This Week

New County Times: **Special report on productivity improvement, see pages 5-8.**

COUNTY NEWS

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

NACo

Vol. 11, No. 39

October 8, 1979

Washington, D.C.

NACo MEETS WITH DOT SECRETARY GOLDSCHMIDT—NACo Transportation Steering Committee Chairman Dan Murphy, left, and NACo Executive Director Bernard F. Hillenbrand, center, discussing various transportation-related issues such as the windfall profits tax during meeting with newly appointed Secretary of Transportation Neil Goldschmidt. See related story, page 11.

SENATE FINANCE

Unit Clears Child Care, Title XX Bill

The Senate Finance Committee last week reported H.R. 3434, the Child Welfare and Social Services Amendments of 1979 with a number of changes from the House-passed version.

Although the basic child welfare and foster care improvements were approved, the committee's bill tightened some requirements, capped foster care spending, and left provision for funding of the new services to the appropriations process, although two-year forward funding would be authorized within the $266 million authorization level contained in current law. No more than $56.5 million has been appropriated to date. The House bill authorizes an increase to $84.5 million for fiscal '80.

The Senate committee likewise adopted most of the Title XX Social Services provisions of H.R. 3434, but revised the funding by providing a lower level for fiscal '80, $2.7 billion, and indexing the ceiling to rise to $3.3 billion by 1985. The House passed $3.1 billion for 1980 with no automatic increases thereafter.

The Aid to Families with Dependent Children and child support amendments added by the Senate will require conference resolution. The House is not likely to welcome welfare reform amendments on its child services bill, since the Administration's welfare reform bill, H.R. 4904, is expected to be sent to the Senate later this year.

Changes adopted by the Senate Finance Committee include:

- **For the federal matching adoption subsidy program which would be established under this legislation:** limits the subsidy to adopting parents whose income is within 125 percent of the state's median income but permits states to make exceptions; and requires "sunset" provisions for the federal subsidy in 1985 to permit Congress to review its effectiveness. Subsidies begun during the program could continue.

See TITLE, page 12

WHITE HOUSE BRIEFING

GRS Renewal: Decisions Still Open

White House Chief Domestic Policy Advisor Stu Eizenstat told representatives of the major public interest groups Sept. 27 that "no decisions" have been made on the Administration's plans for the renewal of the general revenue sharing program.

Rather, he said that the Administration's position would be timed with the January budget message. The Department of Treasury, the Office of Management and Budget and the White House domestic policy staff have formed a work group to develop options for the Administration for the renewal of the $6.85 billion a year program of aid to state and local governments. The current program expires Sept. 30, 1980.

As indicated by Eizenstat, discussions are being centered on the following: the role of the states, local distribution, the relationship of a revenue sharing program to countercyclical assistance and the level of funding.

Each of these areas has important significance for counties in renewal legislation.

The role of states in the program has been a paramount issue in Congress, stemming from allegations of state surpluses and state calls for a balanced federal budget through a constitutional amendment. This year more than eight separate votes were taken in Congress on whether to cut or eliminate the state's share in the final year of the revenue sharing program.

Options being discussed in Administration circles range from elimination of the states to a requirement for a mandatory pass-through of state funds to local governments. Currently states get one-third of revenue sharing funds.

Also discussed as an option is whether to require states to take certain actions in order to be eligible for their share. These could include: liberalizing annexation laws, equalizing education formulas or increasing taxing powers or taxing option for local governments.

Eizenstat reported that the way funds are distributed at the local level has had the least discussion so far. However, options in this area could include: modest increases in targeting funds to distressed areas, elimination of wealthy communities, adjusting minimum and maximum funding limits and strengthening the tax effort part of the formula. NACo is very concerned about this area and will be actively involved in helping to arrive at an equitable distribution formula.

In the area of a stand-by countercyclical program, there appears to be a general feeling that such a program would be a logical complement to a renewed general revenue sharing program. The countercyclical title would automatically "trigger" in and out based on a formula which reflects need and would be supplemental assistance to the revenue sharing payment for eligible jurisdictions.

