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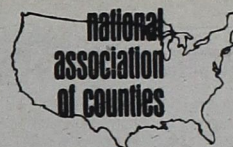
Vol. 9, No. 26

County News

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

June 27, 1977

Washington, D.C.



Vice President Walter Mondale

Mondale to Address Conference

WASHINGTON, D.C.—Vice President Walter (Fritz) Mondale will address the NACo Annual Conference in Detroit (Wayne County), Mich. Wednesday afternoon, July 27. The four day conference opens Sunday, July 24.

NACo President Dan Lynch, Douglas County (Neb.) commissioner, said he was pleased with the "continuing dialogue that has developed between the Carter administration and county government. We are delighted that the Vice President will share his views with county officials. Success on each level of government in the federal system calls for full understanding and honest cooperation."

Lynch continued, "Vice President Mondale's conference address will no doubt further that understanding and cooperation."

The Vice President's address will be part of a day packed with speakers, panels and workshops related to the conference theme, County Renaissance. Wednesday morning sessions will concentrate on "Structuring the County Renaissance" with an opening address by Michigan Gov. William G. Milliken.

Bert Lance, director of the Office of Management and Budget (OMB), who is responsible to President Carter for the financial plans for national government spending, will speak Wednesday noon on the federal aspects of "Financing the County Renaissance."

Monday speakers will follow the themes of "People Services and Intergovernmental Cooperation for the County Renaissance."

NACo's annual business meeting to establish county policy and positions and elect officers will be Tuesday.

Vice President Mondale has been in public life since he was appointed attorney general of Minnesota in 1960. He was appointed to the U.S. Senate in 1964, elected in 1966, and re-elected in 1972.

In the Senate, Mondale served on the Finance Committee, the Labor and Welfare Committee, the Senate Budget Committee, the Select Committee on Intelligence Activities, the Select Committees of Nutrition and Human Needs and the Special Committee on Aging.

He also served as chairman of the Select Intelligence Committee's Domestic Task Force and chairman of the subcommittee on children and youth.

The Vice President has stated: "I hope my public service has made a difference. I was brought up to believe that government has a role to play . . . that how government operates is very important to human justice in America . . . that public service is worthy of a lifetime effort."

Major Funding Coming to Counties

HEW/DOL '78 Budget Some Ups and Downs

WASHINGTON, D.C.—The House of Representatives and the Carter administration came to terms June 15 on the \$61.3 billion fiscal '78 budget for the Departments of Health, Education and Welfare (HEW) and Labor (DOL), while the Senate Appropriations Committee reported its version June 20. Contained in the House and Senate bills are funds for the Comprehensive Employment and Training Act (CETA) for fiscal '78.

Neither the House or Senate version provides any additional public service employment (PSE) funds for CETA Titles II and VI. Funds for PSE were forward funded through the Economic Stimulus Appropriations Act of 1977. No additional funds are provided for the new youth bill, conference for which was completed on June 16.

The fiscal '77 funding level for CETA Title I, maintained at \$1.88 billion, is disappointing. (NACo had urged increased funding to keep up with minimum wage increases.)

Some good employment news appears in the Senate reported bill. It provides a 50 per cent increase in summer youth jobs money for 1978. The House-passed version maintains the 1977 level.

THE HEW-DOL money bill, H.R. 7555, containing some \$1.4 billion more than Carter requested last February, passed the House after Democratic leaders reached a compromise with the White House.

Almost 90 per cent of the \$61.3 billion is for HEW programs. H.R. 7555 provides \$522 million for health manpower training which includes \$95 million for nurse training. It also provides \$487 million for mental health programs. This figure includes \$23 million more for new community mental health centers.

See HEW/DOL, page 12

Land, Water Conservation Full Amount

WASHINGTON, D.C.—Last week the Senate approved the full \$600 million appropriation for the Land and Water Conservation Fund, the same amount approved earlier by the House of Representatives. Full funding for the Land and Water Conservation Fund is a high priority NACo issue because these funds are an important source for state and local outdoor recreation facilities.

Funds were included in H.R. 7636, the Interior appropriation bill, which will be the subject of a House/Senate Conference Committee before going to the President for signature. The Land and Water Conservation Fund will not be a subject of the conference, since both the House and Senate approved the same amount.

Although full funding was approved, Congress did divert \$45.6 million from the state share of the funds to federal agency share for acquisition of federal park lands. It is anticipated that this is a one time diversion that would be restored in future appropriation bills.

The Land and Water Conservation Fund is a matching grant fund program, administered by the Interior Department's Bureau of Outdoor Recreation.

Rural Development Best News Ever

WASHINGTON, D.C.—The Senate Appropriations subcommittee on agriculture, chaired by Sen. Thomas Eagleton (D-Mo.), acted June 16 to assure rural counties the highest level of rural development funding to date.

The subcommittee voted increases over this year's funding for many of the key programs of the Rural Development Act. The House counterpart, chaired by Rep. James Whitten (D-Miss.), voted similar increases in May.

The Water and Waste Disposal Program, the key component of the Rural Development Act of 1972, will be appropriated \$250 million in grants and \$750 million in loans. According to Farmers Home Administration (FmHA), the nationwide waiting list for this program exceeds \$338 million for the grants and \$1.3 billion for the loans.

Increases will also be forthcoming for the Community Facility and the Industrial Development Loan Programs.

Sen. Quentin Burdick (D-N.D.) offered a successful amendment to provide \$10 million to the Comprehensive Rural Development Planning Grant Program. This program has never been funded before, and no money is provided for it by the House.

The House appropriations bill, H.R. 7558, was approved by the full House on June 21. The Senate Appropriations Committee is expected to approve the subcommittee action, and the measure should reach the floor by late June.

A House-Senate Conference Committee will then be appointed to reconcile differences between the House and Senate Agriculture Appropriation bills.

The water and waste disposal grants and loans are available to
See RURAL, page 12

House OKs Social Gains Bill

WASHINGTON, D.C.—The Public Assistance Amendments of 1977, H.R. 7200, passed the House on June 14 with a comfortable margin of 333-64. H.R. 7200 contains increased funding for social services and child welfare services, and federal participation for adoption subsidies and voluntary foster care.

Heavy lobbying by NACo in support of the legislation followed an eleventh hour threat as opposition to the bill mounted because of placement on the suspension calendar. A bill placed on the suspension calendar must be voted on in the form it comes out of committee; it cannot be amended on the floor.

The House approved the following measures: a \$200 million increase for Title XX (social services) in fiscal '78; a one-year extension of all child welfare provisions, including a waiver of day care standards, a day care welfare recipient employment tax

credit, full authorization for child services provisions of Social Security Act (Title IV-B) of \$266 million (up from \$56.5 million), new funds restricted to services other than foster care maintenance payments, state plan requirements for Title IV-B; federal matching for non-court ordered foster care payments authorized under Title IV-A (foster care), and an adoption subsidy to be available under Title IV-A open-ended funding. Title IV-B would become an entitlement program with no state matching requirement.

IN ADDITION to those measures, Sections 115 and 505 were amended. Section 115 tightens up the alien provision to make the sponsor responsible for the alien for a period not to exceed three years.

Changes in Section 505 include:

- Local payments to suppliers of

government services (vendors) will be increased from 10 per cent to 20 per cent pre-penalty range;

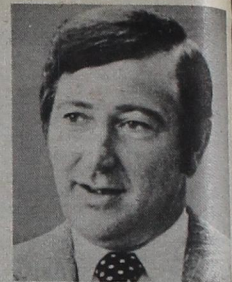
- Two party checks, which both the landlord and recipient must sign, will replace direct vendor payments. This provision allows the recipient more flexibility and protection since the recipient can refuse to sign a check if the landlord fails to make repairs;

- There will be a 30-day revocation period which will allow the recipient to cancel the check should the landlord refuse to make repairs after the recipient has endorsed the check.

The bill has been sent to the Senate Finance Committee. Members should contact their senators, especially members of the Finance Committee, to urge consideration of the whole bill prior to July 1.

—Diane Shust Intern

Another 4th Vice President Candidate John Spellman



King County Exec Declares Candidacy

CAPS COUNTY, WASH.—John Spellman, elected county executive, King County, Wash., has announced his candidacy for fourth vice president of NACo.

Spellman, who has served over 10 years as King County commissioner and executive, is a member of the NACo Board of Directors and the Board of the Washington State Association of Counties.

He has chaired NACo's Law and Justice Committee and represented NACo at the White House Conference on Inflation and the Conference on

Youth. He served as chairman of the Washington Committee for Revenue Sharing.

He has been a strong advocate of local control and pass-through of federal funds.

Spellman is the second person to announce his candidacy for fourth vice president. Roy Orr, Dallas County (Tex.) Commissioner announced his candidacy earlier. Orr also is a member of NACo's Board of Directors. He has been a commissioner since 1972.

Conferees Hike Funding for IPA

WASHINGTON, D.C.—House and Senate conferees of the subcommittee on the U.S. Treasury, Postal Service, and general government agreed to appropriate \$20 million for the Intergovernmental Personnel Act of 1970 (IPA) in fiscal '78. This represents a \$5 million increase over the President's budget request. IPA appropriations have stayed relatively constant since fiscal '72.

In testimony before both subcommittees, Commissioner Jarrett Simmons, vice-chairperson, Wayne County (Mich.) Board of Commissioners and chairperson, NACo Personnel Administration subcommittee, stated that the IPA program had experienced a checkered appropriations history. Throughout its five year existence, the program has had enough qualified applicants to warrant twice the sum that has been annually appropriated.

According to the Civil Service

Commission, the agency that administers this grant, more than 300 applications from last year alone remain unfilled even at the \$15 million level appropriated for fiscal '77. NACo, therefore, urged Congress to appropriate \$20 million because of inflation, growth of other federal grant programs, and the increased importance of state and local management improvement.

Both House and Senate conferees acknowledged the importance of the program and voiced their desire to promote effective use of federal grant funds to spur management and personnel improvement in state and local governments.

House and Senate floor votes on the conference report are scheduled for July 27. Passage is expected.

For additional information, contact Ann Simpson, NACo staff. NACo will have allocations by state this week.

Renaissance

NACo 42nd Annual Conference
July 24-27, 1977
Detroit, Michigan, Wayne County

- Delegates to NACo's 42nd Annual Conference both pre-register for the conference and reserve hotel space by filling out this form.
- Please use one form for each delegate who registers.
- Conference registration fees must accompany this form and may be personal check, county voucher or equivalent.
- Housing in conference hotels will be available only to those delegates who pre-register.
- Return to: NACo Conference Registration Center
P.O. Box 17413, Dulles International Airport
Washington, D.C. 20041 703-471-6180
- Deadline for reservations is July 8, 1977.
- Refunds of the registration fee will be made if cancellation is necessary, provided that written notice is postmarked no later than July 14, 1977.

Registration Fees

NACo CMS Member	\$ 95	Spouse	\$50
Non-member	125	Youth	30

Name _____ County _____
 Title _____ Telephone(____) _____
 Address _____
 City _____ State _____ Zip _____
 Spouse Name; if attending _____ Ages of Youth Attending _____
 Total Registration Fees Enclosed \$ _____

Make payable to NACo.

Enclose check, county voucher or equivalent.

No requests for registration or housing will be accepted by telephone.

Housing Reservations

Reservations for conference hotels will be made only after conference registration has been received. Individual hotels will not accept any reservations. Conference will be held in Cobo Hall.

Hotel	Single	Double/ Twin	Double/ Double	Hotel Preference (Please fill in name)	Type of Room
1. Detroit Plaza	\$28-40	\$38-50		1st Choice _____	Single _____
2. Pontchartrain	30-47	38-57			
3. Hyatt Regency, Dearborn	26-38	36-48		2nd Choice _____	Double _____
4. Detroit Cadillac	24-34	24-40	\$48		
5. Howard Johnson's	28-29	36-39	42-44	3rd Choice _____	Twin _____

Names _____
 Arrival Date _____ Time _____ Departure Date _____ Time _____

No room deposit required. Rooms may be guaranteed using credit card if necessary.

Credit card company and number _____



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PUBLIC WORKS

EDA Notifies Counties

WASHINGTON D.C.—The Economic Development Administration (EDA) has given official notification to those counties awarded a public works grant. Applicants have 28 days from receipt of the notification to send new or resubmitted applications to the appropriate EDA regional office.

Counties that received a "planning target" (level of grant funding), but have not yet received official notification or the appropriate application forms and program guidelines should immediately contact EDA at (202) 377-5800.

The \$4 billion reauthorization of the Local Public Works Act provides 100 per cent grants to local governments to undertake new construction, renovation, or rehabilitation activities. The program is expected to stimulate 600,000 jobs in the private sector.

EDA has yet to allocate over \$200 million in grants nationwide. A portion of this money is earmarked to county government. The regulations state that any allocation made below \$75,000 for a community will be apportioned to the county government. EDA is presently calculating

the distribution of these funds and will be notifying applicants of increased funding or new eligibility. EDA estimates this process should be completed over the next two years.

According to preliminary data (exclusive of Alaska, which is being recalculated), at least 764 counties will receive public works grants. This number is three times the number of counties receiving grants under Round 1, while the program itself was doubled. Further analysis must wait final calculations of grants by EDA.

COUNTY NEWS

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Senate Panel Votes More LEAA Funds

WASHINGTON, D.C.—The Senate Appropriations Committee has voted to recommend that \$694 million be appropriated for the Law Enforcement Assistance Administration (LEAA) for fiscal '78. The vote came two weeks after the House of Representatives voted only \$600 million for LEAA for the coming year.

The Senate committee figure, if approved by the full Senate, will then go to a conference committee made up of members of both the House and Senate where a compromise figure will be agreed upon.

The \$694 million is \$10 million less than the President requested but \$94 million more than the House voted.

The Administration's request of \$704 million was itself \$50 million less than was actually appropriated in fiscal '77 for LEAA programs. Whatever dollar amount emerges from Congress, fiscal '78 will be the third consecutive year in which funds for LEAA have been cut.

LEAA has been the subject of increasing controversy in recent weeks in the wake of a Justice Department study that is expected to effect significant changes within the agency and may eventually lead to the demise of the embattled LEAA. In what appears to be a precursor of things to come, plans have been announced to close down LEAA's 10

regional offices, resulting in a one third cut in LEAA manpower.

Congress, long disenchanted with LEAA, is showing growing interest in a revenue sharing approach to criminal justice expenditures that Sen. Ted Kennedy (D-Mass.) has been working on for some time and which is said to have the support of Attorney General Griffin Bell.

Although the Senate has not yet scheduled consideration of the LEAA appropriations measure, it is expected to come up for a vote within the next two weeks. NACo has consistently supported continued funding for LEAA and will support the Senate version of the bill.

'78 APPROPRIATIONS

Senate Approves Payments-in-Lieu

WASHINGTON, D.C.—Last week the Senate approved \$100 million for the fiscal '78 Payments-in-lieu of Taxes Appropriation. The funds, representing the full amount requested by the Department of Interior, were included in the Interior appropriation bill, H.R. 7636.

The payments-in-lieu of taxes program provides payments to counties to partially compensate for the tax immunity of federally owned natural resource lands including national forest, national parks, wilderness areas, and lands administered by the Bureau of Land (BLM) Management, Army Corps of Engineers, and Bureau of Reclamation.

The '78 appropriations provides for the second year payments under this program. First year payments were approved in a supplemental appropriation earlier this year and signed by the President on May 4. It is expected that first year payments will be made to approximately 1700 counties this September.

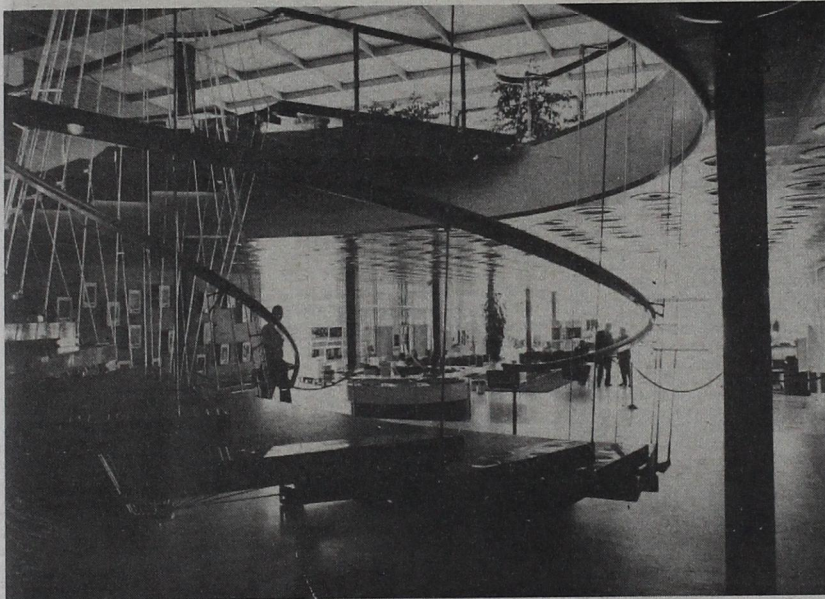
A JOINT Senate/House Conference Committee will be required to

resolve some differences between the House and Senate passed versions of the bill. However, both versions include \$100 million for payments-in-lieu of taxes.

One difference in the bill concerns contract law enforcement for the Bureau of Land Management. The House approved a full request \$611,000, but the Senate only included \$361,000. NACo is urging the conferees to adopt the full \$611,000.

The BLM law enforcement program was authorized last year as an important provision in the Federal Land Policy and Management Act. This act for the first time allows BLM to contract with local law enforcement agencies for enforcement of federal laws. This is similar to the successful Forest Service contract law enforcement program. Counties now provide enforcement of state and local laws on federal lands, but are unable to enforce federal laws without a contract.

The Conference Committee is expected to meet this week to resolve differences before sending the bill to the President for signature.



ANNUAL CONFERENCE OPTIONAL TOUR—Futuristic lobbies are commonplace in the research headquarters of General Motors. Located in Warren, Mich., 28 buildings comprise the over 5 million square feet of floor space that employ 20,000 persons at the General Motors Technological Center. The Macomb County Board of Commissioners, in cooperation with General Motors, is sponsoring a tour of this facility on Sunday afternoon July 24. Sign up for this tour in the conference registration area.

NACo PRESENTS TESTIMONY

EPA Approves Sewer Plant Loan Guaranty

WASHINGTON, D.C.—The Environmental Protection Agency (EPA) has recently issued interim regulations governing loan guarantees for sewage treatment plant construction. The regulations became effective on June 1.

Under the Federal Water Pollution Control Act, the federal government provides 75 per cent of the funds to build treatment works. EPA will now be able to guarantee bonds issued by the Federal Financing Bank to fund the 25 per cent local matching share.

To be eligible for the loan guarantee program, a local government must be unable to obtain financing on reasonable terms elsewhere. The applicant must also show ability to repay the loan.

Loan guarantees are limited to financing for that local share portion for which no other permanent source has been found. If a community has had to accept financing at a rate greater than 10 per cent, refinancing of that portion is also eligible.

