

This Week

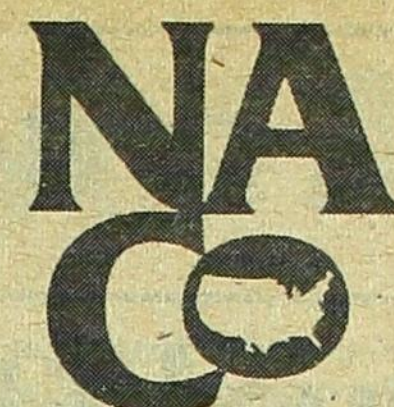
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Vol. 10, No. 8

COUNTY NEWS

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

Feb. 20, 1978



Washington, D.C.

Bill Would Up Title XX Spending

WASHINGTON, D.C.—A bill to increase the spending ceiling for social services (Title XX) by nearly \$1 billion over the next three years has been introduced in the House.

NACo's Welfare and Social Services Steering Committee adopted a resolution in January 1977 that the \$2.5 billion ceiling, imposed in 1972, should be increased to \$3.5 billion with subsequent annual adjustments to reflect cost of living increases.

The bill, H.R. 10833, co-sponsored by Reps. Donald Fraser (D-Minn.)

and Martha Keys (D-Kan.), would increase the ceiling to \$2.9 billion beginning in fiscal '78; \$3.5 billion in fiscal '79; and \$3.45 billion in fiscal '80 and thereafter.

A temporary provision for \$200 million extra for daycare services enacted in 1976 and continued through fiscal '78 will expire on Sept. 30. The Public Assistance Amendments of 1977, H.R. 7200, scheduled for Senate floor action in late March, would make the permanent ceiling \$2.7 billion by including it in the ongoing appropriation and dropping the daycare restriction.

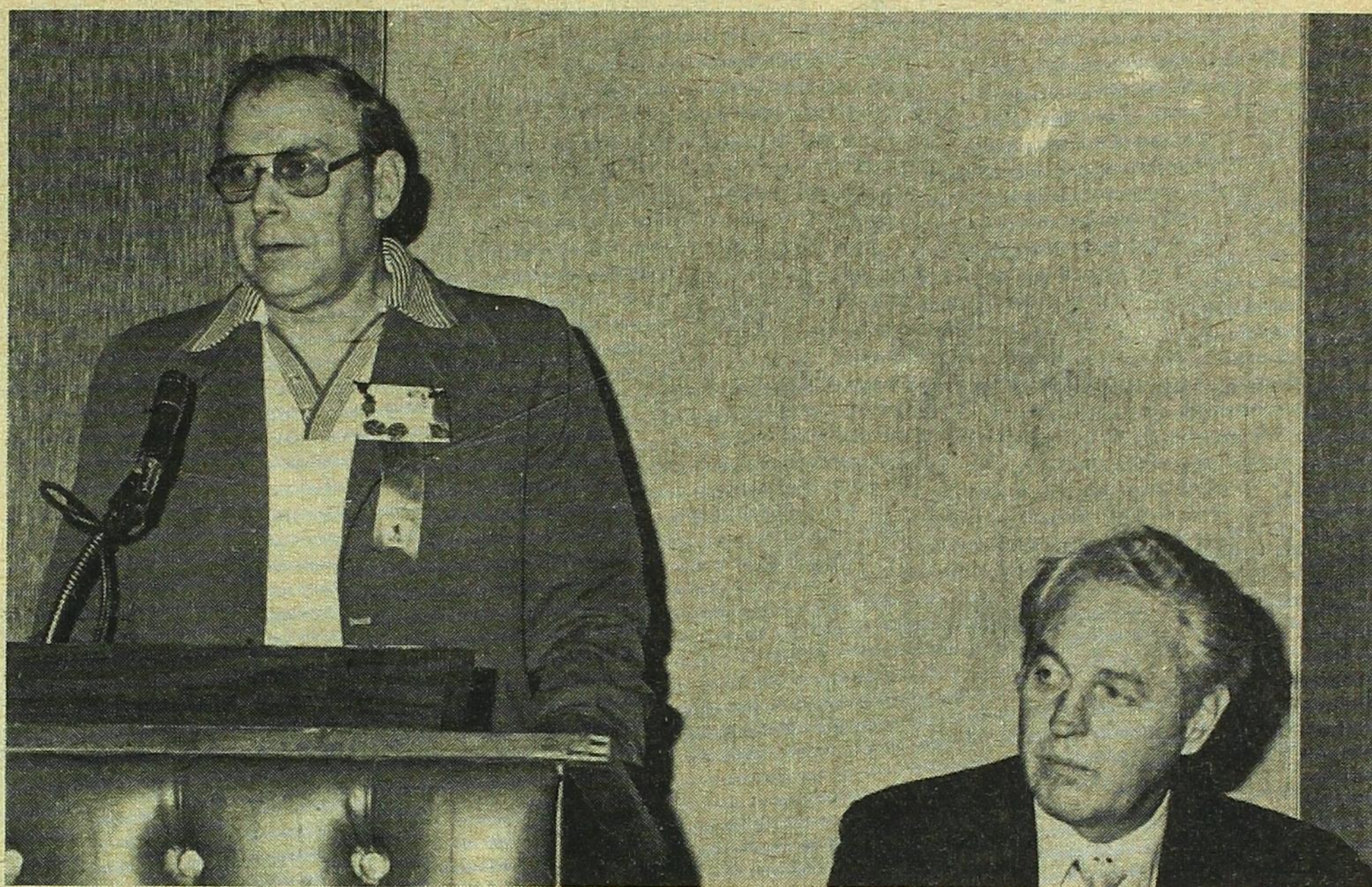
Both Houses have been unresponsive to automatic cost of living increases, but a gradual phasing up to a new ceiling may gain broad enough support for passage.

Title XX of the Social Security Act replaced services previously provided under Title IV-A (Aid to Families with Dependent Children) and Title VI (Aid to Aged, Blind, and Disabled) as the federal source for the social service payments.

Under Title XX, the federal government now provides states with grants to cover 75 percent (90 percent for family planning) of the cost of the services that benefit children, the elderly, the blind, the handicapped, alcoholics, drug addicts and others with low incomes.

County officials should contact their members of Congress immediately to support early action by the House and Senate.

—James Koppel



OPENING REMARKS—John Carlson, mayor, Fairbanks-North Star Borough and WIR first vice president-elect, greets Western Interstate Region Conference members. NACo President Bill Beach is seen at right.

Indian, Public Land Issues Decided by WIR Delegates

RIVERSIDE COUNTY, Calif.—The NACo Western Interstate Region Conference was held this month with more than 800 county officials participating. This was the first annual NACo Western Region Conference since the merger last year of the NACo Western Region District and the Interstate Association of Public Land Counties.

Jack Petitti, president of the Western Interstate Region, announced the election results for 1978-79 Western Region officers who are: president-elect, Jim Brockway, Bonner County, Idaho; first vice president-elect, John Carlson, Fairbanks North Star Borough, Alaska; and

second vice president-elect, Cal Black, San Juan County, Utah. This slate will take office at the NACo Annual Conference in July.

HIGHLIGHTS of actions taken at the WIR conference included:

- The creation of an Indian Affairs Task Force to deal with county and Indian jurisdictional issues;
- A series of resolutions on priority federal legislative issues important to western counties; and
- An endorsement of a coalition of state and county officials to work together on public land issues.

The question of county and Indian jurisdictional issues was addressed at the conference by Forrest Gerard, assistant secretary for Indian Affairs, U.S. Department of Interior.

"The fundamental distinction that must be understood by both the general public and those who serve in government is simply that Indian tribes, as self-governing, independent political entities, are an integral element of the federal governmental system," he said.

Speaking at a luncheon session, Gerard assured the county officials that he was cognizant of the "very real problems that have arisen in ... and the necessity to promote better Indian/non-Indian relations at the local levels of government."

He said, "Indian tribes enjoy a status under federal law as legitimate, self-governing entities, for the most part independent of the authority of the states and free to pursue a culturally communal lifestyle."

Gerard added that Indian tribes should have criminal and civil jurisdiction over all individuals who live on the reservation ... they should have the power to determine land use planning and zoning within the boundaries of the reservation ... they should have the powers to establish pollution standards within the boundaries of the reservation."

NACo HAD previously questioned the federal American Indian Policy Review Commission on the jurisdictional representation of non-Indians living on Indian reservations. Since these citizens are now represented by local government, jurisdictional affairs has become an important issue for counties in the West. At the WIR business meeting delegates voted to form a task force of county officials to identify and define county/Indian jurisdictional issues.

NACo President William Beach of Montgomery County, Tenn. indicated he will appoint a National Indian Affairs Task Force for county officials as a result of the actions and discussion at this conference.

Resolutions adopted on legislative priorities included: continued support for the Payments-in-Lieu of Taxes Act; support for energy legislation that would provide loan and lease funds to counties socially and economically affected by mineral developments on federal lands; and concern expressed for the social and economic impact of various wilderness proposals now before Congress.

A PUBLIC lands coalition of state and county officials, proposed by representatives of the Nevada state legislature and the Council of State Governments, was endorsed by conference officials. The coalition would push for a stronger state and local voice in the management of federally owned lands in the West.

Payments-in-lieu of taxes sessions resulted in a resolution calling for

See WIR, page 6

Congressional Rural Caucus holds hearing on rural equity, see page 3.

Relief Tied to Welfare Reform Bill

WASHINGTON, D.C.—Health, Education and Welfare Secretary Joseph Califano told the Senate Finance subcommittee of public assistance recently that nearly \$1 billion in interim fiscal relief to counties and states would be supported by the Administration only as an amendment to the President's welfare reform bill, H.R. 9030.

This means that fiscal relief up until 1981, when the welfare bill would take effect, depends on the success of current welfare reform efforts.

H.R. 9030 has been reported out of the special House welfare reform subcommittee and sent to the various committees with jurisdiction over it. No interim fiscal relief amendments to the bill have been offered.

NACo HAS been urging Congress to provide interim fiscal relief while continuing welfare reform efforts. So far \$187 million has been authorized in fiscal relief by Congress as part of the Social Security Financing Act of 1977.

NACo's Welfare and Social Services Committee in a telegram to President Carter urged HEW to make fiscal relief payments immediately from general funds before a supplemental appropriation is passed by Congress.

The Administration supports an additional \$187 million in fiscal relief this year as part of the Public Assistance Amendments (H.R. 7200). H.R. 7200 was passed by the House last year; final Senate action is expected late in March.

The Administration's proposed fiscal relief would total \$450 million in fiscal '79 and \$525 million in fiscal '80.

While NACo is encouraged by the Administration's proposed interim fiscal relief, county officials believe this can be dealt with separately from welfare reform legislation without endangering passage of the bill.



Sandra Smoley, president of the County Supervisors Association of California and Sacramento County supervisor, welcomes delegates to Palm Springs. Jack Petitti, WIR president and Clark County (Nev.) commissioner, is seen at left.

County Opinion

Dual Standard Proposed in Lobby Disclosure Act

The House Judiciary Committee, in an apparent response to the Watergate scandal, is updating the Lobbying Act of 1946. The existing legislation, generally considered to be ineffective, would be changed to require more disclosure about lobbying and lobbyists.

Several of the proposed changes seem to make sense. Other requirements of the act may well create a paperwork blizzard that inhibits free expression and places increasing numbers of obstacles in the path of American citizens who in association with other citizens choose to exercise the right to petition Congress as guaranteed by the First Amendment to the U.S. Constitution.

Many groups have testified that citizen organizations must be allowed to exercise their First Amendment rights without the threat of proposed criminal sanctions.

Governors, mayors, county officials and other state and local elected officials do not quarrel with the substance of the Public Disclosure of Lobbying Act of 1977. But they object to the proposed revisions having to do with who would and would not be required to register.