As to funding, Eizenstat reported no firm position on "hold harmless" if reduction in aid should occur, no set dollar amount for the program or whether such will be entitlement or appropriation. Many observers feel certain that this issue will be decided in the overall context of the budget message.

QUARTERLY PAYMENTS MADE

On Oct. 5, the Office of Revenue Sharing made the last of four GRS payments for Entitlement Period 10 (EP 10). This period covered Oct. 1, 1978 to Sept. 30, 1979.

—Bruce Talley

Bill Would Fund Energy Savings

Sen. Paul Tsongas (D-Mass.) recently introduced a proposal which would provide funds directly to local governments to promote energy conservation and use of renewable resources. The Community Energy Efficiency Act of 1979 spans five years with funding of $500 million in the first year, escalating to $1.7 billion in the final year. The proposal is specifically designed to "promote the development of local energy plans which draw upon local authorities and decision-making and complement national energy objectives."

The bill has been referred to the Senate Banking Committee. While full hearings are a possibility, full consideration of this proposal is not expected until early next year, and changes are expected to be made.

One issue which will need to be resolved is who is to administer the program. As drafted, both the Department of Energy and the Department of Housing and Urban Development would be involved, but this arrangement has not met with support from either agency. It is anticipated that the final Senate version will identify only one administering agency.

Senate passes Energy Mobilization Board, see brief, p. 12.

AS THE proposal was introduced, any city or county with a population of over 25,000 would be eligible to apply for the funds which would be distributed partly on the basis of population, heating and cooling needs, dependence on nonrenewables, and income levels. Each applicant must agree to create a citizens advisory committee and must show what, if any, energy savings have already been realized through local activities.

After a city or county establishes eligibility, it could apply for a preliminary community energy action grant. These funds would go toward disseminating information, adopting of local energy conservation targets, programs to assist low-income persons and a mechanism to coordinate local and state activities.

Counties and cities which completed such activities could apply for a community energy action program grant. Grants under this section would go toward maintaining the activities of the preliminary program, in addition to adoption of a solar access ordinance, standards for conservation in new and existing

See ENERGY, page 2

Look for ...

DelBello

- **Where will the money come from to help low-income families with fuel costs this winter? Will it be in time? Westchester County (N.Y.) Executive Alfred B. DelBello explains the county view to Congress, page 3.**
- **State and local share of Land and Water Conservation Fund has been restored to $159 million in Senate subcommittee, page 10.**
- **Counties have received less than full amount of authorized payments-in-lieu of taxes for fiscal '79 because of Comptroller General's ruling, page 10.**

BOOST FOR CENTRAL BUSINESS AREAS

Administration Drafting 'Shopping Mall Policy'

The Administration has seemingly taken various tacks in trying to arrive at a national policy which spells out the relationship between the rise of suburban shopping centers and the decline of central business districts and the role of federal agencies in bolstering ailing business districts.

An early draft attributed the decline in central shopping areas to the rise of the suburban mall and directed federal agencies to concentrate on actions which would assist central business districts.

Regional shopping centers were observed to have drained economic vitality from central areas, contributed to urban sprawl, reduced open space and farmland, aggravated environmental hazards, and generated traffic congestion.

To deal with these problems the first drafts of the "shopping center policy" encouraged states, regional agencies and local governments to "minimize regional shopping center development detrimental to existing cities and towns ..." and encouraged them to "develop techniques for ensuring balanced growth and development and the health of existing central business districts."

Federal agencies were directed to review existing programs to see whether and how they provide assistance to regional shopping center development. Federal agencies were then to identify what terms and conditions could be attached to federal financial assistance, permits, licenses and other entitlements to discourage shopping centers "likely to have a negative impact on older established central business districts ..."

URBAN CONSERVATION

Most recent drafts of what was the "shopping center policy" suggest a broader, "urban conservation" approach: less direct intervention by the federal government; a stronger emphasis on local and state actions; and a stronger institutional relationship to the Department of Housing and Urban Development.

