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Vol. 11, No. 10

COUNTY NEWS

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

March 12, 1979

NACo

Washington, D.C.

Revenue Sharing Introduced

WASHINGTON, D.C.—A four-year extension of general revenue sharing has been introduced by Rep. John W. Wylder (R-N.Y.), H.R. 2291, an amendment to the State and Local Fiscal Assistance Act of 1972 would provide funding at present levels through fiscal '83.

Rep. Wylder, ranking minority member of the Government Operations subcommittee which will consider renewal of the program, has expressed support for continued state and local government participation. In a statement Feb. 21, Wylder said, "Prompt consideration of this measure will allow state and local governments time to prepare budgets and programs with a minimum of disruption at the local level."

The General Revenue Sharing program (GRS) which expires Sept. 30, 1980, provides \$6.85 billion annually

to units of state and local government, 25 percent to counties. The purpose of GRS is to share the progressive federal income tax with state and local governments. States are entitled to one-third of the total appropriation, county and municipal government to two-thirds.

Some of the key issues as revenue sharing extension is debated in the 96th Congress will be:

- Possible changes in the funding level such as, reduced funding by eliminating states or lowering all allocations; holding funding at current levels; or increased funding by indexing appropriations to inflation or income tax receipts.

- Increased targeting through formula changes or addition of countercyclical or supplemental assistance to fiscally distressed areas.

- More restrictions on use to sup-

port national tax or service delivery goals.

- Changes in public participation and audit requirements.
- Establishment of a permanent program.

Current economic, social and political conditions may present some obstacles to the renewal of revenue sharing or significant increases in the funding level. These obstacles include:

- The Administration's effort to reduce inflation by balancing the budget, which may result in reduced funding or elimination of some existing programs;

- The current national trend toward spending limitations which may negatively affect unrestricted programs such as revenue sharing; and

- The opposition of some congressmen toward revenue sharing-type programs, as evidenced by the fail-

ure of Congress to renew countercyclical revenue sharing.

Although expressing concern about the federal deficit and the increased dependence of state and localities on federal government assistance, Wylder said that one argument for extension of the program stands out from the rest—"decisions" affecting local communities are best made at home, not in Washington, D.C."

General revenue sharing is NACo's highest legislative priority during this session of Congress. During NACo's Legislative Conference, Rep. Jack Brooks, chairman of the Government Operations Committee, will address the issue on Monday, March 12 at the opening general session. Then, at a program session at 10:45 a.m. Senate, House and Treasury staff will discuss renewal prospects and options.

—Bruce Talley



Wylder

HIGHLY TARGETED

Carter Introduces Antirecession Bill

WASHINGTON, D.C.—The Administration has introduced its countercyclical legislation on the eve of Senate hearings into aid for local and state governments. The Intergovernmental Fiscal Assistance Amendments of 1979 would distribute \$250 million to local units of government within 60 days of enactment, with another \$150 million to be distributed in October.

The legislation also contains a standby program under its second title which would become operative whenever national unemployment exceeded 6.5 percent.

This legislation joins S. 200, introduced by Sens. John Danforth (R-Mo.), Daniel Moynihan (D-N.Y.) and Jacob Javits (R-N.Y.), and H.R. 1246, sponsored by Rep. Peter Rodino (D-N.J.) and 92 other representatives. These bills would reauthorize the recently terminated countercyclical antirecession assistance program through September 1980.

Lois Parke, chairman of NACo's Taxation and Finance Steering Committee, has strongly praised Administration and congressional efforts to reenact the countercyclical antirecession assistance program. Parke, councilman from New Castle County, Del., is the national spokesman for counties on all areas of financial legislation.

"This program is vitally important to counties as an insurance, a lever against increased unemployment and recession," Parke noted. "If the economy takes a downturn in the future, the local governments and the citizens of this nation cannot afford to wait two years for legislation to be enacted."

The original countercyclical measure was enacted in 1976 and reauthorized in 1977. It provided approximately \$3 billion in much needed assistance to hard-pressed state and local governments through September 1979. The House last year failed to act on Senate-passed legislation that would have extended the program for two years. The Danforth and Rodino bills are identical to

the legislation that passed the Senate.

The chart on page 16 compares the recently terminated countercyclical program to the Danforth-Rodino and Administration proposals. The new bills would all create a more highly targeted program to aid those communities most adversely affected by high unemployment.

Both bills provide two titles of assistance. Title I of the Administration bill would distribute \$250 million in fiscal '79 and \$150 million in fiscal '80, which begins Oct. 1, to units of local government only where the local unemployment rate exceeded 6.5 percent.

THERE IS NO nationwide unemployment trigger in this title, which contains two restrictions on funding. First, it raises the minimum allocation that a local government may receive from the former level of \$400 up to \$20,000. Any community that would receive less than this amount, as computed under the formula for distribution, will not be eligible.

Second, any community whose local per capita income exceeds 150 percent of the national per capita income will not be eligible. This restriction is designed to channel funds only into neediest communities. States are not eligible to receive assistance under this title.

Title II of the Administration proposal would operate only when the nationwide unemployment rate is over 6.5 percent. When this occurs, assistance would be distributed to See COUNTERCYCLICAL, Page 17



COUNTERCYCLICAL AID—

President Carter, above, announces his antirecession bill at a White House meeting. NACo board members present were Atlantic County (N.J.) Executive Charles Worthington, right, and Joe Toner, councilman, New Castle County, Del.



Hill Gets Cost Containmentment

WASHINGTON, D.C.—President Carter sent his hospital cost containment legislation to Congress last week, billing it a key element in the fight against inflation.

Unlike the previous measure the President sent to Congress, which provided for mandatory controls, the new legislation gives hospitals until January to limit the rate of increases to 9.7 percent voluntarily. If hospitals fail to achieve that goal, mandatory controls would go into effect.

Thus, the bill, in part, recognizes the Voluntary Effort to control health care costs which was launched by organized medicine and other organizations, including NACo, to attempt to cut costs without federal intervention.

The Administration argues, however, that federal reins are needed on hospital expenditures because voluntary efforts alone have not produced sufficient results.

The President's proposal is aimed at reducing the rate of inflation for health care costs below the 13 percent level of 1978, a rate Administration sources point out far exceeds such

highly inflationary items as food and fuel.

THE GOAL which the Administration established for the hospital industry is 9.7 percent broken out in this way: 7.9 percent increases for the goods and services which hospitals purchase; 8 percent increase based on a higher number of patients and a 1 percent increase due to additional services.

Using the same elements but different estimates on inflation and population, the Congressional Budget Office estimates that the goal will be 10.9 percent.

In many ways the President's proposal is similar to the "Nelson amendment" which was added to last year's Medicaid/Medicare reform bill and which was finally approved by the Senate. The bill remained tied up in the House Commerce Committee, however, and died in the final days of the 95th Congress.

Contained within the legislation are possible exceptions to the federal mandates. These include: hospitals in a state in which total hospital costs

increased 9.7 percent or less; hospitals in states which have their own cost containment systems, provided they meet certain requirements; small nonmetropolitan hospitals (under 4,000 admissions), new hospitals (less than three years old) and hospitals that service prepaid medical plans which have kept costs within certain limits.

Public hospitals have been particularly concerned that cost containment legislation would further encourage the "dumping" of high cost patients onto public institutions. The President's bill calls for Health Systems Agencies (HSAs) to monitor this problem. The Administration has indicated it will act quickly if the trend toward "dumping" patients becomes apparent.

Sen. Edward Kennedy has agreed to hold hearings on the cost containment proposal, while Reps. Henry A. Waxman (D-Calif.) and Charles B. Rangel (D-N.Y.) will open joint hearings in the House. Rangel, who is the new head of the House Ways and Means Committee, will try to steer the bill through his subcommittee.

SPECIAL ENERGY REPORT

DOE Deputy Warns of Shortages

WASHINGTON, D.C.—The world could soon face "severe and protracted shortages in energy supplies."

John O'Leary, deputy secretary of the Department of Energy (DOE) gave this warning at a recent briefing on the Administration's proposed standby contingency and gasoline rationing plans. O'Leary painted a grim picture of the future for the nation and the world if further interruptions in Middle East oil production take place. While the American economy can absorb the shocks associated with the expected shortfall of 500,000 barrels of oil a day due to the Iranian interruption, to cope with the loss of additional supplies would be "extremely tough," he said.

Current indications are that Iran will resume oil exports shortly. However, O'Leary speculated that Iran may choose to hold its production to 3 million barrels of oil a day, rather than resuming its prerevolutionary levels of 5 million. This would meet Iran's domestic needs and allow for sufficient exports to ensure the stability of its economy.

Perhaps of equal importance, he said, these production levels would allow the Iranians to produce their own oil with a minimum of

assistance from foreign (western) countries. Although it has been conventional wisdom in the West that Middle Eastern countries were not capable of this feat, O'Leary predicted that "we will be surprised how well they do without our help."

If this happens, and the world must cope with a continued shortfall of 2 million barrels of oil a day, he said that chronic shortages will soon develop.

"We cannot assume that Saudi Arabia will again increase its output to make up a portion of the deficit created by the cuts in Iranian production." In fact, if Iran is successful in managing its own oil resources and living with lower levels of production, other Middle Eastern countries might decide that they, too, could produce less oil for export, thereby avoiding the appearance of superabundance, settling for reduced but satisfactory rates of economic expansion, and reducing to a minimum the foreign presence in their oil fields, he noted.

The loss of 2 million barrels of oil a day to the world market would cause a "protracted shortage" of fuel in the United States during the last quarter of 1979, and "a permanent

shortfall will be triggered between 1981-85," according to O'Leary. Significantly, he said, the short period of time before the onset of this potential shortage is insufficient to allow for discovery and production of new supplies. "There is nothing we can do on the supply side by then."

O'Leary stressed that short-term efforts should concentrate on reducing demand. Up to 500,000 barrels of oil a day could be saved in the United States, he said, by altering thermostats in public buildings, changing from fuel oil to natural gas in some industries, adhering to the 55 mile-per-hour speed limit, and channeling energy from areas with surplus generating capacity to those with shortages.

Although the standby contingency and gasoline rationing plans would result in additional savings, O'Leary stressed that these would be triggered only in a period of critical and sustained shortage.

COUNTY RESPONSE

To prepare for possible fuel shortages and interruptions, counties should institute or reinstitute energy conservation measures. Basic but effective measures include altering

thermostats in buildings and turning down hot water heater temperature levels, performing regular maintenance in buildings and turning down hot water heater temperature levels, performing regular maintenance on vehicle fleets, reducing excessive lighting, training county personnel in energy conservation measures, and establishing carpools and vanpools for county employees.

For more specific and detailed information on reducing energy consumption and avoiding increased fuel costs, write for a copy of the NACoR Energy Project's publication, "Guide to Reducing Energy Use Budget Costs."

Posted Prices for Arabian Light Crude Oil 1960-Present

	(\$ per barrel)
Dec. 31, 1960	\$18.00
Dec. 31, 1970	18.00
Feb. 15, 1971	2.10
Jan. 2, 1972	2.40
Jan. 1, 1973	2.50
July 1, 1973	2.50
Oct. 16, 1973	5.10
Jan. 1, 1974	11.60
Dec. 31, 1978	12.70
Jan. 1, 1979	13.30
April 1, 1979	13.80
July 1, 1979	14.10
Oct. 1, 1979	14.50

*may be raised at OPEC meeting late this month

Sources: Platt's Oil Price Handbook; U.S. Department of Interior, Worldwide Crude Prices—Summer 1973; Petroleum Intelligence Weekly; U.S. Department of Energy, Economic Regulation Administration.

GAS RATIONING POSSIBLE

Conservation Plans on Standby

The Department of Energy (DOE) last week sent three standby conservation plans and a standby gasoline rationing plan to Congress for approval. These plans were developed under the Energy Policy and Conservation Act of 1975 and must receive an affirmative vote from each House within 60 days.

After being approved the plans would be implemented only if the President finds that the country is in a "severe energy supply interruption." In the case of gasoline rationing only, either House may reject by a majority vote a presidential decision to implement rationing.

The Administration is stressing that, as petroleum supplies become shorter, a hierarchy of actions will be taken. First is voluntary product allocation by the petroleum companies. This has already been done by major oil companies in many parts of the country.

At the same time there will be an increased effort to encourage all consumers to institute or reinstate voluntary conservation measures. This, too, has begun, with a reactivation of federal agency conservation programs, the solicitation of support for conservation programs in state and local governments, and a stepped-up public awareness campaign.

After voluntary allocation and conservation measures have been taken, the mandatory allocation authority that comes to DOE from its predecessor agency, the Federal Energy Administration (FEA), will be brought into play. This authority was used during the 1973 oil embargo. After the mandatory allocation program is in effect the mandatory contingency plans may be implemented singly or together, if the President finds a "severe energy supply interruption."

Finally, if there is still a major supply problem, the proposed gasoline rationing plan could be put into effect.

The voluntary steps are in effect now. The contingency plans described below are just that, and DOE hopes to be able to leave them on the shelf. However, the world situation and our own consumption patterns seem to be moving us in the direction of increased mandatory measures.

GASOLINE RATIONING

The gasoline rationing plan currently being proposed differs from the plan published in the *Federal Register* last summer. This plan will be implemented only in the event of a severe supply interruption. The basic elements of the proposal are:

- Gasoline ration checks would be issued, primarily on the basis of vehicle registration.
- Ration checks would be issued quarterly and would be exchangeable at designated financial institutions for coupons.
- Ration allotments would be calculated on the basis of class of vehicle. All passenger

vehicles would receive the same allotment.

- Purchase and sale of ration rights would be permitted on the "white market."

• Priority allotments would be given to essential public services including police and fire services, snow removal, emergency medical services, public transportation, and sanitation services.

- Farmers would receive supplemental ration allotments for off-highway vehicles and equipment.

• States would be given a certain percentage of the total available supply to be distributed to meet hardship needs. States may delegate responsibility for evaluation of hardship applications to local boards reflective of the community as a whole.

Gasoline rationing has not been imposed in the United States since the end of World War I. However, in early 1974, the Federal Energy Office prepared coupons which will be serialized and used if rationing is imposed.

CONSERVATION CONTINGENCY PLANS

Building Temperature Restrictions: This plan would require that public buildings including schools, government and private office buildings maintain thermostat settings no higher than 65 degrees F for heating and no lower than 80 degrees F for cooling. It also requires that water temperature settings be no more than 105 degrees F except where it is used for dishwashing or where higher temperatures are necessary to meet health codes.

Within 30 days of implementation, building owners and operators would be required to certify compliance with the plan. DOE expects to delegate the enforcement of this plan to state and local government and estimates its costs to be \$8.1 million including \$6.7 million in reimbursable costs to state and local government.

Since nearly 25 percent of U.S. petroleum consumption is used to heat and cool buildings, it is estimated that the implementation of this plan would reduce petroleum demand by as much as 36,000 barrels per day.

Weekend Gasoline Sales: This plan is intended to reduce gasoline demand by eliminating nonessential weekend driving by restricting the weekend hours of operation for gasoline stations. However, certain classes of vehicles including emergency vehicles, heavy construction and farm equipment, government vehicles and energy production vehicles would be allowed to purchase fuel during restricted hours.

Retail stations will be required to certify compliance within 30 days. This plan is expected to save 246,000 barrels a day with full compliance and includes potential delegation of responsibilities to state and local government with an estimated \$4 million in reimbursable state and local costs.

Advertising Lighting Restrictions: This plan is aimed at a highly visible form of energy use. It would prohibit advertising signs and lighted window displays beyond those essential to identify an establishment which is open for business. It does not include street or highway lighting because they are important for safety.

This is the least expensive of the contingency plans with implementation costs estimated at \$3.1 million, of which \$2.1 million is state and local reimbursable costs. DOE estimates that this plan will reduce energy demands by as much as 4,400 barrels a day and that its high visibility will encourage voluntary conservation measures by the general public.

OPEC Has Played Key Role As Petroleum Prices Spiral

OPEC POWER PLAY

In 1973, OPEC (the Organization of Petroleum Exporting Companies) became a household term. Its oil embargo against the United States has etched scenes of long gas lines and short fuel supplies into the minds of Americans. Founded in 1960, OPEC consolidated its power throughout the 1960s, gradually gained control over its own oil resources, and slowly tightened its grip on the international petroleum trade.

OPEC was originally founded to maintain the highest possible price levels on oil production by western oil companies within the borders of its member nations. At the time, OPEC members earned income on their oil resources in two ways: from royalties charged on each barrel of oil and through a 50 percent tax on the specified price of each barrel of oil produced. Therefore, it was in the best interests of the OPEC nations to keep the price per barrel as high as possible. Through OPEC's strength, the posted prices were maintained throughout the 1960s.

In September 1970, the long period of stable OPEC prices ended abruptly. Prices were increased, a power which the OPEC granted to itself in 1968, and tax rates were raised from 50 percent to a range between 54 and 58 percent.

Acting as a cartel for the first time, OPEC members signed the Teheran Agreement in 1971. Provisions included immediate increases in prices, a minimum 55 percent rate of taxation, and regular increases in price per barrel of oil through 1975. These actions were followed in 1972 and 1973 by agreements among OPEC members to alter their pricing policies to reflect the U.S. dollar's declining purchasing power in international markets. An index was established which tied further declines in the dollar to increases in prices for OPEC crude oil.

The most dramatic use of OPEC's emerging power came in the wake of the Arab-Israeli War in October 1973. OPEC nations embargoed those countries deemed friendly to Israel, and agreed to cut production by at least 5 percent in October and by an additional percent in each succeeding month. On Oct. 1, the price of Arabian crude oil was increased more than 70 percent. On Jan. 1, 1974, prices for most OPEC oil doubled to \$11.65 per barrel. This figure represents an increase more than 600 percent above the price level that existed when OPEC was founded in 1960.

The embargo ended, and prices of OPEC remained relatively stable until late last year. Much of this stability was due to the influence of Saudi Arabia which controls the large reserves of crude oil and has little need to increase its revenues further.

However, in December 1978, OPEC members agreed to increase prices 14.5 percent over the succeeding nine months, raising the price of oil from \$12.70 in December 1978 to \$14.54 a barrel by October 1979. Even the increases may be discarded for still higher prices.

Later this month OPEC members will meet to review the supply, demand and price situations in view of the Iranian interruption. If it appears that the oil consuming nations are willing to pay even greater prices for their oil, OPEC may decide to up the ante even further.

This report was prepared by NACoR Energy Project: Sue Guenther, project manager, Don Spangler, research associate, Sarah Brooks, research assistant.

NACo President Meets House Panel on CETA

WASHINGTON, D.C.—NACo President Charlotte Williams of Genesee County, Mich. told the House subcommittee on employment opportunities last week that the current drop in CETA public jobs is primarily due to funding uncertainties and "massive changes" in the authorizing legislation.

She pointed to new CETA average wage provisions as "the most difficult problem facing the Comprehensive Employment and Training Act system right now" and called on the Department of Labor (DOL) to make some key decisions "to improve the current situation."

Judge Jim Fallon of Hancock County, Ken., reiterated her points and described his local program on the second day of the hearings March 8.

The CETA program, which was significantly reformed during the last session of Congress, is authorized to operate during the current fiscal year at an average level of 675,000 public service employment (PSE) jobs under Titles II-D and VI. Recent DOL figures, however, indicate that over 100,000 potential CETA jobs remain unfilled, a situation which would lead to a massive shortfall in the fiscal '79 budget and prompted the two-day hearings.

"It is intolerable that public jobs authorized by Congress have not been filled," Subcommittee Chairman Augustus Hawkins (D-Calif.) noted.

THE REFORMS TO the CETA program were signed into law late

last October. These changes redirected the program to serve the economically disadvantaged and long-term unemployed with an emphasis on training and private sector employment.