Under the draft bill now being "marked up" in the House committee, mayors, county officials and other elected officials and their immediate aides would be exempt from registration. Those states, cities and counties that are wealthy enough to establish individual Washington lobbying offices are also exempt from the law. However, employees of associations of elected officials like the National Governors Association, the U.S. Conference of Mayors, the National League of Cities, the National Conference of State Legislatures, and the National Association of Counties would be required to register.

In other words, if governors, mayors and county officials cannot afford to lobby on their own (or choose not to) and pool their resources through national associations of elected or appointed officials, their association employees would be required to register.

Aides to the President of the United States or to Congress who lobby would be exempt. The exemption would apply to the White House lobbyists; lobbyists in the federal departments; lobbyists employed by congressional caucuses; and, other lobby employees of Congress or the Administration.

It should be clearly understood that none of the associations representing state and local government have any problem with disclosure per se. NACo is typical. All our meetings are public. The dues for NACo membership are approved at public hearings in county buildings. All our lobbyists are clearly identified, our budgets and work programs are published in great detail in our national newspaper.

All NACo policy questions are publicly debated and decided by weighted vote. We have no money nor do we ever want funds to contribute to election campaigns. All our records are open to Congress and the public.

What upsets elected state and local officials is the dual standard. They feel strongly that if their agents (the associations and employees of associations representing them) are required to register, so should the agents of the Congress and the President. They believe their agents are extensions of state and local government, distinct, different from private interest groups.

Surely the rationale for excluding congressional and presidential aides applies to aides to governors, legislators, mayors and county officials. Note:

- Governors, mayors and county officials are every bit as "elected" as the President of the United States and the members of Congress.

- Governors, mayors and county officials are as much a part of delivering government services to the citizens as is the President of the United States or Congress.

- Associations of governors, mayors, and county officials represent the public concerns of their units of government.

- Associations of governors, mayors and county officials operate in total publicity and disclosure as does the President and Congress.

Consequences of a dual standard for the President and Congress and state and local government employees can be as disastrous as a dual standard for any conduct or activity protected by the United States Constitution.

An elected county official supervising the issuance of federal food stamps (the federal government issues none) is as much a part of the government system as the President of the United States who recommends the food stamp program or the congressperson who votes to authorize the funding of the program. All elected officials are equally and directly accountable to the citizens for delivering services and all should be treated equally.

Certainly it is grossly unfair to make distinctions between national officials and state and local officials based either on the size of the electorate; the money resources of the constituency or, the status of their aides or agents.

A dangerous precedent will be established if governors, mayors and county officials and other state and local elected and appointed officials are singled out for unfair treatment in the Lobby Registration Act.

A fair solution is simple. Require congressional and presidential employees to register or exclude the agents of governors, mayors, county officials and other state and local elected and appointed policy making officials from registering.

State Usurps County Authority

The Virginia House of Delegates recently approved a bill that would overturn ordinances in Fairfax and Loudoun counties which impose a deposit on soft drink containers. The so-called "bottle bills" were aimed at cutting down litter and reducing the amount of solid waste which the counties have to dispose in their landfills.

Proponents of the House measure have argued that the ordinances should be eliminated because they are ineffective in achieving their purpose of litter control within the state.

The reason for this outrageous usurpation of county authority is in all likelihood the greater influence of the container manufacturers and distributors on the state legislature than on the counties involved.

The overriding issue for counties is not the container ordinances, of course, but the manner in which the state

is interfering in their decision-making process.

The House of Delegates' action does not appear to be based on any new evidence or any plan to develop a statewide law of a similar nature. Instead, it represents a flagrant abuse of power in which county officials are being told they may not make binding decisions on behalf of their constituents, unless the state agrees with their actions.

This is strongly reminiscent of a situation 200 years ago in which King George was reluctant to allow "the colonists" to govern themselves. At that time, the leaders in Virginia were among the most vocal critics of arbitrary rule from the central government.

We hope that the Virginia Senate and legislatures in other states will keep that parallel in mind as they consider policies which undermine the authority of local governments.

FmHA Releases Rural Planning Regs

WASHINGTON, D.C.—The Farmers Home Administration (FmHA) has released the long-awaited regulations for administering the \$5 million rural planning program. The program is authorized by Section III of the Rural Development Act of 1972.

The regulations contain several major changes urged by NACo that make the program more equitable. Rural counties will now be eligible for grants to conduct planning activities. Under preliminary regulations issued in October, coun-

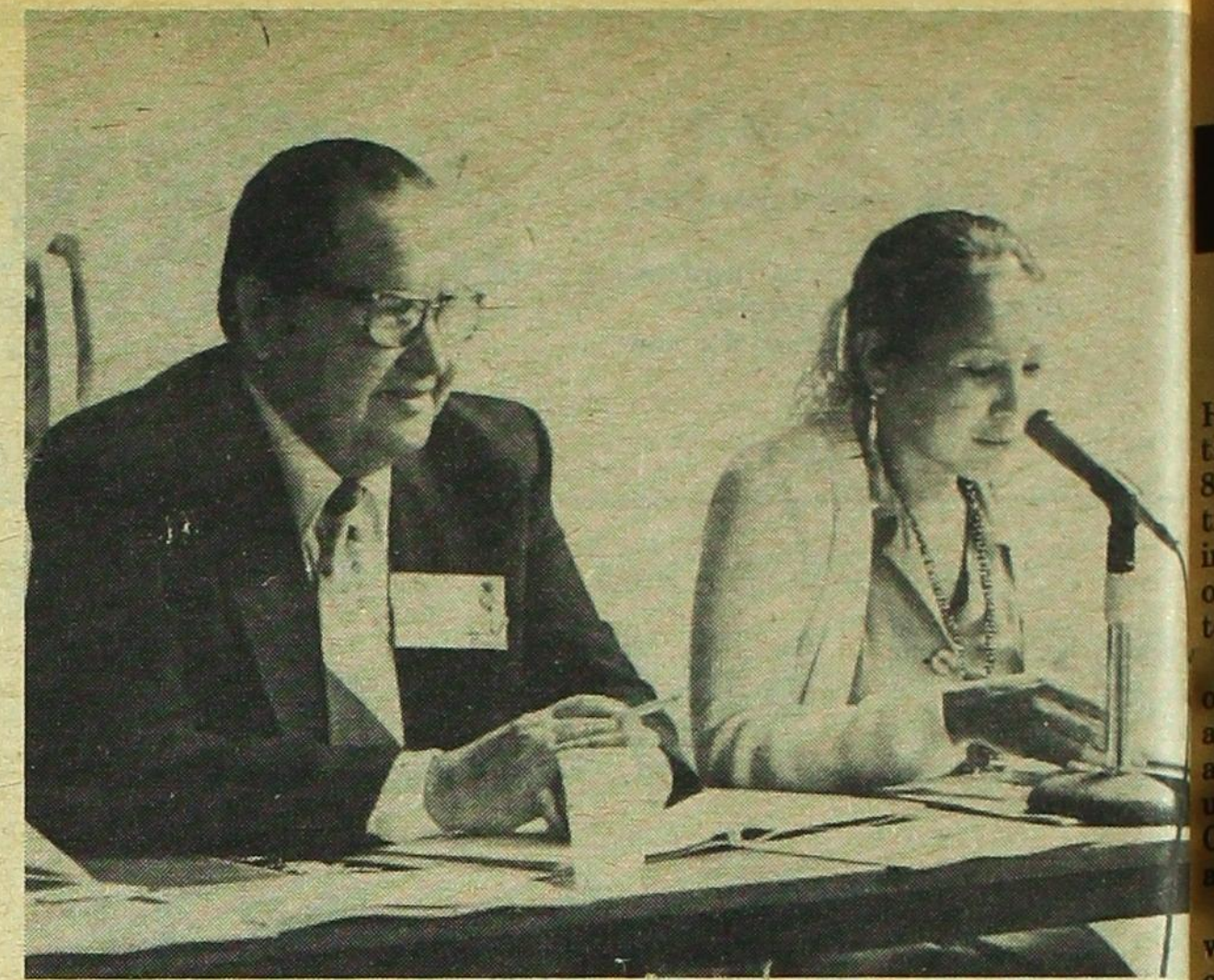
ties were not eligible for planning.

The definition of eligible applicant has also been altered. The regs now recognize that a county may have significant rural areas even though it is located within a Standard Metropolitan Statistical Area (SMSA). Originally all counties within SMSAs were ineligible. Rural is now defined as "not including any area in any city or town with a population in excess of 10,000." While FmHA will accept applications from all counties, the county cannot use the rural planning funds for planning within any area in

a city or town over 10,000.

UNDER THE planning program, grants will be made up to 75 percent of project cost. The remaining 25 percent is to be "half cash" and the remainder cash or "in kind" contribution. All grantees will be eligible, upon request, for refunding.

Grants may be used for the preparation of comprehensive plans and for comprehensive planning purposes. Examples of eligible uses include staff salaries to conduct rural comprehensive planning and



T.T. Chiappelli, supervisor, Tuolumne County, Calif. and Louise DeChenn, supervisor, Apache County, Ariz., discuss older Native Americans.

WIR Panel Explores Services to Elderly

RIVERSIDE COUNTY, Calif.—Speaking on a panel at the Western Interstate Region annual meeting, John D. Spellman, King County (Wash.) executive, noted that while a survey of county employees showed that many retired before age 65, he was pleased King County decided to eliminate mandatory retirement. "Giving the employee the choice has a very positive impact on morale," he said.

For employees who retire before 65, Spellman added, "counties have a responsibility to help them prepare for their retirement."

Carol Wood, assistant director of the Los Angeles, Calif. area agency on aging, and coordinator of the county preretirement program, outlined some concerns which county employers and employees expressed in a recent survey.

WOOD SAID employers asked about indirect costs, such as time away from work, and also about the direct preretirement program expenses.

"The pre-retirement seminars are most often conducted as one-day lectures and the direct costs are minimal. Most materials are donated and the speakers usually do not charge," Wood said.

She cautioned that employees sometimes show increased anxiety about their own retirement if it appears they are being forced to participate in the preretirement program.

The program should be presented by the employer in a very positive, nonthreatening way, so the employee can see benefits of planning for their retirement."

Fred Cooper, Alameda County (Calif.) supervisor, discussed Social Security benefits and pension plans on the same panel. He expressed his concern for the "double dipping" costs to county pension plans—cases where a public employee collects pensions from two or sometimes three public pension plans.



Panelist Carol Wood

"If counties don't act to stop double dipping, this will bankrupt us," he said.

IN ANOTHER workshop devoted to needs of the elderly, the Older Americans Act was cited as the key ingredient in developing special services in Western counties.

Panelist T.T. Chiappelli, Tuolumne County (Calif.) supervisor, to participants: "The Older Americans Act gave impetus to public transportation in our county—first to the elderly and the handicapped, and finally, through the Federal-Aid Highway Act of 1973, to all ages."

Sue Seropian, a project coordinator from the Alameda County Health Department, described how the Older Americans Act was used in 1975 to purchase a 29-foot mobile home which was converted into a mobile health clinic for senior citizens. After receiving a one-year grant for operating costs from the state health department, she added, the county now pays for the full cost of operation.

Other services discussed during this panel session were long-term care systems in Pima County, Ariz. and nutrition services to elderly Native Americans.

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Panel Prepares Lobby Disclosure Act

WASHINGTON, D.C.—Last week the House Judiciary Committee began markup of the Public Disclosure of Lobbying Act (H.R. 8494) which would require various organizations to reveal how much they are spending to influence legislation. The bill was reported out of Judiciary's administrative law subcommittee last May.