The interim regulations also detail how local governments must assure EPA that the loans will be repaid.

Comments on the interim regulations (published in the *Federal Register* on May 18) will be received by EPA until Sept. 1. Address comments to: Director, Grants Administration Division (PM-216), Attention: Loan Guarantee Regulations, EPA, Washington, D.C. 20460.

Reform of Water Law Needed Now

WASHINGTON, D.C.—A county spokesman told Congress that immediate enactment of a small number of reforms is needed to prevent a total breakdown in implementing the construction grant program by frustrated local officials.

Speaking June 22 before the Senate Public Works Committee on amendments to the Federal Water Pollution Control Act of 1972, Floyd Linton presiding officer of the Suffolk County (N.Y.) legislature and chairman of NACo's Water Quality Committee, testified that the \$1 billion supplemental appropriation bill passed by Congress "does not provide enough funding to keep up the recent momentum of the construction grant program."

In addition to increased construction funds, Linton pointed out the need for: case by case extensions of the July 1 deadline for municipal treatment plants to meet national secondary treatment standards, and flexibility for local governments to choose the method by which they finance operation and maintenance costs of treatment plants.

LINTON suggested ways to simplify the requirement that municipalities must recover an industry's portion of construction costs of the treatment plants (industrial cost recovery). Additionally, he pointed out the necessity of multi-year funding, for 10 years at a \$4.5 billion level, if communities are to be expected to make commitments to upgrading sewage projects.

Finally, Linton detailed some of

the problems of strict interpretation that communities must finance operation and maintenance of treatment plants with user fees. A key point is that any system of charging for sewer use must ultimately rely on some form of approximation because no jurisdiction meters the actual flow from households into the sewer system, he explained.

The N.Y. legislator reacted strongly when a number of witnesses and senators expressed interest in changing the requirements of the water law to emphasize innovative technology over and beyond secondary treatment.

Linton told Sen. Edmund Muskie (D-Maine) that the problem with this approach is that it would be changing course midstream through the construction grant program.

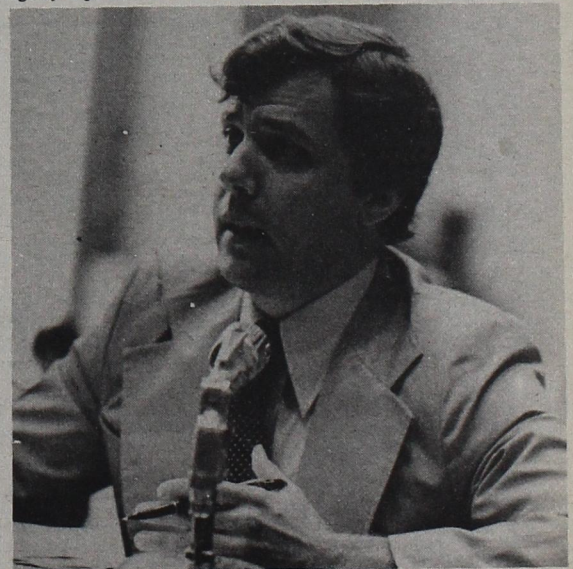
For five years now, the Environmental Protection Agency (EPA) has been insisting that communities build sewage treatment plants to meet secondary treatment standards. While encouraging innovative technology is worthwhile, Linton said, for many communities it is now too late, adding that such an approach would be difficult to sell to residents without assurances the systems would clean up their water.

JUST ONE day before Linton's testimony, EPA announced its new policy to speed up enforcement proceedings against industrial and municipal polluters which would violate the upcoming July deadline for sewage cleanup. The agency will

be calling for enforcement action against over 100 municipalities which have failed to make an effort to comply with the 1972 laws secondary treatment standards. The agency expects over 300 industrial

enforcement proceedings.

EPA has also issued a new policy to limit federal funding to collector systems only when absolutely necessary for public health and environmental needs.



Floyd Linton

No Welfare, No Crime, No Water

by June Kronholz

LOVING COUNTY, Tex.—If every man, woman and child in Loving County stood shoulder to shoulder, the line would reach from the front steps of the courthouse clear back to, oh, the water cooler. Maybe to the back door.

Only 112 people live here, making Loving the least-populated county in the U.S. For some, probably, the wonder is that even 112 people would want to live on this West Texas desert land. There isn't any drinking water in Loving County, no agriculture and not a tree to block the view of the Guadalupe Mountains two counties and 75 miles away.

The only rivers and lakes are salty, the only hills are sand dunes. It freezes in winter, the temperature soars to 115 degrees in summer, and a persistent wind carrying tons of sand scours the paint off the houses. The land is so barren that it sells for \$4.50 an acre, and a rancher needs 130 acres to feed just one cow. It's said hereabouts that the cattle have to graze at 20 miles an hour to keep their bellies full.

Faced with such hardships, Loving County folks are doing what you would expect—they're moving out. The population fell by a third in the last decade, and if all the families who plan to move this summer really do, school enrollment will drop to three. The judge and two of the four county commissioners keep legal residences in the county but haven't lived here in years.

Consider the Advantages

The folks who stick it out insist there are advantages to life on the 647 square miles of scrubby rangeland and empty desert. "You can cuss the cat and no one will hear you," says Mary Belle Jones, who minds the office while her husband, Punk, the county sheriff, tax assessor and collector, is out.

Not too long ago you also could dig down a couple of hundred feet and hit oil. Oil rigs still are thick on the landscape. One is in the front yard of Floyd Camp, who is the school principal and superintendent, bus driver and teacher for the fifth and sixth grades. (Mr. Camp's wife, Annie Ruth Camp, teaches grades one, three and four. No one is

enrolled in second grade this year, and after sixth grade pupils go to Wink, Texas, about 31 miles down the road.)

A few years ago, just as the oil fields were beginning to play out after a half century of production, natural gas was discovered. There's more work now than Loving County's labor force of 45 can handle, so contractors import dozens of workers.

Loving County's streets would be full of strangers if it had any streets, but there's only a two-lane state highway running diagonally across the county and a few unpaved paths disappearing into the desert.

The New Cowpokes

All this emptiness and oil give Loving County a Wild West character, with Cadillacs replacing saddle ponies and wildcatters becoming the new cowpokes. Newt Keen's Cafe, the only saloon in the county, is packed afternoons and evenings with oil-field workers gulping beer and wolfing steaks large enough to cut a pair of boots from and almost as thin.

A sunburned driller explains his outfit, which includes a sweat-stained cowboy hat, high-heeled boots and a gun: "This is West Texas, ain't it?"

Still, to hear people talk, Loving County is as peaceful as its name. "We don't have time for meanness," says Edna Dewees, the county clerk. "Everyone has at least one job, most have two."

The most sensational crime in Mrs. Dewees's record books happened in 1974 and involved James Wheat, a county commissioner, cattle rancher and oil man who named the county's second largest oil well after his wife, Louise. He tours his acreage in a silver Cadillac Seville with a Siberian husky perched on the next seat, and he wears a combination of dusty cowboy duds and glittering diamonds. In the 1974 incident, he shot to death a trucker he said was trying to rob him. When a county grand jury indicted him for murder (he later pleaded no contest and was placed on probation), it was only the 15th criminal charge filed in the county's history. There hasn't been one since.

OTHER COUNTY record books are just as thin. The only birth was in 1956; the last death was 2-1/2 years ago. The newest grave was dug in 1917 when, according to the tombstone, a cowboy named Shady Davis was put to rest after being "drugged to death by his horse." Two couples want to end their marriages this year; one wants to start one. No one's ever been on welfare. There's no public debt.

Still, Loving County has its problems. There's no doctor, lawyer or civic club, and aside from the cafe and an Exxon station in Mentone, the county seat, the nearest commerce is 23 miles away. There once was a church, but it never had a pastor and for a while Mary Belle and Punk Jones and their five children were the only ones attending. They would preach to each other, then lock the door and go home.

The gas line to consumers was disconnected so long ago that no one can remember just when. So now, even though it sits atop a natural gas field, Loving County doesn't have any gas service. Folks cook and heat with propane that is delivered in tanks.

But those are mere inconveniences compared with Loving County's big problem—drinking water. There isn't any. The ground water is so full of gypsum, the stuff of which plaster of Paris is made, that it chokes plants to death, ruins plumbing and leaves a thick white scum on anything washed with it.

Water, Water Nowhere

The nearest good well is so far away that no one's ever seriously considered running a line to it. Instead, folks drive to a well in the next

county and lug their water home in barrels. "We have to go to town for everything else, why not water?" asks Ann Blair, a county commissioner.

Water is so valuable in Loving County that Nicolai Lackey, the postmaster, hasn't ever used the washing machine that came with her mobile home; like everyone else, she goes to a laundry in Kermit, 32 miles east. Newt Keen doesn't serve water with his dinners, ice with his soda pop or even glasses with his beer. And teacher Annie Ruth Camp tells her students to sprinkle the unused drops from their water glasses onto her houseplants.

Water even played an ignominious part in the county's history. Explorers, soldiers and cowboys crisscrossed the area for 50 years before 32 speculators settled down, began an irrigation company and named it for Oliver Loving, an early cattle driver who was shot by a Comanche and died ingloriously of gangrene. When word of a project to irrigate the desert got out, settlers flocked in and in 1893 founded Loving County and the county seat of Mentone (named somewhat improbably after a resort on the French Riviera).

All went well until it was discovered the irrigation water was salty. Some of the county officers fled with the tax money, and the rest petitioned the state legislature to disband the county. So it was for 30 years until oil was discovered. Then the county was reorganized, but by that time out-of-town speculators owned most of the land and the oil boom never brought many settlers with it.

Protecting the Inheritance

The natural gas boom isn't likely to bring them either, but it has brought the county some money. Last year, its wells produced 59 billion cubic feet of gas and one million barrels of oil with a market value of \$128 million—more oil and gas than half the counties in Texas produced. And even though Loving County charges only \$1 tax on every \$416 worth of minerals taken from its oil, it still collected \$309,000 to spend on itself this year. Not bad for a county with only two public buildings, a library of donated paperbacks, no garbage collectors, sewers, parks or hospitals and only one city, population 42.

Money isn't likely to change Loving County, though. "If you think we're gonna act like some damn kid with an inheritance and blow that money to hell, you're wrong," says Mr. Wheat, the county commissioner. He vows to put the windfall in a savings account and not fritter it away on such extravagances as paved roads. "Who'd use 'em and where would they go?" he demands. "Come back in five years and this county will be the same's it is today."

And that seems to suit the remaining Loving County folks, most of whom grew up in the country and prefer it, Mattie Thorp, who runs the gas station, once lived 14 miles from her own mail box. "Don't like to see my neighbor's back door," she explains. In Loving County, it isn't likely she ever will.

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Newspapers—To Bury...Burn...or Recycle?

On the national average, newspapers make up six per cent of America's solid waste, yet they are the easiest component of the waste to separate at the source. This poses a dilemma for public officials:

Should they be burned, buried or recycled? That is, should newspapers become fuel for electric generation, should they be sent to landfills or should they be separated and sold? This article introduces a recent study which can help an official make the appropriate choice.

In less complicated times, solid waste disposal meant hauling the garbage somewhere out of town and "dumping" it. This practice is rapidly being replaced by "landfilling"—compacting waste and covering it with earth.

ALTHOUGH landfilling will always be necessary for some portion of the solid waste process, new sites are difficult to obtain because of escalating real estate costs, increasing solid waste volume and citizen resistance.

This situation, plus public dissatisfaction with throwing away valuable (and easily reclaimed) resources has brought about several alternatives for resource recovery.

The most obvious is source separation.

During the past year, county officials across the country have shown increasing interest in implementing or expanding soil waste recycling programs. This is the second of a series of articles explaining the benefits of municipal recycling programs. The bulk of the material was prepared by James M. Staples of Garden State Paper Company Inc., Saddle Brook, N.J.

Dissemination of this information comes at a critical time as municipalities over the next 11 months must identify solid waste regions and agencies as a result of the new

tion. More than 120 American cities and towns are already collecting newspapers apart from residential refuse and selling them for recycling. The income helps local government, while reduction in solid waste volume extends landfill life and cuts disposal costs.

Energy recovery is also arousing interest. The lighter fraction of solid waste (paper, organics, etc.) can be separated by air blasts from metals, glass and other unburnables, and used for supplementing energy requirements.

Resource Conservation and Recovery Act. As this process unfolds, municipalities should strongly consider implementing or expanding solid waste recycling programs in their community.

In conjunction with NACo's 42nd Annual Conference in Detroit, Mich., a two and one-half hour resource recovery implementation seminar will be conducted. The seminar will begin at 9:30 a.m. on Monday, July 25, and will feature John Lynch, vice president of Garden State Paper Company Inc., along with Penny Hansen and Robert Lowe of the Environmental Protection Agency.

(Officials interested in selling aluminum obtained in such resource recovery programs can write to Dr. Robert Teston, Environmental Planning Department, Reynolds Metals Company, 6601 W. Broad St., Richmond, Va. 23261.)

Incineration, although hard to control in terms of maintaining air pollution standards, can be used to generate steam for power generation. Pyrolysis, in which organic waste components yield liquid or gaseous fuel when heated under pressure in

an oxygen-starved atmosphere, is also being investigated.

The Garden State Paper Company Inc. recently contracted with System Planning Corporation to analyze the economics of source separation of newspapers compared to burning or landfill alternatives.

A copy of the study summary can be obtained by writing to the Garden State Paper Company Inc., Park 80 Plaza East, Saddle Brook, N.J. 07662.

ONE THING the study stresses is that source separation of newspapers is compatible with landfilling or burning solid waste for energy. It assesses landfill only, energy recovery and landfill, newspaper recovery and landfill, and all three together.

The best choice for any local government to follow can be determined by analyzing the methodology developed in the study, which contains detailed analyses of three approaches and nine different sets of hypothetical circumstances. It is illustrated with charts and lists organizations and publications that can offer further assistance.

The reason source separation of newspapers is compatible with burning refuse for energy purposes is

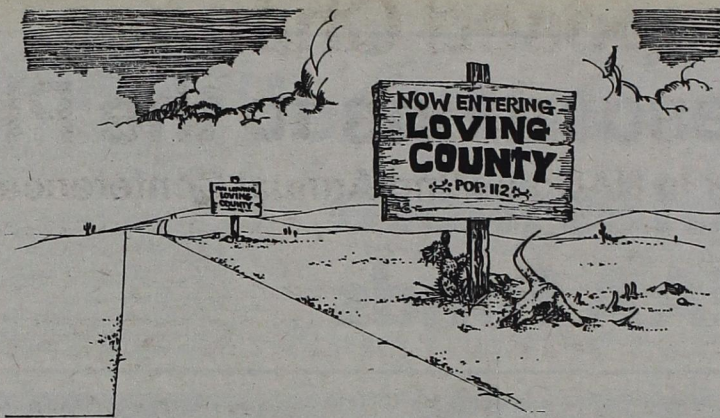
because, according to the Environmental Protection Agency (EPA), removal of all newspapers from the solid waste (a most unlikely happening) would only subtract 5 per cent of its BTU value.

Few if any newspaper source separation programs can be expected to produce all the potentially available newspapers. Some newspapers are utilized within the home for various purposes, like wrapping for garbage, or wind up in the garbage can for some other reason. Once there, they generally are too contaminated for recycling.

EVEN IF paper is recycled once, twice or more often, it will eventually wind up in a form which will point it into the solid waste stream.

Inasmuch as economic, political and social factors vary from county to county, it follows that it might be better to recycle newspapers in one county, use them for fuel in another and landfill them in a third.

Unless a government can obtain a contract with a purchaser of used newspapers which guarantees both a minimum price and a continuing market, one of the other two options might be better, although the option to remove newspapers for recycling should always remain open.



Proposed Changes, Resolutions to the Platform

Prior to NACo's 42nd Annual Conference

The chief elected official of each member county has received a complete set of all proposed changes to the American County Platform and resolutions which the NACo steering committees approved prior to the 1977 Annual Conference. Interested county officials should contact the chief elected official to review the exact proposed language. This report summarizes the changes and additions proposed by steering committees.

Most steering committees will meet from 1-3 p.m. on Saturday, July 23 to review amendments to the platform and resolutions. The NACo board of directors meeting as the Resolutions Committee will convene on Sunday, July 24 from 1-5 p.m. to hear committee recommendations. Any county official is permitted to testify during the public hearings. If a resolution from a member county has been rejected by a steering committee, it may still be submitted to the Resolutions Committee. All platform amendments and resolutions will be considered at the annual business meeting, Tuesday, July 26 at 9 a.m. To be considered at the business meeting, resolutions and platform amendments must have been considered by the Resolutions Committee on July 24.

Community Development

All matters pertaining to general community development in urban and rural areas; residential, economic and industrial development; public facilities, financing and development; housing in rural and urban areas; development of new communities; drought and disaster relief.

Chairman: James M. Scott
Supervisor, Fairfax County, Va.

Staff contact: Elliott Alman, John Murphy

The committee has proposed to amend the platform by adding sections on public works, and drought and disaster assistance. In addition, the committee has also adopted resolutions covering public works and rural development.

In the amendments, the committee:

- Strongly endorses participation of counties in programs such as the Local Public Works Act of 1976, citing the expanding role of counties as providers of public services and the need for public works facilities as well as the private sector job stimulation potential of these projects.
- Recognizes the severe impact of drought and natural disasters on urban and rural counties and the role of the federal government in assisting affected communities; urges a long range, federal effort coordinated with local governments for disaster relief.
- The public works resolution endorses the 1977 local public works program and urges its reauthorization if nationwide unemployment continues to exceed 6.5 per cent. It also advocates the countywide use of unemployment data, county eligibility from pockets of poverty, and use of county services, budget, and capital outlay in determining county share of public works funds.
- The rural development resolution calls for: full funding of the grant and loan programs of the Rural Development Act of 1972; legislatively increased rural development grants to cover 75 per cent of project cost, deletion of the "one per cent rule" from the regulations, and preference given to countywide and areawide systems; and the Farmers Home Administration to promulgate rules defining the eligibility of rural portions of urban counties for rural development assistance.

Criminal Justice and Public Safety

All matters pertaining to the criminal justice system including law enforcement, courts and corrections; civil disturbances; firearm control; juvenile delinquency; and emergency preparedness.

Chairman: Philip Elfstrom
Supervisor, Kane County, Ill.

Staff contact: Bill Bertera

The committee has substantially redrafted the corrections section of the platform and added an entirely new section on criminal justice planning and coordination and the role of the county coroner.

The corrections plank:

- Notes that counties, while presenting the best opportunity for rehabilitation, cannot bear the financial burdens without substantial help from state and federal sources;
- Encourages the use of community based corrections facilities;
- Urges county governments to establish an intake screening process for the purpose of determining the needs of clients and assessing risks inherent in release on reconnaissance programs;
- Advocates the minimizing of incarceration costs by maximizing use of existing community services;
- Urges the provision of humane living conditions and rehabilitation programs within corrections systems;
- Encourages states to encourage multi-jurisdictional facilities between counties and municipalities where practical;

- Urges the establishment of standards for adult and juvenile detention services and fiscal assistance from the states in meeting these standards;
- Mandates that corrections programs and services be provided without discrimination.