Gone is the strong indictment of the regional shopping center. Instead, this draft observes that "this Administration ... is committed to help older central cities and suburban areas preserve and protect their investment in existing central business districts."

The obligatory task force, composed of the Department of Health, Education and Welfare, the Economic Development Administration, Departments of Transportation and Treasury, and the Small Business Administration, would be formed to develop "effective interagency central business district revitalization strategies."

State, areawide and local governments would be encouraged to develop urban policies and comprehensive growth strategies; federal agencies would be directed to review their present policies, procedures and regulations to determine which "help respond to central business revitalization needs." A National Downtown Revitalization Advisory Committee composed of state and local officials, and representatives of industry and public interest groups would be established to "define and develop innovative national policy and program recommendations to help strengthen existing central business districts in older central cities and suburban communities."

WORD ON SPRAWL

Regional shopping centers which sap the strength of these areas do not escape some bad words. They and sprawl are observed to "have drained economic vitality from older central business districts, created environmental problems and contributed to a reduction of jobs and services available to urban populations, particularly low- and moderate-income and minority households."

The primary objective of the policy is to encourage development through federal, state and local action and/or development by the private sector of healthy central business districts. Further, the policy seeks to reduce the probability that federal actions would lead to "large commercial developments that clearly weaken established central business districts, promote unnecessary urban sprawl, threaten the quality of the urban physical environment, or encourage transportation patterns that are wasteful in terms of energy consumption."

Federal actions, according to the draft statement, should help locate commercial developments in areas "consistent both with state, areawide and local plans and the provisions of the President's urban policy."

The principal vehicle for implementing these policy statements is the urban impact analysis introduced by the Administration last year. Federal agencies would be required to prepare an analysis of actions likely to lead to large commercial development outside the boundaries but affecting older central or suburban communities, if requested by local officials. Local officials would review each analysis.

If significant negative impacts were found, the federal agency in question would be required to "consider appropriate modifications to proposed actions consistent with statutory objectives, and the President's urban policy." The whole analysis process would be coordinated with the environmental impact analysis process administered by the President's Council on Environmental Quality and the Circular A-95 review process.

Further steps in development of the proposed policy are uncertain. Uncounted drafts have already been prepared and it is unclear whether the Administration intends to make this a major element in the implementation of its urban policy.

Finally no public connection has been drawn to development of the HUD-based policy which would be monitored by a staff under the Assistant Secretary for Community Planning and Development, and the National Agricultural Land Study sponsored by the Secretary of Agriculture and the chairman of the Council on Environmental Quality. The latter will identify the effect of urban sprawl and federal, state and local actions on the loss of agricultural land.

LOCAL CONSERVATION

Energy Grants Proposed

Continued from page 1

residential and commercial structures and the development of an emergency energy contingency plan.

Funding for these two types of grants amounts to $300 million in the first year, escalating to $500 million in the fifth year. Recipients of these funds are eligible to apply for funds under the community energy efficiency investment grants program, as are all local governments.

COMMUNITY ENERGY efficiency grants are available for specific types of conservation and renewable resource programs, including low-head hydro, district heating, energy from solid waste, cogeneration, solar energy systems, building modification and the weatherization of low-income housing. Funds for this section would be $200 million in the first year with $1.2 billion in the fifth and final year.

In addition to the grant programs, the Tsongas proposal would establish a local Energy Reference Center to serve as a data base and clearing house for information on local energy conservation and use of renewable resources. The center will also establish and maintain regional Technical Assistance Panels to provide expert advice for local governments. The panels could be consulted by mail or phone and could be requested to perform site audits.

The final section of the proposal would provide funds to counties and cities with innovative programs to document their experiences and distribute that information to other interested local governments.