One provision would require NACo and other associations of state and local elected and appointed officials to register under the act. Excluded from registration and disclosure under the bill are associations of members of Congress, members of Congress, congressional employees and federal officials.

Individuals employed by a single county would not be required to register; however, employees hired by counties joining together in a national association would be required to register.

NACo's membership adopted a resolution at its 1977 annual meeting which urged Congress to recognize the partnership role of counties, cities, and states in the federal system and asked that employees of states, counties and cities and their associations be given the same status as that extended to employees of federal officials and departments.

COUNTY OFFICIALS believe that if registration and disclosure are needed for county officials' associations and employees, then it is equally valid for all federal officials who lobby.

In 1974, NACo, the National League of Cities (NLC) and the U.S. Conference of Mayors (USCM) sought a ruling in U.S. District Court on registration under the present law. Judge Gerhard Gessell made a clear distinction, in the case which came to be known as *Bradley vs. Saxbe*, between special interest groups and groups of public officials. He ruled:

"Here there can be no doubt that all officers and employees of the plaintiff organizations (NACo, NLC, USCM) are engaged in lobbying solely for what may properly be stated to be the 'public weal' as conceived by those in government they represent who are themselves officials responsible solely to the public and acting in their official capacities ...

"Significantly, the legislative history reveals the definition of 'organization' was intended to apply to 'business, professional, and philanthropic organizations,' not to organizations of public officials and their agents."

NACo is deeply concerned that the new bill will have a detrimental impact on intergovernmental contact by public officials and their

staffs at the federal, state, and local levels. In his decision, Judge Gessell described the situation faced by local governments today:

"The involvement of cities, counties and municipalities in the day-to-day work of the Congress is of increasing and continuing importance."

"The court must recognize that the voice of the cities, counties and municipalities in federal legislation will not adequately be heard unless through cooperative mechanisms such as plaintiff organizations they pool their limited finances for the purpose of bringing to the attention of Congress their proper official concerns on matters of public policy."

NACo EXECUTIVE Director Bernard Hillenbrand described NACo's position in a speech at the recent Western Interstate Region Conference. "We think there needs to be disclosure for interest groups and individuals who lobby. It may better serve all citizens to know whose money is supporting which lobbying for what policies."

"NACo already discloses who its members are, what our policies are, how much members pay, who NACo employees are, and how much money is spent. Citizens should be equally

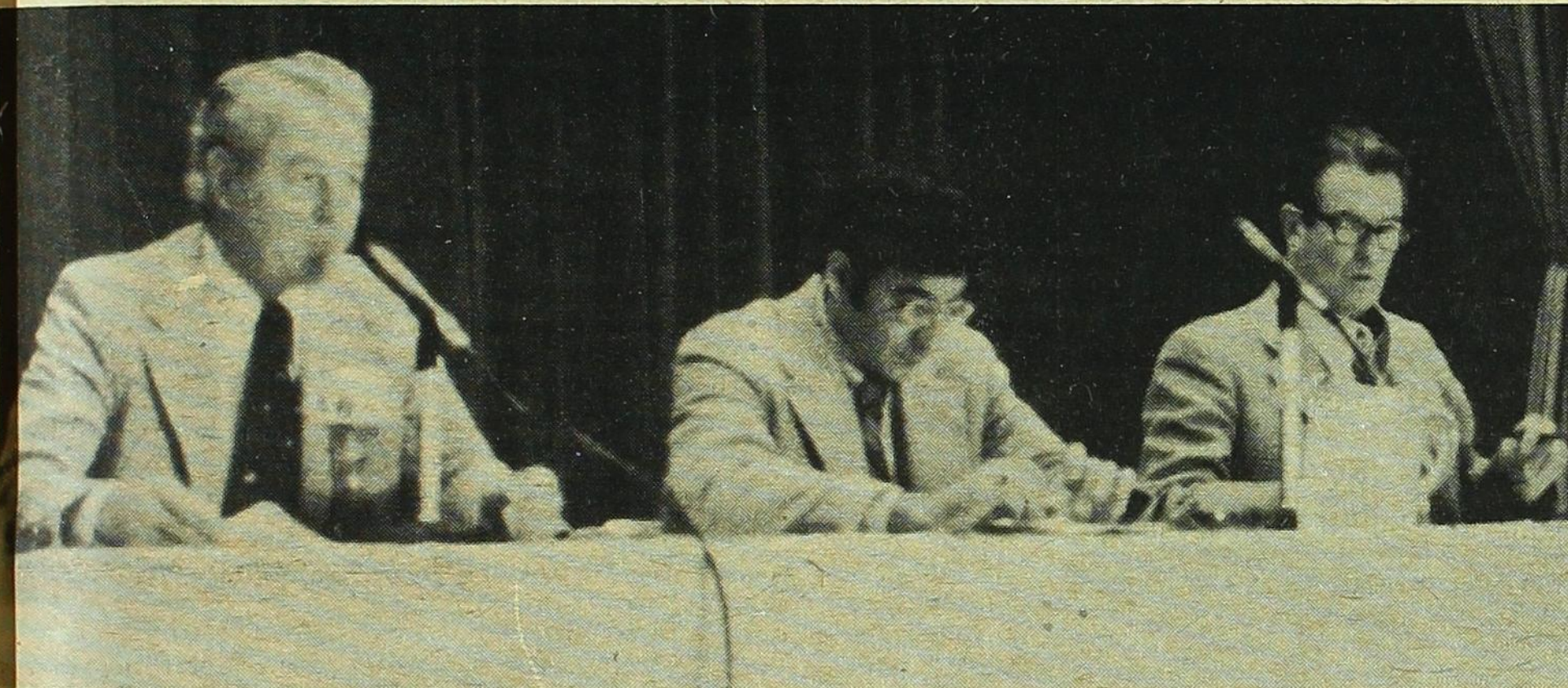
well-informed about federal policies, and how many tax dollars are spent on the passage of legislation by federal agencies, including the White House."

"County officials, their associations and employees are simply asking for equal treatment," added Hillenbrand. "Either all governments register, or none do, because they are governments or their extensions."

The Senate Governmental Affairs Committee held hearings on lobbying reform legislation early this month. Two bills (S. 1785; S. 2026) have been introduced in the Senate. Both would require associations of state and local elected officials such as NACo to register. A panel of witnesses told the committee that the complex reporting requirements and unnecessary paperwork would overburden small groups, discouraging them from making their views known to Congress. A Senate governmental affairs subcommittee is expected to consider these bills in the near future.

County officials are urged to contact their members of Congress to urge equal treatment for all governments—state, county, city, federal—and their associations.

—Aliceann Fritschler



RURAL CAUCUS MEETS AT WIR—Congressional Rural Caucus members Leon Panetta (middle) and John Breckinridge (right) held hearing at the WIR Conference. NACo President Bill Beach introduced the congressmen.

Reps. Told Rural Inequities

RIVERSIDE COUNTY, Calif.—Inequities between federal programs that assist urban and rural Americans were the focus of hearings by Congressional Rural Caucus members at NACo's Western Interstate Region Conference in Palm Springs, Calif. The hearings were hosted by NACo and the Housing Assistance Council (HAC).

The day-long hearing were chaired by Rep. John Breckinridge (D-Ky.), who is caucus chairman. In addition, Rep. Leon Panetta (D-Calif.) participated at the hearings at which county officials and other interested persons testified.

The caucus, which is composed of more than 100 members of the U.S. House of Representatives, will use the information gathered during the hearings to develop legislative strategies to correct imbalance between federal programs for urban and rural residents.

NACo President William Beach of Montgomery County, Tenn. congratulated the caucus for holding hearings at the conference and expressed the appreciation of rural counties for the caucus' ongoing efforts on behalf of rural citizens.

Breckinridge, chairman, cited the issue of rural equity as a major caucus goal. "Equity and full funding of the Rural Development Act are necessary if this nation is to meet the needs of rural America," he said.

Panetta emphasized the needs of rural Americans and the inadequacy of the present efforts. "There must be a renewed commitment to the people of rural America."

Both congressmen serve on the House Agriculture Committee.

CALVIN BLACK, commissioner, San Juan County, Utah and Ray Nelson, commissioner, Republic County, Kan., testified before the caucus. Black serves as chairman and Nelson as vice chairman of the newly appointed NACo Rural Affairs Committee.

Black pledged the efforts of the Rural Affairs Committee to support the initiatives of the Rural Caucus to achieve rural equity. "Rural America is the breadbasket of urban America, and a healthy rural America is essential to a healthy urban America," Black said.

Nelson stressed the overwhelming need of rural communities for federal assistance. "Our rural counties are suffering from high unemployment, lack of adequate water and sewer systems, substandard housing, and not enough jobs," adding that the nationwide waiting list for water and waste disposal grants exceeds \$642 million. This program would not only provide a much needed service, but would also create jobs, he said.

Hal Wilson, executive director of the Housing Assistance Council, cited the need for funding and implementing the existing rural housing programs administered by the Farmers Home Administration (FmHA).

He then urged the Rural Caucus to support the Rural Housing Act of 1977, S. 1150, emphasizing the importance of the provisions in that bill to create a new homeowner subsidy for low and moderate income people. (NACo testified before the Senate subcommittee on rural housing in October 1977, in support of that legislation.)

Tomio Fujii, president of the

Hawaii State Association of Counties, also testified before the caucus. He stressed the economic and agricultural concerns of the Hawaiian counties and the importance of the sugar crop to the islands' economy.

NELSON SUMMARIZED three specific rural inequities to the congressmen. He cited the 50 percent ceiling on FmHA grants as opposed to the 100 percent and 75 percent grants available from the Department of Housing and Urban Development and the Environmental Protection Agency. He then contrasted the funding difficulties continually confronting the Rural Development Act, while the Housing and Community Development Block Grants receive full funding. Finally, he discussed the severe staff shortages at FmHA, despite its increasing responsibility and workload.

Black recommended to Breckinridge and Panetta that the caucus formally support a number of efforts that would aid rural areas. He specifically urged:

- Enactment of the Rural Development Policy Act of 1978. This would expand the role of the assistant secretary for rural development as well as increase the rural planning authorization.

- Support a supplemental appropriation of \$50 million for the water and waste disposal grants. This would result in full funding for the current fiscal year and help meet a portion of the significant backlog.

NACo actively serves on an advisory committee to the Rural Caucus. For more information contact Elliott Alman.

LEGISLATIVE CONFERENCE

Elected Women to Hear Schroeder

WASHINGTON, D.C.—Rep. Patricia Schroeder (D-Colo.) has accepted an invitation to speak at NACo's Legislative Conference here March 12-15.

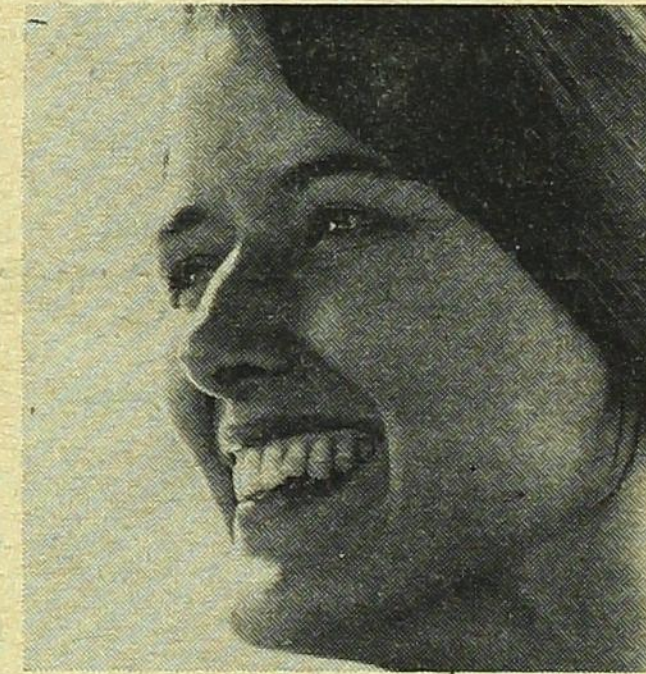
Schroeder will discuss the prospects for key legislation affecting women before the 95th Congress at a panel session sponsored by the Elected Women in NACo.