The county coroner/medical examiner plank:

- Urges that the county coroner/medical examiner be an integral partner in the community planning process and in the development of public health policies.

The criminal justice planning and coordination plank:

- Urges counties to develop a criminal justice and planning policy through the use of LEAA or other state and federal funds to develop programs and priorities;
- Urges state governments to designate single-county planning units in urban areas and multi-county units in rural areas with staff located in the areas they serve;
- Outlines functions of county planning and evaluation unit;
- Supports majority representation on planning units and policy boards by officials from general purpose governments;
- Urges cooperation in establishing mini-block grant procedures.

Employment

All matters pertaining to employment and training programs and the jobs aspects of welfare reform. These include youth employment, public service employment, vocational education, migrant and native American programs, rural manpower, employment security and unemployment insurance.

Chairman: John Klein
County Executive, Suffolk County, N.Y.

Staff contact: Jon Weintraub

The committee has made significant changes in two sections of the platform.

The section on Youth Programs has been substantially redrafted including the following planks:

- Special funds for training programs for youth should be provided through CETA.
- Programs should be open to youth through 21 years of age with the lower age limit established by individual state law.
- Programs should be open to unemployed, underemployed and economically disadvantaged youth.
- The only fringe benefits for youth participating in such programs should be Social Security (FICA) and worker's compensation.
- Length of participation for youth in such programs should be determined by individual CETA prime sponsors.
- Formula allocations under such programs must be made to all CETA prime sponsors, based on viable national data reflecting unemployment and economic status.
- Funding for such programs should be triggered to the national unemployment rate.

The section on Unemployment Insurance has also been significantly redrafted. The committee is urging:

- Support for 50 per cent federal funding for extended benefits paid to county employees;
- Creation of a program offering job development, job creation, skills training, work experience and upgrading opportunities as an alternative to massive federal subsidy of income transfer payments;
- Extension of 100 per cent federally funded emergency unemployment compensation as an interim measure. Benefit payments under such a program should be available to support recipients enrolled in job creation or job training activities;
- Opposition to unemployment insurance benefit payments based on participation in federally funded employment and training programs.

The committee also added language to strengthen NACo's position on adequate funding. The new language supports a mandate: that the Secretary of Labor must make final allocations of all formula funds for CETA programs within 30 calendar days of the date that the appropriations bill becomes law.

The Employment, and Welfare and Social Services Steering Committees jointly adopted three resolutions on **Welfare Reform**. The committees resolved that:

- NACo express its concern that comprehensive welfare reform must include a full employment policy which emphasizes creation of jobs in the private sector. Job creation in the public sector should be emphasized when efforts in the private sector have been exhausted.
- NACo urges the President, as a part of welfare reform legislation, to exhaust every possibility of encouraging job creation in the private sector. In calling for the development of incentives, NACo expresses its belief that the private sector is and should be the primary source of jobs and that public sector jobs should be used only when no other employment opportunities are available.
- NACo urges the development of a permanent federally funded base of public sector jobs, the funds for which would be triggered on and off by national and local levels of unemployment in order to be responsive to shifts in the national economy. In making this recommendation, NACo expresses its belief that

public jobs should be made available at times of high unemployment to allow state and local government to maintain services as well as to provide jobs for unemployed individuals.

Environment and Energy

All matters pertaining to air, water and noise pollution control; solid waste management and disposal; soil conservation; flood prevention and control; mining and mineral resources; the preservation and proper utilization of land and water resources; and energy.

Chairman: James Hayes
Supervisor, Los Angeles County, Calif.

Staff contact: Carol Shaskan

There are no changes to the **environment section** of the platform but the committee has adopted the following resolutions which urge:

- Enactment of amendments to the Clean Air Act to allow new industrial growth in those areas of the country that are exceeding air quality standards;
- Congress to adopt vital interim water pollution amendments to give local flexibility to determine how best to finance the operation and maintenance of treatment plants and to extend the July deadline for complying with water standards;
- Congress to simplify the industrial cost recovery requirements of the 1972 Water Pollution Act;
- Congress to allow case-by-case exemptions of water secondary treatment standards for municipal plants which discharge into ocean waters;
- The Army Corps of Engineers and EPA to continue to work with state and local officials to simplify and decentralize the 404 dredge and fill permit program.

There are no changes to the **energy section** of the platform but a number of resolutions have been adopted by the committee which:

- Support the goals of the Administration's energy plan, while urge that a national energy educational effort be implemented;
- Urge that local governments be recognized as essential elements in the implementation of a national energy policy;
- Recommend establishing a public interest group energy task force to assess impact of energy conservation measures;
- Urge that coal conversion only be permitted where it will not lessen the 1970 Statutory Clean Air Ambient Standards and that the federal government expand the national commitment to research and development into problems created by coal conversion;
- Urge the development of more efficient and safe techniques for the disposal and management of nuclear wastes;
- Urge that any modification of the siting procedures for nuclear power plants must include local governments as full participants in the decision making process.

Additionally, a number of resolutions sustaining present NACo policy in the areas of conservation, insulation of public buildings, the Outer Continental Shelf, electric utility rates, liquefied natural gas, and energy recovery from solid waste were adopted by the committee but do not require board action.

Health and Education

All matters pertaining to health care and health insurance systems; health planning; local health services; mental health, drug abuse, alcoholism, Medicare and Medicaid; elementary, secondary and adult education; community colleges and vocational and technical education.

Chairman: Terrance L. Pitts
Supervisor, Milwaukee County, Wis.

Staff contact: Mike Gemmell

The committee has not proposed any major changes in the health and education planks of the platform. There is a suggested transfer of existing occupational safety and health policy from the health section to the labor-management plank.

The committee has proposed the following resolutions urging Congress to:

- Continue full funding of education impact aid programs and adopt methods allowing forward funding and prior notification of impact aid awards;
- Review handicapped civil rights regulations in terms of their effect on local governments and to adopt along with the Administration a "common sense" application to implementation of the anti-discrimination regulations affecting handicapped individuals;
- Reform programs that provide health services to economically disadvantaged children and to allow counties to continue screening and treating children or referring patients to comprehensive medical care facilities;
- Enact a bill that provides reimbursement to medical facilities for emergency health care rendered to non-resident and illegal aliens;

Continued on next page

Proposed Platform Changes, Resolutions

- Extend the National Health Planning Act with a series of NACO amendments stressing public accountability and strong involvement of county officials in the health planning and resources development process;
- Adopt amendments to Medicare allowing for reimbursement to rural and underserved area clinics for physician assistant or nurse practitioner services;
- Enact a bill that seeks to hold down the skyrocketing rise in hospital costs by placing a 9 per cent growth lid and by insuring that public hospitals are reasonably reimbursed for outpatient services; and urging NACO to restrict smoking to specified areas in all future NACO meetings, conferences and workshops.

Home Rule and Regional Affairs

Overall, the Home Rule and Regional Affairs Committee performs an oversight service on all NACO policy to assure that NACO policy reflects the integrity of local control over county policy. Several basic tasks of the committee are to reiterate NACO policy on home rule and regionalism; to review all current policy for consistency/variance with NACO policy; to surface inconsistencies and work out alternatives with the appropriate steering committee; and to implement a system which discourages inconsistencies from developing.

Chairman: John Mulroy
County Executive, Onondaga County, N.Y.

Staff contact: Terry Schutten

The committee has not proposed any changes in the platform, but has approved resolutions to:

- Support an expansion of the Intergovernmental Personnel Act (IPA) to include general management. The present act is limited to personnel policies and training functions, the new amendments to IPA would incorporate personnel as one of the management functions, i.e., procurement, financial, inter-governmental relations.
 - Support the Intergovernmental Coordination Act of 1977, provided that a number of principles be agreed upon by local elected officials to strengthen their role in the sub-state districting process. These principles would include but not be limited to the following: strengthen role for elected officials in the designation of areawide agency; incentives for locally elected officials to encourage elected officials to use the areawide agency; that large areawide agencies can be sub-districts should the local officials so desire; that an areawide development guide should require 75 per cent approval of the local general purpose governments within the areawide agency; and that state governments should comply with local prerogative.
- The committee supports a resolution that state and local elected officials, their associations and employees should be given the same status as elected federal officials, their associations and employees.
- NACO is deeply concerned that the bill, H.R. 1180, being considered by Congress to improve the present regulation of lobbying would not exempt our employees who have been hired by public bodies joined together in an association and whose costs are paid for by public funds. The committee feels that in a federal system the states and their local subdivisions have a right and a duty to join together to insure that their needs and views will be heard by the various branches of the federal government. H.R. 1180 exempts from registration as lobbyists the employees of individual states, counties and cities, but not when governments join together.

Labor-Management Relations

All matters relating to employer-employee relations including: personnel policy and practice, merit systems, equal employment opportunity, collective bargaining, negotiations, arbitration, mediation, retirement systems, occupational health and safety, workers compensation, and Social Security withdrawals.

Chairman: John Franke
Chairman of the Board
Johnson County, Kan.

Staff contact: Ann Simpson

The existing American County Platform policy, section 7.10, page 63, of the Health and Education plank is transferred to the Labor-Management plank as section 8.8 on Occupational Health and Safety Programs.

The committee has approved two resolutions on Employee Selection Guidelines and Equal Employment Opportunity and labor related prerequisites for federal grant programs.

- The committee urges:
- The Equal Employment Opportunity Coordinating Council to adopt the new Uniform Selection Guidelines and to instruct the Office of Revenue Sharing to republish its regulations using those guidelines;

- Congress and the Administration to rectify the overlap and duplication in civil rights enforcement provisions by consolidating and vesting rule making authority into a single agency;
- The federal government to expand current efforts to bring about technical and financial assistance for those county governments attempting to voluntarily develop an equal employment opportunity program;
- Congress to resist any efforts that would force state and local governments to comply with minimum wage or collective bargaining requirements as a condition for the receipt of federal funds (NACO is opposed to the attachment of legislative riders regarding those items on other pieces of legislation);
- That state and local legislatures be recognized as the proper arena for settlement of labor-management questions in the public sector;
- Congress not to ignore the effect that interference with local labor-management relations would have on the federal system of government.

Land Use

All matters pertaining to the use of land, including comprehensive planning, coastal zone management, recreation, regional issues, federal role in land use, state enabling legislation, intergovernmental relations, and techniques for managing growth.

Chairman: Esther Gelman
Council member, Montgomery County, Md.

Staff contact: Robert C. Weaver

The committee has approved one amendment to the platform that would add a new section to address the vast range of federal decisions affecting the use of land resources. The amendment recognizes that federal regulatory, development, development assistance and federal lands management actions have a direct and pervasive impact on county planning, and that federal agencies are not able to make planning decisions which take into account all relevant needs and factors which affect land resources and county policies. The amendment calls on federal agencies to consult with the appropriate county government prior to taking actions which affect land use and county planning and to conduct such actions in a manner consistent with county policies, planning, and management decisions.

The committee passed a resolution urging Congress to provide separate appropriations for planning and environmental grants as authorized under the Coastal Energy Impact Program established by the Coastal Zone Management Act Amendments of 1976. Separate planning and environmental grants are important for planning, public facilities and services to avoid disruption to local communities, economic development, and environmental resources before Outer Continental Shelf resource development actually begins.

The committee will consider a proposed resolution on agricultural land preservation at its meeting during the annual conference Saturday, July 23. The proposed resolution urges Congress to undertake a study of the need for preserving farmland, and provide financial assistance to states, counties and other local governments that wish to establish their own programs.

Public Lands

All matters relating to federally owned public lands including: tax immunity problems and federal land management programs.

Chairman: George Buzianis
Commissioner, Tooele County, Utah

Staff contact: Jim Evans

Current platform policy on public lands will be consolidated, without change, into a new Public Lands section.

Taxation and Finance

All matters pertaining to the financial resources of counties and other local governments, federal and state fiscal assistance, tax reform, alternative revenue sources, and federal grant-in-aid programs.

Chairman: Elisabeth Hair
Chairman of the Board
Mecklenburg County, N.C.

Staff contact: Aiceann Fritschler

The committee reorganized the platform, consolidating it into major sections as follows:

- 10.1 Federal Fiscal Assistance:** retains support for a permanent revenue sharing program and adds support for countercyclical assistance.
- 10.2 Municipal Borrowing:** deletes an old provision titled Expanding the Municipal Bond Market which contained some confusing statements on the bond market, including opposition to UrBank. (The committee wants to review specific federal legislation regarding an urban development bank before taking a position.)
- 10.3 County Revenues:** existing language in old section 10.12 Property Taxes is simplified and consolidated.

10.4 The Federal Budget Process: calls for advance appropriations for federal aid.

10.5 Federal Grants: adds section requiring that all federal grant programs recognize that county governments serve all citizens, including those in incorporated areas. Also calls for regular evaluation of all federal aid programs to revise, consolidate and/or eliminate programs as needed; and for improving cash flows to local units through wider use of letters of credit.

Two resolutions approved by the committee support: legislation which would permit national banks to deal in revenue bonds; and continuation of present practice of depositing Social Security deductions on a quarterly basis.

Old section 10.14, calling for a constitutional amendment on a balanced budget, is deleted. This section was added by voice vote on the convention floor in 1976 in violation of NACO resolution procedures. The committee believes the section is unnecessary.

Transportation

All matters pertaining to comprehensive transportation planning, highway improvements, highway safety, public transit, airport development, railroads, waterways, and research and development of new modes of transportation and improvements in present transportation systems.

Chairman: Daniel T. Murphy
County Executive, Oakland County, Mich.

Staff contact: Sandy Spence

The committee has not proposed any changes in the platform, but has adopted several resolutions which address current transportation issues. They are intended to:

- Highlight the nation's bridge crisis—urging greatly increased federal funding for critically deficient bridges both on and off the federal-aid highway system at a 90 per cent federal level and to outline key recommendations for implementing the expanded program.
- Underscore the concept of the gasoline tax as a user tax and the primary source of funds for transportation purposes—urging that if any federal gasoline tax is imposed as an energy conservation measure, revenues should be collected by the states to be retained for transportation purposes with a fair share of the funds returned to local government.
- Summarize NACO recommendations for inclusion in the next extension of the federal-aid highway program—highlighting the role of local elected officials in the decision-making process, measures to reduce red tape, and reiteration of NACO support for a major bridge expansion.

Welfare and Social Services

All matters pertaining to immediate and long range welfare reform, income maintenance, administration of county welfare programs, planning and coordinating; and community action agencies. (Refer to Employment.)

Chairman: Frank Jungas
Commissioner, Cottonwood County, Minn.

Staff contact: Paula McMartin

The committee approved an amendment concerning community action agencies (CAA). This section was inadvertently left out of the materials mailed to member counties and is printed below:

Proposed Amendment to the American County Platform

ADD NEW SECTION: 12.6 Community Action
NACO recognizes that efficient community action agencies (CAA) are valuable resources to county government, particularly to rural counties isolated from information, expertise and participation in federally funded human resource programs.

NACO affirms the right of local elected officials to determine if there are needs to be served by a community action program, and which agency should provide community action services. For those communities currently served by one of the nation's 865 CAAs, NACO proposes a reaffirmation or redesignation process, to be completed every five years. The process shall require local CAA boards—including representatives of low-income groups—to assess the effectiveness of its CAA and recommend to the chief local officials whether the program is useful to the community and what local role is most appropriate for it.

NACO supports continuation of the community action effort, including full federal funding for CAA local initiative programs, implementation of the Community Partnership agreements program, return of the federal/non-federal share of CAA funding to 80/20, and fiscal assistance to meet state and federal employment requirements.

The committee also approved three resolutions concerning welfare reform jointly with the Employment Steering Committee which are included in that section.

A resolution resulting from the three national conferences on county resource development for aging citizens, and touching on all aspects of the relationship between county government and the elderly, will be presented to the steering committee. If approved, it will then be presented to the board.

New County Times

On County Modernization

Contracting for Services

In the following article Dr. John J. Kirlin refutes the argument set forth by proponents of "neat systems" of government as the means of delivering more effective and efficient services. He views contracting for services as a promising strategy to take advantage of fragmented governmental systems and to construct a "learning system."

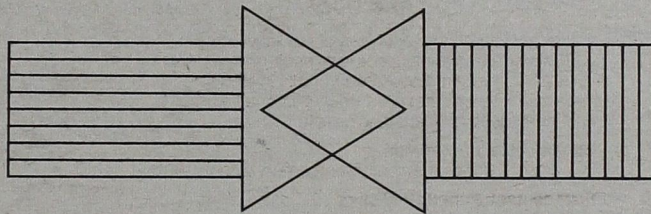
by John J. Kirlin, Associate Professor
School of Public Administration, and
Director, Public Policy Research Institute
Center for Public Affairs
University of Southern California

Our governmental systems are complex, with one dimension of this complexity resulting from the abundance of governmental structures. Nearly 80,000 units of government exist in the United States and our system of governance is the most decentralized and fragmented of all industrial nations. To do anything, to pursue any public purpose, becomes an intergovernmental task requiring action by more than one governmental structure and often several. This is increasingly true not only of environmental policies, but also of the "traditional" functions of police, etc. Interdependencies in land use policies are ever more evident. And the ground rules for interaction are vague, changeable, and often frustrating of achievement. For example, regional water quality control (208) is layered on top of existing A-95 processes, jostles with attempts by states to create special land use planning bodies (e.g., the California Coastal Commission) and builds upon a residue of previous "planning" efforts.

That this is an accurate description of our system is rarely questioned; that it is desirable is often doubted. Historical responses to desires to solve this problem have been attempts to tidy up this fuzzy, loose system by creating consolidated governments, planning bodies, or neat systems by which responsibilities are unambiguously allocated among the units of government. I am not one of those advocates. Not only are these approaches infrequently implemented as envisioned or found to demonstrate their claimed advantages, but their premises seem inappropriate. The arguments for looser, more flexible systems, in which structures are created, modified or destroyed—as particular instances warrant—are more persuasive to me.

Premises underlying these arguments are at least five. First, not all citizens, nor geographical areas, need, desire, nor should be provided with identical services. Second, different problems need to be addressed with policy making arenas of different scale, and different services should be provided by institutions of different scale. Third, in many cases, the policy making jurisdiction need not do the actual service provision but may enter into an arrangement with another government or private firm for service provision to their policy specifications. Similarly, the policy making or producing unit need not finance a service. In short, policy making production and financing of services may be separated. Fourth, things change; today's problems may be supplanted tomorrow, generating demands for new policies, new services, and new institutional arrangements. Fifth, the power to make policies, and especially to define institutional arrangements should not be concentrated at the top of the intergovernmental system, but should be widely dispersed; structural changes should usually be at the initiative of existing local governments and rarely imposed from above.

This advocacy of looser systems immediately poses several vexing questions. Integration of action to goals broader than



Interlocal Cooperation

those espoused by any single governmental unit is required, and difficult to achieve. Appropriate incentives for cooperation will have to be created. Equally problematic, it seems to me, are the strategies to pursue if the claimed advantages of this fragmented system are to be realized.