Rep. Hawkins indicated that some of the shortfall in the PSE program may be due to major changes required in local administration. However, he also expressed concern about the need to effectively manage the program to assure rapid implementation of the changes in the law and to monitor program levels.

Responding to Hawkins' concern, Williams said that the new law completely transformed the way of doing business at the prime sponsor level. "This transformation has had a major impact which requires a variety of systems changes ... the

changes to the law are massive and pervasive, and it will certainly take the rest of this year for the system to fully adjust."

"Let me emphasize," Williams continued, "that delayed funding and the changes in CETA legislation alone can account for this one time slow down in CETA enrollment. The department has made laudable efforts to give all groups a chance to review and comment on the various drafts of the regulations and this takes time."

She explained that DOL regional offices were not notified until mid-to-late February that they could execute contracts which include discretionary funds despite the fact that those funds were announced last December in the *Federal Register* and via computer runs in November. Not knowing when or if discretionary funds would be committed, many prime sponsors chose to spend at the rate supported by executed contracts, she said.

LOOKING TO THE immediate future, Williams said that the most difficult problem facing the CETA system concerns the potential impact of the new average wage provisions that apply to all public service jobs.

"As you know," she said, "the new

law provides an indexed ceiling that sets a maximum federally supported wage and puts strict limits on how much local money can be used to supplement the federal wage. In addition, it requires that federally supported wages average \$7,200 this year.

"Specific dollar limits vary by area in relation to an index developed by the Department of Labor. According to the index published in the *Federal Register* on Dec. 29, over half of all CETA prime sponsors must average wages of \$7,200 or less, while at least one-third are actually restricted to an average of \$6,635.

"In every case, the average severely restricts the number of jobs available to CETA enrollees," said Williams.

"A majority of the prime sponsors called recently by NACo staff say that very few or no existing jobs in government or community-based organizations pay wages which are low enough to meet the averages, as currently envisioned."

A further complication is that it may be illegal to create new jobs specifically for CETA participants at wages low enough to meet the average, according to Section 122(k) of the law (i.e., any classification "must include nonfederally financed employees"), she noted.

Ag Panel Removes Food Stamp Ceiling

WASHINGTON, D.C.—The Senate Agriculture Committee has endorsed a proposed \$1 billion increase in the food stamp program for fiscal '80.

Debate on the proposal centered around the need to curb inflation versus the effects of inflation on the poor. The committee finally voted to remove the spending ceiling Congress imposed in 1977 to limit program costs.

The committee has recommended a

\$6.9 billion budget for the food stamp program for fiscal '80, a 19 percent increase from the current \$5.8 billion level, which exceeds the \$6.18 billion ceiling. The proposed increase is in accordance with Administration requests for a food stamp program budget increase.

The action comes only weeks after Carol Tucker Foreman, assistant secretary for food and consumer services, Department of Agriculture (USDA), asked the committee to lift the ceiling on the program.

Committee members found themselves in a predicament. Removal of the ceiling would increase the program's budget and help poor people deal with inflation. However, increasing the budget would run counter to government efforts to reduce the federal deficit and set back the battle against inflation.

AFTER LENGTHY debate, the committee approved the new budget proposal and sent it to the Budget Committee as part of the year's first budget resolution. Specific legislation is required to remove the ceiling and the committee is expected to approve the bill.

The Administration's request of \$6.9 billion for fiscal '80 reflects an expected \$152 million savings through legislation imposing monetary sanctions on states with high error rates and instituting retrospective accounting procedures and periodic reporting of monthly income by recipients. If the savings do not materialize, more money will be needed to ensure that the quality of the program is maintained. Sens. McGovern and Bob Dole (R-Kan.) have introduced S. 1, a bill which would repeal the authorization ceilings and allow the food stamp program to keep pace with inflation and provide sufficient flexibility to allow for the projected increase in unemployment. Similar legislation is expected to be introduced in the House.

At present, 16 million people are enrolled in the food stamp program. The Congressional Budget Office estimates that the average monthly benefit for each recipient is \$28. When introduced in 1969, the program had 3 million recipients and a budget of \$272 million.

—Diane Shust

—Paul Serber



Rick Bloom, National Journal

HOSPITAL COST CONTAINMENT—Key Hill leaders flank President Carter as he announces his plan to curb health costs. From left are Sen. Edward Kennedy (D-Mass.), Rep. Henry Waxman (D-Calif.), Sen. Jacob Javits (R-N.Y.), Rep. Harley Staggers (D-W. Va.), Sen. Gaylord Nelson (D-Wis.), Alfred Kahn, the President's chief inflation fighter, and HEW Secretary Joseph Califano.

COUNTY PROGRAMS AFFECTED

Agency Shifts Face Hill Opposition

WASHINGTON, D.C.—President Carter's attempt at government reorganization has received a cool reception by members of Congress and congressional committees affected by the proposal.

Two segments of the reorganization with special significance for counties would create a new Department of Natural Resources and would consolidate business and industrial loan programs in the Economic Development Administration (EDA).

The new Department of Natural Resources would be an expanded

version of the Department of the Interior, encompassing the U.S. Forest Service and the National Oceanic and Atmospheric Administration (NOAA) which are presently part of the Departments of Agriculture and Commerce respectively.

The Forest Service has 22,000 employees, about a quarter of the Agriculture Department's work force. NOAA consists of nearly 12,800 employees, about 43 percent of the Commerce Department's personnel, and accounts for approximately 25 percent of the department's total budget.

THE WHITE HOUSE feels that the merger of the Forest Service and the Interior Department's Bureau of Land Management (BLM) is an essential part of the proposed Department of Natural Resources. Though both agencies have land management authority, White House spokesmen claim that the BLM lacks the experience, history and size of the Forest Service, giving it a "decidedly inferior capability for managing public lands for all their potential uses." The merger of the Forest Service and BLM will eliminate overlapping functions and improve efficiency, they say.

Interior Secretary Cecil D. Andrus, who would head the proposed department, called the merger "a common sense alignment designed to provide for wiser management of

natural resources at reduced cost to the American taxpayer."

Both House and Senate Agriculture Committee chairmen opposed to the planned transfer of the Forest Service. In a letter to the President earlier this year, Rep. Thomas S. Foley (D-Wash.) and Sen. Herman E. Talmadge (D-Tenn.), chairmen of the Agriculture Committees, said that they oppose the transfer of the U.S. Forest Service and "the timber industry, much of the environmental movement, and virtually every agricultural organization will oppose the transfer."

In another part of the reorganization plan, business and industrial loan programs of Agriculture's Farmers Home Administration (FmHA) and Commerce's Small Business Administration (SBA) would be folded into a new financing program run by the Commerce Department's Economic Development Administration (EDA).

FmHA's rural development loans in areas of less than 50,000 population total \$2.25 billion for fiscal '79 with business and industrial loans accounting for nearly 50 percent. The new department would administer this \$1.1 billion in loans and loan guarantees and \$95 million in the SBA's 501 and 502 programs, which lend money to business in depressed areas.

In the letter to the President both Agriculture Committee chairmen

said that "the transfer of major elements of the Farmers Home Administration would be detrimental to the cause of rural development." The chairmen expressed a fear of "urban bias" within EDA.

"FmHA PROTECTS and serves \$30 billion in outstanding debt to farmers and other rural residents. To place the responsibility for collecting this debt in state offices of a new agency could invite massive defaults," they noted.

Meeting recently in Hawaii, members of NACo's Western Interstate Region opposed transfer of the Forest Service from the Agriculture Department, saying the transfer would turn the Agriculture Department into "less than a cabinet-level department of the federal government and leave it without a voice concerning the economic growth of this nation..."

The Department of Natural Resources would be created by executive order allowable under the Reorganization Act. The order will become effective 60 days after being transmitted to Congress, unless either House vetoes the measure.

The White House has scrapped other reorganization proposals including one that would turn the Department of Housing and Urban Development (HUD) into the Department of Development Assistance.

COUNTY NEWS
(USPS 704-6220)

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Published weekly except during Christmas week and the week following the annual conference by:

National Association of Counties
1735 New York Ave., N.W.
Washington, D.C. 20006
202/785-9577

Entered as second class mailing at Washington, D.C. and additional offices. Mail subscription is \$35 per year for nonmembers, \$30 for nonmembers purchasing 10 or more subscriptions. Member county surplus subscriptions are \$20, member counties purchasing 10 or more surplus subscriptions \$15. Send payment with orders to above address. While utmost care is used, County News cannot be responsible for unsolicited manuscripts.

BERNARD F. HILLENBRAND

Fighting Inflation

... Enact Countercyclical

We applaud recent steps by the Administration and key congressional leaders to reenact the countercyclical program.

As NACo's Tax and Finance Steering Committee Chairman Lois Parke pointed out to Congress last year, this vital program has provided much needed assistance to state and local governments hurt by severe unemployment. Originally enacted in 1976, the program abruptly ended when the House failed to act on legislation to extend it during the closing hours of the 95th Congress.

We like to think of countercyclical as a kind of "unemployment insurance" for local governments. When the national economy is healthy, and unemployment is low, the program assumes a "standby" status. When the economy declines, and unemployment rises, the program automatically "triggers in" to give financial aid.

Increasingly urban and rural counties alike bear the prime responsibility for providing health and welfare services to our citizens. Counties operate courthouses, law enforcement agencies, transportation systems and many other human resources services. It is precisely these types of services that experience the greatest impact from adverse economic conditions.

Yet, the cruel irony is that when local governments are affected by inflation, declining tax bases, and rising unemployment, it is these services that are often the most difficult to expand. Without some form of countercyclical aid, they are often the services which we are most pressured to reduce.

Though counties are pleased with the prospect of enacting this legislation, we are fully aware of the difficult task before us.

... Curb Liability Awards

Counties that have been stretching their tax dollars to the limit in the battle against inflation now find themselves attacked from the rear. Excessive awards in damage suits by individuals are not only contributing to the inflationary spiral but are also gobbling up funds local governments need to provide basic services to their citizens.

Into the fray has stepped NACo's Francis Patrick McQuade with an idea worth touting. Why not put a lid on the amount individuals could recover in lawsuits against counties, cities and towns?

He put the suggestion to President Carter's chief inflation fighter Alfred Kahn at a White House meeting recently and Kahn replied that he was "very impressed," adding the situation "was completely new to him."

McQuade told Kahn that the gradual erosion of governmental immunity by the courts has led to a "full employment act" for some

lawyers, as damage awards totaling millions of dollars cut into county budgets.

The Seton Hall University professor and past president of the National Association of County Civil Attorneys, a NACo affiliate, also suggested limiting attorneys' fees in lawsuits against local governments and establishing a register at the federal and local levels to keep track of suits against counties and cities across the nation.

We are pleased that Kahn has agreed to follow through on McQuade's suggestions. We think it's a step in the right direction.

As a footnote to this discussion, county officials facing liability problems can get help at a four-day meeting next month on "The Liability Crisis in County Government," co-sponsored by NACo, the National Association of Civil Attorneys, and the National District Attorneys Association. For more details see page 19.

... Control Hospital Costs

Anyone who has endured a hospital stay lately or who has had to pick up the bill for a sick child or ailing parent can clearly understand why the President has put such a high priority on curbing hospital costs.

The President told 55 county officials attending a White House briefing last fall that the single most important move Congress could make that year to control inflation was to pass hospital cost containment.

Health care costs are rising faster than any other part of the economy—they far exceed even such highly inflationary items as food and fuel.

Counties have an important stake in any type of effort to control skyrocketing hospital costs. They pay 10 percent of the \$17 billion Medicaid bill, pick up the health costs of charity patients, and run about one-third of the public general hospitals around the country. As employers, counties must pay out a significant amount of money in health insurance coverage for their employees.

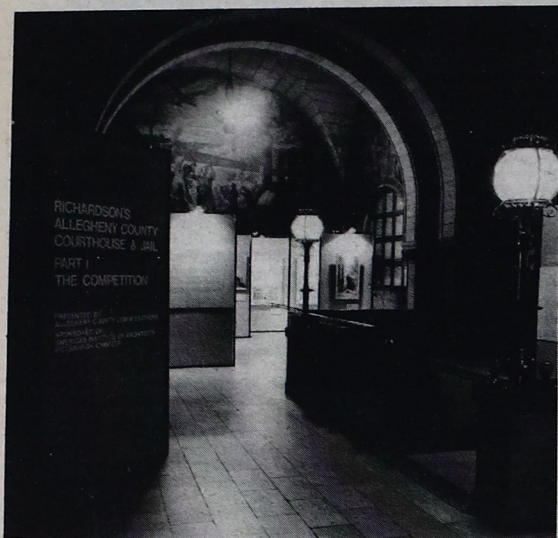
Cost containment legislation failed to pick

up enough momentum in the closing weeks of the 95th Congress to survive the crush of legislative activity.

But the Administration is back with a new proposal which would rely first on the voluntary efforts by hospitals to try and control costs and would include federal controls for many hospitals which fail to hold the line after a year on costs above a certain percentage.

NACo is part of a Voluntary Effort to Contain Health Care Costs which was launched by organized medicine and other groups. While there has been some success in reducing costs this way, we feel that the continued inflation rate of over 13 percent must be reduced and that the standby controls proposed by the President offer an effective approach.

NACo's Health and Education Steering Committee, led by Milwaukee County Supervisor Terrance Pitts will be working closely with the Administration as this bill moves through Congress.



The first floor of the Allegheny County Courthouse is open to the public as a gallery/forum.

FOCUS ON ARTS

Courthouse Serves as Cultural Center

Editor's Note: This is one in a continuing series on county involvement in the arts. A special supplement on "Counties and the Arts" was included in the Feb. 12 *County News*. Copies are available from Linda Church, director, NACoRF Arts Project.

ALLEGHENY COUNTY, Pa.—Traditionally, county courthouses have served as a forum of public policy development, the place where taxes are collected, programs developed and services provided. But in Allegheny County, Pa., the courthouse has taken on a new dimension. It has brought cultural heritage and public policy together.

Allegheny County's courthouse was completed in 1888 and is considered to be the masterpiece of its designer, H.H. Richardson. The county wanted to formally recognize the architectural significance of the courthouse, as well as the unique cultural heritage of the community which, as a highly industrialized metropolitan area, has a wide diversity of ethnic cultures. As a result, on Dec. 6, 1976, the first floor of the courthouse officially opened as the Gallery/Forum.

The gallery sponsors visual exhibitions, performing arts, lectures, symposiums, films and slide shows. Exhibits come from all segments of the community.

An advisory committee from the community establishes standards for selection of exhibits. All exhibits must recognize the interdependence of public policy and culture, encourage a full range of artistic activities, focus on the impressive architecture of the courthouse, provide a central environment for an exchange of cultural experiences, and provide interaction with programs and activities of other cultural centers.

During the first year of operation, four of the six exhibitions were collaborative efforts with other community groups. Fifteen ethnic groups cooperated on the opening exhibition "Holiday Decorations" and related programs of music, dance and ceremonies, celebrating a variety of Christmas observances, Jewish Chanukah, Kwanza, an Afro-American festival, and the Chinese New Year.

"Bridges, the Spans of North America" was the result of the joint

efforts of the County Works Department, Pennsylvania Department of Transportation and the Pittsburgh section of the American Society of Civil Engineers. An anonymous grant from an interested corporation made the ambitious venture possible. This Smithsonian Institution exhibition of photographs by David Plowden traced the history of bridges, supplemented with paintings, drawings, prints and photos calling attention to the bridges of Allegheny County.

"Women in Art" was initially financed by the Pennsylvania Council on the Arts for a regional conference at Duquesne University. At the suggestion of the director of the Arts and Crafts Center of Pittsburgh, the Gallery/Forum moved the collection almost intact to its central location for a one-month showing.

THE MAJOR EFFORT of the Gallery/Forum has been the exhibition of "Henry Hobson Richardson's Courthouse and Jail, Part I," featuring his original plans and drawings, along with those of competing architects. It was sponsored by the American Institute of Architects, which continues to work with the county toward restoration of valuable architectural drawings which were recently found in the courthouse. During the exhibition, architects from 15 firms volunteered their lunchtime to conduct public daily tours through the courthouse.

Other exhibits included "Children Look at the County Courthouse," spontaneous observations of the building and courthouse activities by young people in painting, photography and clay, and "Allegheny County Parks," photographs submitted for a competition, showing the parks during changing seasons.

The Gallery/Forum was initially funded by a one-year \$10,000 grant to the county from the Pittsburgh Foundation. In addition, other grants have been funneled through sponsoring agencies for gallery programs. Following the initial grant period, the gallery has been funded through the budget of the Department of Parks, Recreation and Conservation. Continuous county in-kind services include labor, office supplies, and other overhead expenses.

NACo's Issues Update

On Eve of 1979 Legislative Conference

General Revenue Sharing Program

Board Passes Action Plan for Renewal

"The National Association of Counties will again take the lead in the battle for renewal of general revenue sharing," said NACo President Charlotte Williams, commissioner, Genesee County, Mich. in announcing "an action plan" to guide the renewal campaign.

"This is consistent with our efforts in 1972 and 1976. We propose to enlist each of the nation's 3,104 counties directly in the lobbying efforts."

The NACo Board of Directors at its meeting in February approved an action plan for the renewal of the general revenue sharing program during the 96th Congress—NACo's top legislative priority.

Williams explained that the renewal campaign has several complementary goals:

- To pass general revenue sharing at the earliest possible date.
- To perfect our grass roots and Washington lobbying techniques.

- To demonstrate NACo's leadership on this vital issue.
- To perfect our public information techniques, improve our public image, and increase NACo membership.

Immediate action by counties is important since the Administration must submit its proposal for renewing the program to Congress by May 15. (The revenue sharing program expires Sept. 30, 1980.) The renewal effort will include intensive lobbying on Capitol Hill, membership and citizen education on revenue sharing, and support by all those affected by the legislation.

Lobby Effort

Lobbying efforts must attack major issues which are currently being raised by some in the Administration and Congress. Among these issues are:

- The so-called state and local surplus budgets in relation to demands for a balanced federal budget.
- The anti-inflation atmosphere of the country and taxpayer calls for budget cuts.
- The alleged need to direct funds to areas of need such as central cities.
- The need for a new program that would turn on and off with need in lieu of the general revenue sharing entitlement programs.

Along with the above issues, NACo must deal with Sen. Lloyd Bentsen's (D-Tex.) legislation to delete the states from the last entitlement periods of the current program expiring in 1980.

NACo's lobbying activities will involve the following:

- We will urge the Administration to submit and support general revenue sharing renewal. Stuart Eizenstat, the President's domestic advisor, and Jack Watson, advisor on intergovernmental relations are aware of NACo's keen interest in renewal.
- NACo will remind Congress through special mailings that half of our counties have a fiscal budget year that



NACo President Charlotte Williams

begins after January of 1980. Without quick renewal, counties do not have a guaranteed source of funds and must delay budget proposals.

- NACo will monitor all activities related to renewal while working with other public interest groups to form a united front.
- NACo will set up meetings with congressional and Administration leaders for NACo officers, board members and county officials.
- NACo will discuss the benefit of calling for a Revenue Sharing Rally as was done in 1975.
- As the many options are presented to the President by the Treasury Department, NACo will analyze them for their impact on counties. In addition, we are collecting information on the percentage of general revenue sharing funds which have gone into county operating budgets.
- County officials attending the Legislative Conference this week are encouraged to make their views known to their congressional delegation.

Public Information/Citizen Support

A key to renewal is citizen support. The local citizen must be made aware of the importance of the program and the benefits it brings into the community.

The public information campaign will include intensive letter writing to newspapers, state and federal representatives, and state association magazines.

The campaign will urge each county to print the revenue sharing position of each congressional member in *County News* and schedule county board meetings with congressmen during recesses.

Counties will be asked to prepare two budgets. One budget will include revenue sharing while the other will not. This move should dramatize the effects of the legislation and its importance.

