County; Vice President, Duane Walker, Navajo County; Secretary, Donald B. Fortney, Yuma County; Treasurer, Keith Shreeve, Apache County.



Burial Rejected For Old Folks Home

"Dig a hole and bury it!" was the recommendation of an architectural consultant several years ago to the Northampton County (N.C.) Board of Commissioners as that body considered renovating an old, abandoned, county home. Although there is always some danger in ignoring solicited advice, in this case the greater peril lay in following it.

The county had decided to seek additional office space to alleviate overcrowding at the courthouse. To provide it, the commissioners considered using the old home. Unfortunately, the building's usefulness was open to

Carolina. Lacking industry, the tax base is particularly weak.

With the coming of revenue sharing, the commissioners decided to use Northampton's first entitlement, along with \$59,000 in county funds, for the more current cost of \$275,000.

The decision was made early to place the Department of Social Services, the county's largest, in the new building. In a letter of commendation to the commissioners from David T. Flaherty, State Secretary of Human Resources, placing all of these related offices under a single roof was praised as allowing for a

Clouded Future

Owing to the clouded future of revenue sharing, many counties have opted to use their allotments for capital improvements. In the process, counties have come under criticism since funds were not directly or immediately available for social programs. As Northampton County Manager Sidney T. Ellen explained, there is a reluctance to use these funds for social programs which cannot be afforded if revenue sharing is cut back.

"With a low per capita income from lack of industry, revenue sharing has played a major role in aiding Northampton County to centralize many of its departments, (provided) much needed additional space for other (departments), and permitted additional programs and services to its citizens which would not have been present without a tax increase," said Ellen.

IPA

Certainly the Board of Commissioners deserves credit for its determination to make better use of existing structures which in turn, could not have taken place without revenue sharing. But the intangible quality which brought both of

these resources together, serving as a catalyst between success and failure, was the presence of an IPA representative.

Thanks to a grant to NACO's New County Center from the U.S. Civil Service Commission, field representatives have been placed in the offices of the North Carolina, New York, and Utah state associations of counties working for the counties in each of the three states.

In the case of North Carolina and Northampton County, Frank Lewis, the state's field representative, met with Ellen for three days, prior to his appointment as county manager, to explain county management and administration.

He told him of the services available through NACO and the North Carolina Association of County Commissioners, and encouraged him to attend courses on county management offered at the University of North Carolina's Institute of Local Government.

Experience is always an elusive quality to measure, but those who are familiar with it know it when it appears. In a way, this one-word would seem to summarize New County's IPA program: using the experiences in the three states' counties for the better delivery of county government services.



Old Building

question since the structure had been sold to a private organization only to be repurchased when the group found it too costly to renovate. It was then that the county hired the consultant.

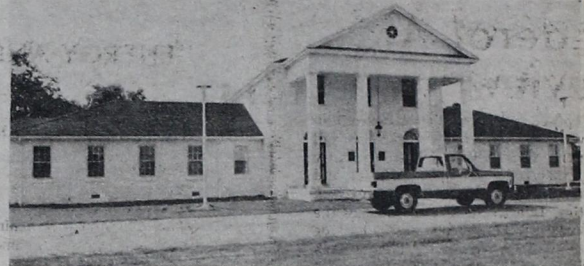
Still the county was reluctant to allow the structure to remain unused. Some repair work was performed and plans made, but it halted when bids for full renovation came in at \$255,000, overwhelming the county appropriation of \$82,500.

Without revenue sharing, utilization of the building seemed a dream. With a population of 24,000 the county relies primarily on farming and timbering. Northampton also has the highest percentage (46 percent) of the total population in poverty in all of North

"more coordinated human services delivery system."

Considered on its own merits, the county's use of revenue sharing funds is worthy of special merit, but the indirect benefits accruing would also not have been available. The commissioners have been able to move the county sheriff, his deputies, and support services to a new Law Enforcement Complex, thus tripling the space available.