The session—an update on women's issues from the national perspective—will take place Wednesday morning, March 15.

Schroeder, an attorney who was first elected to Congress in 1972, has been an outspoken advocate for women. Also invited to speak, although not confirmed, are Margaret (Midge) Costanza and Alexis Herman.

Costanza is director of the White House Office of Public Liaison. That office has responsibility for Administration efforts to enhance the status of women.

Herman is director of the Women's Bureau in the U.S. Department of Labor. The Women's Bureau was established in 1920 and is the only federal agency devoted exclusively to the concerns of women who work.



Schroeder

ively to the concerns of women who work.

The Elected Women in NACo are also hosting a wine and cheese reception Monday evening, March 13. The reception will give women county officials an opportunity to meet each other and special guests from the federal government and other women's organizations.

In addition, the Elected Women will hold a business meeting Wednesday afternoon, March 15.

IRS Proposes New Regs on Deferred Compensation

WASHINGTON, D.C.—The Internal Revenue Service recently issued regulations which will affect the tax benefits of employees participating in deferred compensation programs in state and local governments.

The regulation, as proposed, would cause participants to pay current taxes on their deferral. Under present arrangements, these deferred payments are not taxed until the taxpayer receives the compensation.

Rep. Joe Waggoner (D-La.) has introduced a bill, H.R. 10746, to reverse the proposed IRS action on deferred compensation plans. This legislation would affect over 24 states and a number of counties, cities and towns which have adopted such plans to attract, retain and compensate employees.

Counties which have deferred compensation plans may file written comments and request a public hearing on the proposed regulations before April 4 to Commissioner of Internal Revenue Service, Attention CC:LR:T (LR-194-77), Washington, D.C. 20224.

For more information, contact: William C. Mantle of the Legislation and Regulations Division, Office of the Chief Counsel, Internal Revenue Service, 1111 Constitution Ave., N.W., Washington, D.C. 20224, (202) 566-3734.

The NACo staff is currently working with the other public interest groups toward resolving this problem in the best interests of counties and other units of government which would be affected by the changes. Please call Ann Simpson, legislative representative, for more information.

Alternative and Innovative Techniques

The high cost of constructing, operating and maintaining conventional wastewater treatment plants has begun to cause many communities to reconsider plans to build or expand their sewage systems.

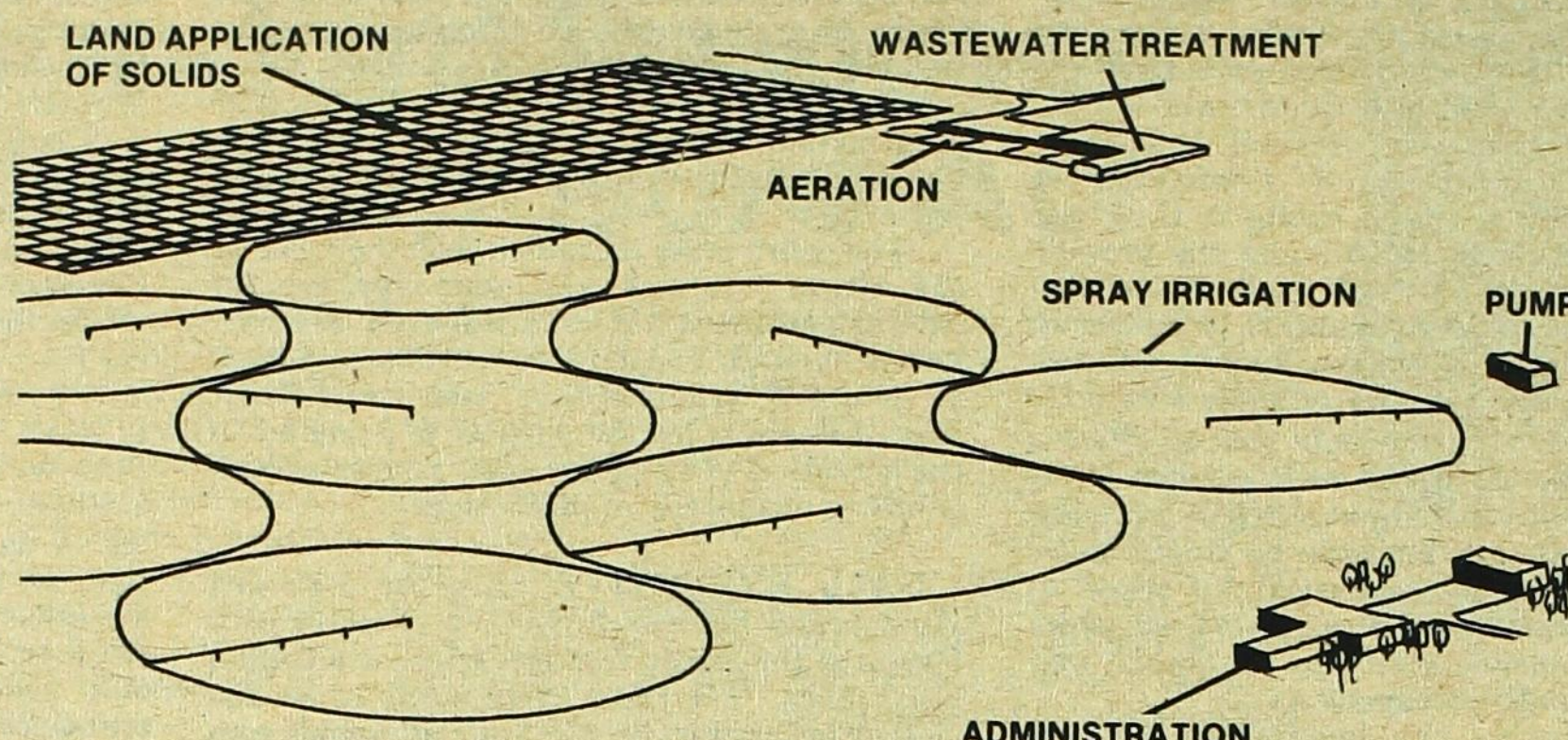
These costs, plus unanticipated social and development impacts, have brought many local governments to a dilemma: what methods are feasible and eligible for funding which also avoid these unwanted costs and impacts?

Under the original Clean Water Act and its subsequent regulations, few alternative and even fewer innovative solutions were eligible for funding. The traditional secondary treatment plant with its collector and interceptor sewers was virtually mandated by strict funding and standards requirements.

The provisions of the new Clean Water Act, however, include a major policy change which recognizes the utility of alternative and innovative systems. In addition to requiring that all future Step 1 plans include alternative systems as an option, the act provides a financial incentive to encourage the use of such systems. For any approved alternative or innovative system, EPA will fund 85 percent of the construction costs including land costs where they are part of a land treatment system.

In order to reduce local concerns about investing in unconventional treatment processes, the act also authorizes full replacement costs in the event of the failure or unreasonably high operating and maintenance costs of any such system.

Finally, EPA will fund at the 100 percent level a very limited number of demonstration projects which incorporate highly innovative or totally new approaches to wastewater treatment problems. The cost-



SPRAY IRRIGATION SYSTEM

effectiveness guidelines which ultimately dictate the choice of treatment systems have also been revised to give alternative and innovative systems a 15 percent "handicap" in the analysis. In essence, this allows these systems to cost up to 15 percent more than conventional processes, and still be considered competitive by EPA.

The development of regulations defining the terms "conventional," "alternative" and "innovative" by EPA will eventually determine the funding commitments which will be made on individual applications. At present it appears that EPA will define as **conventional** any system composed of collectors, interceptors and a treatment plant which provides secondary treatment.

Alternative systems are those proven

processes which provide the same level of treated effluent but which are also designed to conserve water, energy or other resources. Within this category fall well-designed individual septic systems, land treatment programs, processes which reclaim water or recharge aquifers, and systems which reduce reliance on energy-inefficient or resource-intensive processes.

Innovative systems are those unproven but promising techniques of wastewater treatment which need field testing and further refinement. Specifically, these include processes which provide significant cost savings, increased energy conservation, greater recycling of water, reclamation or reuse of effluents and reclaimed resources, improved efficiency or reliability, or increased environmental benefits.

Expanding Control of Toxic Substances

The new Clean Water Act introduces a major new policy emphasis—toxic substances control. The 1972 law mandated programs to abate severe pollution by toxic substances, but the lack of scientific proof of the toxicity of many chemicals limited EPA's enforcement efforts.

A successful suit by the National Resources Defense Council which charged EPA with foot-dragging on this issue resulted in a consent decree last year which greatly steps up EPA's research and enforcement in all areas of toxic substance control. The new act's policies and EPA's proposed fiscal '79 budget which doubles funding for toxic control are responses to the requirements of the consent decree.

EPA has identified 129 chemicals or families of chemicals which have been defined as toxic, although much remains to be done to establish their threshold toxicity, persistence and long-term effects. These toxic substances find their way into wastewater systems from urban and agricultural runoff, industrial processes and natural conditions. Those treatment plants receiving such contaminated wastewater are required to apply various technologies to reduce or eliminate each toxic substance from the final effluent.

In addition, where point sources of toxics can be identified, specifically those from industrial plants, the industry itself may be required to pretreat its wastes before it enters the public system. EPA has enforced pretreatment standards for some

chemicals for the past year; the legislatively established list of 129 toxics will now expand the pretreatment program to many formerly unregulated industrial processes.

Although industry is currently the focus of the early stages of toxics control, future efforts will include the control and treatment of urban and agricultural runoff as well. In this activity local governments will be expected to exercise their authority to regulate land use, public health and construction activities as well as to provide expanded wastewater treatment services.

EPA Budget Priorities: Wastewater

The passage of the 1977 Clean Water Act coincides with the efforts of the Carter administration to increase funding for many of the programs of the Environmental Protection Agency (EPA). Thus, EPA's budget requests mirror many of the authorizations and priorities of Congress, with particular emphasis on funding for wastewater treatment facilities construction grants, toxic pollutants control and implementation of the Safe Drinking Water Act.

In terms of actual dollars, the wastewater construction program is the big winner with \$4.5 billion proposed for fiscal '79. Future budgets are expected to mirror the congressional authorization of \$5 billion for each of the following years through 1982. The grand total: \$24.5 billion over five years.

The budget for toxic pollutant control will rise dramatically

The Clean Water Act

The recent passage of the Clean Water Act of 1977 breaks a year-long congressional stalemate and introduces an element of flexibility in water pollution abatement which was not obvious in the original P.L. 92-500. While compromises on clean-up schedules were won by industry and local governments, the major outlines of the original act remain intact. The outlook for county government is particularly bright, with increased funding for the construction grants program and continued funding for Section 208 planning activities authorized. In addition, the act encourages the use of alternative and innovative treatment technologies, provides for the funding of some small, private systems, specifies allotments for small and rural communities, and establishes a grant program for individual farmers to control polluting runoff and erosion. All in all, the changes seem to reflect a greater recognition of the diverse needs of local governments while still maintaining a strong commitment to the "fishable, swimmable waters" goal of P.L. 92-500.