NACo will also coordinate a campaign to beef up its membership by developing well structured State Membership drives. Each state will determine its most effective structure and create a Revenue Sharing and Membership Committee with both a Democratic and Republican chairperson.

NACo will ask each county to appoint a general revenue sharing campaign chairperson. The chairperson is responsible for keeping local citizens informed about General Revenue Sharing funds and their use. The chairperson is expected to keep in contact with state association executives in an effort to maintain a solid front of support for General Revenue Sharing renewal.

NACo will make available all information on General Revenue Sharing available to each chairperson.

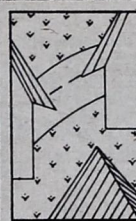
Though we are currently waiting for the Administration to respond to the May 15, 1979 deadline to detail more definite plans, the above initial steps will put us in a good posture for renewal action.

NACo officially kicks off its 1979 legislative season this week as more than 1,000 county officials gather in Washington for NACo's Legislative Conference.

The conference has a two-fold purpose. First, county officials will have a chance to learn more about legislative proposals in the mill this year. Second, the Legislative Conference provides an opportunity for county officials to visit Capitol Hill en masse to brief their congressional representatives on crucial issues affecting local government.

This special supplement outlines these issues, grouping them generally along steering committee lines.

County officials at the conference are urged to utilize this supplement as background when they visit their congressional delegations. At the same time, county officials who could not attend the conference can use this supplement as reference material to monitor legislation and in correspondence with their congressional delegation throughout the year.



C

COMMUNITY
DEVELOPMENT

Housing and Community Development Funding

Background

In 1977 Congress passed a three-year authorization for the community development block grant and urban development action grant programs. Fiscal '80 is the last of that three-year authorization. In addition, Congress annually considers an authorization bill for the assisted housing programs (Section 8 and conventional public housing) for low income persons, the Section 312 housing rehabilitation loan program and the urban homesteading program.

Anticipating that the necessary authorization legislation will be passed by Congress, the Department of Housing and Urban Development has requested funds for these programs. HUD has requested the full amount, \$4.3 billion authorized in fiscal '80, for community development: \$3.85 billion for the basic block grant program, \$100 million for the financial settlement of existing urban renewal projects and \$400 million for the urban development action grant program.

Other HUD programs, however, will not fare as well under the Administration's budget request. The budget requests \$1.14 billion which could provide up to 300,000 units of Section 8 and conventional public housing, about a 10 percent reduction over the 324,000 new units funded in fiscal '79. Whether the 300,000 unit target can be met depends on the final mix between construction of new units or the leasing of existing housing units. The per unit cost for new construction is significantly greater, approximately \$4,470/unit, than that for leasing existing units, approximately \$2,670/unit. The mix of units, however, is determined by the requests of counties and cities for assisted housing units in their annual housing assistance plans, part of their community development applications.

The Section 312 housing rehabilitation loan program will also

NACo Issues Update

be funded at a reduced level. The new budget requests \$130 million, which together with projected loan repayments of \$55 million, will permit a program level of \$185 million. In contrast, the program is operating at \$260 million this year, due to a substantial increase in funding requested by the Administration last March in the urban policy. The \$185 million will permit rehabilitation of approximately 12,800 single and 4,500 multifamily housing units compared to the 20,000 single family and 5,500 multifamily units projected to be rehabilitated in fiscal '79.

Finally, the budget requests no funding for the urban homesteading program in fiscal '80. Instead, the budget anticipates a program level of \$23.6 million, compared to \$18 million in fiscal '79 to be funded from prior year appropriations carried over.

NACo Policy

NACo supports full funding, up to the authorized level, for the community development block grant and urban development action grant programs. It further supports an increased funding level in fiscal '79, as proposed in the urban policy, for the Section 312 Housing Rehabilitation Loan program and an appropriation of \$20 million for the Urban Homesteading Program. With respect to assisted housing, NACo has consistently supported an adequate and predictable level of funding sufficient to produce 400,000 units annually of Section 8 and conventional public housing.

Prospects/Action Required

NACo's Community Development Steering Committee will consider policy on fiscal '80 appropriations for these HUD programs during the Legislative Conference. It is likely that Congress will approve the full \$4.3 billion requested by the Administration for community development and urban development action grants. It is unclear whether Congress will increase funding for assisted housing, Section 312 rehabilitation loans and urban homesteading.

Economic Development

Background

The three-year authorization for the regular grant and loan programs of the Economic Development Administration, the Appalachia Regional Development Act and the Title V Regional Development Act expires Sept. 30. The Administration's proposed reauthorizing legislation is being reviewed by the Office of Management and Budget (OMB) and will not be forwarded to Congress until after the President has made a decision on a possible reorganization of economic and community development programs and functions.

It is anticipated that the Administration will propose a multi-year reauthorization for EDA programs as well as some consolidation and simplification among the various programs such as Title I public works facilities grants and Title IX economic adjustment assistance. The National Development Bank may also be proposed as part of the legislation and possibly a standby countercyclical local public works construction grant program to be used if unemployment suddenly escalates. (No funding has been proposed in the fiscal '80 budget for the latter program.)

The Administration proposes to increase overall EDA funding in fiscal '80 to include \$150 million for a new inland energy impact assistance program which Congress must first authorize. Last year, Congress failed to approve a similar measure.

Funding for public works grants under Title I and IX of the Public Works and Economic Development Act of 1965, however, is proposed to be reduced by \$14.5 million in fiscal '80. Title I grants would be reduced by \$3.2 million to \$192 million, although the amounts provided to counties and Economic Development Districts within this category would increase slightly, while those to cities would decline. Under Title IX, funding for long-term economic deterioration assistance would be lowered by \$4.5 million and sudden and severe dislocation assistance would be lowered by \$6.8 million over fiscal '79. Total Title IX funding is proposed at \$77.2 million.

Funding for planning and technical assistance and economic research and program evaluation under Title III of the 1965 act would also be decreased by a total of \$13.2 million to \$68.2 million, compared to \$81.4 million appropriated in fiscal '79.

A Presidential decision is expected shortly on proposals to reorganize the delivery of federal economic and community development assistance programs. OMB has recommended that EDA's economic development functions and programs, HUD's housing and community development programs, the rural development programs of the Farmers Home Administration and the economic development program of the Community Services Administration be consolidated into a new Department of Development Assistance, to serve as a one-stop agency for responding to the development needs of state and local governments.

Another alternative under Presidential review would leave HUD and rural development programs untouched, but "beef up" the responsibilities of EDA by providing a separate division of business development grant and loan assistance and a separate division for public sector grant and loan assistance. In addition, the functions of the proposed National Development Bank would be placed in EDA.

Should the Administration propose a new Department of Development Assistance it is certain to stir controversy on Capitol Hill where the interests of no less than four Senate and four House committees would be affected.

NACo Policy

NACo has traditionally supported the grant and loan programs of EDA as well as adequate appropriations. NACo's Community Development Steering Committee will develop NACo policy on reauthorization and appropriations for EDA at the Legislative Conference. NACo has no policy with respect to reorganization of economic and community development programs and agencies, and, depending on what is proposed by the Administration, may take a position at the Legislative Conference.

Prospects/Action Required

Congressional action on reauthorization legislation depends on the timing of the Administration's reorganization decision. If that decision is delayed for the next couple of months, Congress might well pass a one-year extension of the EDA programs, giving members more time to consider changes in the programs.

National Development Bank

Background

The Administration's proposed fiscal '80 budget recommends that Congress enact legislation establishing an independent National Development Bank, proposed last year as part of the Administration's national urban policy. Congress failed to act on the bank legislation last year. The bank's purpose would be to aid businesses through grants, loans and loan guarantees and encourage their location in distressed rural and urban areas.

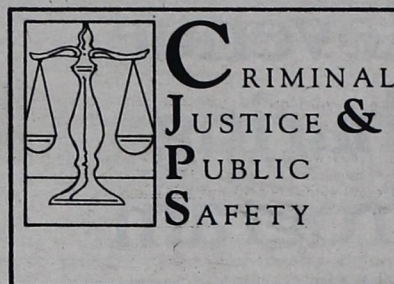
Anticipating favorable congressional action on the necessary authorizing legislation, the budget requests a total of \$3.5 billion for fiscal '80. Included are: a \$275 million increase in HUD's urban development action grant program; a \$275 million increase in EDA's Title IX economic adjustment assistance grant program; \$1.2 billion in loan guarantees; \$263 million in interest subsidies on loans and taxable bonds and the creation of a secondary market with \$1 billion in borrowing authority.

NACo Policy

NACo currently has no policy regarding the creation of a National Development Bank. The issue has been referred jointly to the Community Development and Taxation and Finance Steering Committees. The committees will meet whenever the Administration proposes a specific piece of legislation for congressional consideration.

Prospects/Action Required

Congressional action is uncertain.



Justice System Improvement Act of 1979 (S. 241; H.R. 2061)

Background

Authorization for the Law Enforcement Assistance Administration (LEAA) expires this year. Sen. Edward Kennedy (D-Mass.) and Rep. Peter Rodino (D-N.J.) have introduced companion bills that would reorganize and extend the 10-year-old program an additional four years. The legislation proposes to reduce paperwork and comprehensive planning requirements and recognize local priorities by providing a formula distribution, or entitlement, of funds to major counties (over 250,000 in population) and large cities (over 100,000 in population). The authorization level of \$800 million is much higher than the President's request of \$547 million for fiscal '80. The fiscal '80 appropriation level is a key issue.

NACo Policy

NACo supports the general concept of the Kennedy/Rodino bill including the entitlement provision but recommends extending formula grants to counties of 100,000 in population.

Prospects/Action Required

Prospects for reauthorization of LEAA with entitlements for major local jurisdictions are good. Amendments to extend entitlements to counties containing cities of 100,000 population are needed and incentives for coordination of entitlement jurisdictions would be beneficial to counties.

LEAA and Juvenile Justice Appropriations

Background

The Administration has requested a reduction of \$111 million in the total LEAA appropriations for fiscal '80. This includes a \$50 million reduction in funds for the Juvenile Justice and Delinquency Prevention Act. Most of the reduction is taken from grants to state and local governments (21 percent). State and local administration funds were cut by more than 30 percent.

NACo Policy

NACo supports a total LEAA appropriations for fiscal '80 of no less than \$650 million—about the same level as last year. Juvenile justice funding should be at least \$75 million, preferably last year's level of \$100 million if an additional \$25 million can be added to the total LEAA appropriation.

Prospects/Action Required

Outlook for appropriations increase uncertain.

Jail Construction/Renovation

Background

Legislation appropriating \$150 million for construction and renovation of state and local corrections facilities has been introduced by Rep. Leo Zeferetti (D-N.Y.). H.R. 884 would give grants up to 75 percent of cost under direction of the Secretary of Commerce. Rep. Alan Ertel (D-Pa.) is expected to reintroduce similar legislation. No Senate legislation has been filed.

NACo Policy

NACo supports legislation which would provide funds for construction and renovation as a partial solution of local jail

'79 Legislative Conference

problems. NACo favors a \$2 billion program to provide 50 percent of local costs.

Prospects/Action Required

Hearings may be held this summer in the House. The issue will be considered along with the reauthorization of LEAA.

The Dispute Resolution Act of 1979

Background

Legislation (S. 423) would establish a program to help state and local governments and citizen groups establish or improve mechanisms for resolving minor disputes. A budget of \$15 million per year has been proposed.

NACo Policy

NACo supports the concept of using mediation/arbitration to settle minor disputes out of court.

Prospects/Action Required

The bill has been introduced in the Senate but final adoption is uncertain. Last year it passed the Senate but failed in the House.

U.S. Fire Administration

Reauthorization and Appropriations

Background

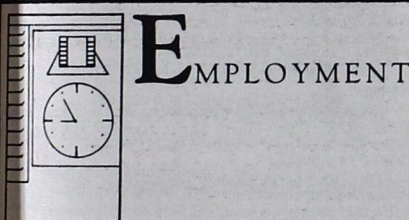
The U.S. Fire Administration received an appropriation of \$17 million in fiscal '79 to provide data collection training, public education materials and technical assistance for state and local governments. Financial assistance and grants are not provided. Reauthorization with funding at the current level is proposed by the Administration for fiscal '80.

NACo Policy

The U.S. Fire Administration should continue funding these activities to assist state and local governments in combatting the nation's fire problem.

Prospects/Action Required

The U.S. Fire Administration will be transferred from the Department of Commerce to a new Federal Emergency Management Agency this year. Gordon Vickery has been confirmed as the new administrator and internal reorganization of Fire Administration will be completed soon. Reauthorization and appropriations are expected to develop a National Fire Academy, and help state and local governments curb residential fires, reduce the incidence of arson and improve the efficiency of fire protection services. Support for the current appropriation level is needed to assure training, technical assistance and resource materials for counties to improve fire service management.



Funding for Public Service Jobs and the Private Sector Initiatives Program

Background

The new CETA law (P.L. 95-524) contains a new Title VII, the private sector initiatives program. This new program is an attempt by Congress to link CETA more closely with the private sector. For fiscal '79 CETA was funded through a continuing resolution. This continuing resolution provided

funds at the same operating levels as fiscal '78 on a national basis but did not provide funds for any program that was not authorized in fiscal '78. As a result, no funds were made available for the new Title VII program in fiscal '79.

By virtue of the continuing resolution, any funds not obligated by Sept. 30, 1979 by the Department of Labor would revert to the Treasury. This means that the Labor Department could not obligate and reobligate fiscal '79 funds in fiscal '80 as they have done in the past without language providing them that authority in a supplemental appropriations bill.

In order to fund the private sector initiatives program, the Administration is asking for a supplemental request of \$400 million in fiscal '79. No sooner was this request put forward than the fact that only 517,000 public service job holders were participating in CETA as of Dec. 31, 1978 was reported. This figure is well under the average of 675,000 jobs authorized in the continuing resolution and under the revised average of 625,000 jobs for fiscal '79 in the President's budget. The 517,000 job level suggests a 30 percent lag in spending program funds under Titles II-D and VI. Estimates of carryover of funds vary between \$1 billion and \$2 billion. This projected carryover holds out the possibility that congressional appropriation committees will reduce the PSE appropriation for fiscal '79, should a supplemental appropriation bill be considered. Thus any potential gain in funds for the private sector initiative program is likely to be accompanied by a major loss in public service funds.

Further complicating this issue is the fact that the Carter administration wishes to carry over \$122 million in summer youth money, previously appropriated for this summer's program, to fiscal '80.

NACo Policy

NACo supports full funding of the Comprehensive Employment and Training Act. NACo has continually testified in favor of a trigger for authorizing funds for countercyclical public service jobs (Title VI).

Prospects/Action Required

Any consideration of a supplemental appropriation for Title VII is very likely to reduce PSE funds by anywhere from \$1 to \$2 billion. It is recommended that NACo oppose any supplemental for fiscal '79 and oppose all attempts to rescind existing funding for public service employment and the summer youth program by attaching such a measure to other supplemental appropriation bills. Rep. Robert Giaimo (D-Conn.), chairman of the House Budget Committee, has introduced H.R. 120, rejecting the deferral of budget authority relating to the summer youth employment program.

Wagner-Peyser Reform

Background

The Wagner-Peyser Act authorizes and provides a funding mechanism for state employment security agencies in each of the 50 states. The act has not been substantively revised since its enactment in the mid-1930s. State employment security agencies have had additional functions added that have stretched their capacity to provide services. Funding by the resource allocation formula has proven unsatisfactory for state employment security agencies and the CETA system alike. The Department of Labor has tried many ways of fostering coordination between the CETA system and employment security agencies. In some counties this has worked well, and in other counties such cooperation has not benefited either the clients or the delivery of services.

The Labor Department is in the process of submitting to Congress recommendations for Wagner-Peyser reform as required by the new CETA law.

NACo Policy

NACo believes that CETA employment service coordination should be facilitated through a joint local decision-making process, a joint labor market information system, a common planning and funding cycle and joint "bottom-up" planning to utilize the CETA prime sponsor advisory council with a clear decision-making role for the chief elected official.

Also, NACo supports funding the existing Wagner-Peyser labor market exchange through a block grant to the governor using a needs based formula.

Prospects/Action Required

It is likely that the Senate will hold hearings on Wagner-Peyser reforms this session. The House will probably begin with field hearings on Wagner-Peyser reform in California in late March and conduct Washington hearings later in this session. No action is required at this point by county officials.

CETA Oversight

Background

With the youth title coming up for reauthorization in the next fiscal year, it is likely that at least the House will be conducting oversight hearings on CETA, emphasizing the youth title late in this session. These oversight hearings will give NACo and county and consortia prime sponsors the opportunity to present their ideas on youth programming as well as to share with the congressmen implementation problems caused by the new CETA law.

NACo Policy

NACo supports special funds for training programs and employment for youth under CETA. Such programs should be open to youth through the age of 21 with the lower age limit established by individual state law and be geared to youth who are unemployed, underemployed or economically disadvantaged. Youth participating in such programs should be provided Social Security (FICA) and workers' compensation benefits, but should not be eligible for unemployment insurance or health benefits in order that more youth can be served.

Prospects/Action Required

CETA prime sponsors should prepare their ideas on youth programming for consideration during oversight hearings. It is important that counties be able to fully document problems they have had implementing the program under the new CETA law during these hearings.

Welfare Reform

Background

NACo supported the Administration's welfare reform bill during the 95th Congress. A considerable part of NACo's welfare reform proposal was adopted by the joint House welfare reform committee, chaired by Rep. James Corman (D-Calif.), in the bill which was eventually reported.

The Administration is developing a scaled-down version of the New Coalition welfare reform proposal, which NACo actively participated in formulating. The Administration's bill calls for \$5.5 billion in new funds based on an unemployment rate of 4.8 percent in fiscal '82, and has no fiscal impact until fiscal '82.

The jobs portion of the Administration's new welfare proposal will cost \$2.8 billion out of the overall total. The proposal projects a need for 710,000 jobs and training slots in fiscal '82, presuming a 4.8 percent unemployment rate. These jobs and training positions will come out of the existing CETA Title II-D, new jobs resulting from the federal Work Incentive tax credit, additional jobs resulting from expansion of eligibility for the WIN tax credit and the job voucher program, expanded on-the-job training slots in CETA Title VII, and a residual of new CETA Title II-D jobs that would have to be funded.

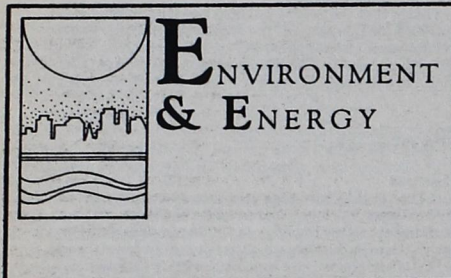
NACo Policy

NACo has consistently supported the concept of welfare reform with the goal of fiscal relief for county government.

Prospects/Action Required

The Administration is likely to present a separate cash and jobs bill to Congress in the name of welfare reform by the middle of this session. No action is required at this time.

NACo Issues Update



Solid and Hazardous Waste Management

Background

Although the Resource Conservation and Recovery Act of 1976 (RCRA) identifies states as the main actors in solid and hazardous waste management, counties can be designated as the planning and implementing arm of the state. But counties, which expected to receive federal financial assistance to prepare the plans, have so far received limited funds through the states. The future looks even worse since EPA will allow pass-through to continue for only two more years, and then only for helping the state inventory open dumps. After 1981 counties are on their own to plan and implement solid waste systems.

The RCRA mandate to close or upgrade all open dumps will hit many rural counties with dramatic cost increases. A section of RCRA treats this problem but Congress has never appropriated money to fund the program. The act presently authorizes \$25 million for rural assistance.