COUNTY NEWS
(USPS 704-620)

EDITOR: Bernard Hillenbrand
MANAGING EDITOR: Christine Gresock
PRODUCTION MANAGER: Michael Breeding
GRAPHICS: Karen Eldridge, Robert Redding and Deborah Salzer
ASSISTANT EDITOR: Joan Amico
WRITER/PHOTOGRAPHER: Paul Serber
CIRCULATION COORDINATOR: G. Marie [illegible]
Published weekly except during Christmas week and the week following the annual conference [illegible]

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

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

Carter's Plan for Energy Assistance

The Carter Administration plans to use existing legislative authority to set up a two-part program to assist low-income families who will be hit with fuel bills this winter that are likely to be at least 80 percent higher than last winter's bills.

The program will consist of "Special Energy Allowances" which will channel $1.2 billion to recipients of two federal assistance programs—Supplemental Security Income (SSI) and Aid to Families with Dependent Children (AFDC).

This will be supplemented with a much smaller program, "Energy Crisis Assistance," which will provide $400 million to all households with incomes of 125 percent or less of the poverty level.

(In all states but Alaska and Hawaii, this would extend eligibility for crisis assistance to a non-farm family of four with an income of $8,375 a year. For a farm family the maximum income allowable would be $7,125 a year.)

FUNDS WILL be divided among the states according to:

- The number of eligible low-income households in the state;
- The extremity of the weather in the state; and
- If data is available, the cost of energy in the state.

No matching funds would be required this winter.

In testimony before Congress, Patricia Harris, the new Secretary of Health, Education and Welfare (HEW), said the Administration plans to use "the same broad Community Services Administration (CSA) authority which authorized their crisis assistance program" as the authority for the program. Two supplemental bills "contingent upon the passage of a windfall profits tax," (see related story on tax) will be submitted to Congress under this authority to obtain the necessary funding—$1.6 billion.

Some members of the Senate Labor and Human Resources Committee, however, doubt that the existing CSA legislation would be broad enough to cover more than the smaller Crisis Assistance Program. Consequently this committee, which has held hearings on the problem, will "mark up" its own bill Oct. 17.

The committee's bill, S. 1724, would authorize the same amount of funding this year as the Administration's proposal. However, unlike the Administration's plan, the Senate bill would set up a long-term program that would rely on payments to vendors, rather than direct payments to the poor. Waivers, however, would be granted to states for this winter.

Harris, on the other hand, listed all the additional difficulties of setting up a vendor line of credit, and urged Congress to "set aside our longer-range differences" to allow the Administration to pursue its program for this winter.

SHE OUTLINED what the Administration plans to do.

1) Submit two supplemental bills—one for the Special Energy Allowances and one for the Crisis Assistance Program—under authority of CSA legislation and "contingent upon passage of a windfall profits tax."

2) "Make specifications for payments" to SSI and AFDC households by early October in order to make payments to SSI households in early January and to AFDC households in early February.

3) Make $400 million in block grants available to governors to provide crisis assistance of up to $400 a household.

The CSA director, Harris continued, would receive funds appropriated by Congress and turn them over to HEW, which would administer the programs in Washington.

Harris added that HEW and welfare departments would make payments to SSI and AFDC recipients. She did not specify any delivery system for the crisis assistance.

The Crisis Assistance Program, however, will probably be subject to final CSA regulations which are due this week.

Proposed regs were published Sept. 4, but only two weeks (instead of the usual 60 days) were allowed for comment.

The proposed regs grant considerable flexibility to governors. However, they would require any participating local agency to demonstrate experience in serving the poor, to have an adequate accounting system with appropriate fiscal controls, and to have the ability to:

- Provide intake and certification by mail;
- Schedule appointments;
- Provide transportation;
- Provide intake and certification in a homebound person's residence.

The proposed regs also identified the elderly as the highest priority population.

For more information contact Ron Gibbs, NACo's associate director for human resources.

—Phil Jones
NACoR, Inc.

At A Glance ...

NACo's position on energy assistance for low-income families

- A program is urgently needed this winter. Long-term considerations should not interfere with this aid.
- Realistic assistance should be provided so that counties are not forced to pay up to 75 percent of the poor's fuel bill increases.
- Assistance should be funded from a windfall profits tax, but aid should not be made to wait on the passage of the tax.
- States should be granted extremely flexible block grants this winter to encourage the use of existing delivery systems.
- Allocations among states should reflect increases in the price of all forms of energy, not just oil.
- Because a program this winter will be so late in starting, the federal government should assume all administrative costs.