The taxation and accounting offices, along with the County Board of Elections, have moved elsewhere in the courthouse to quarters created by the move of the Department of Social Services.



Remodeled Building

NACRC Plans March Meeting

The National Association of County Recorders and Clerks (NACRC) will hold their mid-year Board meeting and general business meeting on March 23-24, 1974, in Little Rock, Arkansas.

This is a very important meeting for NACRC as plans will be made for the Annual Conference which will be held

July 14-17, 1974 in Miami Beach, Fla.

The board will convene at 10 a.m. March 23 and the general business meeting will follow at 1:30 p.m. The meeting will adjourn at noon on Sunday, March 24.

Please fill out the coupon and mail to the Sam Peck Hotel, Little Rock, Ark.

FHWA Deputy Administrator Ralph Bartelsmeyer Dies

Ralph R. Bartelsmeyer, Federal Highway Administration (FHWA) Deputy Administrator, died January 25 at the age of 64. His death is a loss to the highway engineering profession.

A good friend of NACO's Mr. Bartelsmeyer devoted his entire career to highways. He was a county and state road engineer in Illinois from 1921-1953 with many friends not only in Illinois but throughout the nation.

He served as chief engineer for the Illinois Highway Division from 1953-1963 and then as vice president of a Chicago-based engineering firm.

In 1969 Mr. Bartelsmeyer was appointed director of the Bureau of Public Roads and became deputy administrator of the newly established Federal Highway Administration. For 11 months in 1972-1973 he served as FHWA acting administrator.

Mr. Bartelsmeyer was past president of both the American Association of State Highway Officials and the American Road Builders Association and had served as chairman of the executive committee of the Highway Research Board.



Ralph R. Bartelsmeyer

Registration Form NACRC Mid-Year Meeting March 23-24, 1974

Name: _____

Name: _____

Title: _____

County: _____

City: _____ State: _____ Zip: _____

Please reserve a room for me for _____ nights

Single Room: _____ Double Room: _____

Arriving Date: _____ Time: _____

Room Rates: Single \$12
Double \$14 - \$18

Return to:
Reservations Dept.
Sam Peck Downtown Motor Inn
Capitol Ave., at Gaines
Little Rock, Arkansas 72201
Phone: 501/376-1304

Water Pollution Impoundments Held Illegal By Court Of Appeals

by Aliceann Fritschler
Legislative Representative

The U.S. Court of Appeals of the District of Columbia has upheld a District Court ruling that the President is illegally impounding \$6 billion in water pollution control funds. This is the first ruling by an appellate court on the impoundment issue.

The January 24 ruling came as a result of a suit filed by New York City and Detroit asking that they receive their full allotment of sewage treatment funds under the Federal Water Pollution Control Act of 1972. The suit has been certified as a class action by a U.S. District Court judge, which means that this ruling applies to all areas affected by the impoundment.

Although the Federal Water Pollution Control Act authorized \$11 billion to be allocated in fiscal 1973 and 1974, the President directed the Environmental Protection Agency to impound \$5 billion.

The Appeals Court specified that it was not ordering the money to be spent, but that the money must be allocated to the states so that they can plan water

pollution control projects. One of the judges in the case wrote, "Congress manifested an intent to specifically commit federal funds." The judges pointed out, however, that "we express no opinion" as to whether funds could be withheld at one of the later steps in the spending process.

President Nixon has said that impoundment of funds is necessary to fight inflation. As a result of his action, more than 60 lawsuits have been filed, many of them in Federal District Court, seeking to release the funds approved by Congress but withheld by the President. The Administration has lost more than 30 cases in the courts concerning impoundment, and has successfully defended only one impoundment, that being funds for the San Francisco Housing Authority.

DOL Shuffles Staff

The Department of Labor, in preparing for implementation of the Comprehensive Employment and Training Act for 1973, has done some significant staff shuffling that counties should be aware of.