EPA rulemaking and budgeting are now emphasizing hazardous waste management. This is chiefly a responsibility of the states. Counties will be affected, however, in the selection of new hazardous waste sites, in how closed and abandoned sites will be handled, and in closure and maintenance of permitted sites. Counties may be better served by treatment or destruction processes for hazardous wastes than by underground disposal which may ultimately pollute groundwater and soils.

NACo Policy

NACo supports the shift from open dumps to sanitary landfills, with use of resource recovery where appropriate. At the same time NACo calls for federal financial and technical assistance to accompany federal mandates to close open dumps.

Prospects/Action Required

In the 96th Congress NACo will work for both a larger county role in solid and hazardous waste management and a commitment of federal funds to local governments in both planning and implementing RCRA. NACo opposes federal intervention in the hazardous waste siting process. Demonstration grants are still necessary for resource recovery and for the treatment and destruction of hazardous wastes.

Clean Water, Air and Solid Waste Appropriations

Background

The Administration's budget failed to recommend a fiscal '80 appropriation for local clean air planning under Section 175 of the Clean Air Act but did recommend \$86 million for state and local air pollution control agencies. This assistance is important for reconciling economic growth and clean air goals and to avoid a possible future cutoff of highway and sewage treatment funds. The fiscal '80 budget also recommends little or no funding for local solid waste management (which would assist in meeting future open dump closing mandates) but does recommend continued funding of resource recovery at \$13.9 million. The request for water pollution construction grants is \$3.8 billion, \$40 million for Section 208 water quality management and \$75 million for the rural clean water program.

NACo Position

NACo supports a strong role for counties and other local governments in meeting air and water pollution criteria and in solving solid waste problems. It also supports adequate federal assistance to meet mandated federal standards and requirements.

Action Required

Contact members of the House and Senate Appropriations subcommittees for HUD and independent agencies (EPA) and urge support of:

- Additional funds earmarked for local clean air planning to reconcile economic development and clean air attainment;
- A set-aside of an additional amount for local solid waste management and support for the Administration's resource recovery request;
- No less than the Administration's fiscal '80 request for water pollution construction grants and Section 208 funding.

Energy Impact Assistance

Background

Energy development boosts population and brings a demand for more public services. Social, environmental and economic impacts are felt immediately while revenues do not increase until the facilities are in place. The problem is the community's ability to deal with local stepped up production of energy resources, its effects on social services, etc. As the provisions of the National Energy Act turn people away from gas and oil and toward coal, uranium and other sources, the number of communities facing this dilemma will increase dramatically.

NACo Policy

NACo supports a comprehensive approach to energy development impact assistance which includes local government participation in all stages of planning and implementation with assistance being provided in the form of grants, low interest loans and loan guarantees. Last year the Hart-Randolph bill met all of NACo's basic requirements. This Congress will be considering a new bill, which differs only slightly from last year's version.

Prospects/Action Required

While support from the Administration, NACo, and other public interest groups is very strong, an impact assistance bill will generate opposition as a new spending program. County officials should make a special effort to contact members of the Senate Committee on Environment and Public Works, and in particular, the Republican members, and make them aware of NACo's position.

Energy Management Partnership Act

Background

Congress and federal agencies have relied increasingly on the states and local governments to implement energy programs, while providing few additional resources to ensure that local governments have the capacity to do this. While significantly improved over last year's version, the bill which will be considered by the new Congress, designed to assist state management and planning activities, still contains a totally inadequate role for local governments.

NACo Policy

NACo supports pass-through of financial assistance for federal or state programs which require local implementation. In addition, comprehensive state energy plans should include explicit requirements for the involvement of local governments.

Prospects/Action Required

Judging from last year's experience, it seems likely that local concerns will receive a favorable reception in the Senate Energy and Natural Resources Committee. However, it is essential that each member of the committee be informed that the local role is now inadequate.

Water Resources Policy

Background

The President has developed a program to reform the

nation's water resources policy. Included are proposals to provide a national emphasis on water conservation, enhance federal-state cooperation, increase attention to environmental quality and improve planning and management of federal water programs. While presidential attempts to reform water policy are not new, past attempts have been largely unsuccessful. Congress' failure to override Carter's water projects veto, however, may indicate a presidential strength in this area which could lead to the adoption of this reform package.

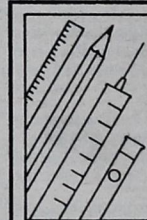
The only major legislative proposal involves federal-state cost-sharing, a potentially controversial issue. A number of major issues remain either unresolved or unaddressed by the President's proposals.

NACo Policy

NACo supports the retention of state and local control over water resources allocation, use and management as well as the consideration of conservation in water project planning and evaluation. NACo policy does not address the problems of state-local planning, cost-sharing arrangements or funding for individual water projects. NACo will consider policy options in these areas at the Legislative Conference.

Prospects/Action Required

The water resources policy reforms are likely to be some of the most controversial items considered in this Congress. In addition to the President's proposals, counterproposals are being prepared in both Houses.



HEALTH & EDUCATION

National Health Insurance

Background

There are three national health insurance proposals presently circulating: Sen. Edward Kennedy's (D-Mass.) all-inclusive health care proposal, the Administration's more limited health care proposal, and a proposal for catastrophic health insurance by Sen. Russell Long (D-La.). Regardless of the eventual shape of a national health insurance program, local officials will be concerned with the following:

- The impact of national health insurance on county match under Medicaid;
- The degree to which these proposals cover the medically indigent who are presently served by county government;
- The adequacy of reimbursement for services provided by county health care facilities;
- The kind of incentives which are included for disease prevention and public health services, which are important contributions of county government to America's health system;
- The role of state and local government in establishing reimbursement rates and benefit policies.

NACo Policy

The Health and Education Steering Committee last year recommended and the membership approved in Atlanta a revised National Health Insurance plank which addresses these problems.

Prospects/Action Required

The Administration's and the Kennedy proposals are still being drafted in their final form. Sen. Long's proposal has been drafted and introduced as S. 350. All congressmen and their staffs should be made aware of the concerns of county governments.

'79 Legislative Conference

Health Planning

Background

The 95th Congress failed to reauthorize the National Health Planning and Resources Development Act. Although the Senate and House authorizing committees and the Senate as a whole passed bills amending this legislation, time was not available for final passage. NACo is particularly concerned that planning processes within private, nonprofit Health System Agencies allow meaningful involvement by county officials. In addition, in the 23 public HSAs, NACo believes that it is critical that the powers of the public entity be enhanced.

NACo Policy

The Health and Education Steering Committee will be reviewing a legislative package which includes the following issues:

- Requiring that representatives of county government be appointed by the county to HSA boards;
 - Prohibiting private, nonprofit HSAs from appointing members to its own board;
 - Authorizing the county, city or regional planning body to approve the major policy documents of the HSA;
- In addition, the steering committee will be reviewing a number of proposals to ensure that HSAs operate in an open manner and assure the meaningful input of all segments of the community.

Prospects/Action Required

Bills from the Administration and Sen. Kennedy will be introduced soon, as will a bill by Rep. Henry Waxman (D-Calif.). NACo's revised legislative package will be reviewed by the Health and Education Steering Committee at the Legislative Conference. It is important that Congress understand the need for local government involvement in HSAs and the problems county officials face in becoming involved.

Hospital Cost Containment

Background

Last year Congress considered but ultimately failed to pass hospital cost containment legislation. This year, the Administration has again proposed legislation which will place severe restrictions on hospitals where expenses increase above 7 percent. Hospitals in states which have an effective rate control program would be exempt.

In addition, NACo is an active participant in the Voluntary Effort to Contain Health Care Cost. This broad coalition of health providers, consumers and other interested groups is attempting to reduce hospital costs by an aggregate of 4 percent over two years.

NACo Policy

Hospital cost containment legislation as well as any voluntary effort can affect counties in the following ways:

- Limitations on payments for individual services can further increase the gap within county hospitals between cost and reimbursement which counties must meet;
- The effectiveness of hospital cost containment has a direct impact on the cost of health insurance for county employees and the local contribution to Medicaid where that is required;
- Cost containment legislation can cause an increased "dumping" on county hospitals of high cost patients who have exhausted their own sources.

Medicaid/Medicare Reimbursement Reform

Background

Last year Congress considered a major Medicaid/Medicare reform bill, but this legislation also failed in the final days of the 95th Congress. These two programs are expected to cost the federal government approximately \$40 billion in fiscal '79, and their cost is increasing at a rate of 15 percent per year. In 18 states, counties must provide match to the state Medicaid program.

NACo Policy

There are three major policy considerations that affect counties relative to Medicare and Medicaid:

- Expansion of coverage to assure that the medically indigent (working poor, illegal aliens, children of intact families, etc.) are covered. At present, these individuals are provided services at county expense;
- Shifts in funding mechanisms to eliminate local government match. In 18 metropolitan states, counties, by law, have an open-ended commitment to provide local match to the state as part of its contribution to Medicaid;
- A change, through statutory provision or regulation, in the rates at which county acute or long-term care institutional services are reimbursed by Medicaid. These rates do not reflect the fact that patients in county facilities often require more extensive and costly treatment.

Prospects/Action Required

The Administration feels that cost containment has a better chance of passage this year than last. For local officials, any changes in reimbursement policies, through Medicare/Medicaid reform, hospital cost containment or the efforts of hospitals to control their own costs, raise concerns over the impact of these actions on public health care services. Congress must understand the role of counties in providing institutional care, the problems under existing Medicare and Medicaid programs and the danger that cost control efforts will merely shift costs to the public hospital system.

Other Health Issues

Emergency Medical Services

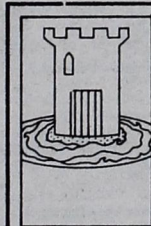
The Emergency Medical Services Act will be reauthorized by Congress next year. This legislation currently provides planning and operating funds to help develop EMS programs at the local level. It is a very visible program and since local government funds are expected to support the program after its start-up phase, county officials have an interest in the kinds of programs which are established with federal funds.

The policy considerations for county government are these:

- Is the seed money approach to program development still valid in a time of tax limitations and rollbacks?
- Because these programs are often structured by regions and sponsored by nongovernmental entities, absorption into local funding sources becomes extremely important to county government.
- Since this is a highly visible program, the role of elected officials in establishing policies and service levels is extremely important.

Mental Health (Including Drug Abuse and Alcoholism) and Mental Retardation

The mentally ill and mentally retarded represent a major concern for counties. Often counties are the major or sole provider of care for these individuals and they also provide most of the funds to support needed social services. Congress this year will be considering a new community mental health act based on the recommendations of the President's Commission on Mental Health Report which can provide resources for localities to establish a comprehensive mental health system.



Lobby Regulation

Background

The 95th Congress attempted to replace the present Federal Regulation of Lobbying Act with a new law (H.R. 8494;

S. 1785; S. 2026) designed to require more disclosure about organizations that attempt to influence Congress.

The present Federal Regulation of Lobbying Act exempts from registration as lobbyists "public officials acting in their official capacity." A 1974 court ruling held that the officers and employees of NACo, among others, were exempt from registration under the present law so long as such people engage in lobbying solely on the authorization of a public official acting in his official capacity and receive compensation from public funds.

NACo took the lead in opposing registration under the act for employees of public officials, arguing that the organization is an extension of county governments and these governments are part of the federal system, separate and distinct from private lobbying groups.

The House Judiciary Committee voted to require organizations of state and local elected or appointed officials such as NACo to register under the act. However, it excluded from registration employees of a single state or local government, all federal employees and organizations of members of Congress.

The House passed a lobby disclosure bill, defeating an amendment offered by Rep. James Santini (D-Nev.) on the House floor to exclude NACo from the bill. The Senate version of the bill died in committee.

NACo Position

NACo's membership adopted a resolution which urges Congress to recognize the partnership role of counties, cities and states in our federal system and grant to their employees the same status as that which is extended to employees of federal officials and departments.

Prospects/Action Required

The House Judiciary Committee and the Senate Governmental Affairs Committee intend to give this issue top priority in the 96th Congress. Rep. Peter Rodino (D-N.J.) has introduced H.R. 81, "Public Disclosure of Lobbying Act of 1979," which is the same bill that NACo lobbied against last year. NACo will testify again this year in opposition to this bill since it includes organizations of local governments. NACo will also work with the Senate and the Administration to produce a bill that would exempt organizations such as NACo.

Federal Advisory Committee Act (FACA)

Background

The Federal Advisory Committee Act was passed by Congress in 1972 to regulate the life and activities of federal advisory committees and establish a set criteria of what constitutes a federal advisory committee. The act exempts the Advisory Commission on Intergovernmental Relations and those advisory committees whose sole purpose is to advise federal officials.

Several court cases have subsequently interpreted that the utilization of public interest groups by federal agencies in developing regulations violates this act. The Office of Management and Budget, in updating the A-85 Circular which provides for consultation with organizations representing state and local governments in regulations development, removed the state/local public interest groups from this process. OMB legal opinion questioned the legality of public interest group involvement on the basis of the FACA act.

If this OMB interpretation remains unchallenged, all federal agencies can refuse early and meaningful comment on regulations by the state/local public interest groups. Such action relegates local government into the category of the general public, and does not recognize the partnership role county governments play in federal program delivery.

NACo Policy

The Home Rule and Regional Affairs Steering Committee and the Board of Directors passed a resolution at the Legislative Conference in March 1978 to oppose the federal agencies' use of this act in restricting NACo's involvement in regulations development. This same resolution was passed by the general membership at the Atlanta Conference in July.

Prospects/Action Required

Since court cases provide judicial precedence to allow this interpretation to stand, it will be necessary for NACo to obtain an amendment to the act which specifically exempts state and

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local government organizations and would clarify their role and right to provide consultation to the Executive Branch.

Public Liability

Background

The Civil Rights Act of 1871 establishes liability for those "persons" violating an individual's civil rights. The key term in Section 1983 of the act, from the perspective of local and state governments, is the word "persons." Historically, this has been interpreted as affording immunity from lawsuits to local government entities.

Recently, however, this immunity has been challenged in Congress and the courts. The House and Senate both considered legislation (H.R. 4515; S. 35) expected to be reintroduced in the 96th Congress, which would greatly broaden and define the liability of government for monetary damages and injunctions. While these bills were being considered, the Supreme Court reversed its historical position (*Monell decision*) and, for the first time, held local governments to be liable under the Civil Rights Act and therefore subject to monetary damages.

County governments will be subject to an increasingly large number of lawsuits as well as potentially high monetary awards. The implications go beyond the actual payment of damages and include increased intervention in local matters by means of injunctions.

NACo Position

The National Association of County Civil Attorneys endorsed a resolution calling for a joint governmental task force to develop a coordinated approach to the liability problems, a refined definition of government liability and damages and the preservation of existing common law and statutory immunities.

NACo must closely follow proposals to amend Section 1983 of the Civil Rights Act of 1871. In light of the *Monell case*, counties must carefully analyze the potential of such legislation to define government liability and prescribe monetary limits on damage awards as well as possible expansion of county liability.

Prospects/Action Required

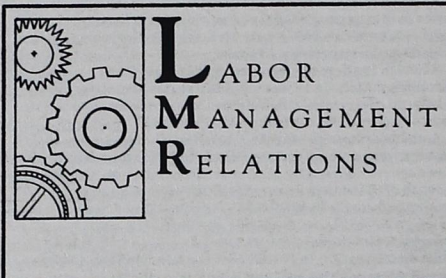
NACo will continue to seek legislation that would more narrowly define and limit public officials liability.

Federal Aid Reform

NACo supports congressional and administrative efforts to simplify and deregulate the federal grants-in-aid procedures. The Home Rule and Regional Affairs Team has been monitoring the grant reform initiatives because of its oversight responsibility within NACo. For more detailed discussion of the federal aid reform issues, see the Tax and Finance issues area, the steering committee of original jurisdiction.

Sunset

NACo supports the regular evaluation of all federal aid programs in consultation with local officials to revise, consolidate, and/or eliminate programs as needed. In its oversight capacity, the Home Rule and Regional Affairs Steering Committee continues to monitor sunset legislation efforts. For more detailed discussion of sunset legislation, see the Tax and Finance issues section.



Social Security Deposit Payments

Background

Final regulations requiring more frequent deposits of Social Security contributions by state and local governments were published in the *Federal Register* on Nov. 20, 1978. The regulations, which go into effect on July 1, 1980, require state and local governments to turn over their Social Security contributions 12 times a year instead of following the present quarterly deposit schedule.

While state and local governments have strongly supported retention of the current quarterly deposit schedule, the General Accounting Office (GAO) has argued that the Nov. 20 regulations do not go far enough. The GAO recommended that state and local governments be required to turn over the amounts collected for their employees and the governments' matching contributions twice a month or 24 times a year because the Social Security trust funds could earn more money.

Approximately 9.4 million (73.8 percent) of state and local government employees are currently covered by the Social Security program. Contributions paid by state and local government employers and employees are expected to total about \$11.6 billion in 1978.

As the number of state and local government employees covered by Social Security has increased and as state and local governments have developed more sophisticated investment practices, the benefit accruing to state and local governments under the current quarterly deposit schedule has correspondingly increased. HEW estimates that continuation of present deposit practices will cost the Social Security trust funds more than \$200 million annually in interest income in the 1980s.

Three bills were introduced in the 95th Congress, principally by Rep. Robert A. Roe (D-N.J.), to permit state and local governments to continue making Social Security deposits on a calendar-quarter basis. There was substantial opposition among members of the 95th Congress to the deposit schedule changes which have now been promulgated by HEW, although no action was taken on the Roe legislation.

NACo Policy

NACo policy supports retention of the current quarterly deposit system on the grounds that the HEW regulations would result in a substantial income loss to county governments and a significant increase in administrative costs to state and local governments.

Prospects/Actions Required

On Jan. 29, the Senate Finance subcommittee on Social Security, chaired by Sen. Gaylord Nelson (D-Wis.), held hearings on the HEW regulations. NACo testified in opposition to the regulations.

Legislation is expected to be introduced to defer the effective date of the regulations pending a study of the administrative impact of the regulations on local and state governments. The hearings are part of a comprehensive HEW study on universal Social Security coverage.

Universal Social Security Coverage

Background

An HEW study group will hold a series of public hearings this year at various locations throughout the nation on the feasibility and desirability of mandating universal Social

Security coverage. The hearings are part of a comprehensive HEW study on universal Social Security coverage authorized by P.L. 95-216, the Social Security Amendments of 1977. In its investigation of the feasibility and desirability of mandating universal coverage, the study is examining all aspects of retirement plans and nonprofit organizations that are not covered by Social Security.

Approximately 90 percent of all workers in the country contribute to the Social Security program. Approximately 8 million workers, largely in federal, state and local government jobs, do not contribute to the system. While state, county and city governments may voluntarily elect to participate in the Social Security system, they may also elect to terminate coverage and withdraw from the program.

Current HEW estimates indicate that approximately 70 percent of all state and local government workers contribute to Social Security. The great majority of government employees which are not participating in the program are covered by their own staff retirement plans.

NACo Position

NACo supports the optional inclusion of state, county and city employees in the Social Security system and opposes efforts to bar or inhibit the voluntary withdrawal of local and state governments from the program.

Prospects/Action

The conclusions reached by the HEW study group are expected to serve as the basis of legislation which may be introduced later this session. NACo will testify in opposition to universal Social Security coverage.

Reporting and Tax Liabilities for Public Pension Plans

Background

Last year the Internal Revenue Service (IRS) issued regulations requiring state and local governments to file IRS Form 5500. The regulations are based on IRS's interpretation of the Employee Retirement Income Security Act of 1978 (ERISA) which previously has been held not to apply to state and local government pension plans.

Last year, NACo, together with the Municipal Finance Officers Association and the other major public interest groups, supported S. 1587, which in effect, would exempt state and local government pension systems from IRS's annual reporting and taxation requirements. While the Senate subcommittee on private pension plans and employee fringe benefits, chaired by Sen. Lloyd Bentsen (D-Tex.), held hearings on the bill, it was never reported out of the subcommittee.