FUEL AID: TOO LITTLE, TOO LATE?—Westchester County (N.Y.) Executive Alfred B. DelBello, right, talks with Rep. Thomas J. Downey (D-N.Y.) after testifying on the need for federal aid to help low-income citizens cope with rising fuel costs.

DelBello: Will Counties Need to Help Pay Fuel Bills for Needy?

Do Congress and the Administration expect counties to pay up to 75 percent of the increase of poor people's fuel bills this winter?

"That is a mind-boggling solution," declared Alfred B. DelBello, county executive of Westchester County, N.Y., who testifed for NACo before the House subcommittee on public assistance on the President's proposal to assist low-income families with their fuel bills.

In general, the Administration proposes to provide $100 to single-person households and $200 to multiperson households to help defray the costs of heating bills which this winter are expected to be about 80 percent higher than last winter.

DelBello pointed out that apartment dwellers in New York will face increases of approximately $400 over last year. Those living in houses face about $500 increases.

The Minnesota Association of Counties, he added, has estimated that $450 will be the average increase in that state.

In other words, an elderly widow living alone in a house in New York or Minnesota will face bills about $500 higher than last year, but will only get $100 from the federal government.

"TO PROVIDE up to $300 for the fuel bills of all our low-income residents is something that counties cannot do," DelBello said, adding that NACo "calls on the federal government to develop a program using realistic figures."

About $400 in northern states would be a realistic figure that could be adjusted downward in the other states where "the need will be less," he said.

DelBello also criticized the Administration's plan to provide single-person households with only half of the assistance provided to larger households.

"In no county," he said, "has there been a reported difference in the heating bills of one-person and two-person households. Furthermore, to discriminate against single-person households is, for the most part, to discriminate against low-income elderly people who should be our top priority population."

DelBello noted that NACo "is well aware" that increasing the assistance given to single-person households and providing realistic levels of assistance would "substantially increase the costs of this program."

For that reason, he continued, NACo supports the windfall profits tax as a means to pay for this assistance and maintain financial responsibility. NACo, however, does not believe assistance should be delayed until the tax is passed. (See related story.)

DELBELLO ALSO suggested administrative proposals that include allowing states maximum flexibility to develop plans that can utilize existing delivery systems such as social services departments, community agencies, etc.

States should be encouraged to provide some assistance as soon as possible and the federal government should assume the administrative costs of the interim program, he noted.

Meanwhile, counties in northern states might be able to get some assistance from their state governments.

In Ohio last week, Gov. James A. Rhodes signed a bill which will provide $93 million over the next two years to help elderly and handicapped persons in the state cope with rising fuel costs.

A more modest program has been proposed in Minnesota where the state is adding $2.33 million to a county contribution of $2.27 million to create a "temporary fuel crisis plan."

In other states county officials are meeting with representatives of utilities and fuel oil deliverers to assure that poor people do not go without heat this winter.

—Phil Jones
NACoR, Inc.

Harris Links Fuel Aid for Poor to Tax

The Carter administration seems determined to withhold a low-income energy assistance program until a windfall profits tax is passed.

Patricia Harris, the new Secretary of Health, Education, and Welfare (HEW), appeared recently before committees in both Houses of Congress to insist that the Senate should pass the windfall profits tax in order to make assistance to the poor available this winter. (The House has already approved the tax.)

She ran into stiff opposition, however, in both the Senate Labor and Human Resources Committee and the House subcommittee on public assistance.

Sen. Edward M. Kennedy (D-Mass.) and Rep. William Brodhead (D-Mich.) claimed that decontrolling oil prices has already raised revenues sufficiently to pay for the proposed program.