As we have seen, the advantages claimed are flexibility, the ability to separate policy making from service provision, and keeping policy processes closer to the people and to experience in service delivery. To achieve these advantages, what may be termed a "learning system" must be constructed.

What would such a learning system look like? Three features are minimal requisites. Judgments of success and failure must be made; we must decide what does and does not meet our objectives, and this is often no easy task. Second, information must be shared widely; knowledge of alternative policies and institutional arrangements, and of successes and failures, must be widely dispersed. Finally, policy makers must be able to change present policies, institutional arrangements and organizational behaviors.

Contracting for service delivery appears to be a promising strategy to take advantage of our fragmented governmental system and to construct a learning system. Of course, contracting is not a new phenomenon, but we should view it with different lenses than historically used. Contracting has often been viewed either as a way to get (perhaps inferior) services cheaply, or as a half-way step toward the ultimate goal of consolidated governmental structures.

A Structure Which Greatly Increases the Possibility of Flexibility/Innovation. This is a consequence of separating the question of how to deliver services from that of the "appropriate" governmental structure (including the question of scale). Services (e.g., police) or components of traditionally defined services (e.g., records keeping or specialized investigations) can be dealt with particularly, and the appropriate service delivery structure for each created. The ability to separate the decision making production, and financing aspects of the delivery of any service, or its component parts, is a powerful contributor to increased flexibility. A city, for example, could have numerous service delivery structures without changing its formal structure, boundaries, etc.

If cities, counties and special districts are viewed as decision units—which need not produce or finance services themselves—but which may receive intergovernmental grants, and enter into contracting agreements with other governments and private firms, then the range of possible service delivery arrangements available without changing formal governmental boundaries and

structures is almost limitless. In addition, local government officials increasingly recognize that services can be disaggregated into component activities, many of which are separate enough to be provided via an entirely different arrangement than other components of the service. For example, Los Angeles County provides the following decomposed components under contract to cities. Decomposing "police" services yields traffic law enforcement, general law enforcement, training, record keeping, specialized investigations, helicopter patrol, jails, community relations, business license enforcement, and school safety. And "road" services break into street maintenance, street signs, street sweeping, street-light maintenance, subdivision road engineering and traffic stripping and marking of roads. Private firms are also available to provide many of these services under contract.

A Structure Which Lowers the Cost of Experimentation. Contracting lowers the risks and other costs of experimentation by allowing disaggregated, particular choices, and because contracts are time-limited, and subject to modification and revocation. The contrast between contracting and transfers of service responsibility is instructive in this regard. As the Association of Community Interest Radicals recently documented (*Pragmatic Federalism: The Reassignment of Functional Responsibility*, 1976), transfers are occurring frequently, with counties being the most frequent recipient of transfers. But transfers are entered into as permanent shifts in functional responsibility, with the consequences of increased risk of irretrievable error and inhibition of experimentation.

A Structure Which Facilitates Learning. By definition, contracting includes at least two parties, thus involving the sharing of information and experience. Moreover, consideration of contracting encourages comparisons of alternative structures (should we contract, or provide the service via our own organization?) and among alternative providers (do we get what we want from the county, another city, or a private firm?). The development of a substantial amount of contracting should result in more general knowledge of advantages and disadvantages of alternative ways of providing services, including cost data and the performance records of various vendors.

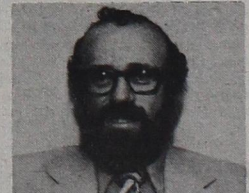
One example of how far this may be taken is the Ventura County (Calif.) Public Works Agency which has adopted the policy of contracting out a maximum of its activities, but of maintaining limited internal capacity to perform services and having this staff bid in competition with private contractors for activities. This reduces the possibility of contractors' bidding unreasonably high in the

belief that the government has no option but to use their services and provides good comparative cost data against which bids may be evaluated. Public works employees also form teams which submit "cost certain" bids for services to other governments within Ventura County. They are then held accountable to deliver the contracted service at the stipulated cost. In contrast, Los Angeles County does not give cost certain bids to other governments, but rather an estimate and then bills for costs incurred according to fixed hourly rates for use of equipment and time expended by various classes of employees.

Thus, contracting is an example of an arrangement whose use can be increased to take advantage of our fragmented governmental system and to assist in the creation of a learning system among governments. Several policy strategies would encourage this development:

- Permissive, exploration-encouraging incentives for contracting (as opposed to mandates) should be developed at national and state levels.
- State-level statutes to establish ground rules for pricing intergovernmental contracts would reduce uncertainty and conflict.
- Within substate regions where policy makers interact, whatever can be done to enlarge the set of available alternative service provision arrangements and information assessing their relative importance is important (e.g., action by local associations of public officials).

In discussions of improving the quality of governmental services, and governmental productivity, changes in institutional settings are sometimes slighted in favor of discussions of new technologies (e.g., one person refuse collection trucks) or new approaches to management (e.g., MBO). For too long, the dominant images of available options for changing local governmental institutional settings have emphasized metropolitan government, regional institutions with planning responsibilities, and mandates of service responsibilities by state and federal governments. These options partake of a strong top-down flavor, and are based upon the premise that the fragmentation characteristic of the American Governmental system must be overcome. The proposal here is that this fragmentation and decentralization, which are strong, enduring features of our political heritage, be embraced and their possible advantages pursued purposely. Contracting for service provision is one strategy worth raising to prominence as policies are developed in pursuit of this vision.



John J. Kirlin

Professor Kirlin taught in the areas of organization theory, urban politics, and public policy. His research has explored the impacts of governmental structures upon urban politics and municipal service provision. He has authored or coauthored one book, *How Cities Provide Services* (Ballinger, in press) and several monographs, chapters and articles.

Private Sector Delivery of Public Services—An Alternative

Basis for Interest in Alternatives

Five readily identifiable factors have produced an increased interest in looking for alternatives to public delivery of services.

Editor's note: The following article first appeared in Urban Options I, a National Urban Policy Roundtable report, published by the Academy for Contemporary Problems (Columbus, Ohio), and portions are reprinted with permission.

Private sector delivery of public services is viewed here as an approach to be considered as governments evaluate available alternatives in meeting increasing service demands.

The need to effectively and efficiently produce and equitably distribute a broad range of goods and services has placed increased demand on government (at all levels)—demands in part related to the setting of market ground rules and in part related to the provision of aid or assistance to those not able to function well in the marketplace.

The current size and significant role of governmental enterprise has stimulated a growing demand for the evaluation of alternatives to governmental delivery of public services. There is an expressed, but undocumented, concern that government in general suffers from system overload. Even among those who insist that government must act more aggressively to protect the interests of certain elements of society, there is a call for a hard look at the manner in which government at all levels delivers its services to meet the needs of society.

Policy Vs. Service Delivery

Fundamental to the discussion of the issues involved in deciding who should deliver public services is some consensus concerning the primary function of government. If one spends a day in the office of a mayor or a governor or a member of Congress, he is compelled from observation to conclude that government is simply a bundle of services. Indeed, the public motivation for the creation of much of local government normally stems from a common desire for a service. Nevertheless, the resulting institutions have as their first task the definition of policies necessary to improve the quality of life, or at least to shape the conditions which will enhance opportunities to achieve an improved quality of life.

When that policy debate has produced a consensus on the objectives and on the nature, scale, and quality of the desired function and on the allocation of essential resources, it is then necessary to move to implementation. Implementation requires a variety of acts involving, among other things, the actual delivery of the services. (The effort here is to review alternate methods of delivering services to the public such as education, day care, water and sewage treatment, police and fire services, street construction and maintenance, food inspection, and health protection. Those activities which support governmental activities, such as data processing, microfilming, utility billing and payroll preparation, or internal functions such as legal, engineering, planning, and public relations are not the subject of this review.) It is not fundamental that government must produce all of the services necessary to carry out its policies. There are clear alternatives. Government may, of necessity, provide some services by producing them itself. It may provide some services by purchasing them from another party. It may act through incentives or regulations to create conditions within which the public may avail itself of services from one or more producers in the private sector.

Public Sector Growth. The cost and size of local government have been growing rapidly. Urban analysts, politicians, and much of the public have asked whether local government needs to do all that it is doing. Should not some of the functions be eliminated as public functions and left to the private sector? Would the marketplace better judge the demand (need) than subjective political judgment? Would the private sector provide services more economically? Is the private sector being squeezed out of an area of activity which it has the capacity and interest to pursue?

The growth of local government has indeed been dramatic. It has expanded at a rate two to three times faster than the federal government. Local government now accounts for over 50 per cent of all public employment. Projections for the future suggest it will continue to grow during the next decade at about the same rate as the last decade.

Responsiveness and Accountability. Local delivery systems have been increasingly charged with being nonresponsive and unaccountable to the needs of their varied urban constituencies. The historical contention is that local government, being closest to the people, is the most representative. Clearly many members of the public see themselves as buyers of expensive public services. Yet, they cannot modify the manner in which services are delivered, the content of particular services, nor the choice of alternate suppliers.

Traditionally, the public accepts the nonmarket public delivery system. Mounting complaints over the quality and quantity of services, however, have generated questions concerning its monopolistic characteristics. Inefficiency, unresponsiveness, and excessively high costs appear to be too much of a price for some to pay for tradition. Local government seemingly has not avoided the natural consequence of a monopoly system.

Productivity. Monopolistic characteristics affect the capacity of most public agencies, their overall quality, and productivity. The impact goes well beyond the limits of individual service functions. Often agencies are committed to building management goals, setting standards of professional practice, and improving staff relations (all of which are self-gratifying). Very rarely do they set production goals or productivity standards to measure cost effectiveness and responsiveness. They tend to justify their own existence and continuation. As a result, outdated programs seldom are discontinued.

Innovation and Adaptation of New Technology. The rapid introduction of new systems and new technology into many aspects of national life has accounted for major changes in both the overall quality and productivity of society. The proper mix of technology and personnel is critical to increased productivity and cost stabilization.

Cost and institutional constraints, size, and the complexities of service systems have impeded innovation and adaptation of new technology in the public sector. Government decision-making processes, given the political need to "play it safe," are premised on past experience and incrementalism. Innovation does not win many elections.

Fiscal Attractiveness. Local government expenditures are so large the functions they

finance have become attractive to alternate providers. When public sector activity was relatively small, there was little interest in privatization of governmental services. Many in the private sector believe that they are better able to provide the administrative skills and productivity required of large industries or concerns—the type now involved with delivery of public services.

Alternate Delivery Systems

THE HYPOTHESIS

Concerns raised above provide a basis for testing different public policies. Given even limited experience with alternate delivery approaches, this hypothesis should be evaluated. Competition for alternate delivery arrangements will slow down the expansion of public services and rising costs. Such alternatives will also make existing public systems more responsive, increase productivity, increase innovation and the introduction of new technology, better utilize the time of policymakers and managers, and be more profitable to the private sector.

THE EXPERIENCE

The functions government performs, while generally characterized as public services, are sufficiently broad and stem from a wide range of legal authority to make the application of a single standard of measurement or a single, categorical conclusion regarding either the legality or practicality of assignment or delegation of roles impossible.

To some observers, it is axiomatic that all unprofitable functions will become governmental responsibilities and, conversely, profit-making operations will be moved from governmental to privately owned operations.

TANGIBLE SERVICES

Several types of "public services" are delivered by nonpublic or quasi-public entities. They generally are services whose standards or performance can be readily prescribed and whose outputs are readily measurable. They tend to be represented by the "hard goods" activities such as solid waste collection and disposal, water supply, street paving and maintenance, ambulance services, transportation services, vocational education, and some kinds of police activity.

Traditionally, ambulance and transportation services have been provided in most communities by private sources either on a for-profit basis or under a municipal franchise. Changes in legal liability, requirements for availability, insistence on highly sophisticated and expensive equipment, higher manning requirements, and in the case of transit, declining use, have forced most marginal and some otherwise profitable private operators out of business. More relevant perhaps, the absence of visible private providers in many localities has required public involvement, given the need to continue service. Inadequate comparative data concerning the merits of public/private delivery discourage conclusions regarding costs, productivity, and accountability. Nevertheless, trends suggest an increasing use of private sector contractors with public sector providers. In both of these areas public officials see a need for management assistance.

INTANGIBLE SERVICES

Private sector involvement in the delivery of services related to general education, social services, and, to a lesser degree, recreation is expanding. Inability to determine acceptable standards of output has made these types of services less subject to measurement.

During the late 1960s and early 1970s, the Office of Economic Opportunity (OEO) sponsored several experimental programs in public school systems to test the introduction of new technology and teaching systems as well as the ability of private organizations to alter the productivity of the system. These programs permitted private firms to engage in the development of curriculum, teaching systems and technology, management, and evaluation. The private providers were given virtually free hand and were provided significant economic incentives. The programs were carefully monitored and the results were

evaluated against predetermined standards and objectives. The results were inconclusive. The delivery of social services by nonpublic providers is expanding. The Comprehensive Employment and Training Act of 1973 and Title IV-A of the Social Security Act of 1967 permitted state and local governments to utilize the private sector for the delivery of some services. Heavy reliance on the voluntary and nonprofit organizations as providers, as contrasted with for-profit providers, suggests that experience to date has been too limited to draw specific conclusions. In this context, the Urban Institute's analysis of social service contract activity concludes:

There has always been some contracting in social services. In recent years this has suddenly increased as a result of new federal legislation, and the new activity has gone forward in a sector whose management was ill-equipped to deal with it. There are efforts being made in many states to gain the necessary expertise in contract preparation and monitoring.

Because of the paucity of suppliers (brought about in part so far because of unrealistically low prices) and also because of laws and traditions against using profit-making firms, there is little experience yet with competition. We discovered that homemakers as well as day care services are a partial exception to this:

As had been pointed out in the 1970 Booz-Allen study, as well as by numerous individuals we interviewed, the contracting experience is giving rise to the existence of management information which is somewhat better in quality to what had been available before. It would also appear that some of the early fears about the impossibility of pricing "intangible" services have not been justified by subsequent experience. Also, the social service area may offer real opportunities for the introduction of performance contracting, particularly in the rehabilitation field. However, work is just starting in this area.

Evaluation—Lack of Hard Data

In spite of the variety of ways in which many communities arrange for the delivery of public services, objective and comparative data are scarce. Local decisions to change suppliers are frequently unrelated to measurable criteria or rationale trade-offs, and most communities have not undertaken extensive evaluations of results. Nevertheless, the limited number of existing evaluations permit some judgments about the validity of the hypothesis presented earlier.

Growth in Size and Costs. The rapid growth in governmental costs and bureaucracy could be arrested by privatization of some functions currently administered by government. Evidence is inadequate to point to the superiority of either the public or private sector in holding down size or costs. The evidence is much more persuasive that a monopolistic condition favoring either public or private production of services is subject to abuse. Under carefully controlled conditions, costs/benefits may favor one system over the other. Yet one or more exogenous factors other than system administration (i.e., inflation, urbanization, and population growth) appear often as the key variable. Proprietary agents seem to have the cost advantage over voluntary agencies because of sounder administrative practices, better controls, more backup capital, and effective management. But, even here, the data are not conclusive.

Probably the most important benefit to be derived from a local analysis of delivery system options is a clearer definition of local governmental objectives and priorities, as well as a more precise plan for utilization of resources and technology. Further, such analyses could well lead to public criteria relative to service accountability. Thus, the development of contract specifications, when applied to the public sector activity, could have a major impact on setting performance standards for all aspects of public sector activity.

Responsiveness. No charge stings the public bureaucrat more than a charge of unresponsiveness, particularly in light of the frequent contention that the private sector has a "public be damned" attitude.

The relationship between customers' satisfaction and profit may tip the scale in favor of the ability of the private sector to provide at least certain services in closer conformance with household priorities. Government agencies are prone to force a public need to fit their programs rather than to make the program, or combinations of

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Interlocal Service Delivery:

A Practical Guide for Local Officials

Editor's note: The following is a summary of "Interlocal Service Delivery: A Practical Guide for Local Officials." This handbook is part of NACo's program effort to assist local governments in understanding and effectively using interlocal service delivery agreements. The summary is presented in the same format as the handbook: (1) what to consider first, (2) contract development, (3) costing, and (4) administering the agreement. The handbook was developed by the National Association of Counties Research Foundation's Interlocal Service Delivery project under a contract with the Office of Policy Development and Research, U.S. Department of Housing and Urban Development.

What to Consider First

Many intergovernmental agreements are entered into with a "let's do it and see what happens" attitude. At times these agreements work well but, more often than not, one or both of the contracting parties realize an unnecessary financial, political or legal burden which affects the overall benefit of the program. There are roughly four primary areas that jurisdictions should consider prior to entering into an agreement to insure maximum benefit:

- Legal authority
- Costs
- Policy and politics
- Feasibility and resource capability

Legal Authority. Virtually all states allow their political subdivisions to cooperate to some degree. A thorough knowledge of your states constitution, general and special enabling legislation and the manner in which relevant constitutional and statutory provisions have been judiciously interpreted and applied is advised.

The assumption of sufficient legal authority to cooperate is not enough. Many states impose restrictions and procedures which affect the timing, utility and possibility of an intergovernmental contract. For example, Texas has over 100 specific statutory authorizations for cooperation between local jurisdictions that cover classes of governments permitted to cooperate by function, population class criteria, and so forth. In Washington, each governing body party to the contract must pass an appropriate ordinance or resolution before any agreement can be reached. For some activities, the state's department of community affairs requires

time to review and comment on an agreement. Pre-Contract Considerations:

Are there any local charters, ordinances, other contracts or labor agreements that affect this agreement?

Just as the review of relevant state law is necessary, so is the review of local charters, ordinances and other relevant contracts to insure there is no conflict as to law or jurisdiction.

Does the law specify or suggest language to be used in the agreement?

Uniform contract language is generally agreed to be beneficial in contract agreements especially when several jurisdictions are involved and the potential exists for increasing the number of participants.

Does the law indicate the maximum or minimum tenure of an agreement?

Certain state laws require contractual arrangements not to exceed five years. Others allow for indefinite agreements and specify the procedure for termination.

Must the agreement be approved by a state or regional officer or body before it can become effective?

Some state laws require an agreement to be approved by a regional agency (especially where federal funding may be involved) or the attorney general (for review as to compliance with state law).

Does the law address such issues as liability, allowable overhead costs, or equipment and property disposition at termination of the contract?

Each of these items would have an impact on cost and your ability to provide the services, your existing structure, budget and capital outlay.

The understanding of these and other items and the responsibilities they involve can head off most legal and political conflicts and make for a stronger working agreement.

Costs. A primary concern to public officials hoping to realize increased benefit from an intergovernmental agreement is cost. A lesser cost for the same level of service currently being offered, as well as a higher level of service for the same cost, should be considered. Often, participation in an agreement may result in initial cost increases but eventual cost savings.

Some questions to consider regarding cost should be:

Is it cost effective to join with other governmental units (offer the service areawide) to realize the most economic benefit for all parties?