NACo Position

NACo strongly supported S. 1587 and NACo's Labor/Management Relations Steering Committee recently adopted a resolution reiterating NACo's opposition to the Form 5500 regulations.

Prospects/Action Required

Legislation may again be introduced to exempt local and state government pension plans from the IRS regulations. However, it appears that it will be difficult to obtain its passage.

National Collective Bargaining Legislation

Background

For years, labor organizations have unsuccessfully attempted to get bills passed by Congress providing for federal regulation of state and local government labor/management relations. Legislation has been introduced during the past several Congresses, principally by Rep. Frank Thompson (D-N.J.), chairman of the House Labor subcommittee on labor/management relations, which would extend provisions of the National Labor Relations Act to state and local government employees. Many legal commentators believe that the Supreme Court's decision in *The National League of Cities v. Usery* would serve as a constitutional bar to the enactment of such legislation.

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NACo Position

NACo is opposed to national legislation requiring that state and local governments bargain collectively. NACo believes the issue is one which should be decided solely by each state legislature based upon local conditions and circumstances.

Prospects/Action Required

The prospects for enactment of such legislation appear dim. However, there are at least some indications that congressional hearings may again be held on this issue during the current session.

Federal Standards for Workers' Compensation

Background

Sens. Harrison Williams (D-N.J.) and Jacob Javits (R-N.Y.) have introduced legislation establishing federal standards for state workers' compensation systems. Major provisions of the bill include: a basic benefit for death or total disability equal to not less than two-thirds of the employee's average weekly wage; a minimum benefit for death or total disability of 50 percent of the statewide average weekly wage; and payments for all medical expenses resulting from work-related injury or disease and elimination of certain limitations which currently apply to medical payments.

NACo Position

NACo strongly opposes legislation setting federal standards for state workers' compensation systems.

Prospects

Prospects for eventual adoption of the legislation are unclear. The Senate Labor and Human Resources Committee will hold hearings on the legislation in mid-March.

Real Wage Insurance

Background

President Carter's real wage insurance proposal is designed to compensate employees where an employer has held his average wage increases to 7 percent. Qualified workers would get a tax rebate equal to 1 percent of their salary for each percentage point above a 7 percent rise in inflation.

Extensive hearings on the proposal have been held before the House Ways and Means Committee, chaired by Rep. Al Ullman (D-Ore.). Most labor and business organizations have opposed the proposal. However, certain unions, notably the United Auto Workers and the American Federation of State, County and Municipal Employees, have indicated they could support the real wage insurance concept "with certain modifications."

NACo Position

NACo has adopted a position supporting, in general terms, the Administration's anti-inflation program. However, it has not adopted a specific position on the wage insurance legislation.

Prospects

The prospects for enactment of such legislation remain highly uncertain, although they have improved during recent weeks. If any legislation emerges from the Ways and Means Committee, it is likely to contain major modifications from the President's original proposal. Certain committee members have indicated that they will attempt to broaden inclusion in the insurance coverage for low-wage workers.

PERISA

Background

In the final days of the 95th Congress, Rep. John Dent (D-Pa.), chairman of the House labor standards subcommittee, and Rep. John Erlenborn (R-Ill.), ranking subcommittee minority member, introduced the Public Employee Retirement Income Security Act—the so-called PERISA legislation. The legislation proposes federal standards for state and local government pension plans in the areas of reporting and disclosure, fiduciary responsibility and plan administration. In

addition, a new agency would be established, the Employee Benefit Administration, which would administer both ERISA and PERISA. Further, the legislation would clarify Internal Revenue Code provisions as they relate to public pension plans; all covered plans would be considered tax "qualified" and thus exempt from the federal income tax.

The bill is based on conclusions reached in the recently completed House Pension Task Force Report on state and local government pension systems. The report reached the following conclusions:

- Many public plans lack the participation, nondiscrimination and disqualification measures and other safeguards that are inherent in private plans;
- The absence of any external independent review of public pension plans has permitted a high degree of employer control of plan assets which affords opportunity for abuse;
- Too many public pension plans are operated outside generally accepted financial and accounting procedures;
- Using the assets of local and state retirement funds to finance local government operations impairs the stability of public pension plans;
- Serious deficiencies exist in the area of plan disclosures to participants and beneficiaries producing a situation where participants and beneficiaries seldom know with any accuracy what their pension entitlements are.

NACo Position

NACo supports full disclosure and reasonable reporting of information regarding public pension plans, strong fiduciary standards, prudent investment practices and sound funding and equitable vesting requirements. However, NACo opposes federal regulation of state and local government pension systems.

Prospects

PERISA will be reintroduced in the 96th Congress. While there appears to be strong support on the House labor standards subcommittee for such legislation, PERISA's overall legislative prospects are uncertain.



LAND USE

Recreation and Historic Preservation Appropriations

Background

Appropriations for the Land and Water Conservation Fund (LWCF) and the Urban Park and Recreation Recovery Program are important local recreation efforts. Carter's fiscal '80 budget recommends \$360 million for the state and local share of the Land and Water Conservation Fund, \$10 million less than last year, and requests \$37 million for the urban parks recovery program for fiscal '79 and full funding, \$150 million, for fiscal '80. A 1978 amendment excludes local and state government buildings from historic preservation fund eligibility for fiscal '79.

NACo Policy

NACo supports funding for LWCF at levels similar to those of previous years, and full participation by counties in the urban parks recovery program and historic preservation fund.

Action Required

Contact members of Interior Appropriations subcommittees to:

- Urge funding of the LWCF at the Administration's recommended level for state/local share or more;
- Urge funding sufficient to start up the urban parks recovery program at the \$37 million level;

- Urge that historic preservation appropriations not exclude local government buildings for fiscal '80.

Agricultural Land Protection Act

Background

The United States suffers the loss of 1 million acres in prime farmland each year to a variety of nonagricultural uses. The actions of federal agencies contribute to this loss and often frustrate county efforts to protect agricultural land. The proposed Agricultural Land Protection Act would establish a national commission, including local participation, to identify factors contributing to agricultural land conversion, the role of federal agencies, and methods to protect this important resource. It includes a program of demonstration grants to counties, states and local governments to establish and carry out protection programs.

NACo Position

NACo strongly supports federal legislation which would provide for a study of the reasons for agricultural land loss, the role which federal agency actions play in contributing to that loss, and ways of protecting farmland. It also supports financial and technical assistance to county agricultural land retention programs.

Action Required

Contact House and Senate members, especially Agriculture Committee members, to urge cosponsorship and support of the Agricultural Land Protection proposals by Rep. James Jeffords (R-Vt.) and Sen. Warren Magnuson (D-Wash.).



PUBLIC LANDS

Payments-in-Lieu Appropriation

Background

The Payments-in-Lieu of Taxes Act, P.L. 94-565, provides for annual payments to more than 1,500 counties to partially compensate them for the tax immunity of federally owned and tax exempt natural resource lands within their boundaries. The act requires an annual appropriation for implementation. Congress enacted authorization levels of \$105 million for fiscal '79, with a \$3 million increase each year through fiscal '82.

The fiscal '79 amount of \$105 million has already been appropriated for payments to be made Sept. 30, 1979.

However, counties may not receive their full share of these appropriations. Approximately \$6.6 million has already been taken from fiscal '79 funds to supplement fiscal '78 payments to three states (California, Nevada and Utah) which protested that they had been underpaid for fiscal '78. The U.S. comptroller general ruled that this was true because of the way the Interior Department had calculated the payments. It is expected that, as a result of further protests, some \$15 million more in fiscal '79 funds will be paid out for fiscal '78.

Unless Congress approves a \$40 million supplemental appropriation for fiscal '79 and a \$20 million increase for fiscal '80, counties will receive only 70 percent of the authorized payments in fiscal '79 and 85 percent in fiscal '80. (The Appropriations Act requires such prorated payment when insufficient funds are available to cover the full payments.)

NACo Policy

Recognizing current budget restraints, NACo had asked for a clarification of the comptroller general's opinion in order to avoid the need for a supplemental appropriation. At the same time, NACo filed an underpayment protest on behalf of all

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counties in case the comptroller general's ruling remained in effect.

Prospects/Action Required:

According to the Department of Interior, the comptroller general's ruling is now final and protest payments are being made. A fiscal '79 supplemental appropriation of \$40 million and a fiscal '80 regular appropriation increase of \$20 million will be required to make full payments to all counties this year and next.

Payments-in-Lieu Legislation

Background

There are two types of legislative proposals for payments-in-lieu of taxes under consideration. Amendments to the current Payments-in-Lieu of Taxes Act, P.L. 94-565, would add additional inactive military lands, such as deactivated air force bases, bombing ranges, and arsenals, and Indian lands.

In addition, legislation has been introduced to enact a comprehensive payments-in-lieu of taxes system based on an assessment and tax equivalency approach for all urban and developed federal lands. This legislation would be similar to the payments-in-lieu of taxes system in Canada. It is being evaluated by the Advisory Commission on Intergovernmental Relations (ACIR).

NACo Policy

NACo supports the long-range policy of a payments-in-lieu of taxes systems for all federal lands. Recognizing current budget constraints, NACo is calling for additional studies and hearings prior to implementation of payments-in-lieu legislation during 1979.

Prospects/Action Required

No action is scheduled on amendments to the current payments-in-lieu of taxes legislation. Congressional hearings may be scheduled as a result of the ACIR study late this year.

Alaska Lands

Background

Legislation has been introduced to implement the Alaska Statehood Act and the Alaska Native Claims Settlement Act.

These acts provide for the state of Alaska and Alaska natives to receive congressionally mandated land entitlements. Section 17(d)(2) of the Alaska Native Claims Settlement Act provides for withdrawal from multiple use of up to 80 million acres of federal lands in Alaska for consideration as new national parks, wildlife refuges, wild and scenic rivers and national forests.

NACo Policy

NACo supports legislation that reflects both public and private interests in Alaska, protecting Alaska's natural and historic treasures but also protecting the Alaskan economy and jobs. Specifically, NACo supports a guarantee of the conveyance of federal lands to the state of Alaska and Alaska natives, a process of study, evaluation and development of resources, a provision for major transportation and utility rights-of-way, and a local role in the policy and management process.

Prospects/Action Required

The House has begun hearings on Alaska land legislation. House action is expected early this year. It is unclear how fast the Senate will move.

RARE II (Roadless Area Review)

Background

The U.S. Forest Service has completed its study of roadless areas in the national forests and will be recommending to Congress on March 15 areas for consideration for wilderness designation. This study (RARE II) recommends approximately 15 million acres of wilderness, 36 million acres for nonwilderness/multiple use, and 11 million acres for further study. Rep. Jim Weaver (D-Ore.), chairman of the House Agriculture subcommittee on forestry, is planning to submit omnibus legislation to provide for congressional designation of wilderness, nonwilderness, and other uses of the national forests.

NACo Policy

NACo policy calls for the multiple use of public lands and the recognition of socioeconomic impacts of federal land

management decisions. The NACo Public Land Steering Committee has expressed its particular concern for counties economically dependent on production of natural resources from national forests and has asked Congress to exclude commercial forest land from wilderness designation.

Prospects/Action Required

Extensive and prolonged hearings are anticipated in both the House and Senate on the wilderness/nonwilderness designation of national forests.

BLM Land Use Regulations

Background

The Federal Land Planning and Management Act (FLPMA) requires that the Bureau of Land Management (BLM) establish a land management and planning system for federal lands and requires coordination and consistency with county land use plans. BLM has issued proposed regulations with comments due by April 1.

NACo Policy

NACo supports the provisions in the Federal Land Planning and Management Act and those included in proposed regulations that would require coordination and consistency by federal land management agencies with locally adopted land use plans and policies.

Prospects/Action Required

Final regulations are expected this year.

Indian/County Jurisdictional Issues

Background

Historically, inconsistent federal policies toward Indian reservations and recent moves by Indian tribes on the reservations toward complete self-government have created a local government crisis in many parts of the nation. By failing to spell out tribal jurisdictions, Congress has allowed a situation of conflict to develop in which tribal aspirations and treaty interpretations are pitted against other constitutional principles and rights.

NACo Policy

NACo has called upon Congress to resolve this situation by clearly defining the nature and scope of tribal jurisdictions, rights and sovereignty, their relation to the various states and, through the states, to the local governments.

Prospects/Action Required

It is unclear what jurisdictional legislation, if any, will be considered by Congress this year. The Senate has just created a Select Committee on Indian Affairs, chaired by Sen. John Melcher (D-Mont.), while the House Interior Committee has abolished its subcommittee on Indian affairs. The House is considering some type of ad hoc committee structure.

National Park Issues

Background

There are two areas of county concern on national parks. The first is the Section 3 provision in the Payments-in-Lieu of Taxes Act that provides payments of up to 5 percent of the market value of national park lands to compensate counties for the tax loss when these lands are taken off the local tax rolls. During the 95th Congress the House adopted legislation (which died in the Senate) that would have repealed this section. Second is the growing concern of counties for the impact of national park policy on acquisition of private land "inholdings" within existing or expanded national parks.

NACo Policy

NACo opposes any renewed efforts to repeal Section 3 of the Payments-in-Lieu of Taxes Act. The NACo Public Lands Steering Committee has called upon the National Park Service to work with counties to use land use controls rather than outright acquisition of private inholdings to protect national parks.

Prospects/Action Required

It is unclear if the House Interior Committee will consider legislation to repeal Section 3 of the Payments-in-Lieu of Taxes Act. There is no support in the Senate for such a repeal.

On the inholding question, the National Park Service is redrafting its policy on private land acquisition.

1872 Mining Law

Background

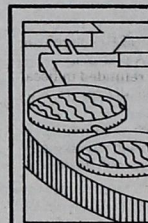
The 1872 Mining Law is the basic legislation that provides for private exploration and mining claims on federal public lands. Sen. Henry Jackson (D-Wash.) has introduced a bill (S. 366) that would replace the current location/patent mining claim system with a federal leasing system.

NACo Policy

NACo opposes any repeal or modification of the 1872 Mining Law.

Prospects/Action Required

Although there may be some support for reform of the 1872 Mining Law in the Senate, it appears that no chance of reform is possible in the House. Rep. Jim Santini (D-Nev.), chairman of the House Interior subcommittee on mines and mining, is considered a strong supporter of the current location/patent system.



RURAL DEVELOPMENT

Rural Development Appropriations

Background

The rural development grant and loan programs and rural housing programs have historically been underfunded. Although funding has increased over the past few years for many of the programs authorized by the Rural Development Act of 1972, the Administration's fiscal '80 budget request calls for cuts in a number of the key rural development and rural housing programs. Reductions of \$17 million and \$200 million are proposed for rural water and waste disposal grants and loans respectively. The business and industrial development loan program is also being cut \$100 million, and there are proposals to terminate both the new rural development planning program and the rural community fire protection program. The Farmers Home Administration rural housing programs are also being cut. There will be reductions in total numbers of rural housing units assisted in all but one FmHA program. The moderate income (Sec. 502) housing program will suffer the most severe reduction—11,800 units.

NACo Policy

NACo strongly supports full funding for the grant and loan programs of the Rural Development Act and rural housing programs. Past underfunding of these programs has been primarily responsible for their inability to achieve their expectations and fulfill the needs of rural communities.

Prospects/Action Required

Congressional committees will soon begin the process of establishing funding levels for fiscal '80 and enacting appropriations bills. Congress will have to balance the need for more funding with efforts to reduce the federal budget deficit. Rural counties don't want rural development programs to suffer disproportionate cuts in funding.

Farmers Home Administration Reorganization Background

Farmers Home Administration (FmHA) is the prime federal agency responsible for administering rural development programs. The Administration is contemplating reorganization of the Department of Agriculture as well as other federal departments. Compounding this uncertainty, Congress is developing its own proposals to alter the responsibility of FmHA, as evidenced by bills introduced last session in the Senate. Any alteration of responsibility regarding FmHA and the delivery of assistance to rural areas will have a significant impact on rural counties.

'79 Legislative Conference

NACo Policy

The needs of the nation's rural communities exceed the level of assistance presently available. NACo strongly urges that federal programs be fully funded and implemented at levels commensurate with national needs. NACo also recognizes that the needs of rural and urban areas can only be addressed with a coordinated policy of balanced growth and economic development.

Prospects/Action Required

Reorganization proposals affecting FmHA are expected to be submitted to Congress in early spring. After submission, only the Administration may alter the proposal, and has 30 days to do so. Congress may either reject the proposals entirely by a resolution in either House within 60 days, or not act at all, after which the reorganization would take effect. NACo must carefully monitor all reorganization proposals as they affect the delivery of federal assistance to rural counties.

Rural Planning

Background

The Section III planning program of the Rural Development Act was unfunded from 1972-1977. The FmHA planning program was initially funded in fiscal '78 and refunded in fiscal '79. The demand for this program far exceeded all expectations and surpassed the funds available.

Legislation was introduced in the last Congress to greatly expand the authorization level. Similar legislation will again be offered. The Administration has requested no funds for this program for fiscal '80.

NACo Policy

NACo supports full funding of the planning program and proposes that FmHA emphasize implementation when distributing these grants so counties can efficiently make use of other development programs.

Prospects/Action Required

Counties should support legislation designed to expand the FmHA planning program (Rural Development Policy Act of 1979) and provide funding for fiscal '80.



TAXATION & FINANCE

Countercyclical Antirecession Fiscal Assistance

Background

The countercyclical antirecession program expired Sept. 30, 1978 and was not renewed by the 95th Congress. Although a two-year extension was overwhelmingly passed by the Senate, the House failed to act. The program provided assistance to local and state governments with high unemployment and was triggered whenever quarterly national unemployment exceeded 6 percent. When unemployment dipped below that level, the program assumed a standby status. This was a highly targeted program, with over 90 percent of all aid going to communities with unemployment over 6 percent. County governments used the aid to avoid layoffs of public employees and maintain levels of essential public services during periods of economic hardship.

NACo Policy

NACo strongly supports reenactment of a permanent countercyclical program to aid communities during times of recession and high unemployment.

Prospects/Action Required

The Administration's fiscal '80 budget proposal contained a request for a two title countercyclical program. A transitional

program would provide \$250 million in fiscal '79 and \$150 million in fiscal '80 to aid the nation's most distressed communities and reduce the adverse impact caused by termination of the program. A second title would establish a highly targeted standby countercyclical aid program to be triggered by the national unemployment rate. The Administration is expected to submit legislation to Congress shortly which would contain detailed information on formula, eligibility, and national and local triggers. Legislation has already been introduced in both Houses to authorize a two-title countercyclical program similar to the program passed by the Senate last September.

Disclosure

Background

The fiscal problems of some of the nation's large cities have prompted Congress to consider the need to disclose information about the finances, growth, and indebtedness of governments issuing municipal bonds. Several bills were introduced in the 95th Congress attempting to impose restrictions, ranging from mandatory registration of all issues with the Securities and Exchange Commission to a very limited type of disclosure only for large offers.

NACo Policy

NACo and the other public interest groups favor a system of voluntary disclosure patterned after the guidelines of the Municipal Finance Officers Association (MFOA). Mandatory disclosure accompanied by burdensome reporting requirements would impose severe financial costs upon all local governments issuing bonds.

Prospects/Action Required:

Legislation is expected to be introduced to impose some degree of disclosure upon local units of government. Such proposals will be seriously considered in light of the financial crises of New York City and Cleveland and must be followed closely.

Glass-Steagall Act

Background

The Glass-Steagall Act of 1933 prohibits commercial banks from issuing revenue bonds. Supporters of an amendment to this act to permit commercial banks to operate in this field have argued that interest rates on revenue bonds would be reduced with the added competition.