They cited figures prepared by economists for the Joint Committee on Taxation which indicate that in the next 11 years decontrolled (higher) oil prices will provide the federal government with between $66 billion and $289 billion in extra revenues, even if no windfall profits tax is enacted.

In other words, there will be a minimum of $6 billion available each year, which is considerably more than estimated costs of an assistance program for the poor.

Moreover, Reps. Thomas J. Downey (D-N.Y.) and Charles B. Rangel (D-N.Y.) questioned the justice of "holding the poor, who had no say in the executive decision to decontrol oil prices, hostage to the Senate's action" on the windfall profits tax.

Rep. James C. Corman (D-Calif.) wondered why the President had not tied the tax to his decision to decontrol oil prices, instead of to assistance for the poor.

"If the tax had been linked to higher oil prices," Corman observed, "I think we would have had a tax pretty fast."

Testifying for NACo before the House subcommittee on public assistance, Alfred B. DelBello, county executive, Westchester County, N.Y., supported the Administration's proposed windfall profits tax, but added that help for the poor should not have to wait for passage of the tax.

NACo's view was shared by the National Governors' Association and the 12-million-member American Association of Retired Persons.

Some in Washington, however, question whether a windfall profits tax is the best way to raise governmental revenues. Criticism became especially acute after the Senate Finance Committee proposed giving away more money through tax credits to businesses than would be raised by the windfall profits tax.

"As for revenue," observed a *Washington Post* editorial, "the White House would be wiser to drop the whole tortured rhetoric of windfalls and move to a flat severance tax—a tax of, say, $5 on each barrel produced ... It would be simple, direct, with no exceptions."

Fighting the Red Tape Monster

by Bernard F. Hillenbrand, Editor

Brazil is leading the world in the use of gasohol (part gasoline, part alcohol) for alternative fuel. And now they have come up with another great idea—a new federal cabinet post designed to fight bureaucracy.

According to a *New York Times* story, Senhor Helio Beltrao, the first incumbent in the newly created position, is in fact just what the job calls for—a brave person!

"I'm not afraid of the monster but maybe I'll make the monster afraid of me," says he.

We can see a similar position created by President Carter and filled with a gutsy guy like Bob Strauss. The fur would truly fly.

It would be exciting for a change to stage a major event in the White House Rose Garden, announcing that "battling Bob" had just eliminated 7,000 forms in HEW or 400 requirements in a HUD grant application.

The idea might spread to other places where it could do more good—like 18,000 city halls and 3,104 county courthouses—or even here at NACo.

For example, we could see NACo President Frank Francois presenting a prestigious award at the annual NACo banquet to that county which had made the most progress during the year in cutting away useless county paperwork and eliminating useless jobs.

It wouldn't hurt private business to pay attention either. When we stand endlessly in line at the new computer checkout counter we wonder if the company needs all the information they later gather—or more particularly, should they gather it on our time.

We remember when former NACo President Gil Barrett represented us at the Paperwork Commission. There were literally thousands of specific cases of useless paperwork and procedures identified in the federal government alone—not counting those at state and local level. Little has been done to follow up to eliminate the rules.

Unlike Senhor Beltrao who will walk across the entire face of the Brazilian government—a bureaucratic basket case, we might concentrate in a single subject area—energy development.

Under the energy legislation currently before Congress, an Energy Mobilization Board is to be created to coordinate the development of alternative energy resources. (Never mind that Congress only recently created the Department of Energy to do the same thing.)

Here is a splendid opportunity to eliminate useless procedural certifications, photocopies of this and that, rules, regulations and dockets and signoffs in the energy development jungle that consume endless energy and waste decades.

If an energy czar can do this, it could solve both the national energy crisis as well as the equally important problem of too much government.

County Opinion

Confronting Thorny Issue in Land Use

When the Carter administration took power, one of its early decisions was to avoid what has come to be known as the land use issue. The countless federal actions which determine the location and extent of growth and which may or may not be compatible with county and local land use policies were ignored.