Legislative Priorities

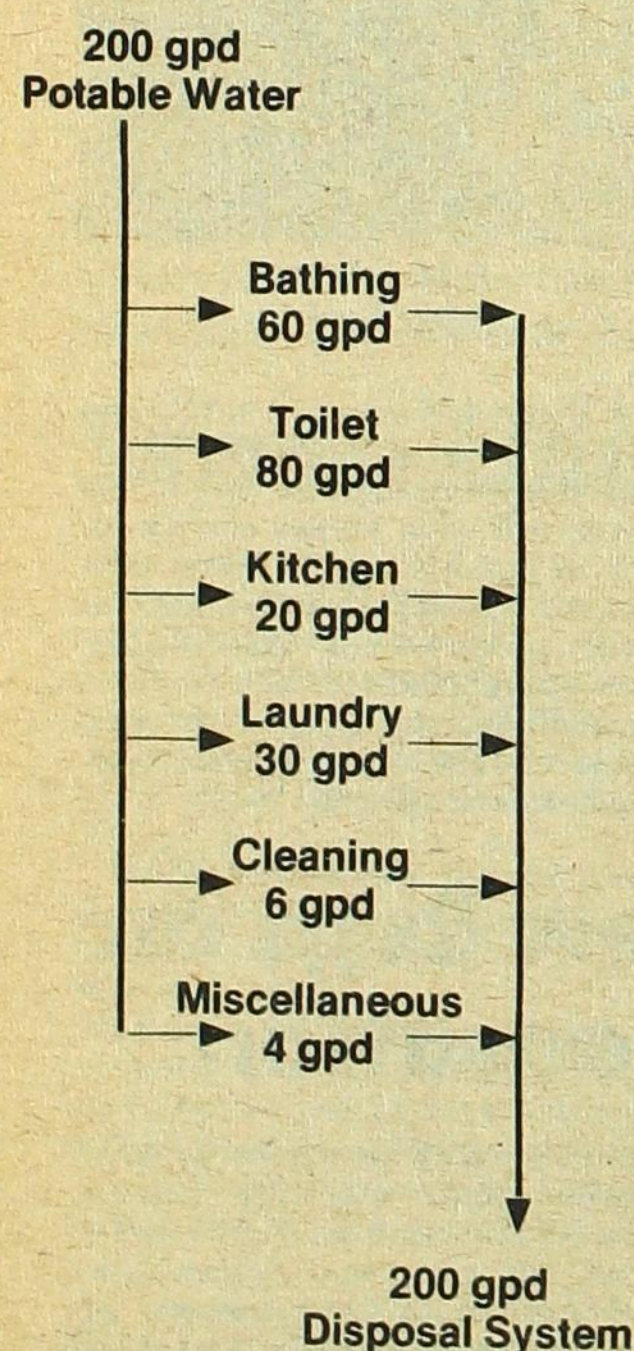
The act contains new budget authorizations for all existing programs and establishes several new ones. Chief among these is the act's emphasis on the control of toxic substances for which funding has been doubled in the Administration's proposed fiscal '79 budget. Of particular importance to counties will be the authorization of a total of \$24.5 billion to be spent on wastewater treatment facilities in the next five years. This funding will rescue the Section 201 construction grants program which had fully committed its previous \$18 billion authorization. The funds will be spent on a schedule which sees \$4.5 billion allocated to fiscal '78 and \$5 billion each of the following four years through fiscal '82. Adoption of these figures indicates congressional acceptance of a plan introduced by the Ford administration which would funnel \$1 billion over 10 years into water pollution control and abatement projects.

Eligibility

The conference committee which finally produced the clean water act was long divided over the question of project eligibility within the construction grants program. Both the Senate and the Carter administration wanted to limit funding to the construction of treatment plants and major interceptor sewers. This position was prompted by concern that funds should be spent for the great backlog of needed facilities rather than for pipes to extend systems to handle the growth and stormwater treatment. Overlooked, however, were the hundreds of urban and suburban sewage systems which required major reconstruction and rehabilitation and the need to meet the cleanup standards. In the end, the conferees from the House won a commitment to set aside 25 percent of the construction grant funds for major rehabilitation, new collectors and interceptors, and the elimination of overflows from combined sewers.

Compliance Deadlines

Many of the communities which will benefit from the changes in eligibility will also be affected by the changes in the compliance deadlines. Because of the enormity of the nation's water pollution problems and the lack of stable funding for pollution abatement, only one-third of the 12,800 municipalities required to upgrade their facilities were able to meet the July 1, 1977 deadline for providing secondary wastewater treatment. The new act recognizes the formidable



Water generated by typical family of four in grams per day.

Recent droughts in several parts of the country, combined with over loaded sewage systems, have forced many local governments to consider ways of reducing water consumption. The problem of waste treatment and disposal begins in the home where the total volume and strength of the work can be reduced to minimize the load on the disposal system.

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Clean Water Amendments of 1977

1977 brought legal and environmental problems faced by many of the communities still in violation of the effluent standards. In cases where deserved federal funding has not been received and where good faith efforts have been made, grace deadlines may be extended until 1982.

Pretreatment and User Charges

A more flexible attitude of the new act is also reflected in provisions concerning industrial cost recovery (ICR), effluent regulations and user charges. The 1972 act required grantees to establish procedures by which they were to recover the federal share of the costs of industrial wastewater treatment. Because the quantity and composition of industrial wastes often demands greater capacity or different treatment processes, it was felt that industrial users should be charged for this service. The creation and implementation of these systems has been very difficult for local governments, particularly those with many industrial treatment plants or insufficient data on use and construction costs. In the case of many small communities, the costs of the paperwork required have often exceeded the recovered costs. For these reasons, the new act provides for a 12-month study of the ICR requirement and for a moratorium on the collection of any ICR fees. In the case of discharges of less than 25,000 gallons of wastewater per day are exempted from the ICR system as long as the effluent does not contain pollutants which would contaminate the plant's sludge. The control of toxic pollutants has recently been given such importance, strict enforcement of the Environmental Protection Agency's (EPA) pretreatment regulations was supported by the new act. There is, however, flexibility in implementing pretreatment procedures. Previously there had been a rigid minimum standard for industry, the new act now allows relaxation of that standard if a combination of industrial and public treatment can achieve the same result. A similar level of flexibility was allowed in the new act's provisions on user charges. The 1972 act requires the costs of wastewater treatment systems to be allocated proportionately to use, a stipulation which apparently demanded the installation of individual meters. The cost of this is prohibitive for many large or older systems. Thus, the new act creates two classes of small volume users: residential and nonresidential. Within these classes the total costs are allocated equally among all users, eliminating the need for individual metering. These charges may be assessed as part of the ad valorem or property taxes, provided that taxpayers are notified of which portion of their total bill is allocated to sewage treatment. An additional provision states that such an ad valorem system have been in place by Dec. 1, 1977. Regulations being developed by EPA place additional constraints on the use of this system, particularly in regard to the ability of local officials to affect the system. County officials particularly should monitor the implementation of these regulations.

Local Systems

The impetus for the 1972 act was in response to the problems of large, urban sewage systems. With the experience from implementation of that act, local officials and EPA have identified many other problem areas, not the least of which are communities serviced by individual and small systems. In a major departure from previous policy, the act makes these arrangements eligible for funding, subject to some restrictions. These generally require a public

presence and an assumption of public responsibility for the system. Included in this is the necessity for a public body to apply for the funds, to operate and maintain the equipment, and to assess user charges in a manner similar to that of publicly owned treatment works. Many of these individual or private systems serve small, rural populations, and it is expected that many counties may eventually be involved in this issue. Grant application procedures for this program are very similar to conventional Section 201 procedures: planning areas must be designated and a facilities plan submitted for wastewater management for each area. The actual management of some of the systems which will eventually be funded will undoubtedly require some innovative administrative designs, because of the variability of the communities to be served. Boyd County, Ky., operating under a grant from the Appalachian Regional Commission, has established a program involving aerobic individual systems which are installed and maintained by a county authority. This program may well serve as a prototype for other rural wastewater service areas.

State Management

One of the more far-reaching procedural aspects of the new act concerns the emerging role of the states in administration and implementation of clean water programs. The new act provides, for the first time, administrative funding for state agencies which oversee these programs. A maximum of 2 percent of the total state allocation or \$400,000, whichever is greater, will now be available to each state that assumes responsibility for the construction grants program. The act also assigns the states the authority to draw up the project priority list, an activity which formerly was the sole responsibility of the regional offices of EPA. Many environmentalists opposed this provision, fearing that critical pollution abatement projects would be sacrificed to political decisions. Most states, however, felt that state priorities and needs were not adequately addressed by EPA's involvement in the priority lists, and their arguments persuaded the Conference Committee to assign this responsibility to them. Finally, the new act provides for the transfer to qualified states of the dredge-and-fill permits now issued by the Army Corps of Engineers. Given the recent liberal interpretation of the applicability of these permits, such a transfer will give the states much greater oversight of local government activities. Many major construction projects, road construction and maintenance and recreation activities impinge on waterways or wetlands; their execution is often dependent on the issuance of a dredge-and-fill permit. Regulations defining the conditions under which permit authority will be delegated to the states are yet to be written, but EPA expects the first states to assume dredge-and-fill permit authority within the next year.

In addition to these procedural changes, the new act introduces some important new substantive policy changes which will have a substantial impact on local governments. These include major new incentives to use alternative and innovative treatment systems and a strict new program to control toxic substances (see related story). Both of these policy changes offer new opportunities and potentially new problems for local government. While both permit greater flexibility to address specific local circumstances and needs, they also impose new requirements and responsibilities. In particular, these policies will demand even greater technical skills and experience at the local level, and the consideration of more options for wastewater treatment.

—Mary Reardon
NACoR Clean Water Project

Clean Water Construction Grants (in millions of dollars)