A popular axiom is that a single agency can provide a service cheaper than many agencies. A provider should assess whether this is the case for the service in question. Also, though there may not be lessening of cost, a single delivery agency may produce increased efficiency and overall coordination.

What additional administrative costs would be involved by the execution of this contract?

Special administrative requirements such as additional recordkeeping, budget accounts and additional personnel may be necessary in the execution of a contract. These kinds of requirements should be fully explored, documented and included in the agreement.

What provisions should be included in an agreement regarding inflationary costs?

If multi-year contracts are executed, consideration must be given to the impact of inflation in order to maintain the quality of the service and insure adequate finances for materials and personnel.

Will federal or state aid be available should an intergovernmental arrangement occur? If funding for the service comes from federal or state funds, is the contract tied to the funding?

There are many federal and state programs where either the eligibility law/regulations or the implementing agency give priority to consortia or multi-jurisdiction applications. The type of service and requirements of law conducted are the key.

Policy and Politics. In any intergovernmental arrangement, politics is an important consideration in deciding whether to enter into a formal contract. How the citizens of the provider and recipient jurisdictions will perceive the contract, and the level of trust and cooperation between the official of each community must be weighed carefully. Unlike the previous two categories, there is no one major question that must be answered, as in, "Do we have the legal authority to do this?" or "Can we afford this contract?" Local political situations are too varied and in constant flux. It must be said, however, that politics is probably the biggest enemy to intergovernmental efficiency through contracting.

Questions:

Will the benefits from the contract offset any negative reactions from a possible tax increase? Can a specific benefit be identified?

Citizens must be made aware of the increase in service, if any, and the more efficient use made of personnel and equipment. The basis for intergovernmental cooperation is increased productivity.

Will this contract enhance the provider's relationship with the recipient, and could it lead to other contracts?

The better the provider does in rendering the service, the more other jurisdictions may consider contracting for it. Service delivery efficiency and cost will be primary determinants in the relationship.

Does the recipient jurisdiction understand that some local policy control in the production of the service may need to be relinquished to the provider?

Potential recipients should realize they must compromise in some respects to operating procedures and policies already established by the provider. This compromise should be considered before a recipient approaches a potential provider, and definitely during the contract negotiations. Both parties should discuss and have a clear understanding of which decisions are to be made by the provider and which by the recipient.

How will public contract delivery of a service compare with private delivery?

Local government needs the support of private industry. The economic well-being of the communities involved should be considered in terms of competition, jobs and fiscal health of the business community.

Questions such as these are an acknowledgement to the fact that policy support and political attitudes directly affect service responsiveness between governments.

Feasibility and Resource Capability. An efficient and effective agreement is based on the determination of a new service provider that it will be able to perform the service and is aware of the requirements.

Pre-contract considerations:

What changes might be needed to meet the quantity and quality of service required of the recipient government?

- Personnel (production and support)
- Facilities
- Equipment
- Organizational/structural arrangement
- Fiscal procedures

A new provider should determine whether any new requirements are necessary to provide the service. These requirements affect the contract administration and cost.

Is there an indirect burden on resources which might affect the new provider's ability to provide areawide services to those people presently obligated to serve?

Any formal agreement should not work to the detriment of those presently served. However, the potential of an agreement may serve to get maximum use out of existing facilities and personnel not currently being fully utilized. A time management or work schedule review may be a recommended course of action in making this determination.

Is there a capacity to offer the service areawide so as to achieve overall economy of scale, eliminate duplication and fragmentation, etc.?

Many jurisdictions, through councils of governments or regional associations, have studied the most economical means of delivering various services. In many instances, the potential of one intergovernmental service arrangement has prompted the establishment of mutually agreeable and beneficial areawide delivery systems.

In a review of the resources capability, the policy maker and administrator should have a comfortable understanding of the fiscal responsibility involved, personnel requirements, and facilities and equipment needs.

Though not exhaustive of the pre-contract considerations necessary to address, those presented above have direct relevance to increasing the potential benefit from any intergovernmental agreement.

Contract Development

After weighing the legal, political and financial considerations involved, governments may decide to enter into a contract. In so doing, each government should be aware of its respective role.

The recipient government should, among other things: Articulate as specifically as possible the kind and level of service it requires to insure an adequate estimate of costs from a potential provider government.

Also, a recipient should relate such other factors as: level and duration of the service desired, geographic areas to be served, and the projected rate and method of payment. In essence, it is the burden of the recipient government to articulate service needs and, if they can be identified, performance standards.

The provider government should, among other things:

- Make sure it can deliver on its obligations without having to curtail present service obligations or subsidize new obligations.

The following summary contract outline may be of assistance in developing a formal agreement.

NATURE OF THE ARRANGEMENT

- Description of parties involved
- Explanation of need for contract
- Citation of legal authority
- Definition of terms

LEVEL OF SERVICE—WORK TO BE PERFORMED

LIMITATIONS

- State statutes
- Local charters
- Labor agreements

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Private Sector Delivery of Public Services

Continued from page 6B

programs, fit the public's need.

Conversely, the private sector appears at times to seek out the clientele which can be served at the least cost and the greatest profit, leaving the high cost or problem cases and issues for the public sector to absorb.

There is no clear-cut definition of the "best." It is possible, however, that select use of alternate providers in some areas, or even the consideration of such use, would sharpen the attention of a threatened bureaucracy, forcing in the process more concern for output and client satisfaction.

Productivity. The lack of well-defined productivity criteria and measures of output for most services, in contrast to data available on inputs, makes efforts at public/private comparison difficult and inconclusive. Reliance on resource input comparisons may not provide contractors with incentives for improving performance. In some cases, factors such as the availability of a key "public" service may be more important than conventional productivity ratios. The real problem of productivity in the public sector may be difficult to resolve, given varying need/demand factors and often overriding public policy or political situations.

Innovation and New Technology. Adaptation of innovative systems and new technology has generally been a hallmark of the private sector. It is interesting to note that 75-90 per cent of all patentable inventions are the product of private innovative activities, although the federal government finances 75 per cent of the nation's research.

The profit motive is a major incentive for innovation, an incentive that does not exist in the public sector.

The nonpublic alternate provider has the advantage of being able to readily adapt to changing conditions. Contracts can be changed, amended, and even broken to incorporate innovation or the use of new methods. Such advantages do not often accrue to public bureaucracies because of legal, political, fiscal, and structural restraints.

Private Profit. A clear policy of choosing service providers based upon carefully prepared performance criteria will result in more involvement of the private sector in the delivery of public services. To the extent that this occurs, the private sector can be expected to ultimately show profits on heretofore public activity. The private sector leadership will become more involved in the resolution of public issues and the design and delivery of services to meet public needs.

Governance and Management. The exercise required of public bodies in evaluating alternate provider opportunities can be expected to build local policymaking capabilities. Public officials traditionally exercise more control over definitions of goals, objectives, products, and measures of effectiveness when they contract for delivery of services than when they assign the function to one of their own agencies. As a result, policy definition, resource allocation procedures, and performance objectives could be improved.

An established policy for determining the basis for utilizing either the public or the private sector provider would relieve the policy body of excessive concern with management details. The clearer definitions essential to decision-making will provide a basis for broader management controls (and reduce the need to return constantly to the policy body for clarification or alteration of program details), permitting the policy body to give more attention to oversight and other policy concerns. Likewise, such definitions might permit internal management to devote more time to the development of program criteria and interprogram coordination instead of to administrative detail.

Obstacles to Expanded Use of Alternate Providers

Although alternate producers present visible public benefits, profits, and other rewards, they have been used infrequently. This low results directly from significant institutional blockages.

Local government expenditures are so large the functions they finance have become attractive to alternative providers.

Lack of Incentives. Public policymakers and administrators often lack real incentives to save public funds and engage in opportunity costing. Seemingly, they do not operate within the same framework as business. Few are constantly concerned with a profit and loss statement and/or changing equity positions on a balance sheet. The only sustained incentive to conserve public funds, and thus to look for alternatives, comes from the public reaction to increased governmental costs.

Relationship of Government and Business. Increased utilization of the private sector forces consideration of the fundamental relationship of American business and government and the role and responsibility of the private sector in the economic and political system.

The major strengths which business can offer society as an alternate provider to government must be those which fit its basic understanding of its mission and competence in contrast to those responsibilities which may be expected of it or be imposed upon it under the philosophical umbrella of social responsibility.

Legal Barriers. The prevailing philosophy in the United States has placed government in an adversary relationship to business. The federal system is replete with laws designed to keep business out of government or to set limits on political morality of public officials as they relate to business. The relationship lacks any degree of administrative flexibility and places even the most positive, public interest relationships in a tainted category.

Our basic philosophy, as reflected in law and related practices, forces unnatural and often unreal negotiations. For example, required bidding procedures often impose time and fiscal burdens upon prospective providers without any certainty that they will ever recoup investment. Rules related to bonding and public exposure of all details of business operations (although only a fraction of business activity may be with a public agency) and requirements concerning performance criteria, often not directly related to the assumed function, limit the ease with which

constructive relationships can be formed among government and the private sector.

Prohibitions Against Contracting Out. A major obstacle has been the prohibition against contract services. Not until 1967 did Congress authorize state and local governments administering Social Security programs to contract out a wide range of support services. Similarly, during the first 40 years of operation of the Employment Security Act, all job placement services were required to be handled by the jointly sponsored federal-state employment service agencies. Only in 1973, with the amendments to the manpower act, were local prime sponsors authorized to negotiate with other providers if needed manpower services could be better secured.

While public education and public housing have not operated in such an exclusive system, many legal and fiscal conditions preclude or discourage the development of nongovernmental alternatives.

The housing allowance concept has been sharply criticized because it has been associated with interests whose basic objective has allegedly been to kill off all federal support for low income housing. Provision of allowances, according to those opposed to them, will simply bid up the price of housing while not providing the supports necessary to assure an increase in housing supply. These arguments have merit, but they do not reflect the burning desire on the part of people, including low income people, to exercise more freedom of choice.

Bidding Procedures. Bidding procedures frequently seriously deter private sector involvement in public service delivery. Such procedures reflect the concern expressed earlier that business might exert inappropriate influence on government and must, therefore, be kept at an arm's length to avoid favoritism, payoffs, and kickbacks. The result has been procedures which produce inordinate delays.

Public Policy Mandates. The increasing number of requirements with which business contracting with public agencies must comply discourages involvement. Public contracting often brings special obligations and requirements which result in extensive reviews and audits and which subject the entire business operation to continuous public exposure.

Profit Vs. Nonprofit Providers. Frequently, either statutes or local policies related to bid procedures or to the selection of contractors give stated preference to nonprofit organizations over businesses for profit. Yet, there is no compelling evidence that the capacities of voluntary, nonprofit, quasi-governmental, or intergovernmental enterprises are superior to profit motivated providers.

Limited Number of Suppliers. Any new venture is risky, especially if the program area itself involves a new public responsibility, is controversial, has a short contract life, or requires heavy capital investment. Any nongovernmental management must consider a decision to engage in a new undertaking in terms of necessary management, personnel, structural, and financial adjustments required to activate the undertaking and to assure its successful and profitable operation.

Specifications. The most significant deficiency in the ability of public agencies to manage their own programs or to determine the merits of using alternate providers is the lack of adequate standards of measurement of performance. This is especially true in the soft goods area. The condition reduces the opportunity for suppliers to build a base of accepted operating experience and inhibits confidence on the part of the public sector concerning their ability to control contractors.

Employee Opposition. Opposition by public employees to contracting out of services has and will continue to limit the ability of agencies to use alternate providers. This opposition is becoming more militant and more effective with the advent of collective bargaining. It is formalized in statutory provisions for tenure and no layoffs and, more recently, in union contracts which prevent the elimination of positions or which assure the protection of positions under possible new management.

Interlocal Service Delivery Guide

SERVICE CHARGES

- Salaries
- Depreciation on equipment
- Overhead
- Office supplies
- Clerical work (support services)
- Employee fringe benefits
- Capital expenditures

ADMINISTRATION

- Units responsible for services
- Control over responsible units
- Joint agencies such as boards, commissions, etc.; number, title method of selection, term of office, compensation of officers; number and frequency of meetings; and procedures and qualifications for voting and provisions/conditions for new membership

FISCAL PROCEDURES

- Reports
- Budgets
- Manner and schedule of payments

PERSONNEL RIGHTS

- Utilization of personnel
- Safeguards for civil service rights, privileges, immunities and fringe benefits

STAFFING

- Procedures
- Terms

PROPERTY ARRANGEMENTS

DURATION, TERMINATION AND AMENDMENT: CONFLICT RESOLUTION

MONITORING AND EVALUATION

Costing

Because each service is different and contains so many variables, a set formula for determining costs cannot be presented. In any attempt, however, modification would be

necessary based on sensitivity to local conditions, both political and financial, and state law.

For our purpose here, intergovernmental contracting among local governments can generally be broken down into three main categories.

Fee and Subsidy. The provider government determines a fixed fee and bills the citizens who receive the service. For example, a county responsible for a city's trash collection will send a bill for collection to every homeowner. If the fee is not sufficient to cover the costs, under this system, the recipient government agrees to make up the difference. Should the fee exceed the costs, it would be either refunded or credited to the homeowners' accounts.

Taxation. The provider government taxes those who receive the service. For example, an item would appear on his tax statement for "garbage disposal." Since the provider community recovers the total cost through individual taxes, the recipient government incurs no additional cost.

Government-to-government billing. This is the method most widely used in business transactions and in interlocal contracts. The provider government bills the recipient government(s) for the actual costs of the service, bypassing the individual. This technique is most frequently used when it is difficult or impossible to determine what each person should pay, as in police and fire protection.

In general, cost computation includes three elements:

- The direct costs for performing the service (normally labor and materials).
- Producer agency indirect costs (normally the overhead of the producer agency to include maintenance, supervision, etc.).
- General government overhead attributed

to the support of the producer agency (auditor, personnel department, etc.).

The inclusion of these three elements helps insure that the provider government can more accurately recover its true costs for providing the service and the recipient government can project efficiency and effectiveness from the expenditure of the public dollar.

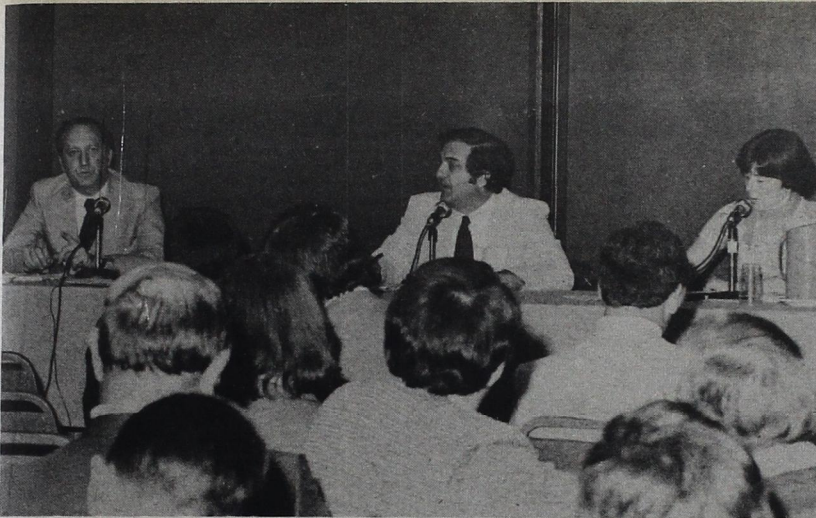
Administering the Agreement

Once a contract has been entered into, each government, in order to receive maximum benefit, must realize and fulfill its respective obligations. The successful administration and monitoring of the contract is equally important to productivity improvement as is the cautious development of it.

Each government should consider at least two elements in the administration of an agreement: the contract, as a "work order" or outline that sets out the terms of the agreement and serves as a guide for its administration, and the establishment of an internal monitoring procedure.

The principal concerns of the provider governments quickly become: providing the service and keeping the necessary records. Accurate, detailed records can be used to measure the service level being supplied and actual cost. Both provider and recipient governments will need these records to check periodically on the quantity and quality of service for evaluating the contract.

In summary, intergovernmental contracting where policy making and financial responsibility remain with the contracting entity, is the most preferred form of procedural adaptation by local governments. The contract device allows for a government to select an appropriate size producer, to adapt more readily to service demands, and to take advantage of expertise which may be prohibitive within its own fiscal confines.



STATE OR LOCAL CONTROL?—Debating the issue of who should run our county jails are, from left, Daniel Skoler, program development counsel, The Fund for Public Education, the American Bar Association; Anthony Travisono (moderator), director, American Correctional Association; and Rosemary Ahman, commissioner, Olmsted County, Minn. and chairperson for criminal justice planning on NACo's Criminal Justice and Public Safety Steering Committee.

Working at Jail Reforms

Editor's note: This is the first in a series of weekly articles describing the National Assembly on the Jail Crisis, sponsored by the National Association of Counties Research Foundation and Jackson County, Mo. Recommendations developed by the Assembly will be included in the reports.

WASHINGTON, D.C.—The first major coordinated attempt to address jail reform took place in Kansas City, Mo., between May 23 and 25, 1977. During this time, sheriffs, jail administrators, judges, county executives, criminal justice planners, and others involved in the criminal justice system probed into conditions leading to the jail crisis and possible avenues for reform.

The formal agenda for the assembly focused on two broad themes: partnerships for correctional administration and diversion through community resources.

BUT A number of larger and more fundamental themes emerged during the assembly—permeating the panel discussions, workshop sessions, debates and addresses. If anything, these themes point to the magnitude of the corrections' problem and the

fact that efforts to improve the penal system have proceeded without adequate definition, understanding and even consensus:

- We have not defined the "jail," nor the elements that constitute and support the correctional system, including the concept of community-based corrections. Nor have we defined the "crisis" itself or our expectations of the chances for solutions.

- Responsibility for jails has been assumed by the criminal justice system. Jails and their inmates have subsequently been removed from the community. Yet there is growing consensus that the offender, as part of the community, can be treated best within the community. How do we return the correctional effort to the community and how do we bring community resources to bear on the readjustment of offenders to strengthen their community ties?

- There is a serious lack of information about jails, the jail population, and the needs and conditions of the jails as they vary from community to community.

- There is a lack of hard research data about jail programs, diversion efforts, sentencing alternatives, community-based correctional ef-

forts, and other operational issues upon which to base sound decisions. There are few models, and those models of potential value to corrections including community mental health programs and alcohol and drug treatment programs often are overlooked.

- Resources have not been allocated equitably within the criminal justice system. While the nation's jails serve the greatest number of people in contact with the criminal justice system next to the police, jails do not receive a proportionate share of criminal justice resources. Nor have jails been a prime target for problem solving.

- If jail reform is to be meaningful, new kinds of partnerships must be formed between public agencies and levels of government, and between the criminal justice system and the community. The question is what kinds of partnerships are needed and how can they be established?

PARTICIPANTS addressed a range of specific issues, including the need for local control over correctional programs, the degree to which courts have assumed responsibility for setting and enforcing jail standards, and the mechanics involved in administering an intake service center.