NACo Policy

NACo favors amending the Glass-Steagall Act to permit commercial banks to issue revenue bonds.

Prospects/Action Required

NACo continues to support congressional action on this issue. Legislation to amend the Glass-Steagall Act will be considered by both Houses.

Program Reauthorization and Evaluation Act (Sunset Law)

Background

Both House and Senate have introduced measures to require regular evaluation of federal programs prior to their reauthorization, and to bring many programs which presently do not require reauthorization under review. The House measure would require a five-year and the Senate a 10-year review period.

The Senate measure, S. 2, passed the Senate in the 95th Congress by a 87-1 vote, but was not acted upon in the House. Sen. Edmund Muskie (D-Maine) has reintroduced this measure as S. 2 in the 96th. The House legislation is H.R. 2.

NACo Policy

NACo strongly supports sunset review. The Taxation and Finance Steering Committee passed a resolution in July 1978 endorsing S. 2 but asking that it be amended to include review at least every five years.

Prospects/Action Required

It is anticipated that the Senate will hold early hearings on S. 2 and there is also growing interest in the House for sunset legislation. NACo expects a sunset measure to pass in the 96th Congress. County officials are urged to contact their congressional delegation and urge support of sunset legislation.

Federal Aid Reform

Background

Sens. Edmund Muskie (D-Maine), John Danforth (R-Mo.), and William Roth (R-Del.) introduced in the 95th Congress, S. 3267, The Federal Assistance Paperwork Reduction Act, an omnibus grant reform measure. It provided for standard requirements in the areas of discrimination and citizen participation and provided for at least one fiscal year of advanced funding for financial assistance programs. It included a five-year projection of any new budget authority or outlays in proposed levels of assistance to state and local governments.

In addition, it provided for a standardization of "maintenance of effort" provisions and authorized officials of recipient governments to request information on grant funds coming into their jurisdictions and to deposit grant funds in other than a separate bank account.

Sen. Danforth introduced a similar measure, S. 3277, The Small Communities Act of 1978, to assist communities of 50,000 or less to participate more actively in grant-in-aid programs.

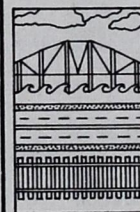
Reps. Les AuCoin (D-Ore.) and Lee Hamilton (D-Ind.) introduced the former S. 3267 as H.R. 1907 on Feb. 8. Sens. Muskie and Roth will introduce a new Senate bill which will add a major section on grant consolidation. The new consolidation title will allow the President to propose consolidation of categorical programs to Congress.

NACo Policy

NACo supports federal aid reform, including consolidating categorical programs into "program area" block grants, reducing the complexity of grant application and reporting procedures, reducing the number and/or type of "strings" attached to federal grant programs, requiring all agencies to comply with federal regulations which call for simplification and standardization of grant applications, procedures and recovery of direct and indirect costs, improving cash flow through wider use of letter of credit and advances, and appropriating money for federal assistance programs on a multiyear basis.

Prospects/Action Required

There is growing support in both Houses for grant reform legislation. It is anticipated the Senate subcommittee on intergovernmental relations will hold hearings soon. The House, however, has not scheduled hearings. County officials are urged to contact their congressional delegation and members of the House subcommittee on intergovernmental relations of the Government Operations Committee to let them know that counties support and need grant reform legislation.



TRANSPORTATION

Federal Highway Administration Funding

Background

In 1978 Congress passed a four-year authorization for highways and highway safety programs administered by the Federal Highway Administration. The Department of Transportation (DOT) budget request makes available to the states all of the 1978 act's authorized funds, primarily because the federal-aid highway program is a reimbursement program, administered by state highway agencies. States submit their expenditures to the federal government for reimbursement of the federal share of the specific highway program. For fiscal '80, the bulk of the DOT budget funded by the Highway Trust Fund is not in jeopardy.

Other DOT highway programs are funded by the general fund. In particular, the safer off-system (SOS) road program did not fare well in the department's fiscal '80 budget request. The program, although authorized at \$200 million for fiscal '79

NACo Issues Update

and '80, had no funding request for fiscal '80. Since the SOS road program represents one of the few federally financed highway programs available to local governments, fiscal '80 funding is critical to the program's continuation. It is estimated that the states will have exhausted all of their SOS money by early spring.

NACo Policy

NACo supports full funding, at the authorized levels, for all highway programs included in the Surface Transportation Assistance Act of 1978. Effort is needed to persuade Congress to appropriate funds to continue the safer off-system roads program.

Prospects/Action Required

NACo's Transportation Steering Committee will consider NACo policy on fiscal '80 appropriations for the safer off-system program during the Legislative Conference. It is unclear whether Congress will consider increased funding for the program at this time.

Airports

Background

Since the Airport and Airway Development Act expires Sept. 30, 1980, the Administration will soon propose new airport legislation for 1981 and beyond. As announced in the President's fiscal '80 budget, the Administration's legislative proposal will call for moderate increases in airport programs with retention of the trust fund and taxes supporting it, modification of the tax on general aviation fuel, and an additional 6 percent excise tax on general aviation aircraft. For airports, the proposal is expected to include \$4 billion over five years, beginning with \$700 million in 1981; for facilities and equipment, \$2.1 billion over five years.

New airport legislation is expected to give the states more responsibility for airports other than "primary airports." Also the legislation is expected to propose pooling airport grant funds from smaller categories and small air carrier airport funds within a single state to give sponsors potential access to a much larger funding reserve. Reductions in the number of funding categories by airport type, i.e., "air carrier," "reliever" or "commuter," is anticipated with a new categorization of airports: commercial service airports vs. reliever airports vs. all other airports. Within the commercial service airport category, primary airports will be defined as those enplaning at least 50,000 passengers per year. All primary airports would continue to receive entitlement funds according to the existing formula.

NACo Policy

NACo's current policy supports the use of the Aviation Trust Fund as a means of channeling airport capital development funding into local communities. During the Legislative Conference, NACo's entire airport platform will be discussed in preparation for the Administration's post-1980 airport legislation.

Prospects/Action Required

Congressional action is expected sometime during this session since the Airport and Airway Development Act expires Sept. 30, 1980.

Urban Mass Transportation Administration

Background

In 1978 Congress reauthorized the discretionary capital grant program for five years and the federal operating assistance grant program and the new small urban and rural program for four years each. The UMTA budget request for fiscal '80, however, differs dramatically from the act's approved authorizations. The budget reductions for public transportation, which are funded by the federal general fund, come at a time when the President is asking the American public to cut down on driving and switch to public transportation.

Overall, the fiscal '80 budget represents a cut of \$531 million, in the agency's major program areas, as compared to similar fiscal '80 program authorizations. In the capital discretionary program (Section 3) the budget request at \$1.27 billion reflects a decrease of \$301 million below the 1980 authorization amount. The \$301 million shortfall in '80 is further compounded by the Administration's recently announced \$200 million joint development program which is DOT's commitment to the President's urban initiatives program. The joint development announcement was not accompanied by a corresponding \$200 million budget increase.

The budget request for the operating assistance program (Section 5) is \$230 million below the fiscal '80 authorizations of \$1.68 billion. Of significance are reductions of \$150 million for formula operating grants and \$55 million for commuter rail grants.

NACo Policy

During the 95th Congress, NACo testified to secure public transportation authorizations as contained in the Surface Transportation Assistance Act of 1978.

Prospect/Action Required

NACo's Transportation Steering Committee will consider NACo policy and legislative strategy regarding fiscal '80 public transportation appropriations during the Legislative Conference.

Aircraft Noise

Background

As expected, Sen. Howard Cannon (D-Nev.) has again introduced aircraft noise legislation. The new aircraft noise bill, S. 413, includes the following titles:

Title I of the new bill requires the DOT secretary to publish regulations within one year for a single noise measurement system, the impact of noise on the public, and a list of noise compatible land uses. Also provided is \$15 million in planning funds under a voluntary airport noise compatibility planning program and a one-year \$75 million implementation authorization (but no funding). Plans already completed or under way could be eligible for any implementation grants which are funded.

Title II provides for increases in Airport Development Aid Program (ADAP) discretionary funds for fiscal '80 and amends the Airport Aid Development Act to release fiscal '80 discretionary funds previously held up.

Title III would allow "good cause" waivers from the Federal Aviation Administration's rules (Part 36) governing aircraft noise and provide a "new technology incentive" waiver from the regulation under the following conditions:

- A replacement plan must be submitted to and approved by the Federal Aviation Administration (FAA) in accordance with the compliance regulation;
- A waiver for two- and three-engine aircraft could be granted if a contract for a Stage 3 replacement engine is entered into before Jan. 1, 1983, or, for four-engine aircraft, by Jan. 1, 1985; and
- The DOT secretary determines that the replacement aircraft will be delivered within a "reasonable" time.

The title also provides for Civil Aeronautics Board-imposed surcharges of up to 2 percent on fares on an airline-by-airline basis for up to five years to be used for compliance financing. The FAA is required to issue regulations by April 30, 1980, if International Carriers Association Organization (ICAO) does not, imposing FAR 36 compliance by 1985 on aircraft flying international routes to or from the United States. Similar financing assistance for domestic jets is provided.

Title IV requires the DOT secretary to monitor progress in installing collision avoidance equipment in the air traffic control system, report to Congress annually and recommend legislation, if needed.

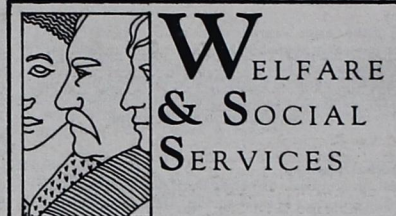
The Administration is opposed to the legislation. Likewise, the Airport Operators Council International (AOC) Board of Directors last week voted to oppose the Cannon bill's weakening of the FAA noise regulation and to support full ADAP funding through the appropriations process and not through the Cannon bill approach.

NACo Policy

NACo has steadfastly opposed allowing the airlines waivers from the federally mandated 1981 and 1983 aircraft noise compliance dates.

Prospects/Action Required

Congressional action, especially in the Senate, is expected to occur soon, with a strong possibility that no Senate hearings will be conducted. In the House, Rep. Harold "Bizz" Johnson (D-Calif.) and William Harsha (R-Ohio) are expected to introduce aircraft noise legislation which would grant waivers to the airlines. NACo's Transportation Steering Committee will discuss legislative strategy concerning aircraft noise at the Legislative Conference.



Welfare Reform

Background

Although a comprehensive welfare bill reflecting NACo policies was approved by a special House committee on welfare reform in the 95th Congress, its estimated \$20 billion cost precluded further action. A NACo-supported compromise agreement on a \$10 to \$12 billion package late in the session also failed to receive consideration but provided a framework of consensus for the 96th Congress.

Despite the commitment of the Administration and congressional leadership to readdress welfare reform this year, federal budget constraints coupled with a more conservative Congress are expected to result in a much scaled-down proposal.

NACo Policy

Counties in 18 states have some role in administering welfare. In 13 states counties pay some portion of the cost of Aid to Families with Dependent Children (AFDC). Although this is a small number of states, nearly half of all AFDC recipients are in county-administered welfare systems.

NACo supports comprehensive reform of the welfare system together with work security programs to reduce dependence on welfare. NACo also supports incremental reforms leading toward comprehensive reform, including immediate fiscal relief.

Prospects/Action Required

Although a bill has not been presented yet, the Administration is proposing a \$5.5 billion, two-part jobs and cash assistance reform measure with emphasis on targeting jobs to welfare recipients and tightening cash assistance and food stamps administration to offset the higher total program costs. The lion's share of the \$5.5 billion would be allocated to jobs, leaving little room for improvement of cash assistance, especially if substantial fiscal relief to state and local governments is guaranteed.

Since the revised program would take effect in 1982, no provision for fiscal relief is made by the Administration for fiscal '80 or '81. Receptivity on Capitol Hill has been lukewarm and there is no commitment from committees of jurisdiction to take up the bill. Hearings will probably be scheduled in late spring in the House Ways and Means Committee to take up any welfare bills that surface, including expected interim fiscal relief measures. House public assistance subcommittee budget recommendations include \$300 million for fiscal relief for fiscal '80.

NACo will continue to support welfare measures that reduce the burden on county government, simplify and improve administration of programs, or improve employment prospects for welfare recipients.

Title XX Social Services

Background

Counties are the primary deliverers of social services, including the broad range of Title XX programs, for which many counties pay the matching funds. Last year Congress passed a one-year increase in the Title XX ceiling which raised the federal funding level to \$2.9 billion for fiscal '79. Unless further legislation is passed this year, the federal ceiling will drop to \$2.5 billion in fiscal '80 causing severe cutbacks in services.

NACo supported a three-year funding bill which passed the House in 1978 by a wide margin but did not reach the Senate floor. Under its provisions, the Title XX ceiling would be \$3.15 billion in fiscal '80 and \$3.45 billion in fiscal '81. A series of technical amendments allowing greater flexibility and better planning were also supported.

'79 Legislative Conference

NACo Policy

NACo supports increasing the Title XX spending ceiling to keep pace with cost of living. Counties also support provision for longer planning cycles to permit greater economic stability in planning and delivery of programs.

Prospects/Action Required

The Administration plans to introduce a bill assuring continuation of the \$2.9 billion ceiling temporarily in effect. A ceiling will be proposed for training funds (which are outside the ceiling), resulting in a \$26 million reduction of funds.

The House public assistance subcommittee has scheduled Title XX for early consideration, and may recommend the \$3.15 billion level for 1980. NACo continues to support a 1980 funding level above \$2.9 billion and will oppose the curtailing of training funds.

Child Welfare

Background

Federal funding for child welfare services (Title IV-B of the Social Security Act) has remained at \$56.5 million for a number of years. The House-passed legislation (H.R. 7200) in the 95th Congress would have brought funding up to the full authorization of \$266 million in 1979, but the measure never reached the Senate floor.

At issue are the separate levels of funding for existing children's programs and the need to fund new ones, for example, adoption subsidy. Also to be resolved is whether foster care costs ought to be capped, as proposed by the Senate Finance Committee version of H.R. 7200, and whether mandated court review of foster care cases should be imposed.

NACo Policy

NACo supports increasing the child welfare funding to full authorization, keeping it a separate entitlement program, keeping the services and income maintenance separate, and providing federal matching for non-court-ordered foster care.

Prospects/Action Required

The Administration is expected to introduce a package similar to the child welfare provisions of H.R. 7200, but recommends funding at \$141 million, increasing over three years to the full authorization of \$266 million. A cap on foster care costs is included.

Rep. James Corman (D-Calif.), chairman of the public assistance subcommittee, has agreed to take up the bill as a priority. NACo will likely support the Administration's efforts and seek amendments to include policy issues such as federal participation in cost of voluntary foster care.

Child Support Enforcement Program

Background

The Child Support Enforcement Program (Title IV-D of the Social Security Act) requires each state to have a program of child support collection and paternity establishment for AFDC and non-AFDC families. The 95th Congress failed to enact amendments which would have continued reimbursement to states and counties for costs related to non-AFDC cases and added federal matching for judges' salaries and court costs, which states are now paying.

NACo Policy

The number of cases has been steadily increasing since the program's inception. While the program is economical, administrative costs have been increasing. Since this is a mandatory program which counties must administer, NACo supports increased federal matching for all administrative costs.

Prospects/Action Required

NACo supports S. 157, introduced by Sen. Russell Long (D-La.), which provides for the permanent federal match of administrative costs for non-AFDC cases.

Indochinese Refugee Assistance Program (IRAP)

Background

Temporary authorization for 100 percent federal funding of assistance to Indochinese refugees expires Sept. 30. Unless reauthorized, the costs of matching assistance and social services to refugees will fall on state and county welfare programs. General assistance and health costs would be borne by counties in many states.

The refugee program is growing due to influx of "boat cases" and other displaced persons. Since refugee groups tend to settle in a few states, withdrawal of federal responsibility would shift disproportionate costs of the national commitment onto local governments.

NACo Policy

NACo policy calls for full federal funding of all welfare and medical costs to aliens. Specifically for IRAP, counties regard 100 percent federal funding as necessary until the influx of refugees stops and costs of services to these people start to diminish.

Prospects/Action Required

Sen. Alan Cranston (D-Calif.) has introduced a measure to continue 100 percent federal funding under existing law. The Administration and Congress are reviewing the nation's overall policies on aliens and immigration quotas.

NACo will support extension of the Indochinese Refugee Assistance Act of 1975, to assure 100 percent funding for fiscal '80, pending the outcome of the more complex alien issues.

Domestic Violence

Background

Domestic violence is recognized as a major social problem which transcends all economic, educational, and social groups.

Two bills designed to combat this problem and to aid victims, which NACo supported, were introduced in the 95th Congress. One bill passed the Senate, but the House failed to approve a bill. Sen. Alan Cranston (D-Calif.) is expected to introduce a new bill early in March.

NACo Policy

NACo supports legislation to provide financial and technical assistance to counties that wish to establish programs aimed at preventing domestic violence and offering assistance to victims of such violence, and to fund research into the causes and dimensions of this problem. NACo would like to see a coordinated response to this problem by all levels of government.

Prospects/Action Required

NACo will continue to support legislation aimed at preventing domestic violence, and assisting victims.

Food Stamps

Background

County governments, in the majority of states, are responsible for the daily administration of the food stamp program and for administrative costs.

The 1977 Food Stamp Act, which NACo supported, reauthorized the program through 1981. The new law tightened eligibility criteria and made it easier for eligible households to participate. It was intended to reduce program fraud and abuse, and simplify administration.

The implementation schedule, however, leaves counties little time to convert caseloads and gear up for the new program. All states were required to eliminate the purchase requirements (EPR) by Jan. 1 and must begin converting caseloads to the new eligibility rules by March 1. Several states (and counties) have already requested extensions of the deadline.

NACo Policy

NACo supports legislation lifting the spending cap on the food stamp program. The 1977 law placed a cap of \$6.189 billion in fiscal '80. Latest projections by the Congressional Budget Office (CBO) show that food stamp spending could exceed the cap by more than \$1 billion. Unless the cap is lifted, massive cutbacks will take place in 1980 benefits for low-income families, thus creating more administrative problems for counties.

NACo opposes legislation which the Administration is expected to introduce to monetarily penalize states with high error rates and change the accounting period from a prospective to a retrospective one. While the Administration expects these measures to be economical, they will create more administrative problems and more paperwork for recipients and counties.

Prospects/Action Required

NACo will monitor the implementation of the regulations closely and provide technical assistance when needed, support legislation lifting the cap on the program, and oppose legislation penalizing states with high error rates and changing the accounting period to a retrospective one.

Community Action Agencies

Background

The Economic Opportunity Act of 1964, which established the Office of Economic Opportunity (OEO), was extended through fiscal '81 by the last Congress. OEO is now called the Community Services Administration (CSA). The legislation provided federal funds for community action agencies and specific projects including legal services, family planning, neighborhood health centers, and Head Start. The legislation increased federal matching for local community action agencies from 60 to 80 percent. However, the 1979 appropriations for CSA were not made. There will be a supplemental budget request for CSA in the 96th Congress.

NACo Policy

NACo recognizes that community action agencies are valuable resources to county governments, particularly to rural counties isolated from information, expertise and participation in federally funded human service programs.

NACo supports full federal funding for community action local initiative programs and affirms the right of local elected officials to determine if their area needs to be served by a community action agency and which agency should provide community action services.

Prospects/Action Required

NACo will support legislation expected to be introduced by the Administration which emphasizes CSA's role in the delivery of social services to low-income families and in strengthening the administrative capacity of its local agencies. One such proposal includes the establishment of Community Development Credit Unions, which will identify community development needs, and plan for growth and development in targeted areas.

The Older Americans Act

Background

In the process of reauthorizing the Older Americans Act in 1978, both new mandates and new opportunities were added to the law—all actively supported by NACo. Funding authorizations were increased accordingly.