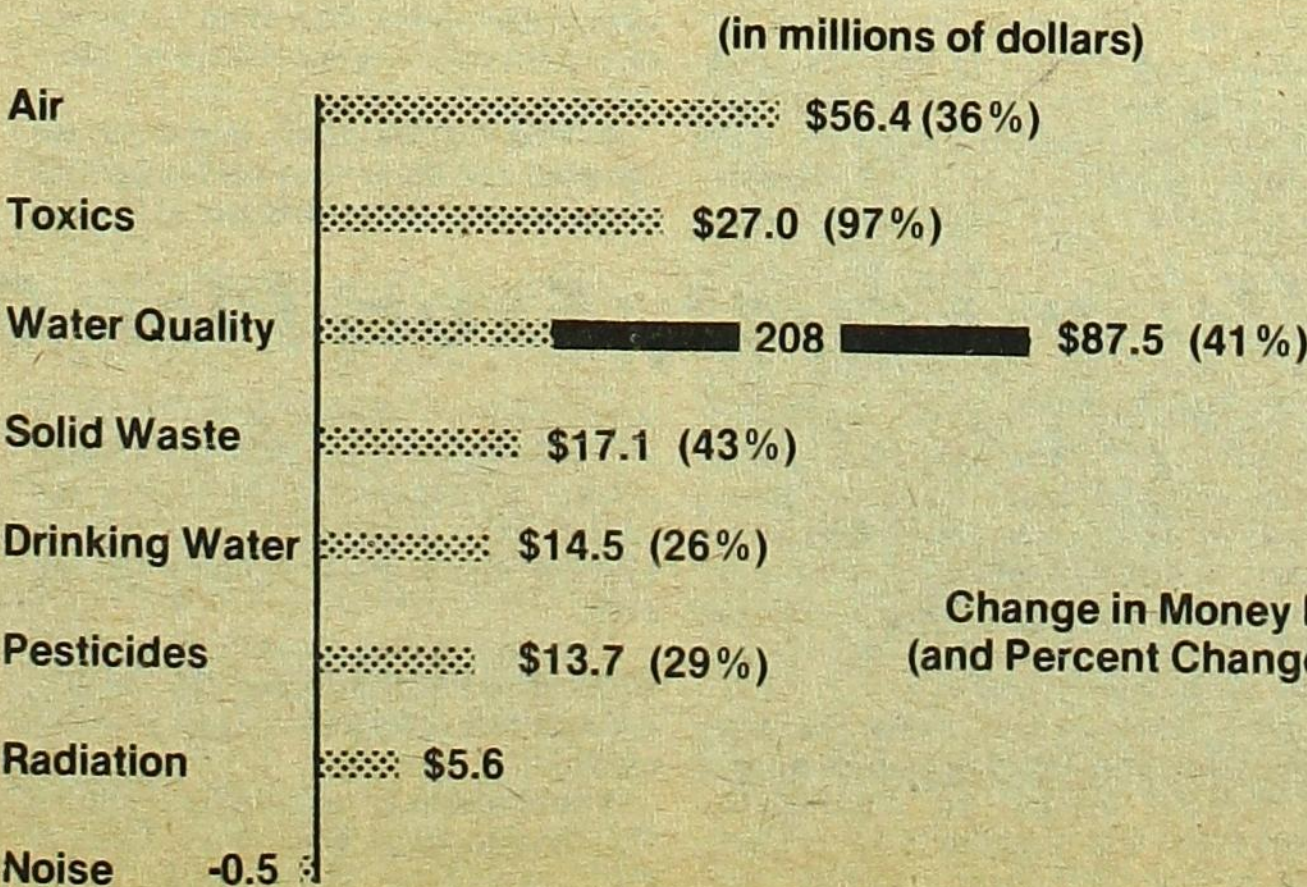
State	Fiscal '78	Annually Fiscal '79-'82
Alabama	\$57.8	\$64.2
Alaska*	19.1	21.2
Arizona	34.9	38.8
Arkansas	33.8	37.6
California	357.8	397.6
Colorado	41.3	45.9
Connecticut	49.8	55.4
Delaware*	18.0	20.0
District of Columbia*	14.4	16.0
Florida	172.6	191.8
Georgia	87.4	97.1
Hawaii	35.7	39.6
Idaho*	22.3	24.8
Illinois	233.8	259.7
Indiana	124.6	138.4
Iowa	58.3	64.8
Kansas	39.6	44.0
Kentucky	65.8	73.1
Louisiana	56.8	63.1
Maine	33.7	37.5
Maryland	125.0	138.9
Massachusetts	132.9	147.7
Michigan	185.9	206.5
Minnesota	84.1	93.5
Mississippi	43.5	48.3
Missouri	112.3	124.8
Montana*	15.6	17.4
Nebraska	24.8	27.5
Nevada*	18.6	20.7
New Hampshire	39.6	44.1
New Jersey	160.7	178.6
New Mexico*	17.2	19.1
New York	477.9	531.0
North Carolina	89.1	99.0
North Dakota*	14.0	15.5
Ohio	290.9	323.3
Oklahoma	41.8	46.4
Oregon	58.4	64.9
Pennsylvania	196.3	218.1
Rhode Island	23.6	26.3
South Carolina	52.9	58.8
South Dakota*	16.8	18.7
Tennessee	69.7	77.4
Texas	196.4	218.2
Utah*	20.1	22.3
Vermont*	17.3	19.2
Virginia	88.2	98.0
Washington	79.6	88.4
West Virginia	80.6	89.5
Wisconsin	87.8	97.5
Wyoming*	13.5	15.0
Territories	67.5	75.0
	\$4,500.0	\$5,000.0

*These states would receive \$22.5 million in fiscal '78 and \$25 million annually in fiscal '79-'82 to reflect the bill's provision for a minimum allotment of 1/2 of 1 percent of the total to each state. However, the extra funds are contingent upon annual appropriations separate from the principal construction funds.

Attachment A Big Winner

Costle said that the priorities of the agency have evolved from ecological protection to preventative health measures, a trend which has been dictated by the creation of many new programs which focus on public health rather than the environment. As examples he cited the Safe Drinking Water Act, laws regulating the use of pesticides and the Toxic Substances Control Act.

In setting priorities for the budget for fiscal '79, public health and the effects of pollutants on humans, rather than on the environment, were given precedence. Research and development funds remain essentially at their fiscal '78 levels, although a much greater percentage again is allocated to public health rather than ecological effects.



Change in Money Resources Fiscal '78-'79
(and Percent Change from Fiscal '78-'79 Base)

Year	OASDHI Tax Rate (Percent)		Wage Base		\$10,000 Wage Earner		Increase	\$20,000 Wage Earner		Increase	Maximum Wage Earner		Increase
	Present Law	P.L. 95-216	Present Law	P.L. 95-216	Present Law	P.L. 95-216		Present Law	P.L. 95-216		Present Law	P.L. 95-216	
1977	5.85	5.85	\$16,500	\$16,500	\$585	\$585	—	\$965.25	\$965.25	—	\$965.25	\$965.25	—
1978	6.05	6.05	17,700	17,700	605	605	—	1070.85	1070.85	—	1070.85	1070.85	—
1979	6.05	6.13	18,900	22,900	605	613	\$8	1143.45	1226.00	\$82.55	1143.45	1403.77	\$260.32
1980	6.05	6.13	20,400	25,900	605	613	8	1210.00	1226.00	16	1234.20	1587.67	353.47
1981	6.30	6.65	21,900	29,700	630	665	35	1260.00	1330.00	70	1379.70	1975.05	595.35
1982	6.30	6.70	23,400	31,800	630	670	40	1260.00	1340.00	80	1474.20	2130.60	656.40
1983	6.30	6.70	24,900	33,900	630	670	40	1260.00	1340.00	80	1568.70	2271.30	702.60
1984	6.30	6.70	26,400	36,000	630	670	40	1260.00	1340.00	80	1663.20	2412.00	748.80
1985	6.30	7.05	27,900	38,100	630	705	75	1260.00	1410.00	150	1757.70	2686.05	928.35
1986	6.45	7.15	29,400	40,200	645	715	70	1290.00	1430.00	140	1896.30	2874.30	978
1987	6.45	7.15	31,200	42,600	645	715	70	1290.00	1430.00	140	2012.40	3045.90	1033.50

Estimated amount of changes in OASDHI benefit payments that would result under P.L. 95-216, calendar years 1975-83 (in millions).

1977 SOCIAL SECURITY ACT

More Changes for Counties

WASHINGTON, D.C.—When President Carter signed into law the Social Security Amendments of 1977 Dec. 20, he said it is never easy for a politically elected person to raise taxes, but that Congress has shown sound judgment and political courage in restoring the Social Security system to a sound basis.

The act, P.L. 95-216, makes a number of significant and far reaching changes in the Social Security program that will have a major impact on counties and other state and local governments, and employees who participate in the system. Seventy percent of local and state governments on a voluntary basis maintain coverage under the system.

OF MAJOR importance are the increased tax rate and wage base provisions which take effect in 1979. By 1987 under the new law, approximately \$227 billion in new payroll taxes will be added to the system. Most of this large tax bite will come from payroll deductions of employers and employees. Following is a summary of the major provisions in the new Social Security law.

TAXES

The law maintains the parity concept between employers and employees. Both groups will share equally in the increased tax rate which is scheduled to triple by 1987 for those earning at least the maximum taxable amount. The accompanying chart, prepared by the Social Security Administration, Office of the Actuary, reflects the tax rate, wage levels and contributions under the old law and under P.L. 95-216.

Undoubtedly, counties participating in the system will begin to look at alternatives to these increased rates. Some have considered their present option of withdrawal, while others have considered integrating Social Security with their existing public retirement systems.

BENEFITS

In the new law, Congress acted to modify the error made in 1972 of over-indexing cost-of-living increases when computing benefits. Workers were beginning to receive more under

Social Security after retirement than preretirement earnings. The new feature establishes a method of computing benefits for the next 75 years, based on earnings over most of an individual's working life, adjusted for inflation.

The average worker will receive retirement checks equal to about 41 percent of earnings just before retirement.

The new benefit structure would be effective for those who reach age 62, become eligible for disability benefits, or die in 1979 or later. Present law would remain in effect for workers eligible before 1979.

RETIREMENT TEST

Along with other provisions in the Social Security legislation, the earnings limitation raised a great deal of controversy during both House and Senate debate. Congress finally agreed to raise the annual amount exempted from \$3,000 in 1977 for beneficiaries ages 65-71 to \$4,000 in 1978; \$4,500 in 1979; \$5,000 in 1980; \$5,500 in 1981; and \$6,000 in 1982. After 1982 the \$6,000 level would be increased automatically as wage levels rise. For beneficiaries at 72 and over, no earnings limitation will apply. The Senate's version would have exempted amounts to \$4,500 in 1978 and \$6,000 in 1979 for all beneficiaries.

UNIVERSAL COVERAGE

Another controversial issue in determining Social Security changes was whether counties, cities and states, nonprofit organizations and federal employees should be forced to participate. Since 1935 the system has allowed for optional participation of these groups because of constitutional questions regarding the ability of the federal government to tax state and local governments. (Thirty percent of state and local governments do not participate in Social Security.)

During the House debate on this issue, an amendment introduced by Rep. Joseph Fisher (D-Va.) provided for a two-year study by governmental agencies (Health, Education and Welfare [HEW], U.S. Civil Service Commission, U.S. Treasury, and the

Office of Management and Budget) on the impact of mandatory coverage on existing state and local retirement systems.

The study group will also look at methods by which full universal coverage can be achieved, analyze what adjustments in existing retirement systems would have to be made to attain universal Social Security coverage, and compare the financial aspects of such methods with special attention to the ability of state and local governments to absorb the costs of mandatory participation. The study will also analyze the effects of universal coverage on existing retirement and disability systems, survey the legal and constitutional barriers to universal coverage, and identify problems in particular jurisdictions with special emphasis on those jurisdictions that have terminated coverage.

Interested parties representing employee groups will be able to submit views, arguments, and data during the development of the report. The NACo staff will monitor this process and be closely involved in providing the views of county governments.

At a recent meeting with officials at the Social Security Administration, NACo was told that HEW Secretary Joseph Califano has not decided on how this study group will proceed.

FISCAL RELIEF FOR WELFARE COSTS

Also included in the bill is \$187 million in relief to counties for welfare costs in fiscal '78 and some other changes in the Aid to Families with Dependent Children (AFDC) program. (See story, page 1).

OTHER CHANGES

- Social Security benefits payable to spouses, including surviving spouses, would be reduced by the amount of any governmental (federal, state or local) retirement benefit payable to the spouse based on his or her own earnings in noncovered employment.

- Widows, widowers and divorced spouses age 60 or over no longer will lose benefits if they remarry. The old

law will continue to apply to those under 60.

- The bill reduces from 20 years to 10 the period an elderly person must have been married to claim benefits based on spouses' earnings.

According to Ms. Sarah Juni, director of the Office of Intergovernmental Relations and Public Concerns, Social Security Administration, "Despite the basic soundness of the program, several key issues affecting Social Security must be tackled, including financing, universal coverage and coordination of Social Security with public and private pension systems, and equality of payments for men and women."

THE FUTURE

Even with all of the changes made in the Social Security Amendments of 1977, Congress did not deal adequately with the financing of the Hospital Insurance program.

It was recently announced by members of both the House Ways and Means Committee and the Senate Social Security subcommittee that they will propose amendments to fund part of the Social Security system from the U.S. Treasury's general revenues instead of the payroll tax which is a great burden on low-income workers. No proposals have yet been released.

In addition, the Carter administration is planning to send a proposal to Congress with additional amendments to P.L. 95-216 to eliminate the windfall minimum benefit and place a three-month limit on retroactive benefit payments and other changes. This was part of the President's fiscal '79 budget request.

During NACo's Legislative Conference, the Labor Management Relations Steering Committee will sponsor a workshop on March 15 on the new Social Security changes. Speakers will include administration officials, congressional staff members, and county officials.