Pierce Quinlan, formerly Director of the Office of Field Coordination, takes over William Haltigan's role as Acting Manpower Administrator for the Office of Manpower Development Programs. He will be the central figure at Labor concerned with national implementation of the new law.

Floyd Edwards, formerly Assistant Regional Director for Manpower in Region IX, takes over as Director of the Office of Field Coordination in Washington, D.C. Edwards will now be in charge of all the Assistant Regional Directors for Manpower and work on the implementation of CETA through each of the DOL regional offices.

William Haltigan, formerly Acting Associate Manpower Administrator for the Office of Manpower Development Programs, will now be the Assistant Regional Director for Manpower in Region IX.

This appears to be a move on the part of the Department of Labor to place all of its capable young staff members in key positions for the implementation of the new manpower law.

CSAC Plans 911 Meeting

The County Supervisors Association of California is sponsoring a one-day seminar on "911" Emergency Telephone System for all interested county officials on Thursday, February 28, 1974 in San Francisco.

Representatives of state agencies, cities, the telephone industry and counties with experience in the "911" planning process will be on hand to discuss their views.

Federal Aid Review

Proposed federal regulations have been received by NACo for review and comment. These regulations are currently being analyzed by county officials and NACo staff to determine their impact on counties. Due to the size of some of the regulations, NACo is unable to provide copies of all issues. At the end of each description, it is noted whether or not copies are available.

If copies are available, please write to Carol Shaskan at NACo. As an added service, we will be separately listing final issuances which are available from agencies.

(74-3) — HEW "Medical Assistance Programs, Utilization Review, Review of Utilization of Care and Services" The proposed regulations revise the existing utilization review regulations for the medical assistance program under Title XIX of the Social Security Act to eliminate the requirement that committees review utilization of non-institutional care and services. The regulations establish specific requirements for in-patient services and other institutional services.

(74-4) — HUD "Section 23 Housing Assistance Program — Existing Housing (without Substantial Rehabilitation)" The proposed regulation sets forth policies and procedures applicable to making housing assistance payments on behalf of low-income families leasing privately-owned, existing, decent, safe, and sanitary housing pursuant to Section 23 of the U.S. Housing Act of 1937.

(74-5) — LEAA "Guideline Manual M4100.1B State Planning Agency Grants" This Guideline Manual addresses that part of the state plan which sets the strategy for the evaluation of its programs. Copies are available.

(74-6) — HUD "Section 23 Housing Assistance Payment Program — New Construction" This proposed regulation sets forth the policies and procedures applicable to making housing assistance payments on behalf of low-income families leasing privately-owned, newly constructed housing pursuant to Section 23 of the U.S. Housing Act of 1937.

Make Your Room Reservations Now For NACo's 1974 Western Region Conference

April 28-30, 1974

Washington Plaza Hotel

King County (Seattle), Washington

This Year's Theme Is

"ENERGY AND THE ENVIRONMENT: A DELICATE BALANCE"

◆ KEYNOTE SPEAKERS & WORKSHOPS ◆

Energy Topics:
*Energy Sources
*Energy Conservation
*Fuel Allocation & Rationing
*Energy Needs & Environmental Considerations

Other Topics:
*Comprehensive Manpower Services
*Public & Private Land Use Program
*Planning Our National Forests
*Urban & Rural Community Development
*Solid Waste Management
*Human Services
*Criminal Justice

◆ CONFERENCE REGISTRATION ◆

*Registration at hotel on April 28 & 29
*No pre-registration
*Make room reservations directly with Washington Plaza Hotel on form below
*Fees: \$75 for delegates; \$40 for spouses and children

CLIP & MAIL TO: Room Reservations
Washington Plaza Hotel
5th at Westlake
Seattle, Washington 98101

◆ PROGRAM OUTLINE ◆

Sunday, April 28

12:00 noon Registration
5:00 p.m. Opening Session
6:30 p.m. President's Reception