Other observations during the three-day meeting include agreement that problems facing the correctional system are local ones, and that local resources both financial and physical must be brought to bear in new and more effective ways.

Another suggestion is that the concept of partnership must extend beyond its organizational meaning to better cooperation between the criminal justice system and existing federally funded programs and federal agencies, such as Comprehensive Employment and Training Act and Health, Education and Welfare.

There is also recurring agreement that diversion programs and many other sentencing alternatives under consideration, as part of the community-based correctional package, probably will not have a dramatic effect on the crime rate. But as one panelist observed, they will involve a more efficient allocation of resources, a more humane approach to corrections, and a better chance for successful rehabilitation, and as such are sufficient reasons to continue their use.

—Criminal Justice Program
NACoRF

Study Says One Officer in Car Better Than Two

WASHINGTON, D.C.—A recent study concludes that one officer in a patrol car performs more safely and efficiently and at least as effectively as two officers. And the one-person system operates at almost half the cost and with fewer citizen complaints.

The study was sponsored by the Police Foundation and conducted at the San Diego, Calif., Police Department.

Many departments have paired officers on patrol, citing officer safety and increased effectiveness. While the conclusions apply specifically to San Diego, the report adds that as a result of the study, "the commonly accepted assumption that two-officer units are safer, more efficient, and more productive... can no longer go unchallenged."

However, the report adds that "if two officers actually are needed to perform the majority of tasks required of a particular patrol unit, it is clearly more economical to put them in the same car, rather than in two

cars."

The year-long study compared groups of one and two-officer units operating in similar, and sometimes hazardous, areas of San Diego. The California city's police department can field 18 one-officer units for less than the cost of 10 two-officer units.

The design of the study involved the use of 44 patrol units, split into one-officer and two-officer groups. Comparisons between the two groups included unit performance and efficiency, officer safety, and attitudes.

The published version of "Patrol Staffing in San Diego: One- or Two-Officer Units" will be available in the summer through the Communications Department, Police Foundation, 1909 K St., N.W., Washington, D.C. 20006.

The Police Foundation is a private, nonprofit, independent institution dedicated to supporting innovation and improvement in policing. It was established in 1970 with a \$30 million commitment from the Ford Foundation.

Transportation Maps Available

WASHINGTON, D.C.—A series of state transportation maps depicting the U.S. railroad network and the location of nearby major highways and navigable waterways has been published by the Department of Transportation's Federal Railroad Administration.

The two-color maps include information on track ownership; trackage rights; number of tracks; principal stations; county names and boundaries; rail junction points and ends of branch-lines; the distances between rail intersections; and the major interstate, U.S. and state highways and navigable waterways.

The maps also show the changes in rail configuration as a result of the reorganization of six bankrupt railroads into the privately operated Consolidated Rail Corporation (Conrail). This includes lines of the bankrupt railroads in the Northeast and Midwest region which were conveyed to Conrail on April 1, 1976, line

acquisitions by solvent railroads, states and transportation authorities, and those lines designated as "Available for Subsidy."

The 48 contiguous states are involved. But, because of variances in scale, two or more states are combined in some instances in one map, while other states are split in two, resulting in a total of 41 state maps. There are two versions of the maps in each set: the Transportation Zone edition and the State edition. The zones, which were developed by DOT, consist of Standard Metropolitan Statistical Areas (SMSA's), groups of SMSA's, counties, or groups of counties having similar economic characteristics.

Complete sets of the 82 maps are available from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. The charge is \$9.75 per set, and the stock number is 050-005-00020-8.

Matter and Measure



Dear NACoRFs:

All good things must come to an end, as they say. And so we say farewell to Marion Mosner Glass, who is leaving the transportation project after three and one-half years of excellent service. Marion has helped us through the training guide series, the training workshops, the simplified methods for major street planning project, our local rural roads and secondary road unit studies, and our communications effort. She is responsible for all that good stuff you've read over the years in this column. We certainly wish her well and thank her for the fine work she's done for NACoRF, NACE and county transportation.

—Marian Hankerd
—Marlene Glassman
Transportation Project

Dear NACoRFs,

We thank those of you who have volunteered to serve on the ad hoc regulations simplification committees. We appreciate your cooperation and look forward to working with you. We will be in touch soon with details. By the way, if you have not yet returned your coupon but want to serve on one of the committees, please let us know. The information appeared in this column in the May 23 and June 6 issues of *County News*.

—Deane R. Ankian
Chairman, NACE Research Committee

UMTA GRANTS

Several counties received Urban Mass Transportation Administration (UMTA) grants during April. They include:

- Palm Beach County, Fla. Transportation Authority—\$689,000, for retrofitting small transit buses with wheelchair lifts. The new equipment will make the county fleet totally accessible to the handicapped;
- Chemung County, N.Y.—\$59,487, for operating expenses;
- Herkimer County, N.Y.—\$49,869, for operating expenses;
- Onondaga County, N.Y.—\$148,260, for operating expenses;
- Oneida County, N.Y.—\$61,144, for operating expenses; and
- Milwaukee County (Wis.) Transit Board—\$3,521,105, for operating expenses.

Correctional Briefs

Corrections Manual

The American Correctional Association's Commission on Accreditation has issued the "Manual of Standards for Adult Community Residential Services." The standards cover halfway houses and pre-release centers and costs \$3.25.

The commission will eventually issue 10 sets of standards covering every aspect of corrections. The first set of standards issued covered adult parole authorities.

Both of these manuals can be ordered from the ACA Commission on Accreditation, 6110 Executive Boulevard, Suite 750, Rockville, Md. 20852, 301/770-3097.

AMA Jail Conference

The American Medical Association will sponsor the National Jail Conference from Aug. 21-22 at the Marc Plaza Hotel in Milwaukee. Topics to be covered include implementation of jail health standards, mental intervention, the role of courts in upgrading medical care and health services in jails, medicolegal issues and other topics including

viewpoints from the county commissioner, the rural and urban jail physician, etc.

For more information contact AMA Jail Project, attention Joseph Rowan, 535 North Dearborn St., Chicago, Ill. 60610, 312/751-6068.

Donald Murray, director of NACoRF's criminal justice program, will discuss the viewpoint of the county commissioner in implementing jail health standards.

Health Booklets

The American Medical Association's Program to Improve Medical Care and Health Services in Jail has three new monographs free of charge. The three booklets are:

- "Constitutional Issues of the Prisoner's Right to Health Care";
- "Legal Obligation to the Pre-Trial Detainee"; and
- "The Use of Allied Health Personnel in Jails: Legal Considerations."

Anyone wishing to receive these monographs should write: Marni Wisniewski, AMA Program to Improve Health Care in Jails, 535 North Dearborn, Chicago, Ill. 60610.

SECTION 404

Dredge and Fill Permit Program

Section 404 of the Federal Water Pollution Control Act of 1972 grants authority to the Army Corps of Engineers to issue permits for the disposal of dredge and fill material at specified sites. Sites may be restricted or prohibited by the Environmental Protection Agency (EPA) if disposal on them would adversely affect "municipal water supplies; shellfish beds and fishery areas (including spawning and breeding areas); wildlife or recreational areas."

BACKGROUND

When Section 404 was enacted, few people recognized how controversial it would become when fully implemented. After the Army Corps of Engineers proposed in 1974 to include within its jurisdiction only traditionally navigable waters, environmentalists sued the corps to broaden the scope to cover all waters of the United States which was clearly mandated by the 1972 act. In 1975, when the corps issued new regulations, it simultaneously issued a press release claiming that the new regulations would interfere with ordinary farming and ranching activities. (It has been suggested that the Office of Management and Budget pressured the corps into taking this position in return for favorable consideration of its budget proposals.) Although later retracted, that statement, plus others by the Department of Agriculture, stirred up a good deal of controversy.

The corps regulations called for phasing in its permit program in three steps:

- Phase I (starting July 1975) covered only the traditionally navigable waters, areas for which permits were already required, plus adjacent wetlands.
- Phase II (starting July 1976) extended permit authority to all lakes, plus the major tributaries of navigable streams, and their adjacent wetlands.
- Phase III (starting July 1977) expands the program to cover all other waters of the United States as well.

At all three stages, normal farming, forestry, and ranching practices would not require a permit. Also, the corps has adopted a general permit program to simplify approval of routine, low-impact activities.

In 1976 and 1977, the House of Representatives approved, but failed to reach agreement with the Senate on several amendments to Section 404. A consensus was reached on delegation of permit authority to qualified states, and on granting statutory authority for the corps' general permits and the exemptions for farming, forestry, and ranching practices.

The key stumbling blocks in 1977 were:

- A proposed exemption for all federal projects for which an Environmental Impact Statement has been filed, and
- The scope of federal authority. The Senate sought to maintain the status quo (Phase II), while placing a moratorium on Phase III until July 1978. The House wanted to roll back the corps' authority to Phase I, although by the end of the Conference Committee meetings, the House was willing to include continuously flowing tributaries to traditionally navigable waters, but not the wetlands adjacent to the tributaries.

Some technical questions arose about the House amendments because of problems in defining certain terms, such as "navigable waters." Since the definition in the House bill was at odds with other definitions of navigable waters in P.L. 94-500, passage could have meant a lengthy court suit to determine whether: 1) prosecution of permit violations could take place or 2) discharges would be allowed in wetlands not covered by the House bill because no permits would be available.

THE UNDERLYING ISSUES

Behind arguments over definitions and the precise scope of federal jurisdiction lie several fundamental issues which need to be faced squarely:

- Should wetlands be protected by any level of government? Does the public have a legitimate interest in regulating disposal of dredge and fill materials?
- If government control of private disposal activities is called for, which level of government is the most appropriate to carry out such a regulatory program?
- If the federal government assumes the authority to issue permits as it has done under Section 404, how can its program be designed to least disturb the activities of private enterprise while achieving the goal of protecting sensitive wetlands?



This everglades canal is an example of the kind of wetlands which Section 404 of the Water Pollution Control Act is intended to protect. A permit is required for disposal of dredge and fill material on sites such as this.

Photo by EPA-Documerica Fred Ward

PUBLIC VS. PRIVATE INTERESTS

The cost of using wetlands to dispose of dredge and fill may be quite high if those materials contain toxic chemicals, which can leach into the water supply of downstream users. That is often the case where sediment has been dredged from harbors and rivers in industrialized areas or from streams affected by mining run-off. A more general problem is that dredged or fill materials can physically (as opposed to chemically) degrade or destroy aquatic ecosystems, including wetlands.

Public benefits of leaving wetlands in their natural state has been well documented. Studies by biologists and economists in Georgia, Louisiana, Massachusetts, and Rhode Island have estimated the economic value of marshlands at up to \$50,000 to \$80,000 per acre in fish production and waste treatment, and an equal value in drinking water supplies is provided by those wetlands which serve as aquifer recharge basins. These and other potentially measurable benefits, such as natural flood control, worth billions of dollars are supplied by wetlands throughout the country. In addition, wetlands provide other natural values which are not easily assessed in dollar terms.

Unfortunately, these public benefits are not directed at the property owner who cannot generally reap monetary rewards from them. Some exceptions might be the sale of hunting leases, hardwoods, grazing rights or water supply for agriculture or industry. If the owner fills in and develops wetlands or disposes toxic dredge materials on them, the public will be deprived of the benefits formerly received in the form of flood control, groundwater recharge, etc.; the public cost becomes apparent later when expensive flood control, water treatment and water supply facilities must be constructed. Yet if the public protects its interests by regulating development, the property owner is deprived of the opportunity to make money on an investment.

Clearly, this oversimplifies the matter, but it does suggest that there is a legitimate conflict between public and private economic interests at the heart of the 404 controversy, and that neither side is "right" in some absolute sense. Therefore, whatever regulatory policy is

pursued should seek to develop a reasonable balance between public and private interests.

THE FEDERAL ROLE

If the need exists for some form of regulation over disposal of dredge and fill materials, the question arises as to which level of government should be responsible for administering a regulatory program. Historically, regulation of dredge and fill disposal has been the responsibility of the Army Corps of Engineers under the 1899 Rivers and Harbors Act. The original purpose of that act was protection of navigation. Now that the scope of regulation has been expanded to pollution control, it is time to take a fresh look at the federal role.

The fairest test of whether a program should be administered at the federal, state, or county level ultimately is: who can be expected to get the job done effectively? One of the main reasons for federal government involvement in the regulation of dredge and fill disposal is the perception by EPA, the corps, and others that neither states nor counties were adequately protecting wetlands from degradation. While this may not be true across the board, and some good state and county programs may have been pre-empted by a less effective federal program, the yearly draining and development of hundreds of thousands of acres of wetlands prior to enforcement of Section 404 is an indication that state and local programs were probably not adequate.

Unfortunately, the incentive for states and counties is to consider primarily the advantages they receive from added development (taxes and jobs), without fully taking into account the larger, national perspective which includes the enormous costs of flood control, loss of fisheries, etc. State and county standards are not likely to protect the interests of downstream users of waterways as consistently as are federal standards. Generally speaking, the fact that water pollution problems caused by dredge and fill operations cross state boundaries may demand a strong federal presence in order to protect wetlands effectively.

It should be possible, nevertheless, to certify states and counties to issue permits. To some extent, this may already take place informally under current guidelines if a district corps office considers sign-off by a strong

state or county program as an indication that a thorough review is not necessary. The only delay in this case would be the 30 day comment period, and increasingly the corps is moving towards simultaneous state and federal review of applications to speed the process.

In order to decentralize the 404 program formally on a large scale, states and counties will require significant financial assistance from the federal government as well as specific guidelines and criteria. Many states lack the necessary capabilities to operate a permit program. Of the 34 states which indicated an interest in assuming 404 permit authority as of July 1976, only six had developed adequate technical criteria to regulate disposal practices in wetlands. However, with federal funding and technical assistance, the corps could delegate increasing authority to states and counties.

SPECIFIC ELEMENTS OF A FEDERAL PROGRAM

Considering the interstate import of dredge and fill on wetlands, some type of federal program may be needed to control these activities. This raises the question: how should such a program be administered?

Key elements in any permit program should be simple application procedures, plus equitable and rapid review of applications. The major administrative simplification in the corps' permit program has been the issuance of general permits for highway projects, shore protection, erosion control, minor buried pipeline crossings, boat ramps, bulkheads, culverts, and other small-scale activities. Others will surely be issued as the program settles into a routine operation. This procedure allows the corps to concentrate its personnel on decisions of major significance and expedites review of permit applications for all projects.

Of course, some problems have already arisen in the permit procedures, both for individual and for general permits, but these are bound to develop under any new program, and most can be handled administratively. For example, the decentralized structure of the corps has already caused some perceived inequities. District offices have been interpreting guidelines in different ways which has created difficulties for industries operating in more than one district. This problem can be minimized by more precise guidance from headquarters. Indeed, the proposed nationwide permits announced early in May are intended to achieve more nationally uniform standards and to preclude the need for individual permits on most minor projects. Once the nationwide permit system takes effect, it will not be necessary to apply for a permit to:

- Make routine discharges into specified water bodies;
- Fill in wetlands for the purpose of erosion control as long as the fill does not exceed 1 cubic yard per running foot;
- Install utility lines in a marsh, as long as the marsh is restored to its previous elevation; and
- Carry out minor road construction as long as the discharge of fill does not exceed 200 cubic yards and culverts are built to allow continued flow of a stream.

The corps hopes that these proposed regulations can be made final by July 1 of this year.

There has been little evidence or testimony presented thus far to indicate that the permit program as a whole has caused severe adverse impacts on businesses or local governments due to delays, excessive reporting requirements, or denial of permits. Both the corps and EPA are diligently seeking to streamline the permit process and to make it as fair as possible in order to achieve a reasonable balance between public and private interests. In addition, they are seeking the cooperation of states and counties because of the recognized importance of a partnership in protecting the nation's wetlands.

In this connection, the NACo Environment and Energy Steering Committee adopted a resolution on May 20, urging the corps and EPA to work with state and local officials to further simplify the 404 program and to allow greater control of decisions at the state and local government levels. The resolution also urges the corps and EPA to develop performance testing criteria to insure that states are in fact protecting the nation's wetlands.

—Cliff Cobb
Water Quality Project
NACoRF

Farming Community Wins over Developers

By Neal R. Peirce

WAIHAOLE VALLEY, Hawaii—The farmers and tenants of this verdant and rustic valley on the coast of Oahu, Hawaii's most heavily populated island, recently won a landmark victory over big land developers who sought to fill the valley with subdivision housing for the state's rapidly escalating population.

Gov. George Ariyoshi (D) said earlier this year that the state would purchase 600 acres of land in the valley to keep it safe for agriculture, thus preventing a Polynesian Wounded Knee between the tenant farmers and the landlord determined to evict them.

Calvin Ho, one of the early organizers of Waiahole Valley's resistance, says the governor's action should telegraph a clear message to the thousands of mainlanders who have been crowding onto these fragile islands each year: "There will be no more space for you in Hawaii."

Indeed, the waves of immigration to Hawaii are so overwhelming—a quarter of the 50th state's 850,000 residents have arrived in the past 10 years—that Ariyoshi favors amending the U.S. Constitution to permit a state to limit the number of new residents it accepts.

Ariyoshi's proposal flies in the face of the principle of free population movement, honored over centuries of relentless westward movement by Americans.

THE THEME is not unique to Hawaii. Across America, local governments are exploring ways to control growth. Celebrated legal and political battles over population limits have already been fought in such places as Boca Raton, Fla., Boulder, Colo., Petaluma, Calif., and Ramapo, N.Y. It is not hard to imagine such drought-imperiled states as Arizona or people-deluged states as Florida eventually joining the effort to limit population legally.

But Hawaii, with severely limited land and resources, may pose the

most critical case of all. "To many people," Ariyoshi says, "means too

Commentary

few jobs and too much competition for them; too many people means too little land for agriculture, parks and scenic vistas; too many people means too much crime. . . . In short, too many people can spell disaster for this state."

Overpopulation in Hawaii would be a national tragedy, the ultimate despoilation of this hauntingly beautiful semi-tropic archipelago so aptly described by Mark Twain as "the loveliest fleet of islands that lies anchored in any ocean."

Had it not been for Hawaii's 1961 statewide land use law, the first in the nation, residents of the Waiahole Valley would have been evicted three years ago, when the hereditary landowner decided to sell her holdings to Hawaii's biggest subdivider.

Local residents quickly organized to fight reclassifying 600 acres of their valley from agricultural to urban. "We formed committees—on water rights, agriculture, land use and history—to argue our case before the land use commission," said Martin Charlot, a leading Hawaii artist who lives in the valley. "After the hearing, the chairman of the commission told us that our presentation was the best the commission ever heard," Charlot added.

THE REZONING request was denied, but the residents' victory turned out to be a Pyrrhic one. In retribution, the landlord increased the rents, and when the community association demanded long-term leases and negotiated rent increases, eviction proceedings were begun.

Last January, valley residents and 500 sympathizers prepared to resist the evictions non-violently by linking arms and surrounding any house the authorities sought to clear of its residents. But before actual confrontation could take place, the governor announced his plan for state purchase of the valley.