Anyone interested in more information should contact Ann Simpson of the NACo staff or Intergovernmental Relations and Public Concerns Department, Social Security Administration, Room 112, Altmeyer Building, 6401 Security Boulevard, Baltimore, Md. 21235.

Urban County Execs Plan Conference

WASHINGTON, D.C.—The third conference of Urban County Executives and Administrators, co-sponsored by NACo and the Johns Hopkins University Center for Metropolitan Planning and Research will be held March 21-23 at the Hunt Valley Inn, Hunt Valley, Md.

Over 150 elected county executives and appointed administrators have been invited to participate. Conferees will discuss the county role in the forthcoming Carter Ad-

ministration's urban policy with a top Administration official, county growth management, the role of the county in a regional transportation system, and a county policy for the arts.

Former Nassau County Executive Ralph Caso will address the conference on the future of county government.

The conference leadership includes Ted Venetoulis, Baltimore County (Md.) executive; Al Del Bello, West-

chester County (N.Y.) executive and chairman of NACo's Urban Affairs Committee; Ned Regan, Erie County (N.Y.) executive; Jim Flaherty, chairman of the Board of Commissioners, Allegheny County, Pa.

Conference and hotel-registration materials may be obtained from the Johns Hopkins University Center for Metropolitan Planning and Research, Shriver Hall, Baltimore, Md. 21218, (301) 338-7175.

Rural Planning Regs Released

Continued from page 2

current services, or political activities.

The regulations contain several specific criteria to be utilized by FmHA in selecting projects for funding. These are:

- Current rural development planning needs and priority of the rural area;
- How well the applicant proposed to meet objectives of the program and the rural development planning needs and priorities of the rural area;
- Extent to which the project assists the unemployed, underemployed, those with low family incomes, and minorities;
- Citizen participation and involvement in the development of the application and project;
- Demonstrated capability and past performance in administering programs;
- Nature of comments and recommendations from the A-95 clearing house;
- Extent of planned coordination with other federal, state, substate and local planning activities affected by the project; and
- How well the proposed project will promote an effective rural development strategy.

FmHA PLANS to begin accepting applications in March. The procedure set up by the agency includes the filing of preapplications available at all FmHA offices. Within 45 days of filing, FmHA must notify the applicant of its status and of any action taken. If eligible, the applicant can proceed to file the additional materials required.

Regulations and applications are to be available at all FmHA offices. The agency has also established a phone number (202/447-273) for further information on the Area Development Planning Program.

Comments on the regulations should be forwarded by March 10 to Office of the Chief, Directives Management Branch, FmHA, U.S.D.A., Room 6316, Washington, D.C. 20250.

Please send a copy of all comments to Elliott Alman of the NACo staff. In addition, NACo will forward the regulations and applications upon request by calling 202/785-9577.

WIR Conference

Continued from page 1

continuation of the program which compensates counties for property tax loss from most public lands.

MEETING AT the WIR conference were the NACo Board of Directors and four NACo steering committees: Health and Education; Public Lands; Environment and Energy; and Welfare and Social Services.

Welfare and Social Services Committee, chaired by Cottonwood County (Minn.) Commissioner Frank Jungas, sent a telegram to President Carter calling for fiscal relief for the county welfare burden.

Opening general session speaker, James "Tim" Monroe, assistant director for legislation and plans, U.S. Department of Interior, emphasized the change in Bureau of Land Management policy whereby "all significant regulations will have a draft discussion paper for initial comments. We will get your ideas—you will get another shot at them" (the regulations) he said.

Monroe said he expected that the department will recommend that about 10 million acres be designated as wilderness.

He predicted that "eventually" there will be contracts with local law enforcement authorities to ensure the "lawful use of public lands."

Throughout his remarks, Monroe stressed that Interior Secretary Cecil Andrus wants heavy public involvement in public lands issues.

Call
(202) 785-9591
NACo's Hotline for a legislative update.

Committee Studies Ways of Waste Recovery

WASHINGTON, D.C.—While American households and commercial sources generate over 140 million tons of solid waste annually, only about 6 percent is put to productive use, reports the Environmental Protection Agency (EPA). The vast amount of post-consumer waste is disposed of in the nation's landfills, incinerators, open dumps and/or discarded as litter.

Future waste projections estimate that by 1980, 156 million tons will be generated and, beyond that, increases of about 2 percent per year are expected—twice the U.S. population growth rate.

RESOURCE CONSERVATION COMMITTEE

The Resource Conservation Committee was formed by Congress under the Resource Conservation and Recovery Act of 1976 (P.L. 94-580) to consider ways to reduce the generation of waste. The committee is composed of the EPA administrator, who serves as chairman; the Secretaries of Commerce, Treasury, and Interior, representatives of the Office of Management and Budget (OMB), the Council of Economic Advisers, and the Department of Energy.

The committee's function is to study all the economic, social and environmental effects of resource conservation. Additional functions would include:

- Examining long-term alternatives which are available to Congress to encourage waste reduction;
- Giving direction to the EPA administrator in developing proposals and federal guidelines;
- Studying the effects of various regulatory and tax schemes on the amounts of materials discarded.

The committee is looking at waste

reduction policies using economic incentives or disincentives, modification or elimination of fiscal and regulatory policies which encourage waste, and possible regulations that may restrict the manufacture or the use of certain products. As a general policy, the committee hopes to utilize the free market and correct any market deficiencies in achieving its objectives, instead of adding more burdensome regulations.

SOLID WASTE PRODUCT CHARGE

One of the concepts before the committee is a solid waste product charge on the material content of consumer products that will enter the solid waste stream. Specifically, the charge would be levied on paper and other packaging materials.

The charge would be set at about \$30 per ton which reflects the current average cost of collecting and disposing of municipal wastes. To avoid economic disruptions, the charge would be phased in over a number of years.

A product charge is intended to produce three results: it would generate about \$2 billion in revenues to be distributed to counties and cities to assist in solid waste management; it would increase the price of virgin material relative to reused material, thereby encouraging recycling and improving markets for secondary materials; and it should provide packaging producers with an incentive to redesign their products.

There are several ways to reduce packaging material and the waste associated with it, including use of larger containers, elimination of over-packaging of particular products, and reuse of containers or of their material content.

BEVERAGE CONTAINER LAW

Another issue being considered by the committee is how to reduce the problems associated with throwaway beverage containers. The shift to throwaways, from a predominantly refillable bottle system to a predominantly one-way system for distributing beverages has increased the solid waste burden without paying for the added costs.

The mandatory deposit could reverse this trend by encouraging the reuse or recycling of containers, thereby controlling the beverage container portions of litter and solid waste. Under this system, a retailer would pay consumers the amount of the deposit for all empty beer and carbonated soft drink containers. Retailers would then be reimbursed an equal amount by distributors.

Four states and a number of counties and cities have enacted mandatory deposit legislation. Return rates of up to 80-95 percent have been ex-

perienced in these jurisdictions.

The experience of Oregon, which passed a mandatory deposit law Oct. 1, 1972, has provided the most detailed data on the impacts of beverage container legislation. The following is a list of some effects of the Oregon's beverage container ordinance:

- **Solid Waste Control:** The quantity of beverage containers in Oregon's solid waste stream was reduced by at least 88 percent, reducing disposal costs by \$577,000.

- **Energy Savings:** 1.4 trillion BTUs are being saved annually, enough to provide the home heating needs for 50,000 Oregonians.

- **Employment:** Many workers in the canning industry lost their jobs as an initial result of the switch to returnable bottles. However, there have been job gains in the bottling industry, with an overall net increase of 365 jobs.

- **Litter Pickup:** Studies were made in Oregon during the year before and after the effective date.

They showed that the total litter from beverage containers was reduced 72 percent in 1973 and 83 percent in 1974.

The main reason for considering national deposit legislation at a time when a number of states have already enacted such laws is to ensure uniformity among states. As of now, even if each individual state's law is effective, the resulting inconsistencies between states could cause economic havoc in the bottling and canning industries. Thus, even the industries which have opposed container legislation in the past seem increasingly willing to accept some type of national legislation to avoid conflicting state laws.

This is the first in a series of articles on waste reduction policies being considered by the Resource Conservation Committee. Subsequent articles will examine these and other issues in greater depth.

—Connie Mason and Cliff Cobb
NACoR

EPA PROPOSED GUIDELINES

Hearings on Hazardous Waste

WASHINGTON, D.C.—Three hearings will be held around the country in March on the Environmental Protection Agency's proposed guidelines on state hazardous waste programs.

These hearings will be especially important for those counties which now have or will seek authorization

to operate hazardous waste programs within their states, although other counties with industries generating hazardous wastes may also have an interest in this issue.

Copies of the proposed guidelines from the Feb. 1 issue of the *Federal Register* may be obtained by writing

to Cliff Cobb, NACoR, 1735 New York Ave., N.W., Washington, D.C. 20006. If you wish to comment on the guidelines, but will be unable to attend the hearings, the comment period for written responses will be open until April 3.

The dates and locations of the hearings are as follows:

March 9

Bourbon Orleans Ramada
717 Orleans Street
New Orleans, Louisiana 70116
504/561-1234

Orleans Ballroom

A block of rooms has been reserved at the Ramada Inn for the EPA-RCRA meeting. Make your reservations directly by contacting the hotel.

March 14

Marriott Motor Hotel
2345 Commonwealth Avenue
Newton, Massachusetts 02166
617/969-1000

A block of rooms has been

reserved at the Marriott for the EPA-RCRA meeting. Make your reservations directly by contacting the hotel.

March 16

Seattle Convention Center
305 Harrison Street
Seattle, Washington 98109
206/625-0454

Nisqually Room

Each public hearing will begin at 9 a.m., with registration at 8:30 a.m.

If you plan to attend a hearing, contact: Mrs. Gerri Wyer, Public Participation Officer, Office of Solid Waste (WH-562), U.S. EPA, Washington, D.C. 20460, 202/755-9157.

Colo. Project Builds Forest Defenses

BOULDER COUNTY, Colo.—Man has managed the forest by controlling forest fire—the very mechanism by which old trees are naturally weeded out. Now the overstocked forests have become very susceptible to insects and parasites.

To reestablish the natural defense mechanisms of a healthy forest and to provide for long-term total forest management, the Front Range Vegetative Management Pilot Project has been formed.

Boulder County's Department of Parks and Open Space has joined this five agency consortium which includes the U.S. and Colorado Forest Services, the U.S. Bureau of Land Management and the city of Boulder.

However, the most important participants may be the landowners who control about 20,000 acres of forest within the 34,000 acre test area. The only hope for total forest management is cooperation between the public and private sector. Boundary lines mean nothing to the mountain pine beetle or the parasite dwarf mistletoe.

In the past, control of the mountain pine beetle has been piecemeal. This approach was only partially successful because the conditions of the forest that supported the beetle had not changed. The project team will control the beetle within its test

area through both direct and indirect methods. Timber stands will be thinned, some undergrowth removed, and vigorous insect resistant trees will be established. Deadwood will be reduced to a level that reduces the probability of large scale fires.

Ways are being found to use the wood that comes out of the forest, as well as provide jobs for local business. Private contractors will be invited to bid on the cutting jobs or to buy wood that is cut by the Forest Services.

About 3,300 acres of the pilot area is Boulder County land. County Forester Dan Mudd has 37 people working to cut infested trees. He also has opened to the public an area to obtain free firewood that his crews have cut.

Through the project, the scenic quality of this section of Front Range forest will be restored. The area should become a documented model of comprehensive management.



A state forester finds mountain pine beetles under the bark of a cut tree in Colorado's Front Range. Photo by Pam Patrick, Front Range Vegetative Management Pilot Project.