Monday, April 29

9:00 a.m. Workshops
2:00-8:00 p.m. Boat Cruise on Puget Sound & Salmon Feed

Tuesday, April 30

9:00 a.m. General Session
10:45 a.m. Workshops
12:30 p.m. Reception & Lunch
2:45 p.m. Workshops
6:00 p.m. Annual Reception & Banquet

National Association of Counties
WESTERN REGION CONFERENCE
April 28-30, 1974

NAME _____

TITLE _____

ADDRESS _____

CITY/STATE/ZIP _____

ARRIVAL DATE _____ TIME _____ a.m. p.m. GTD _____

LENGTH OF STAY _____ NIGHTS

PLEASE CIRCLE DESIRED ACCOMMODATION

BENJAMIN FRANKLIN SECTION		TOWER SECTION	
ACCOMMODATIONS			
SINGLE			
ONE PERSON	\$19		\$27
DOUBLE (One Bed)			
TWO PEOPLE	\$25		\$33
TWIN (Two Beds)			
TWO PEOPLE	\$25		\$33
SUITE			\$75 — \$100

PLEASE NOTE:

1. Reservations held until 6:00 p.m. unless guaranteed for later arrival.
2. Reservations should be received 3 weeks prior to arrival.
3. Check-out time is 2:00 p.m. Date _____

WASHINGTON PLAZA HOTEL

PHONE: 206/MA 4-7400

AMERICAN COUNTIES TODAY

Dear County Official:

It is with much sadness that we report the death on February 7 of former County Mayor G. A. "Beef" Treake. We would like to share with you some of the significance of this great man's life by highlighting some of his accomplishments.

Occupation: U.S. Government, Civil Service to Resident Superintendent Navy Yard Annex; Southgate Terminal (Portsmouth, Va.) Superintendent; self-employed stevedoring and shipping firm up to 1963; special commissioner, Greenbrier Farms, Inc. from 1963 to date.

Office Held: local Board of Assessors of Norfolk County (1939); Board of Supervisors, six terms, 1940 to merger, Vice Chairman of City Council to present, Now Mayor, second term.

Board of Public Welfare for 20 odd years, also chairman; Board of Recreation, Chairman to merger; Civil Defense to merger; Kirk-Cone, charter member of board and still active board member.

Episcopal Church, Trustee, Teacher, and Vestryman; Norfolk County Ferry Board, Chairman; Tidewater Automobile Association, board member and secretary; Bank of Chesapeake, Vice President, board member; Norfolk Industrial Foundation Director; Area Wide Co-Operative Committee (7 cities and 4 counties) board member; Community Fund — Portsmouth and Norfolk board member and now on executive committee; Mental Hygiene Society, chairman; American Red Cross board member (Honorary Life Member); Hospital Association board member (now out of existence); Portsmouth Chamber of Commerce past board member; Sports Club, past President; Kiwanis Club, past President; Runtan club; athletics and high school coach; Tidewater Virginia Development Council; Mason, Trustee, (49 years); Executive Club member.

State: Hampton Roads Sanitation District Commission 23 years, now Vice Chairman; Chesapeake Bay Bridge-Tunnel Commission 13 years, board member; Virginia Tax Commission past commission member; Virginia Annexation Commission, past commission member; League of Virginia Counties, past President twice; Redistricting (Reapportionment) Commission, past member; Patrick Henry Hospital, member of Executive Committee and Trustee; State Chamber of Commerce, member; Old Dominion Education Foundation, member; Old Dominion Alumni Association, Honorary member.

Federal: Intergovernmental Relations (Kestnbaum) Commission, member advisory committee; National Association of Counties, past President and Treasurer (14 years); NACo Research Foundation, Treasurer; Highway Safety Committee (State), past Chairman of Advisory Committee; Highway Safety Committee (National).

Mrs. Treake lives at 529 Shell Road, Chesapeake, Virginia.