However, programs are still being operated at the fiscal '78 level. Funds were appropriated at that level in a 12-month continuing resolution in September 1978. The Administration is planning a miniscule supplemental appropriation for fiscal '79 (\$14 million) and an increase for fiscal '80 which will cover only two very specific programs added in the '78 amendments—\$23 million for home-delivered meals and \$15 million for long-term care demonstrations.

These amounts are not adequate even to maintain the current level of services, much less add services. If the \$709.65 million appropriated for Older Americans Act programs for fiscal '78 is adjusted with a conservative 8.5 percent inflation rate twice (for fiscal '79 and '80), the total necessary to provide the same level of services in fiscal '80 as provided in '78 is \$835.4 million—\$40 million more than the President's budget request of \$793.8 million.

NACo Policy

NACo supports the Older Americans Act goals of a coordinated program of services and opportunities for older citizens and asks for full funding of the programs authorized under this legislation.

Prospects/Action

While continuing to support efforts to control inflation, NACo has also supported a reasoned approach to protecting the elderly—one which acknowledges the actual costs of service delivery as well as the rapidly increasing numbers of the elderly.

At present congressional staffs, with input from counties, are working toward a recommended funding level which takes inflation into account, while providing for limited growth in key programs and implementation of new initiatives provided for in the amendments.

The Welfare and Social Services Steering Committee will consider the question of supporting a supplemental appropriation for fiscal '79 and a budget figure for fiscal '80 which are greater than the Administration requests, sufficient both to avoid a cutback in services to the elderly at the county level and to carry out the mandates of the 1978 amendments to the Older Americans Act.

LABOR RELATIONS CONFERENCE

Workshops Will Appeal to Novices and Experts

WASHINGTON, D.C.—Skills-building workshops designed to meet the needs of both elected officials and staff involved in directing county labor and employee relations programs will be a key feature of NACo's Fifth Annual Labor Relations Conference to be held at the St. Francis Hotel in San Francisco, April 29 to May 1. The conference is being co-sponsored by NACo's County Employee/Labor Relations Service and the County Supervisors Association of California.

The workshops are organized into a two-track format. Track One is entitled "What to Do Before (And Even After) the Union Arrives." Workshop sessions include:

- Labor and Employee Relations in a Union-Free Environment;
- Facing a Union Organizational Campaign and/or Election: How to Cope;

- Employer Campaign Techniques/Conduct After the Election;
- Planning for and Negotiating a First Collective Bargaining Agreement: What to Try for and What to Avoid;

- Influencing the Development of a State Labor Relations Law.

Track Two, entitled "Dealing with the Union Environment," focuses on the labor relations problems of counties in an established collective bargaining setting. Sessions include:

- Impasse Resolution Procedures/How to Make Effective Use of the Third Party;

- Contract Administration and Grievance Handling;

- Accountability to the Public: The Ability to Meet Union Demands;
- Strike Contingency Planning and Management;

- Bargaining on Employee Benefits: The Fringe Benefit Morass.

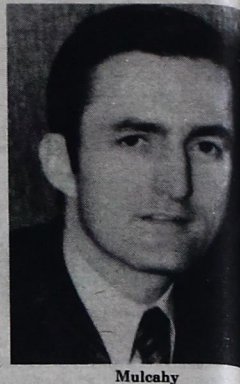
THE GENERAL THEME for this year's conference is Labor Relations and the New Fiscal Restraint. General sessions have been scheduled on topics such as the wage and price standards, prospects for labor relations in 1979, current legal and legislative developments in public sector labor relations and recent equal employment opportunity developments affecting counties and other local governments.

Among the general session speakers are Sean Sullivan, acting assistant director for pay monitoring, Council on Wage and Price Stability; Charles C. Mulcahy and Charles Goldstein, public sector labor relations attorneys; Alan Campbell, director, U.S. Office of Personnel Management; and Daniel E. Leach, vice chair, U.S. Equal Employment Opportunity Commission.

Advance registration fee for the conference is \$115 which includes admission to all program sessions, a welcome to California wine and cheese reception, a conference luncheon and the annual labor relations banquet.

All advance registration fees must be postmarked no later than April 7. After April 7, delegates must register on-site at the hotel and there will be an additional \$10 charge per registrant. Refunds of the registration fee will be made if cancellation is necessary, provided that written notice is postmarked no later than April 16.

County and other local government officials may register for the conference and make hotel reservations by completing the registration form appearing on this page. For further information on the conference program, contact Chuck Loveless or Geraldine Crawford at 202/785-9577.



Mulcahy

Job Opportunities

Personnel Director, Winnebago County, Wis. Salary negotiable. B.S. degree in personnel administration with seven years experience in personnel management in the public relations field, including experience as chief negotiator or any equivalent combination of education and experience. Resume to: Personnel Department, Winnebago County Courthouse, Box 2808, Oshkosh, Wis. 54903. Closing date: March 30.

Labor-Relations Specialist, Summit County, Ohio. Salary \$15,000 to \$18,000. Responsible for implementing labor-management relations program. Requires business degree with major in industrial relations or equivalent experience in contract negotiations, contract administration and grievance handling with knowledge of management, interviewing, civil service procedure and labor law in the public sector. Resume to: Summit County Personnel Department, Room 500, Akron, Ohio 44308. Closing date: April 6.

Communication Engineer, Maricopa County, Ariz. Salary \$18,238 to \$24,752. Responsible for electrical engineering work in all aspects of countywide radio and microwave communications system. Requires B.S. in electrical engineering and five years experience as an electronics engineer and a valid first class telephone operator's license. Resume to: Maricopa County Personnel Department, Recruiting Division, Administration Building, second floor, 111 S. Third Avenue, Phoenix, Ariz. 85003. Closing date: April 6.

Assistant Collector of Revenue, New Hanover County, N.C. Salary \$10,524. Responsible for delinquent taxes and other assistance in collection of revenue. High school graduate with two years of business courses and some experience in a tax related function. Must type. Resume to: New Hanover County Personnel Office, Chestnut Street, Wilmington, N.C. 28401. Closing date: March 30.

Water Quality Engineer, Montgomery County, Md. Salary \$16,642 to \$23,911. B.S. in engineering plus four years experience in environmental or sanitary engineering, including one year supervisory to manage water pollution abatement/control program. Will consider plus two years experience. Resume to: Montgomery County Government Personnel Office, Rm. 300, 100 Maryland Ave., Rockville, Md. 20850, 301/279-1273.

Director of Engineering and Planning, Johnson County, Kan. Salary \$21,800 to \$29,808. To administer technical details of a system. Requires a professional engineering degree in civil, sanitary, or environmental engineering. Resume and salary history to: Triticco, Personnel Department, Johnson County Courthouse, Olathe, Kan. 66061.

Auditor-Controller, Division Chief, San Bernardino County, Calif. Salary to \$30,408. To direct activities of the Internal Audit Division. Must demonstrate ability as a manager with administrative, operational auditing, supervision of audit staff and electronic data processing. Resume to: San Bernardino County Personnel Division, W. 5th Street, San Bernardino, Calif. 92410.

Programmer Analyst, Broward County, Fla. Salary \$14,875 to \$20,511. Duties include: design, programming, documentation, related technical services, assistance in developing fiscal system, daily operation of computer and other assignments. Degree in computer science and two years of computer operation including "hands on" experience and application programming, ANS, COBOL, FORTRAN, Data Base Management Systems required. Resume to: Broward Employment and Personnel Administration, 330 North Andrews Avenue, Lauderdale, Fla. 33301, Attn: Personnel Office. Closing date: March 31.

Public Works Director, Adams County, W. Va. Salary \$22,000 to \$25,000. Proven administrative experience in all areas of public works with emphasis on roads and solid waste. Degree in public administration or engineering will be considered in lieu of experience. Send resume with salary requirements to: Adams County, 211 Broadway, Ritzville, W. Va. 26069. Closing date: April 16.

5th Annual Labor Relations Conference

April 29-May 1, 1979

St. Francis Hotel, San Francisco, Calif.

Cosponsored by NACo's County Employee/Labor Relations Service and the County Supervisors Association of California

This year's conference, "Labor Relations and the New Fiscal Restraint," will feature skills-building workshops which are organized in two-track format:

Track One, What To Do Before (And Even After) The Union Arrives, looks at the labor and employee relations problems of counties in a union-free environment; how to cope with a

union organizational campaign; and planning and negotiating a first collective bargaining agreement.

Track Two, Dealing With the Union Environment, involves the labor relations problems of counties in an established collective bargaining setting and includes up-to-date bargaining techniques.

Delegates 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.

All advance conference registrations must be postmarked no later than April 7. After April 7, delegates must register on-site at the hotel and there will be an additional \$10 charge per registrant.

Refunds of the registration fee will be made if cancellation is necessary, provided that written notice is postmarked no later than April 16.

Conference registration fees are to be made payable to NACo: \$115 Advance, \$125 on-site.

CONFERENCE REGISTRATION

Please Print:

Name _____

County _____

Title _____

Address _____

City _____ State _____ Zip _____

Telephone (_____) _____

I am interested primarily in:

☐ Track I: What To Do Before (And Even After) The Union Arrives

☐ Track II: Dealing With the Union Environment

Send preregistration and hotel reservations to National Association of Counties/Labor Relations Conference, 1735 New York Ave., NW Wash., D.C. 20006.

For further program information contact Chuck Loveless or Geraldine Crawford of the NACo staff, 202/785-9577.

HOTEL RESERVATIONS (St. Francis)

Special conference rates will be guaranteed to all delegates whose reservations are postmarked by April 7. After that date, available housing will be assigned on a first come/first serve basis.

Rates are as follows:

Single \$42-70 (Lower rates on a first come/first serve basis)

Double/Twin \$52-90 (Lower rates on a first come/first serve basis)

Occupant's Name _____

*Arrival Date/Time _____

Departure Date/Time _____

☐ Single

☐ Double/Twin (Please specify preference by circling Double or Twin)

Co-occupant _____

FOR OFFICE USE ONLY

Reg. Check/P.O. No. _____ Housing Dep. Ck. No. _____

Amount \$ _____ Amount \$ _____

Agland Retention Bill in House, Due in Senate

WASHINGTON, D.C.—Rep. James Jeffords (R-Vt.) introduced a proposed Agricultural Land Protection Act last week with the support of more than 40 members of the House. H.R. 2551 is substantially similar to legislation considered last

year. It is consistent with current NACo policy.

Jeffords will discuss H.R. 2551 before the NACo Legislative Conference workshop on agricultural land protection March 13 at 10 a.m. in the

Monroe East Room of the Washington Hilton Hotel.

Parallel legislation is expected to be offered in the Senate by Sen. Warren Magnuson (D-Wash.) within two weeks. During the last session of Congress, the House Agriculture

Committee approved legislation calling for the establishment of a national commission to study the loss in agricultural land and methods to assure its retention. No action was taken in the Senate.

H.R. 2551 WOULD authorize less financial assistance for developing and carrying out state and county agricultural land protection programs, but would require federal agencies to reform the way they conduct activities affecting farmland.

The Jeffords' proposal provides:

Title I—Federal Agency Compliance

- Directs federal agencies to develop policies to ensure that agricultural land is given priority consideration when any federal project is contemplated and directs the President to ensure that federal policies are consistent and coordinated.

- Requires federal projects and other activities affecting agricultural land to be consistent with state, county and other local agricultural land protection programs.

- Recognizes the rights of private landholders in making decisions at the federal level which may affect their land.

Title II—Study Committee on Protection of Agricultural Land

- Authorizes the President to establish a study committee to gather information on agricultural

land loss, methods to retard that loss, and the effect which federal agency decisions have on farmland. The study would also include foreign ownership, effects of urbanization, demands for water, and the key relationships of energy, climate and trade.

- Authorized membership of the committee would include House and Senate members, farmers and farm organizations, and state and local elected officials.

Title III—Demonstration Program

- Authorizes the Secretary of Agriculture to make 50-50 matching grants to states, counties and other local governments to develop and carry out methods for protecting agricultural land.

- Authorizes appropriation of \$15 million the first year, \$25 million the second year and \$20 million the third for program demonstration grants. The demonstration program would encourage a variety of approaches for protecting farmland, limit to 20 percent the amount of funds appropriated for use in any one project, and permit only two projects researching any single method.

Title IV—Technical Assistance

- Authorizes the Soil Conservation Service to provide technical assistance to states and local governments on methods for protecting agricultural land.

Countercyclical Bill Announced

Continued from page 1

and state governments where unemployment is equal to or greater than 6.5 percent. Funds will be allocated two-thirds to state governments and one-third to local governments.

If a nationwide unemployment rate of 6.5 percent, the program will provide \$125 million per calendar quarter. For every one-tenth of one percent above 6.5 percent, an additional \$25 million would be distributed. Once the national unemployment level fell below 6.5 percent, the title would assume a standby status as insurance against a further economic recession.

The Danforth-Rodino measure also proposes a two-tiered approach to funding units of government. Title I would be triggered whenever nationwide unemployment exceeded 6 percent. It would trigger aid to state and local governments whose

own unemployment rates are above 6 percent.

When nationwide unemployment dips below 6 percent, but still remains above 5 percent, Title II would become operative. This title would provide assistance to local governments only. Once unemployment fell below 5 percent for the nation, the program would assume a standby status to enable local government to counter the effects of any future recession and rise in unemployment.

TITLE I WOULD be funded at a level of \$125 million quarterly, with increments of \$30 million for every one-tenth of 1 percent of unemployment over 6 percent. Title II would distribute a flat sum of \$85 million a quarter.

The methods by which allocations of funds would be determined are identical. The formula uses a

recipient's local revenue sharing amount, multiplied by the excess unemployment rate (over 4.5 percent), divided by the sum of such products for all eligible local governments. Eligible states would receive one-third of the funds under Title II of the Administration bill and Title I of the other proposal.

The Senate subcommittee on unemployment compensation, revenue sharing, and economic problems has scheduled hearings on this program March 9 and 12 in Washington, D.C. and a field hearing in New Jersey on March 26.

Sen. Bill Bradley (D-N.J.) is chairman of the subcommittee. Also on the subcommittee are Sens. Moynihan (D-N.Y.), Gaylord Nelson (D-Wis.), Lloyd Bentsen (D-Texas), David Durenberger (R-Minn.), Robert Packwood (R-Ore.) and John Danforth (R-Mo.).

—Elliott Alman

Comparison of Countercyclical (Antirecession) Programs

	Expired Program P.L. 94-369	House Bill H.R. 1246 Senate Bill S. 200		Administration Bill	
		Title 1	Title 2*	Title 1	Title 2
Authorized Funding	\$2.5 billion	\$2 billion (Titles 1 and 2)		\$2 billion (Titles 1 and 2, maximum)	
Time Span	1 1/4 years (5 quarters)	2 years (8 quarters) Titles 1 and 2		2 years	2 years
National Trigger	6 percent unemployment most recent calendar quarter	6 percent unemployment rate over most recent 2 calendar quarters	5 percent to 6 percent national unemployment rate over most recent 2 calendar quarters	No trigger	6.5 percent for one calendar quarter
Local Minimum Unemployment Rate	4.5 percent	6 percent	6 percent	6.5 percent	5 percent
Other Criteria for Determining Eligibility	None	None	None	Local governments with per capita incomes 150 percent (Alaska-175 percent, Hawaii-165 percent) above average are ineligible.	Same as Title 1
Computation of Allocations	Quarterly	Computed quarterly—\$1.75 million at 6 percent unemployment, an additional \$30 million for every one- tenth of 1 percent over 6 percent	Computed quarterly—\$85 million when unemployment is between 5 percent and 6 percent	\$250 million to be distributed within 60 days of the enactment in Fiscal '79 \$150 million to be distributed within first five days of October 1979.	Computed quarterly—\$125 million at 6.5 percent national unemployment, plus \$25 million for every one-tenth of 1 percent over 6 percent
Distribution	Quarterly	Quarterly	Quarterly	Annually	Quarterly
Uses and Restrictions	Funds are to maintain basic services and levels of employment, not including initiation of basic service or new construction. Funds must be spent, obligated, or appropriated within six months.	Same as past program	Same as past program	Same as past program	Same as past program
Formula for Distribution	<ul style="list-style-type: none"> • Local Revenue Sharing amount. • Multiplied by excess unemployment rate (over 4.5 percent). • Divided by sum of such products for all eligible local governments. 	Same as past program	Same as past program	Same as past program	Same as past program
Number of Potential Eligible Local Governments	17,000	N/A	N/A	1,231	Not available
State Governments	Eligible, receive one- third of the funds	Eligible for one-third of funds	Not eligible	Not eligible	Eligible for one-third of funds
Minimum Yearly Allocation	\$400	\$400	\$400	\$20,000	\$5,000

This title will become operative when the national level of unemployment over 2 calendar quarters is below 6 percent and above 5 percent. The former countercyclical program did not contain a second title.

JACKSON COUNTY PROFILE

Interest Mounts as County Automates Tax Processing

EDITOR'S NOTE: This is the first in a series of articles profiling Jackson County, Mo., the site of NACo's 44th Annual Conference, July 14-18, and its programs and services.

JACKSON COUNTY, Mo.—County tax collectors each year face a major undertaking in billing, collecting and distributing taxes. Unlike major credit card companies which are staffed year-round for their expected volumes, counties face a once-a-year project. Consequently, each year's billing becomes a special project instead of a routine procedure.

In the past Jackson County had solicited bids and contracted with a local bank for its various tax functions: to receive its 500,000 tax payments, deposit the check, send the receipt back to the taxpayer, and return to the collector the second portion of the bill for use in recording the payment. By 1976 two trends were becoming obvious: the cost of this service was steadily rising, and each year a different bank was the low bidder so no contractor was able to benefit from past experience.

This system of billing imposed a good deal of extra work on the county's accounting/collection division, was vulnerable to error, and was complex, said Mike Bestor, manager.

Jackson County has long had a very aggressive investment program, as do most of the 31 jurisdictions for which it collects taxes. These programs are worthless unless tax payments are processed and deposited rapidly. Payments sitting unopened in a mailroom are of no value, he noted.

AFTER A CAREFUL evaluation,

Help from Federal Labs Saves Money

WASHINGTON, D.C.—In the wake of Proposition 13, federal laboratories have been helping local governments in California fill gaps resulting from service cuts.

For example, a major study of stress disability retirement is being conducted by San Diego County and the Naval Health Research Center. They are investigating related demographics, stress reduction methods and long-term effects of stress.

San Diego's city library was especially hard-hit by Proposition 13. The assistance of the Navy Personnel Research and Development Center was enlisted to research a library user guide and to alleviate some of the pressure on librarians.

Marine biologists from the Naval Ocean Systems Command also assisted the city's department of environmental quality in the evaluation of an environmental impact report on offshore oil leasing. In addition, the task force has acted as a liaison for the personnel department to obtain information about the Lawrence Livermore Laboratory's computerized personnel system.

These projects are a result of a local Government Assistance Task Force established by the Federal Laboratory Consortium for Technology Transfer, which harnesses the resources of federal laboratories to provide technical support to local governments. The task force is a joint effort between San Diego County, the cities of San Diego and Berkeley and the federal laboratories in those jurisdictions.

Although severe cuts in government spending were forecast as the result of passage in California of the Jarvis/Gann property tax reduction

the accounting/collection division began working towards in-house processing for the 1978 billing and selected an automatic data processor.

The machine combines several operations into one process. The operator drops in a bill which is scanned by an optical character reader. The amount of the check is then entered by the operator and the machine verifies that the amount due equals the amount paid. Both the bill and the check are then imprinted with the necessary audit trail information, the check is endorsed, and an audit tape is printed. The account number, year, system, bill number, and amount paid are captured for later posting against the accounts. This all happens automatically and inside the machine. At any time, a bank deposit may be quickly prepared by inserting a deposit slip into the machine and issuing the proper instructions. The transactions to that point are totaled and printed on the deposit slip.