The President's urban policy also sidestepped the issue by condemning urban sprawl while at the same time failing to provide procedures to ensure that federal agency actions are consistent with county and local land use and growth programs. It took Congress in the form of the proposed Agricultural Land Protection Act to require that actions of federal agencies be consistent with county programs to protect farmland.

Now drafts of the Administration's "shopping center" or "urban conservation" statement would establish a national policy directed to one type of land use and one area: the central business district. The policy now being prepared by the White House and the Department of Housing and Urban Development is reported in this issue.

The stick in the most recent draft of the policy would direct federal agencies to "consider appropriate modifications to proposed actions consistent with relevant statutory objectives, and the President's urban policy ..." if significant negative impacts of proposed federal actions on central business districts were revealed by an urban impact statement. Earlier drafts called for federal agencies to condition grant, loan and permit programs supporting regional shopping center development. The effect would be to withdraw such assistance.

Regional shopping centers are not the issue. The issue is that federal officials would judge whether one particular land use or growth policy ought to be favored over another. Federal employees have neither the technical capacity nor political accountability to make such judgments. These are county, local and state matters to decide.

In conditioning federal grants, loans and permits, federal agencies would also assure location of commercial developments consistent with state, areawide and local plans and the provisions of the President's urban policy. Consistency of federal actions as a controlling principle would place responsibility where it should be: with local elected officials. But, reconciling local plans, the urban policy and the draft policy to discourage regional shopping centers is no mean feat, one which few federal officials are up to accomplishing.

An urban center or shopping mall policy alone ignores the fact that conserving central business areas, guiding large-scale development, preserving agricultural land, protecting important natural resources are all interlocking decisions. Only counties, cities and other local governments have the capacity for evaluating competing demands for land resources. Federal agencies should follow their lead and assure that federal actions are supportive.

Finally, while there is much federal law directed to urban development, none requires federal agencies to support or act compatibly with county programs to preserve agricultural land as an important economic enterprise. Proposed agricultural land protection legislation, H.R. 2551 and S. 795, would fill this gap and direct federal agencies to surrender some influence over programs affecting agricultural land. This bill is supported by NACo and a broad range of other public interest groups. The Carter administration ought to take another look.

Fire Prevention: A Job for Everybody

Fire is our greatest natural disaster. The U.S. Fire Administration estimates that over 30 million fires occur annually resulting in 8,700 deaths, nearly 300,000 injuries and over $20 billion in total loss. Fire incidents per capita in the United States are among the highest in the world.

We cannot expect the fire services to reduce this tragic loss alone. The fact that casualties and losses are below average in the United States, when compared to other counties, indicates that our firefighters are doing their job.

The answer to the high incidence of fires is not more firemen and expensive equipment, but more prevention. During Fire Prevention Week, Oct. 7-14, all citizens should review their role in stopping fires before they start.

Early warning and suppression systems are coming on the market that will help residents stop fires early where they cause the greatest loss of life, in the home. A technological breakthrough in smoke detectors, making them affordable to the average homeowner, has brought a dramatic reduction in casualties and property loss where local codes require widespread use. The U.S. Fire Administration reports that soon there will be breakthroughs in residential sprinkler systems that are affordable and work off residential water pressure.

These systems spot fires early and help keep them small, but they too cost money. The daily habits of people who cause fires are the real problem. We can only solve it by being more careful. Maybe if we can practice fire prevention for a week, it will become a habit.

Letters

Dear Mr. Hillenbrand:

We read with interest your article about the transit mobility regulations in your Aug. 6 issue of *County News*. We are in the transportation planning, aging and rural transportation programs in a very large way.

We have developed a system of personal transportation through a local handicapped-transportation service. This service seems to be very successful and is far cheaper than equipping all of our transit vehicles with chair lifts.

We agree with the comments of NACo and will assist you in your endeavors in this matter. As you point out, the purpose is not to restrict access to transportation; it is a matter of keeping transportation services available to the general public. Your comments on being sensitive without being sensible seem to be right on target.