As distant as the Waiahole Valley

may seem from the American mainstream, the community protest themes I heard there were echoes of those expressed in every corner of America:

A need to preserve the community, by fighting big economic forces—land developers, highway lobbies, unions looking for jobs at any price—that would alter, perhaps even destroy local lifestyles.

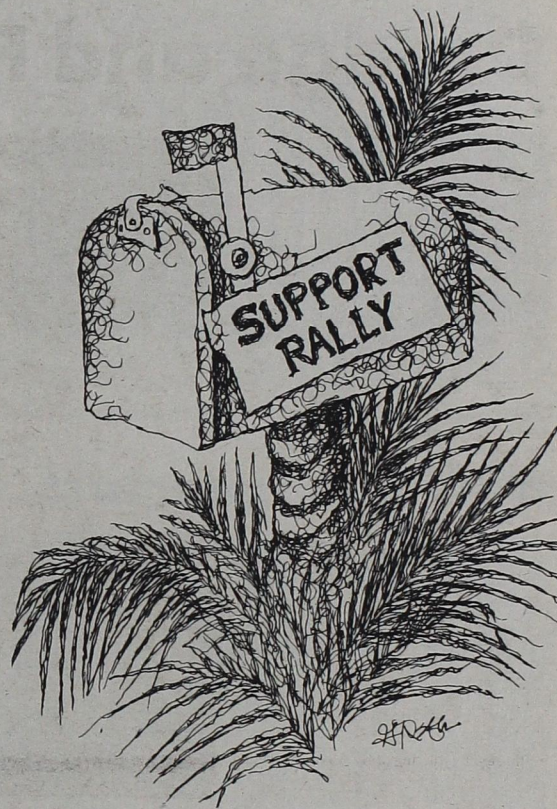
In the Waiahole Valley, where the lifestyle is relaxed, in a setting of tropical subsistence agriculture, the talk is of preserving and expanding production in a state 80 per cent dependent on the mainland for foodstuffs.

In mainland cities, the stress is on neighborhood values and energy conservation—saving old buildings, using the roads and sewers and schools already in place rather than abandoning them only to build anew in suburbs.

THE NEXT step for Waiahole must be better use of its rich farm land, perhaps through a farming cooperative—leaving the stage of radical protest behind. In this regard, Waiahole faces the same problem of inner-city neighborhood groups: once the crucial protest has succeeded and it's time for constructive action—building and managing housing, for instance—will the community group be able to make the transition?

A newborn confidence that the community can make its own case—and win. "The people of this valley," Charlot said, "discovered their power to speak. They'd been farmers, never been in the limelight, and suddenly they were faced with a frightening reality. Now there's scarcely anyone in this valley who wouldn't stand up in front of a big crowd and give a speech."

"Before," said Isaac Manalo, a Waiahole Valley tenant with six children, "I thought the landlord had all the power in the world. Now I know he doesn't."



Anti-highway protestors, senior citizen groups fighting for programs they want, blacks and Mexican-Americans struggling for housing or day-care centers—all say the same once they have tasted success, however minor.

It's popular to say that the civil rights movement is dead, that anti-poverty programs of the '60s were a failure. But they did release the genie of popular participation, of effective action by citizens—poor or rich—when they feel put upon.

Selfish parochialism can be one

result. But public officials are learning that when they don't work closely with local communities, their most promising and grandiose programs can come to naught. I have seen the phenomenon from the slums of the South Bronx to the spacious farmlands of Wisconsin to the distant Waiahole Valley. And rather than raucous protest, I strongly suspect the final result will be a step toward more human-scale national development.

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Survey Finds Public Support for Water Quality

Those who believe there is little public support for water pollution control planning haven't been in Erie and Niagara Counties, N.Y. recently. Or they have been talking to the wrong people.

The Environmental Studies Center of the State University of New York at Buffalo conducted a detailed survey of 1,021 randomly selected respondents as part of the citizen participation in the Buffalo area 208 (water quality management) planning agency. The results show a clear and continuing environmental awareness on the part of the general public, with water quality being a prime concern.

The four most important regional water quality problems perceived by the broad public were, in order: pollution of lakes and streams, dirty and smelly shorelines, flooding, and unsightly shoreline development along Lake Erie.

THE SURVEY questions were deliberately broad based; specifics of water quality were embedded in an overall set of environmental and economic beliefs and attitudes, rather than viewed in a vacuum. Included were questions about planning, growth of the region, employment, increase in taxes and government regulation.

A unique feature of this survey

was that the broad general public as well as selected groups (elected leaders, industrialists, environmentalists, developers, planning staffs, etc.) were asked the same questions. The selected groups, however, were also asked how they felt the general public would respond to the same questions. The results clearly indicate that these special groups—including the elected officials—are not always as close to their constituents as they may think.

For example, 95 per cent of both the broad general public and the elected leaders (and 100 per cent of the environmentalists) believe that governmental planning is needed to clean up the environment. However, 20 per cent of the elected officials and 25 per cent of the environmentalists predicted that the general public would oppose such planning.

The public also expressed a willingness to pay the costs of pollution control. A 30 per cent increase in taxes was supported by 25 per cent of the broad public, but by only 14 per cent of the elected leaders; a 15 per cent hike was supported by 29 per cent of the public and 56 per cent of the elected officials. When officials were asked how many citizens would support a 30 per cent increase, their best estimate was only 6 per cent. Thirty-one per cent said the public would accept a 15 per cent increase.

A related question was more specific: "If local government had \$1,000 of your taxes, how much should be given to creating new jobs and how much to improving water?" The public gave an average of nearly \$600 to jobs and slightly over \$400 to water. Elected leaders allocated \$622 to jobs; they believed the general public would allot \$740 to jobs and only \$260 to clean up the water. Environmentalists were even further away from the public—they would give \$644 to clean up the water, but believed the public would allocate only \$112 on the average.

RESULTS OF the growth questions were equally surprising. When asked if it were better for the Niagara Frontier area to grow, or better to remain the same size, 80 per cent of the broad general public and 89 per cent of the environmentalists supported remaining the same. Only 45 per cent of the elected leaders shared this belief. Leaders predicted that 60 per cent of the public would support the status quo, while the pessimistic environmentalists thought 80 per cent of the public would choose growth. Eighty per cent of the developers favored continued growth, and believed that 70 per cent of the public agreed with them.

Several questions tested the

assumption that there must be a tradeoff between environmental protection and jobs and economic security. Eighty per cent of the public rejected this "either-or" concept, believing we can have both clean environment and jobs. Eighty-five per cent of the elected and appointed leaders agreed, but predicted that only 50 per cent of the public would. Once again, environmentalists misread the public support for their cause. While unanimously supporting the concept of both, the environmentalists felt that a mere 15 per cent of the public would reject having to make the choice.

With the exception of the development community, every segment overwhelmingly agreed that improving water quality would either create jobs or have no effect on the employment picture. Forty-five per cent of the developers disagreed, as did 20 per cent of the leaders. However, only 10 per cent of the public (including urban blacks, urban low-income whites, suburban growth and rural villages) were so pessimistic.

GIVEN THE assumption that better water quality requires some planning and regulation, the public and the leaders were asked how much more regulation and what

degree of water purity they would be willing to accept: much more regulation, which would be needed for drinkable water in streams (50 per cent public, 20 per cent leaders); somewhat more regulation, which would be needed for swimmable water (30 per cent public, 54 per cent leaders); present level of regulation, which provides water suitable only for boating (10 per cent public, 15 per cent leaders).

The summary of the report concludes:

"Generally, people are displeased with water quality in this area, particularly the water that they use for recreation. Environmental planning is very strongly supported. Public involvement in planning also is strongly supported. . . . Most people do not want the area to grow in population and they do not wish their hometown to grow. People accept, even prefer, a slowdown in consumption and economic growth and the majority of them are not anticipating an economic upturn in the near future. The most important point is that people want, and believe we can have, both an improved environment and jobs."

—Jean Packard
Water Quality Project
NACORF

MINNESOTA COUNTIES

Research Arm Reorganized

MINNESOTA—The Association of Minnesota Counties (AMC) has reorganized its research arm—the Minnesota Counties Research Foundation (MCRF)—to increase its technical assistance.

The large self-supporting MCRF will provide information, training, technical assistance planning and research for counties through a structure similar to that used by NACo and NACoRF, explained

James Shipman, who serves as executive director of AMC and MCRF.

MCRF was originally organized in 1970 as the non-profit research arm of AMC. To date, it has been used for only a few grants. On April 28, the AMC Board of Directors assigned some of AMC's responsibilities to MCRF to meet the increasing need for services for county officials.

AMC will become more of an advocacy organization with increased emphasis on legislative and state agency representation, public relations, policy development and liaison with other organizations. AMC will devote less attention to information and technical assistance.

MCRF will work closely with AMC, but the organizations are separate with different purposes and staffs. There will be a sharing of staff between the associations for some time. MCRF cannot serve as a political advocacy organization.

The immediate change for Minnesota county officials will be in their contacts with AMC. Officials will contact MCRF when they have informational inquiries. Sometimes AMC staff will respond as part of the staff sharing. The two associations will be housed in the same building, but on different floors with different phone numbers.

The addresses are AMC, Room G-19, 55 Sherburne Ave., St. Paul, Minn. 55103, 612-222-5821 and MCRF, Room 203, 55 Sherburne Ave., St. Paul, Minn. 55103, 612-222-5824.

—Margaret I. Taylor
State Association Liaison

By July 1, 1977, the Minnesota Counties Research Foundation should be fully operational with a new board of directors and immediate capability to provide a number of services to counties. The division of services between the two organizations will be as follows:

ASSOCIATION OF MINNESOTA COUNTIES—AMC

Board of Directors

Executive Director

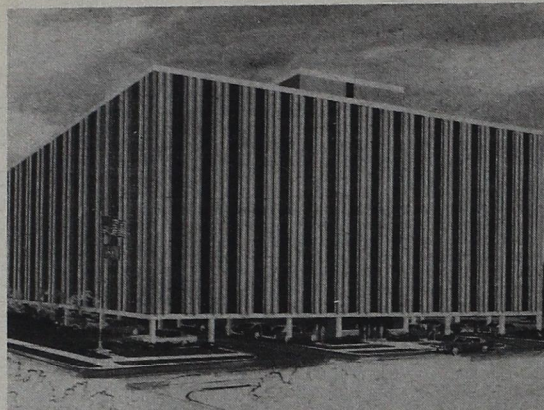
Membership Services	Coordination	Legal Counsel	Representation	Policy Development
• Annual Meeting	• NACo		• Legislative Representation	• Study Committees
• District Meeting	• Other County Organizations		• State Agency Liaison	• Policy Research
• County Recognition	• Associations in Other States		• Public Hearings	
• Public Relations	• Midwest NACo Region			
• Member Communications	• Affiliate Organizations			

MINNESOTA COUNTIES RESEARCH FOUNDATION—MCRF

Board of Directors

Executive Director

Planning	Information and Research	Education and Training	Management Assistance	Technical Assistance
• Community Health Services	• "County Information Center"	• Training	• Management Consulting	• Financial-Budgeting Consulting
• CETA	• Research	• Publications	• Labor Relations	• Grants Assistance
• Human Services	• Legal Opinions	• Conferences	• Personnel Assistance	• Special Projects
• Physical	• Field Visits	• Liaison with Colleges	• Productivity Cost Benefit Studies	



ON ITS WAY UP—Seen is a sketch of the new six story Union County Administrative Office Building under construction.

New Headquarters to Merge Services

UNION COUNTY, N.J.—Ground-breaking ceremonies have been held and construction is underway for the new six story Union County Administrative Office Building (AOB) in Elizabeth, N.J.

Union, the only county in the state to receive funds from Title I of the Public Works Employment Act of 1976, was awarded the \$4.6 million grant from the Economic Development Administration (EDA) in December 1976.

The structure has a total building area of approximately 100,000 square feet and is being built one block from downtown Elizabeth, the county seat.

Planning and site location decisions were carefully matched with Union's new county manager form of government which has as a primary purpose the reorganization and consolidation of county government. Upon completion of the building, the county's various social service divisions that are scattered throughout Elizabeth will be located

within the AOB, thus enhancing the overall coordination and centralization of county services.

The AOB has been a recognized need since 1969. However, because of economic conditions and limited federal dollars, the county's Board of Chosen Freeholders has been reluctant to undertake the project.

Construction of the AOB will be meeting the legislative objectives of the public works act for "providing employment opportunities in areas of high unemployment" through the hiring of area construction workers. From 90 to 100 skilled, unskilled and supervisory workers from various construction trades will be on the job from one to two years.

Additionally, construction is expected to cause a "ripple effect" in construction related and supportive industries in the county, end costly facility leasing, remedy a critical shortage of county office space and judicial facilities, and stimulate economic activity in the county's largest and oldest urban center.

Training Guide to Aid Officials

The League of California Cities has published the *Municipal Training and Development Guide* to aid local officials in effecting public policies and programs.

To aid communities in realizing the maximum benefit of training and

development, the handbook is structured as a series of booklets on various aspects of training pertinent to local government officials and published in a looseleaf binder.

"Getting Started with Training" discusses recognition of problems

which training might address (some problems might not easily be seen as appropriate subjects of training and development, yet they might be resolved very effectively by such processes). It includes how to initiate and maintain support for training and development among key officials in the agency; ways to develop a training policy and maintain conditions in the organization conducive to training; and several case studies, along with a bibliography and list of training resources.

"The Design and Management of Municipal Training Programs" discusses organization; steps and considerations involved in assessing training needs; design of training and development programs; selection and preparation of the trainer; use of consultants; planning and scheduling; budgeting; and evaluation.

"Factors Influencing Training Programs" discusses the impact of internal organizational attitudes; community attitudes; and legislation and court decisions. Also covered are fiscal constraints on training and future trends and influences.

Particularly valuable is discussion of training for elected officials under a "sunshine" law; use of training and development processes in complying with EEO and affirmative action requirements; application of training and development processes in improving employment relations; and the role of training and development in introducing a human resources management program.

While the guide is written with California cities in mind, discussion of issues and the examples will be of equal interest to public officials everywhere. To obtain a copy (cost is \$20) contact: Terry Dugan, Training Coordinator, League of California Cities, 1108 "O" St., Sacramento, Calif. 95814, (916) 444-5790.

NACoRF

Newsmakers

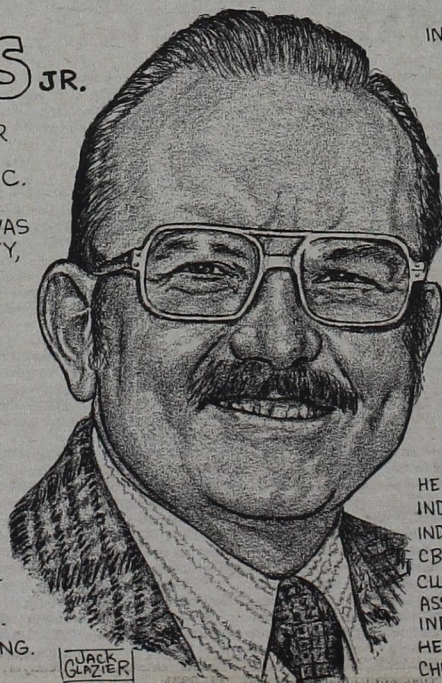
Shirl K. EVANS JR.

EXECUTIVE DIRECTOR
ASSOCIATION OF
INDIANA COUNTIES, INC.

A NATIVE OF INDIANA, HE WAS BORN IN MONTGOMERY COUNTY, 1919. HE IS A GRADUATE OF THORNTOWN HIGH SCHOOL AND ATTENDED BUTLER UNIVERSITY. SPECIAL EDUCATION INCLUDES:

BUSINESS MANAGEMENT
GOVERNMENT
REAL ESTATE
SECURITIES
SALES AND BUSINESS
DEVELOPMENT

EVANS ONCE SERVED AS A STAFF MEMBER OF THE INDIANA DEPARTMENT OF PUBLIC INSTRUCTION. HIS EARLY BACKGROUND ALSO INCLUDED SOME NEWSPAPER WRITING.



IN 1963 AFTER 20 YEARS OF ADMINISTRATIVE ROLES IN BROADCASTING, INCLUDING 8 YEARS WITH TIME-LIFE BROADCASTING, INC., INDIANAPOLIS, EVANS ENTERED THE PROFESSIONAL FIELD OF PUBLIC AND BUSINESS RELATIONS, AS A CONSULTANT IN BUSINESS DEVELOPMENT, SALES AND PUBLIC RELATIONS.

AN EXCELLENT PUBLIC SPEAKER, EVANS MANAGES TO STRIKE A HAPPY MEDIUM BETWEEN HUMOR AND MORE SERIOUS TOPICS SUCH AS PSYCHOLOGY AND PHILOSOPHY.



HE IS A FOUR-TIMES PAST PRESIDENT OF THE INDIANAPOLIS VARIETY CLUB, A MEMBER OF INDIANA CHAMBER OF COMMERCE, INDIANAPOLIS CBMC, COLUMBIA CLUB, INDIANAPOLIS PRESS CLUB, RILEY MEMORIAL ASSOCIATION, AND ASSOCIATE MEMBER OF E.O.P. IN 1963 HE WAS INDIANAPOLIS PAL CLUB'S 'MAN OF THE YEAR'. HE IS A MEMBER OF THE UNITED CHURCH OF CHRIST, IS MARRIED AND HAS THREE CHILDREN.

JACK
GLAZIER

Officials Support Cropland Preservation Bill

WASHINGTON, D.C.—Urban encroachment on prime American farmlands was the focus of testimony by five county officials in favor of a recently introduced congressional cropland preservation bill.

Among those testifying before the House Agriculture subcommittee on family farms, rural development, and special studies were John V.N. Klein of Suffolk County, N.Y.; Ruth V. Keeton of Howard County, Md.; Neal Potter of Montgomery County, Md.; and Lane Kendig and Mike Graham of Lake County, Ill.

The National Agricultural Land Policy Act, H.R. 5882, introduced by Rep. James Jeffords (R-Vt.), would create the National Agricultural Land Commission, a three-year study group to analyze the nationwide extent of farmland loss and

various means of combatting it. In addition, the bill provides for demonstration grants to assist state and local farm preservation programs.

County Executive Klein hailed the bill as "a large step in the right direction." In the past decade, Suffolk has lost 60 per cent of its farmland, due largely to urban and suburban "sprawl." The county has recently attempted to stem farm loss by purchasing development rights to prime cropland from farmers.

While supporting the measure, Klein asked that the bill clarify whether ongoing programs are to be eligible for demonstration grants as well as new ones. Presently, the bill provides voluntary aid to states and counties that wish to develop pilot projects, but makes no mention of those programs in operation.

Klein specifically requested that

demonstration assistance go directly to local programs, rather than via the state; and that stronger provision be made for local government policy input into related federal decisions.

HOWARD COUNTY Councilwoman Ruth V. Keeton called the bill, "immediate priority for congressional attention and action." Howard has lost almost 50 per cent of its farms since 1950, and a recent study indicates that by the year 2000, Howard County could be entirely non-agricultural.