After legislative approval a task force of members of the accounting/collection and data processing divisions, and the data processing firm was set up.

In early summer of 1978, a complete test was run on the process—printing bills, stuffing and mailing, opening and processing returns. In September 1978, more than 500,000 tax bills were mailed to county residents and payments started coming back almost immediately. The division was thus able to gain experience as it worked towards a peak on the Jan. 1 delinquency date.

Employees were scheduled for rotating shifts so the machine could be operated around the clock until

the bulk of the last minute payments were in the bank. Schedules were even arranged with the bank so that the deposits could be made over the last weekend of the year.

AS EARLY AS the morning of Jan. 2, the accounting/collection division was able to announce that the Rapid Tax Processing Project was an unqualified success. The county had collected, processed, and put in the bank over \$91 million in tax revenues. That \$91 million, which the county collects for itself and 31 other jurisdictions, compared to only \$35 million in the bank on Jan. 2, 1978.

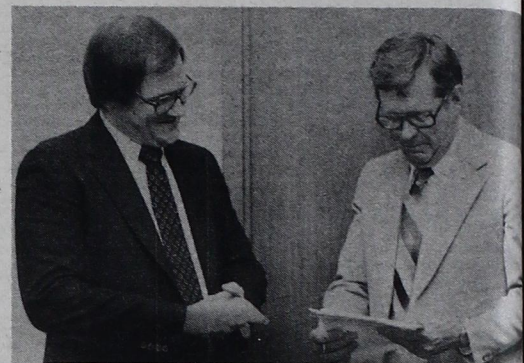
Because all this money began earning interest immediately, the county was able on Jan. 12 to distribute an extra \$250,000 earned on the additional \$56 million. Overtime costs for the process were less than \$2,000. Each jurisdiction was then free on that date to use its tax dollars in its own financial plan.

Jackson County reinvests its share until it must pay off its tax anticipation notes. By investing so much of its 1978 tax collection early, it will easily earn another \$150,000 over 1977.

When all costs are taken into account, Jackson County itself is \$200,000 ahead because of this rapid tax processing system.



GEARING UP—Cecil Wieberg, assistant manager of accounting/collection, watches as Carol Singleton enters tax data on the computer.



ASSESSING THE RESULTS—Mike Bestor, manager of the Accounting Collection Division, and Dale Baumgardner, Jackson County (Mo.) executive, discuss the results of the Rapid Tax Processing System.

Matter and Measure



FINAL RULE ON HIGHWAY SAFETY PROGRAMS

The Federal Highway Administration (FHWA) published a final rule on its highway safety improvement program in the March 1 *Federal Register*. Copies are available from Marlene Glassman at NACo.

The regulation says that each state shall develop and implement, on a continuing basis, a highway safety improvement program to reduce the number and severity of accidents and decrease the potential for accidents on all highways.

The highway safety improvement program consists of planning, implementation and evaluation of safety programs and projects. These "components" are comprised of processes developed by the state and approved by FHWA. Taking into account a NACo recommendation that local officials should be involved in the formulation of the state's highway safety improvement program, the regulation reads, "Where appropriate, the process shall be developed cooperatively with officials of the various units of local governments."

The regulation outlines factors for the planning, implementation and evaluation components. It addresses two new items relating to railroad-highway grade crossing safety not formerly included in regulations on the highway safety improvement program.

The regulations now require the planning component of the highway safety improvement program to incorporate a process for establishing project priorities and to take into consideration "potential danger to large numbers of people at public grade crossings used on a regular basis by passenger trains, school buses, transit buses, pedestrians, bicyclists, or by trains and/or motor vehicles carrying hazardous materials."

The final section of the rule covers reporting requirements. Each state must submit an annual report on its highway safety improvement program to the FHWA division administrator.

DOT RED TAPE REDUCTION

The Department of Transportation's (DOT) drive to reduce paperwork and red tape has resulted in substantial savings, according to DOT reports to the U.S. Regulatory Council.

For example, the Federal Highway Administration's (FHWA) study of how to simplify and modernize its management and fiscal information systems resulted in completion of more than 60 percent of recommended changes. These improvements are estimated to save over 105,000 work-hours each year, and savings are shared by federal and state governments and private contractors. At current salary levels, employee time saved is worth almost \$1.5 million.

FHWA has eliminated 68 forms for internal use. FHWA's required training report from federal-aid highway contractors must be filed only twice, instead of three times a year. This saves 8,468 hours of operating time. The Urban Mass Transportation Administration revised its procedures for providing operating capital assistance to public transportation systems. Revisions have reduced paperwork up to 75 percent.

HOW TO EVALUATE HIGHWAY SAFETY PROJECTS

The Federal Highway Administration (FHWA) through the National Highway Institute, is offering two and one-half day course on evaluation of highway safety projects. The course is presented on-site and is hosted by state or local highway agencies and FHWA field offices.

Course objectives are to provide a procedure for implementation evaluation of highway safety projects using accident analysis, basic techniques for conducting project evaluation and information on organizing managing highway safety project evaluations.

The course, designed for 30 participants, emphasizes workshop and case studies where participants get "on experience" in applying the evaluation procedures. State or local agencies that want to host the course participate in a course hosted by others should contact the safety program engineer in the FHWA office in state.

For further information contact Thomas Hall, Federal Highway Administration, Office of Highway Safety, Washington, D.C. 20590, 202/426-2171.

CALL FOR "ENERGY-STRETCHING, LIFE-SAVING, PEOPLE-PLEASING CAR"

Speaking before a Department of Transportation conference on automotive technology, Secretary of Transportation Brock Adams urged engineers and scientists to develop an automobile technology in the nation's dependence on foreign oil. Adams is set to present a national automobile development policy to President Carter next year. He said, "It is not only we intend to impose on the industry, but on respects our several objectives. I am asking for a faith effort between the public and private sector involving government, private research laboratories and the industry...."

Adams called safety another important factor. Highway deaths are edging over the 50,000 mark. Must devote greater attention to crash protection occupant safety, he said.

The car of the future must not pollute the environment, he added. "It cannot wear the badge of acceptance unless it passes the clean air test."

LOCAL PARTICIPATION ENCOURAGED

DOT Adopts New Policies on Regs

WASHINGTON, D.C.—In accordance with the Carter Administration's goals of simplifying federal regulations, the department of Transportation (DOT) published new regulatory policies and procedures in the *Federal Register*.

The President's Executive Order ruled that there should be no more regulations than necessary, that those issued should be simpler and less burdensome, and that regulations should not be issued without appropriate involvement of the public. In addition, the President has said that regulations should be periodically reviewed to assure that they continue to meet the needs for which they were originally designed.

DOT's order implementing its regulatory policies and procedures states that regulations should be necessary, clear, simple, timely, reasonable and fair.

DEPARTMENT REGULATIONS COUNCIL

A major action outlined in DOT's order is the establishment of a Department Regulations Council, which meets bimonthly and on special occasions at the call of the director, the deputy secretary of transportation. Other members include general counsel, assistant secretary for policy and international affairs, assistant secretary for budget and programs, assistant secretary for administration, assistant secretary for governmental affairs, director, Office of Public and Consumer Affairs, and director, Department of Civil Rights. Ex officio members include commandant of the Coast Guard, federal aviation administrator, federal highway administrator, federal railroad administrator, national highway traffic safety administrator, urban mass transportation administrator, Saint Lawrence Seaway Development Corporation administrator, and earth and special programs administrator.

All DOT offices which issue regulations must develop programs for reviewing and revising them. The council is responsible for monitoring these programs. It considers each significant regulation referred to it and recommends whether the regulation should be continued, revised or rescinded. The council also makes recommendations to the secretary on regulatory policies and procedures and, in cooperation with the relevant offices, designates task forces or requires reports or papers for council consideration.

DOT's order calls for each relevant office to prepare for the release of a draft regulatory analysis for each proposed regulation that will result in an annual effect on the economy of \$100 million or more. A cost evaluation is required for regulations that don't require a regulatory analysis.

This Evaluation includes an analysis of the economic consequences of the proposed regulation, including estimated cost to state and local governments. Final regulations must include a statement of how to obtain copies of the regulatory analysis or evaluation.

PUBLIC PARTICIPATION

In addition, the order outlines procedures to provide for public participation. In addition to publishing regulations in the *Federal Register*, an initiating office should, in appropriate

circumstances and to the extent practical, notify interested parties directly. The public must be provided at least 60 days to comment on proposed significant regulations and 45 days to comment on nonsignificant regulations.

The following provision is of particular concern to local government officials. If NACo notifies DOT or an initiating office that it believes a regulation included on the department's regulations agenda (see below) would have major intergovernmental impact, the initiating office is to develop a specific plan, in conjunction with the assistant secretary for governmental affairs, for consultation with state and local governments in the development of the regulation.

According to DOT's order, the initiating office is to consider that "state and local sectors constitute the delivery mechanisms for most of the actual services the federal government provides, that state and local sectors have concerns and expertise,

that early participation by state and local officials in the planning process helps ensure broad-based support for the proposals that are eventually developed and that early participation also ensures that federal priorities will work in conjunction with and not at cross-purposes to priorities at the state and local levels.

Moreover, whenever a significant proposed regulation identified as having major intergovernmental impact is published in the *Federal Register*, it must include a brief description of how state and local governments have been consulted, the nature of state and local comments and how the agency considered these comments.

Each initiating office is to prepare for submission to the Regulations Council a semiannual regulations report summarizing each proposed and final regulation considered for publication in the *Federal Register* during the succeeding 12 months. This document was published in

the March 1 *Federal Register*. Entitled "Semi-Annual Regulations Agenda and Review List," it includes each proposed and final regulation DOT agencies expect to publish in the *Federal Register* during the next year or "such longer projected period as may be anticipated." In addition, it includes existing regulations selected for review and possible revocation or revision.

For each DOT agency there is a subdivision for significant regulations, nonsignificant regulations, routine and frequent nonsignificant regulations.

For each proposed and final regulation expected to be published in the *Federal Register*, the agenda provides a short descriptive title, the earliest expected publication date, and contact for additional information.

PROVIDING COUNTY INPUT

Copies of both the *Federal Register* publications mentioned above, DOT

regulatory policies and procedures and DOT semiannual regulations agenda and review list, are available from Marlene Glassman at NACo.

Since DOT is providing for increased involvement of local officials in the development of regulations, it is up to county officials to make the most of this opportunity to participate. Information on proposed transportation regulations is published in *County News*, especially the NACE "Matter and Measure" column, and copies of the proposed rules and regulations are available from NACo.

NACo's transportation team urges county officials to request these proposals and to send comments to NACo. NACo submits responses to proposed DOT regulations that significantly affect county operations, but cannot do a complete job without county input.

Any questions about the federal transportation rulemaking procedure and county participation should be directed to Marlene Glassman.

The Liability Crisis in County Government

April 22-26, 1979
Chicago, Illinois

Co-sponsored by:

National Association of Counties
National Association of County Civil Attorneys
National District Attorneys Association

In response to a growing number of lawsuits affecting nearly every aspect of county responsibility, NACo, along with the National Association of County Civil Attorneys (NACCA) and the National District Attorneys Association (NDAA) will co-sponsor a nationwide conference on "The Liability Crisis in County Government," April 22-26, at the Hyatt O'Hare Regency Hotel in Chicago.

Emphasis will be placed on new developments in the area of civil liability of county governments and public officials, and practical ways to minimize risk exposure.

Program Highlights:

- Governmental and public officer liability
- Liability problems in health care programs
- Liability issues in road construction, maintenance and improvement
- Protecting the elected official and county from liability
- Understanding and minimizing liability problems in county employment and labor practices
- Problems in competitive bidding
- The county board as a legislative body
- Sunshine laws and the county
- Preparing the condemnation case
- The county board and civil legal counsel

Mail to: CONFERENCE REGISTRATION

Institute Director
National District Attorneys Association
666 North Lake Shore Drive, Suite 1432
Chicago, Ill. 60611
Phone: (312) 944-4610

Please register the following person(s) for the Liability Crisis in County Government Conference to be held on April 22-26, 1979 at the Hyatt Regency Hotel, Rosemont (Chicago), Ill.

(Please print)

Name(s) _____
Title _____
Office _____
Office Phone (____) _____
Address _____
County _____ City _____
State _____ Zip _____

Requests to bill registration fees through governmental units will be accommodated. Late billings after the conference will be assessed a \$10 late charge.

Registration Fee (\$125) includes: lunches at conference/coffee each morning and afternoon/tuition/all materials/conference expenses.

Enclosed is a check for \$_____ made payable to the National District Attorneys Association.

FOR OFFICE USE ONLY:

Amount	Date	Initial	Check #	TC	Cash
Amount	Date	Initial	Check #	TC	Cash

HOTEL RESERVATION

Liability Crisis in County Government
April 22-26, 1979

Please Reserve: (Please Print)

Arrival: 4/____/79 at _____ a.m. or p.m. (circle one) Departure: 4/____/79

Name _____

Address _____

City _____ State _____ Zip _____

To be assured of accommodations at the Hyatt, this form and deposit should be received by April 1, 1979.

Guaranteed Arrival _____

Type of Accommodation: Single \$32 Double \$44

Deposit of one night's stay is enclosed \$_____ Yes

Total number of nights' stay _____

If guaranteed arrival is requested you will be billed should you not take the room and fail to cancel prior to noon on arrival day.

COMPROMISE MEASURE

Alaska Lands Bill Out of Committee

WASHINGTON, D.C.—Last week, the House Interior Committee approved 23-20 a "compromise" Alaska Lands bill (H.R. 2199). In doing so, the committee rejected the environmentalist bill (H.R. 39) introduced by Interior Chairman Morris Udall (D-Ariz.).

John Carlson, president of NACo's Western Interstate Region, has expressed qualified support for the measure. "While we are pleased that H.R. 2199 will be going to the floor of the House, we realize that much more work remains to be done on the bill before it satisfies most of our objections. Specifically, I will be encouraging Alaska's senators to strengthen access provisions, improve provisions for conveying land to the state and Alaskan natives, and restrict wilderness designations to parks."

The "compromise" bill closely follows a compromise negotiated by key House, Senate and Administration officials in the waning days of the last Congress. The measure was introduced this session by Rep. Jerry Huckaby (D-La.).

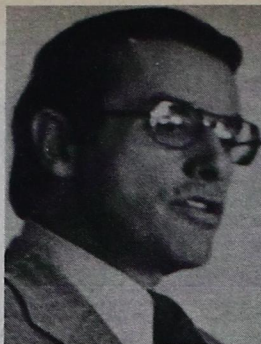
The compromise bill proposes 51

million acres in contrast to the 80 million acres proposed by H.R. 39 and places the four-system conservation lands in less restrictive categories of wilderness.

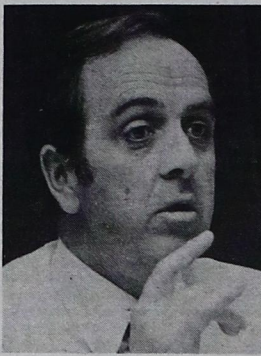
The Arctic National Wildlife Range was a key area in the debate. "That's what turned the flip votes," a majority staffer said. Under the Udall bill, the entire range would be placed in wilderness. In contrast, the compromise bill will allow exploration on a 1.3 million-acre section of the coastal plain of the range.

The Western Interstate Region has adopted a resolution supporting withdrawal of only 80 million acres of federal land in Alaska. "I will be calling on county officials throughout the nation to contact their senators to ensure that a responsible Alaska lands bill is adopted," Carlson said.

Carlson warned that failure by Congress to adopt an Alaska lands bill this year would be tantamount to ratifying the new national monuments established by President Carter. Encompassing 57 million acres, the monuments were created under the authority granted the President by the 1906 Antiquities Act.



Del Bello



Klein

Urban County Congress Set

WASHINGTON, D.C.—Plans are being finalized for the Third Urban County Congress May 24 and 25th at the Washington Hilton Hotel.

Co-sponsored by NACo's affiliate, the National Council of Elected County Executives and NACo's Urban Affairs Committee, the conference will examine the role of urban counties in solving urban problems as well as develop an urban county action agenda for the 1980's.

Conference co-chairmen John V.N. Klein, Suffolk County (N.Y.) executive, president of the National Council of Elected County Executives and Alfred DelBello, Westchester County (N.Y.) executive, chairman of NACo's Urban Affairs Committee, call the Congress long overdue. The second Congress was held in 1963.

"Since the early 1970's urban counties have assumed more and more municipal type services as well as many new ones. And yet when federal policies and legislation are developed they often ignore the essential and evolving role of urban counties, such as last year's urban policy message," said DelBello.

"The time has come to develop an awareness of the extent of urban county activities on the part of members of Congress, their staffs,

key White House and federal agency officials and the national media," noted Klein. "We think the Urban County Congress is well suited to developing that awareness."

The program will trace the evolution of the urban county, maturation as a major urban government and the political power inherent in urban counties. Workshops, featuring roundtable discussions with audience participation, will focus on:

- The need for government modernization and reform in urban areas by providing structural fiscal alternatives;
- Urban counties and the implicit in delivering human services programs;
- Urban counties and comprehensive transportation services;
- Managing growth and decline;
- Employment;
- Housing and community development.

Participants will include key members of Congress and their staffs, Administration officials, representatives of the national media. Urban county officials together with those whose counties are facing urban problems are invited to attend.

Third Urban County Congress

**May 24-25
Washington Hilton Hotel**

Co-sponsored by: The National Council of Elected County Executives and NACo's Urban Affairs Committee

NACo's Urban County Congress will set its sights on the urban county of the '80s. The vision of a modern, responsive, efficiently run urban county offering a spectrum of services to its citizens can be reality. Learn how you can help build the county of the future.

Purpose: To convey the key role urban counties play in the federal system and why that role must be strengthened.

Who should participate? Urban county elected and appointed officials, federal officials, members of congress and their staffs and the national news media.

Program sessions will focus on the role of urban counties in solving problems and the developments that can be expected in the '80s.

Key issues to be discussed include jobs, housing, community development, energy, transportation, social services, local government modernization and an agenda for the 1980s.

Delegates at NACo's Third Urban County Congress can both preregister for the conference and reserve hotel space by completing this form and returning it to: NACo Conference Registration Center, 1735 New York Avenue, NW, Washington, DC 20006, Attn. Urban County Congress Coordinator.

CONFERENCE REGISTRATION

Conference registration fees must accompany this form before hotel reservations will be processed. Enclose check, official county purchase order or equivalent. No conference registration 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 May 10, 1979.

Conference registration fees: \$95 Delegate, \$50 Spouse (Make payable to NACo Urban County Congress)

Name (Last)	(First)	(Initial)
County _____ Title _____		
Address _____		
City _____ State _____ Zip _____		
Telephone () _____		
Name of Registered Spouse _____		
FOR OFFICE USE ONLY		
Check Number _____		Check Amount _____
Date Received _____		Date Postmarked _____

HOTEL RESERVATIONS (Washington Hilton Hotel)

Special conference rates will be guaranteed to all delegates whose reservations are postmarked by April 27, 1979. After that date available housing will be assigned on a first come basis. Delegates must register for the conference in order to receive hotel accommodations in NACo's block of rooms and receive the conference rate.

Indicate preference by circling the type of room (lowest rate available will be reserved unless otherwise requested):

Single \$40-\$56 Double \$54-\$70

Note: Suite information from Conference Registration Center 703/471-5761.

Name of Individual _____
Co-occupant if Double _____
*Arrival Date/Time _____ Departure Date/Time _____
Special Hotel Requests _____
Credit Card Name _____ Card Number _____ Expiration Date _____

() Check here if you have a housing related disability.

*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 number to guarantee your first night reservation. For further housing information call NACo Conference Registration Center: 703/471-6180