Carpools and Insurance

Most of our counties are now actively participating in encouraging carpooling for their own employees and for others in the community. We took this occasion to write to Judson B. Branch, Chairman of the Board of the Allstate Insurance Company, to inquire about liability. His assistant, Raymond P. Ewing, gave us the following response which I think will be very helpful to county officials.

"Here's our carpooling statement we give in the event we are asked by individuals or the media:

"Allstate automobile liability insurance covers passenger cars used in car pools. Where an insured is using his individually owned automobile in a car pool to and from work, he would be insured despite the public and livery conveyance exclusion of our private passenger auto policy. In other words, our liability coverages would apply to an Allstate insured car in both a share-the-ride arrangement or when one individual does all the driving and expenses are shared cooperatively."

"In regard the fact that you will have eight people in your proposed car pool, we suggest you make certain you have adequate liability and medical payments (or personal injury protection in place of medical payments in no-fault states) coverages in the event of possible serious injury or death to all of those people in one accident.

"As to your P.S. asking for any policy position of the insurance industry on liability insurance coverage in car pools, we are not aware of any such overall position. However, if a company uses the Insurance Services Office standard family automobile policy form which has a public or livery conveyance exclusion, we believe it is reasonable to assume that they would take the same position we do. This ISO policy form is used by many companies. (Allstate has its own policy forms.)

"However, to be sure in any case, we suggest you urge your people to check their own company or agent to see whether their cars are covered by auto liability insurance when used in car pools."

Hillenbrand's
Washington
Report
202/785-9591

Sincerely yours,

Bernie Hillenbrand

Bernard F. Hillenbrand
Executive Director

Coming Events

FEBRUARY

17 - 19	Police Jury Association of Louisiana	Lake Charles, Louisiana	James Hays 504/343-2835
20 - 22	National Association of County Engineers 14th Annual Management & Research Conference	Disney World, Florida	Charles Goode 305/849-3445
25 - 26	National Association of County Civil Attorneys Mid-Winter Meeting	Washington, D.C.	Don Murray 202/785-9577
26 - 28	NACo National Legislative Conference	Washington, D.C.	J. Murphy 202/785-9577
28 - Mar. 2	"Revolution in Campaign and Election Law"	Shoreham Hotel Washington, D.C.	Florence Zeller 202/785-9577

MARCH

1	NACIO's "Bridging the Credibility Gap" Meeting	Washington, D.C. Shoreham Hotel	Eileen Hirsch 202/785-9577
3 - 5	State Association of County Commissioners of Florida Convention	Panama City Beach, Florida	E.R. Hafner 904/224-3148
9 - 13	National Association of Regional Councils Annual Convention	Los Angeles, California Biltmore Hotel	Ralph Webster 202/296-5253
23 - 24	National Association of County Recorders and Clerks Meeting	Little Rock, Arkansas	Florence Zeller 202/785-9577
31 - Apr. 3	County Officers Association of State of New York Annual Meeting	Grossinger, New York	Herb Smith 518/465-1473

APRIL

28 - 30	NACo Western Region District Conference	Seattle, Washington	L. Naake 202/785-9577
	Association of County Commissioners of Georgia Annual Convention	Atlanta, Georgia	Hill Healan 404/522-5022

MAY

1 - 3	Utah Association of Counties Annual Convention	Salt Lake City, Utah Travel Lodge	Jack E. Christiansen
2 - 4	New Mexico Association of Counties Annual Convention	Albuquerque, New Mexico	P. Larragoite 505/983-2101
5 - 8	American Society for Public Administration Annual Convention	Syracuse, New York Hotel Syracuse	Richard Legon 202/785-3255
15 - 16	Region III Federal Aid Briefing	Baltimore, Maryland Hunt Valley Inn	Stephen Collins 303/494-3318

JULY

14 - 17	NACo National Convention	Miami Beach, Florida	Rod Kendig 202/785-9577
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Change of Address

If the County News is incorrectly addressed, please give the correct address below and return to NACo.

Name _____
Title _____
Address _____

Attach old label here