Matter and Measure



FEDERAL HIGHWAY ADMINISTRATION FELLOWSHIPS

The Federal Highway Administration (FHWA) Fellowship and Scholarship Program is open to all qualified candidates who wish to pursue advanced study in highway transportation. The program is conducted by the National Highway Institute (NHI) and is designed to provide financial aid for education and living expenses to recipients who attend graduate programs at the college or university of their choice.

FHWA notices for each year's program and application forms may be obtained from FHWA regional and division offices, state highway agencies, metropolitan planning organizations, governor's highway safety representatives, Urban Mass Transportation Administration regional directors, major transit authorities. Admission into the program is very competitive. The final rule for the program is summarized in the *Federal Register*, Jan. 26, 1978. Forms and additional information may also be obtained from Roger Dean, University and Industry Program Officer, NHI-3, FHWA, Washington, D.C. 20590, (202) 426-9143.

NEW JERSEY TRANSPORTATION CONFERENCE

The second annual New Jersey Transportation Conference will be held March 13-14 at the Holiday Inn, Route 1, in North Brunswick, N.J. The conference is sponsored by the New Jersey Department of Transportation, New Jersey Association of County Transportation Representatives, and the National Council for the Transportation Disadvantaged.

It is designed to serve public and private transportation organizations. All areas of transportation service will be covered through specialized sessions and workshops including such topics as intergovernmental working relationships, paratransit and transportation, energy and air quality.

The registration fee is \$45. For additional information contact: New Jersey Department of Transportation, Attn: N.J. Transportation Conference, 1035 Parkway Ave., Trenton, N.J. 08625.

RIDESHARING PROGRESS REPORT

Copies of "Ridesharing Progress Report," a newsletter on nationwide progress in transportation pooling are available from FHWA. This bi-monthly report provides current technical information to state and local agencies for the development and implementation of areawide programs to encourage increased ridesharing.

You can obtain copies from your state transportation agency, and metropolitan planning organization. Articles and news items on ridesharing in your area can be submitted to: Ridesharing Progress Report, FHWA, Urban Planning Division, HHP-26, Washington, D.C. 20590.

SOIL EROSION PUBLICATION AVAILABLE

The American Society of Agricultural Engineers (ASAE) has made available copies of papers presented at its National Symposium of Soil Erosion and Sedimentation by Water in Chicago last December.

The publication, "Soil Erosion and Sedimentation," consists of 13 papers on the technological and economical aspects of solving soil erosion and sedimentation problems.

Copies are available, \$9.50 for ASAE members, \$14.50 for nonmembers. Contact ASAE, 2950 Niles Road, P.O. Box 410, St. Joseph, Mich. 49085.

Washington Briefs

• **Welfare Reform.** Administration announces support for interim fiscal relief only as part of welfare reform legislation; date of payment of \$187 million in fiscal '78 relief still uncertain. See page 1.

• **Title XX Increase.** NACo supports H.R. 10833 (introduced by Reps. Martha Keys (D-Kan.) and Donald Fraser (D-Minn.) to increase Title XX ceiling. See page 1.

• **Older Americans.** Senate Human Resources subcommittee on aging completed hearings on reauthorization of Older Americans Act. House hearings to begin March 6. NACo will testify urging block grant approach.

• **CETA Reenactment.** House subcommittee to conduct hearings on CETA reenactment in March.

• **LEAA Appropriations.** Hearings on President Carter's fiscal '79 budget request for LEAA will be held in mid-March in the House and in early April in the Senate. Carter's request for \$641.5 million represents the lowest cut in the LEAA budget in three years. The most significant cut is \$20 million for Part B planning money.

• **LEAA Reorganization.** Attorney General Griffin Bell is in the final stages of revising his proposed reorganization of LEAA. NACo has submitted detailed comments. Sen. Edward Kennedy (D-Mass.) is also preparing a reorganization proposal. The President will announce the Administration's position on criminal justice sometime next month.

• **Rural Development Policy Act of 1978.** Reps. Richard Nolan (D-Minn.) and Charles Grassley (R-Iowa) have introduced H.R. 10885, the Rural Development Policy Act of 1978. The legislation strengthens Farmers Home Administration (FmHA) and expands authorization for rural planning grants from \$10 million to \$50 million. It also expedites consolidation of FmHA with the Rural Development Service (RDS). The House Agriculture subcommittee on conservation and credit will conduct hearings March 7 and 8.

• **Rural Development Appropriations.** House Appropriations subcommittee on agriculture will act on second supplemental appropriations. NACo supports additional appropriation of \$50 million for water and waste disposal grants. This would achieve full funding of \$300 million during current fiscal year.

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

• **Public Liability.** Senate Judiciary subcommittee on the Constitution is considering S. 35, Civil Rights Improvement Act of 1977. NACo opposes provision in legislation that would eliminate immunity of state and local governments to suits brought under Section 1983 of the Civil Rights Act of 1971. Legislation would provide for monetary damages and injunctive relief upon government entities, elimination of the immunity of local prosecutors, as well as other major changes to existing law. Initial hearings were held early this month; additional hearings planned for March.

• **Deferred Compensation Plans.** On Feb. 3, the Treasury Department (Internal Revenue Service) issued regulations which will affect the tax benefits of employees participating in deferred compensation programs in state and local governments. See page 3.

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

• **Intergovernmental Personnel Act (IPA) 1970.** The House subcommittee for Treasury, postal service and general government, chaired by Rep. Tom Steed (D-Okla.), is tentatively planning to hold hearings on fiscal '79 appropriations March 8. The President's '79 budget proposal is \$20 million, which is consistent with the NACo-sponsored level last year. NACo will testify and seek additional funds.

• **Mandatory Retirement (H.R. 5383).** Last year both the House and Senate passed legislation which will prohibit forced retirement before age 70. A conference committee was unsuccessful at working out the differences. Action is expected early this year. No dates have been announced for conference committee activity.

• **Labor Law Revisions (H.R. 8410 and S. 1883).** Both bills are aimed at revising the National Labor Relations Act to make union organizing and contract negotiations easier. The House version was passed Oct. 6. The Senate Human Resources Committee ordered its bill reported on Jan. 25. Senate floor action is scheduled for late March. This bill applies to private sector labor relations. House and Senate will have to work out controversial issues in both bills. Final passage this year is uncertain.

• **Agriculture Land Preservation.** House Agriculture subcommittee on the family farm is scheduled to mark up H.R. 5882 Feb. 21. The bill would establish a national commission to identify methods for preserving valuable agricultural land and would provide demonstration grants to counties, other local governments and states to establish local programs. Hearings have been held in the Senate on a similar bill, but markup has not been scheduled.

• **Rural Planning Grants.** Farmers Home Administration (FmHA) issued regulations for \$5 million rural planning grant program (*Federal Register*, Feb. 8). Regulations enable rural counties to use the funds to conduct comprehensive planning for rural development. Applications for the grants, which can cover up to 75 percent of project cost, will be accepted beginning in March. See page 2.

• **Rural Development Loans.** House Agriculture subcommittee on conservation and credit will mark up H.R. 8315 in late February or early March. NACo opposes provision in legislation that would eliminate 5 percent interest ceiling on loans and substitute the prevailing market rate of 9 to 10 percent. NACo supports amendment to bill that would increase permissible grant level from 50 percent up to 75 percent of project cost. The Senate subcommittee on agricultural credit and rural electrification has marked up companion bills S. 312 and S. 2126 and acted to maintain loan interest rate at 5 percent.

Washington Dialogue

1978 Annual Legislative Conference

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

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

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

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

Conference registration fees:

\$95 member \$125 non member \$50 spouse (Make payable to NACo)

Conference Registration

Please print:

Name _____ (Last) _____ (First) _____ (Initial)
County _____ Title _____

Address _____

City _____ State _____ Zip _____ Tele. (____) _____

Hotel Reservation (Sheraton Park)

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

Please print:

Occupant's Name _____ Single \$32, 35, 38, 41, 43

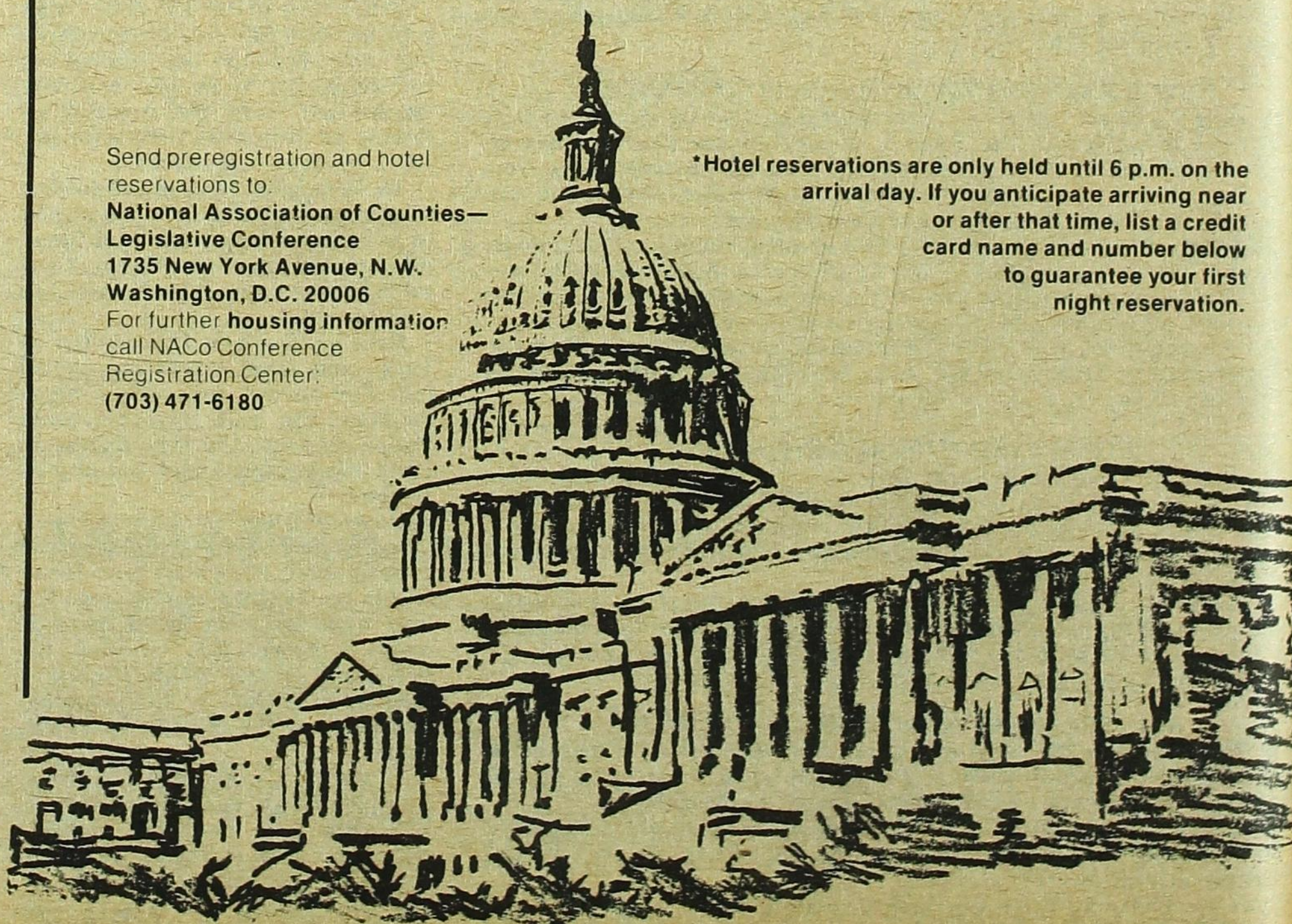
* Arrival Date/Time _____ Departure Date/Time _____

Occupant's Names _____ Double \$42, 45, 48, 51, 53

* Arrival Date/Time _____ Departure Date/Time _____

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

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



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