Montgomery County Councilman Neal Potter, whose family farm lies on the site of a proposed highway interchange, testified that "the need for a national approach is now abundantly clear." Potter cited the failure of previous federal programs to provide coordination and "a serious lack of research and expertise on the local level" as major obstacles to past farm preservation efforts.

Also testifying were Lane Kendig, director of Planning, Zoning, and Environmental Quality for Lake County; and board member, Mike Graham, also from Lake. Their county, lying just west of the Chicago metropolitan area, has experienced considerable suburban encroachment.

Of primary importance to counties is the provision in H.R. 5882 for federal demonstration grants to states and localities that wish to implement a cropland preservation program.

Counties where program proposals are accepted would be eligible for federal assistance covering up to 75 per cent of the development, startup, and operational expenses of the program. Sponsors of H.R. 5882 are asking that \$50 million be made available annually for these grants through fiscal '82.

Another objective of the bill is to provide national coordination of in-

formation and assistance to local governments which in turn are free to develop specialized programs for the peculiar problems of each locality. Whether a program relies on policy powers (zoning) or compensation (purchase of development rights), or some combination of the two is a decision reserved to local officials.

DESPITE broad bipartisan support, the Carter administration is apparently reluctant to stand behind the measure. In testimony, Dr. M. Rupert Cutler, an assistant secretary of agriculture, expressed the attitude that despite its admirable intent, the bill's objectives could be achieved more cheaply and easily through a more aggressive Agriculture Department effort.

NACo's Land Use Steering Committee will consider proposed policy on agricultural land preservation at its meeting June 22 in Detroit during NACo's Annual Conference.

—Mark Rovner
Intern

NACo/NACoRF

Annual Audit Report

The annual audit of the National Association of Counties (NACo) and the National Association of Counties Research Foundation (NACoRF) has been delivered to fiscal officer, Gene Dishner. The period covered by the audit is calendar year 1976. Published below is the combined balance sheet of NACo and NACoRF as compiled by the firm of Peat, Marwick, Mitchell and Co.

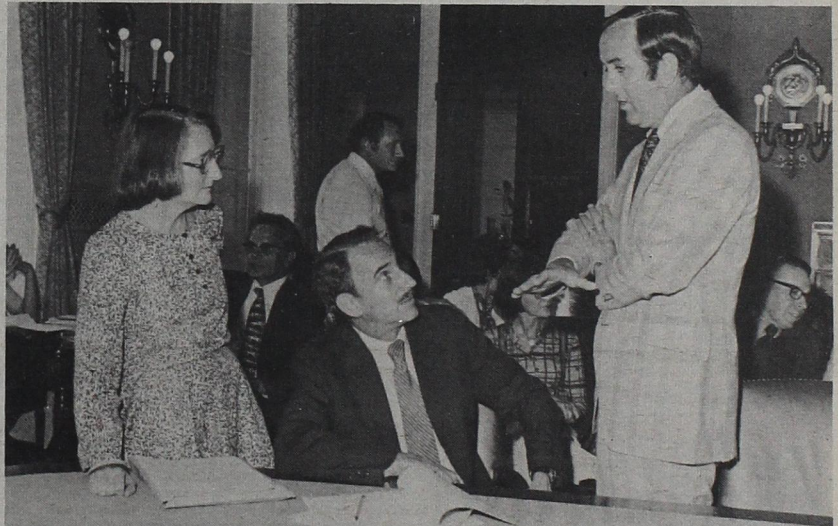
An annual audit consists of an exhaustive review of the financial, budgetary and accounting records of the association. For a period of six to eight weeks, NACo/NACoRF staff members provide literally volumes of data to the auditors for their review and verification. Internal accounting procedures are reviewed and recommendations for improvements are made in a confidential memorandum to Gene Dishner.

The audit also serves a significant purpose to NACo members: association records receive a fair and complete review by financial specialists and staff members develop a highly beneficial relationship with the auditors which provides association members with further assurance that their membership dollars are being well spent.

The balance sheet shown below represents the financial position of the association at Dec. 31, 1976. Copies of the complete audit report are available from NACo comptroller, Chuck Oglebay.

National Association of Counties and Affiliated Foundation Combined Balance Sheets December 31, 1976 and 1975

Assets	1976	1975
Current assets:		
Cash, including \$120,000 certificates of deposit in 1976 and \$128,000 in 1975	\$ 171,107	\$ 160,846
Marketable security, at cost, which approximates market	—	300,000
Receivables:		
Membership dues	385,635	393,047
U.S. Government-research grants and contracts	403,822	146,897
Delegate agencies	77,211	33,057
Other	120,892	76,589
Total receivables	987,560	649,590
Cost on contracts and grants in progress in excess of related billings	166,380	41,168
Prepaid expenses	81,010	72,319
Yearbook inventory	19,500	5,000
Total current assets	1,425,557	1,228,923
Property and equipment, at cost:		
Office furniture and fixtures	204,766	180,512
Equipment (note 2)	71,797	46,097
Leasehold improvements	54,233	41,748
	330,796	268,357
Less accumulated depreciation and amortization	106,973	97,222
Net property and equipment	223,823	171,135
	\$1,649,380	\$1,400,058
Liabilities and Association Equity (Deficit)		
Current liabilities:		
Current installments of long-term debt (note 2)	3,455	2,870
Accounts payable	193,987	169,045
Accrued salaries and taxes	60,111	32,517
Accrued annual leave (note 5)	99,020	73,577
Deferred income:		
Membership dues	1,089,309	953,500
Other	38,263	37,770
Billings and advances on contracts and grants in progress in excess of related cost	282,544	218,248
Total current liabilities	1,766,689	1,487,527
Long-term debt, excluding current installments	24,130	27,858
Association equity (deficit)	(141,439)	(115,327)
Commitments		
	\$1,649,380	\$1,400,058



FARMLAND PRESERVATION—County representatives testified on the need to study the growing loss of prime farmlands across the county. Seen with Rep. Frank Evans (D-Colo.), center, is Ruth V. Keeton of Howard County, Md. and John V.N. Klein of Suffolk County, N.Y.

Wilderness Study Announced

WASHINGTON, D.C.—The Forest Service last week announced its timetable for a study of potential wilderness areas in the National Forest System. The 18-month study will help Congress determine the suitability of roadless areas in the National Forest System for wilderness or non-wilderness use.

Assistant Secretary of Agriculture M. Rupert Cutler and Chief Forester John McGuire said the planned survey is necessary "to provide better coordination of the Forest Service's land management planning, to help develop the Administration's positions on wilderness proposals which come before Congress, and that the new information is needed for the 1980 national assessment of forest and rangeland and 1980 Forest Service program." The assessment and program are required to be updated by the Forest and Rangeland Renewable Resources Planning Act of 1974.

The Forest Service had conducted a wilderness inventory in 1973 in its "Roadless Area Review and Evaluation" or RARE study of western national forests, but subsequent planning has identified some areas which were overlooked. The inventory, for example, did not include eastern national forests nor the national grasslands. Also, Dr. Cutler indicated that additional areas and

needed revisions within the western states have been brought to the department's attention. Thus, a refinement and expansion of the earlier study is necessary, he pointed out.

THE INVENTORY and study will also help determine public views about alternative uses of national forest roadless areas including wilderness, he said.

A series of more than 200 public workshops will be conducted across the country in July and August as part of the study process. Participants in these workshops will be asked to suggest possible additions to the roadless area inventory in their states and to make recommendations on the suitability of the land units in the inventory for wilderness or non-wilderness use.

A list of times and places for the workshops is available from Room 3233-S, Forest Service, U.S. Department of Agriculture, P.O. Box 2417, Washington, D.C. 20013; phone (202) 447-2494. More detailed information may be obtained from the following Forest Service Regional Offices:

- Alaska Region (Alaska), contact Kaye Metcalf, (907) 586-7484;
- Northern Region (Idaho, Mont.), contact Tom Harlan, (406) 329-3775;
- Pacific Northwest Region (Ore., Wash.), contact Vic Kreimyer, (503) 221-2971;

- Rocky Mountain Region (Wyo., S.D., Neb., Colo.), contact Harva Lou Buchanan, (303) 234-4185;

- Southwestern Region (N.Y., Ariz., Tex.), contact Chuck Williams, (505) 766-2444;

- Intermountain Region (Idaho, Wyo., Utah, Nev.), contact Betty Lampros, (801) 399-6597;

- California Region (Calif., Nev.), contact Bob Swinford, (415) 556-4553;

- Southern Region (Va., S.C., La., N.C., Tenn., Miss., Ken. Okla., Ala., Fla., Ga., Ark.), contact Jim Rothchild, (404) 881-4191;

- Eastern Region (Mich., Wis., Mo., W. Va., N.H., Mass., Ohio, Ind., Vt., Minn., Pa., Ill.), contact Mike Hathaway, (414) 362-3694 or 291-3694.

Dean Cole, NACo chairman for forestry programs, and commissioner, Clark County, Wash., urged county officials in all of these areas to participate in these workshops. "More than 1,500 roadless areas are being considered for wilderness areas in this study," Cole noted.

"County officials should let the Forest Service know what local land use plans call for in these areas and adjacent areas. Local interests can be considered only if we make the Forest Service aware of long range plans for the affected communities," he added.

Washington Briefs

• **Public Works.** Economic Development Administration (EDA) has notified local governments of allocations for public works grants. Over \$200 million remains to be distributed. Applicants must send new or resubmitted applications to appropriate EDA regional office within 28 days of notification to participate in program. See page 2.

• **Countercyclical.** Funds totalling \$545 million likely to be distributed July 8. Recipient governments will have to follow net law regarding civil rights provisions. New interim regulations expected in early July will prohibit use of funds for construction (as in the past) and capital equipment.

• **Comprehensive Employment and Training Act (CETA) Extension.** President Carter signed the one-year CETA extension into law on June 15 as P.L. 95-44.

• **Youth Legislation.** House and Senate conferees completed action on youth employment legislation. Floor action on the conference report expected this week.

• **Fiscal '78 Labor-HEW Appropriations.** House and Senate appropriation levels for CETA differ for summer youth and Title III. Conference to occur before July 4th recess. See page 1.

• **Community Development.** House-Senate Conference Committee expected to meet this week to resolve differences between the House and Senate versions of H.R. 6655, the Community Development Amendments of 1977. Both versions extend the community development block grant program for three years, through fiscal '80 at \$4 billion for fiscal '78, \$4.15 billion for fiscal '79,

and \$4.3 billion for fiscal '80. Both versions also adopt the proposed dual formula system (i.e., existing formula or new formula emphasizing aged housing) for the distribution of entitlement funds to metropolitan cities and urban counties. Major difference is that Senate version adds an impact factor which measures aged housing in percentage terms. Funding for the impact factor in Senate version is to be taken from the \$400 million Urban Development Action Grant program, proposed by the Administration. House approved the full \$400 million each year, while the Senate decreased its amounts by \$85 million in fiscal '78, \$128 million in fiscal '79, and \$169 million in fiscal '80.

• **Law Enforcement Assistance Administration (LEAA) Appropriations.** House has approved \$600 million for LEAA for fiscal '78; Senate Appropriations committee recommended \$694 million. See page 3.

• **Clean Water.** EPA announces preparations for enforcement actions against at least 100 municipal treatment plants and 370 industrial treatment facilities for violation of the July 1 national secondary treatment standards. Only communities which have been clearly recalcitrant in trying to meet standards should expect enforcement proceedings. At least 60 per cent of municipalities will not meet these standards on July 1. NACO testified before Senate panel on Amendments to 1972 Water Act. See page 3.

• **Clean Air.** Clean Air Act Conference can begin. House finally appointed their conferees. No date set for conference. House conferees will include: Harley Staggers (D-W.Va.), John Moss (D-Calif.), Andrew

Maguire (D-N.J.), John Breaux (D-La.), Samuel Devine (R-Ohio), James Broyhill (R-N.C.), and Tim Carter (R-Ky.). Senate conferees include Jennings Randolph (D-W.Va.), Edmund Muskie (D-Maine), John Culver (D-Iowa), Gary Hart (D-Colo.), Wendell Anderson (D-Minn.), Robert Stafford (R-Vt.), Howard Baker (R-Tenn.), James McClure (R-Idaho), and Pete Domenici (R-N.M.).

• **Welfare Reform.** NACO welfare and CETA directors participated in 10 meetings during June for initial drafting of Administration bill.

• **Food Stamps.** Markup completed in House Agriculture Committee June 21. Last minute threat to impose funding ceiling thwarted.

• **Social Services.** H.R. 7200, Public Assistance Amendments of 1977 replacing Title XX heading, passes House with wide margin. Senate action urged. See page 2.

• **Payments-in-Lieu of Taxes.** Senate approves full funding for fiscal '78 appropriations. See page 3.

• **Land and Water Conservation Fund.** Senate approves full funding for fiscal '78 appropriations. See page 1.

• **Rural Development.** Senate Appropriations subcommittee on agriculture has recommended increased funding levels for rural development grant and loan programs. Funding levels equalled or exceeded those recommended by House, thereby assuring rural counties of the availability of highest funding level to date for fiscal '78. House measure passed on floor June 22. Senate to act on appropriations bill before end of June. House/Senate Conference Committee expected in early July to resolve differences in bills. See page 1.

• **Universal Voter Registration.** Administration and House leadership endorse a number of compromising amendments to gain support for H.R. 5400, the same-day voter registration measure. Action expected late June. Senate vote expected after House.

• **Transportation Appropriations.** Fiscal '78 bill was scheduled for Senate floor action late last week. It contained full funding for airports and \$90 million for safer off-system roads and bridges. Report instructs Federal Highway Administration to initiate an inventory of off-system bridge needs.

• **Transit.** S. 208 still not scheduled for Senate floor action. Bill would increase transit funds

NACO Box Score . . . Priority Issues

Welfare Reform. . . . President's goals outlined; August legislation target.
Employment. . . . Carter signs one-year CETA extension.
Public Works. . . . Regs out, dollars allocated.
Antirecession. . . . Carter signs; checks out in July.
Health Insurance. . . . NACO supporting hospital cost cap.
Payments-in-Lieu. . . . Senate approves fiscal '78 funds.
Community Development. . . . House and Senate conference next week.
Rural Development. . . . House-Senate conference early July.
Transportation. . . . Appropriation set for Senate floor.
Water Pollution. . . . Senate committee hearings last week.
Air Pollution. . . . Conferees appointed.
LEAA. . . . House votes funding cut for fiscal '78.
Land and Water Conservation Fund. . . . Senate approves full fiscal '78 funding.

significantly.

• **Aircraft Noise.** New draft bill expected soon from House subcommittee. Senate subcommittee focusing on aviation regulatory reform and does not appear ready to act on noise until next year.

• **Drought.** Economic Development Administration (EDA) and Farmers Home Administration (FmHA) are administering companion drought assistance programs to aid communities above 10,000 and

below 10,000 respectively. EDA is providing \$60 million in grants, and \$115 million in loans, and FmHA is administering \$75 million in grants, and \$150 million in loans.

• **Intergovernmental Personnel Act (IPA) Appropriations.** House and Senate conferees have approved fiscal '78 funding for IPA programs. The committee recommended \$20 million, an increase of \$5 million over the fiscal '78 budget request. House and Senate floor votes scheduled for June 27. See page 2.

HEW/DOL Appropriations

Continued from page 1

THE BILL also provides \$140 million for health planning and resources development; \$1.2 billion for health services; \$209 million for the Center for Disease Control and \$2.7 billion for mental health, alcoholism and drug abuse programs.

In the education section, the bill includes \$3.7 billion for higher education, \$3.4 billion of this is for student assistance programs. The overall amount is \$499.5 million over the President's request and \$735.4 million higher than fiscal '77 levels.

Of importance to counties is the \$800 million requested for impact aid programs. This is \$405 million over the Administration's request. President Carter had proposed a cut in the program funds of \$398 million for fiscal '78 from the fiscal '77 level by eliminating "B" children payments (payments for children whose parents work on federal property, but live in the community).

There is also a general provision that disallows the use of any funds in the bill for the use of busing any student beyond the school nearest his home.

The federal share for Medicaid payments would be \$11.5 billion. This is \$342 million below the budget request, thus reflecting HEW's April prediction of Medicaid costs.

THE HOUSE accepted, 201-155, a

measure to retain an amendment forbidding use of funds to finance abortions. Last year's amendment forbade use of Medicaid for abortions, except in life-threatening cases.

Then last Monday the U.S. Supreme Court ruled 6-3 that Congress and the states can refuse to pay for abortions for women eligible for welfare and Medicaid. The justices ruled that the Constitution does not give a woman a right to have the government pay for an abortion that is not medically necessary. The court also said that public hospitals have no duty to perform abortions that are also not medically necessary.

The Senate Appropriations Committee worked on its version of the HEW-DOL fiscal '78 appropriations measure. Details of that action will be reported in next week's issue of County News.

Job Opportunities

Legislative Analyst for Grants Administrator office, City of Long Beach, Calif. Salary \$13,015-\$16,009, but negotiable depending on qualifications. To coordinate grant programs for city and assist in development of grant proposals. Requirements: four year college degree, one year analytical or administrative experience. High degree of communicative skills a must to establish and maintain close working relations with administrators and legislators at all levels of government. Desire some knowledge of state and federal programs. Resume to John Shirey, 333 West Ocean Boulevard, Long Beach, Calif. 90802.

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Rural Development Funding Increased

Continued from page 1

public and quasi public agencies, non-profit corporations, associations, and Indian tribes to finance projects to develop, store, purify, or distribute water, or collect, treat, or dispose of waste.

The increases in industrial development loans will provide rural counties with an important tool for economic development. The loans may be used to improve, develop, or finance business, industry, and employment, and to improve the economic and environment of rural areas. They are available to public, private, or cooperative organizations and to individuals and Indian tribes.

The community facility loans can be used to construct, enlarge, extend, or otherwise improve community facilities providing essential services to rural residents. These services include fire and rescue services, transportation, traffic control, and others that

provide community, cultural, and recreational benefits. The loans are available to public and quasi-public agencies and to non-profit corporations and Indian tribes.

The rural fire protection grants may cover up to 50 per cent of the cost of organizing, training, and

equipping rural volunteer fire departments and the rural development grants may be used to facilitate the development of private business enterprises including the development, construction or acquisition of land, building and other related factors.

	Funding	Fiscal House Approps. Bill	Senate Approps. Bill
Rural Development Programs			
Water and Waste Disposal Grants	\$200 M	\$250 M	\$250 M
Business and Industrial Development	\$ 10 M	\$ 10 M	\$ 10 M
Comprehensive Rural Development Planning Grants	0	0	\$ 10 M
Rural Fire Protection	\$ 3.5 M	\$ 3.5 M	\$ 3.5 M
Water and Waste Disposal Loans	\$600 M	\$750 M	\$750 M
Community Facility Loans	\$200 M	\$250 M	\$250 M
Industrial Development Loans	\$350 M	\$ 1 B	\$ 1 B