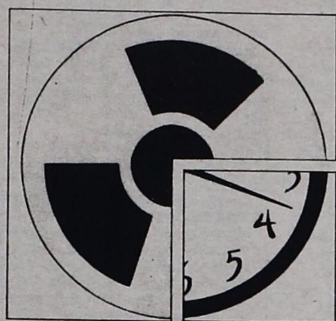
—Don Meisner, Director
Siouxland Interstate Metropolitan Planning Council
Sioux City, Iowa

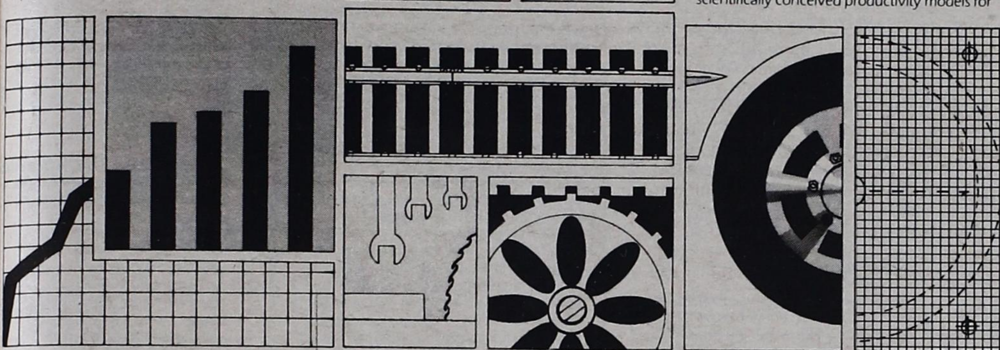
New County Times
On County Modernization

Productivity: Where to Begin

By Bill Henderson and Randy Young, Principals, Henderson, Young, and Company

Everyone wants county government to do a better job. Taxpayers want more visible proof that their tax dollars are wisely spent; county legislators want to keep their constituents happy by demonstrating that the effectiveness and efficiency of their organization has noticeably improved; and management and rank-and-file employees want to be rewarded for doing a better job this year than last. Despite the political risks in making commitments to improving productivity, elected and appointed county officials want to demonstrate to taxpayers that they are getting more from government today and, if not paying less for it, at least paying no more.





While legislators and administrators may agree on the need for productivity improvement; they are not always certain where to begin. Their hesitancy is understandable because, despite the abundance of rhetoric in government about productivity, little evidence is available to support success stories about improving performance in county government. The purpose of this article is to demonstrate how counties can begin improving productivity by using proven techniques applied with common sense and hard work.

The ideas and suggestions presented here encourage county officials to ignore the rhetoric in textbooks which advocates scientifically conceived productivity models for the "perfect world" in which counties do not operate. A realistic approach recognizes that county officials must live with the problems of their organization as well as the results of their efforts to solve those problems.

Ask the Right Questions

How do I establish a productivity improvement program in my county? Where do I begin? Where are the resources going to come from? Are the political risks worth it? Does my organization really need to improve its performance? These questions and others are being asked by county officials. Asking the right questions is a first step toward improving productivity.

Before county officials begin asking themselves how to organize and staff a productivity improvement program, how to develop performance measurements, and what approaches should be implemented, they must determine where performance should or can be improved in their organization by using techniques of self-evaluation or external evaluation.

A self-evaluation "survey" of department and division heads and other appropriate employees can assist in determining where the strengths and weaknesses lie in certain organizational units. It should ask: (1) who has specific responsibility for providing certain services and outputs of the organization; (2) ideas for modifying existing responsibilities for services within or between departments; (3) suggestions about how certain "in-house" services can be improved (i.e., budgeting, finance, personnel, data processing, procurement, etc.); (4) specific problems regarding workflow within or between departments; (5) obstacles related to staffing, equipment, financing, policy/procedures, etc., that might inhibit improved performance; (6) alternatives for minimizing or eliminating particular problems; (7) services that could be provided if more resources were available; (8) where employees believe the organization could save money; (9) internal policies or issues that have led to less than satisfactory performance; and (10) improvements that could be used to identify policy problems and develop policy solutions more effectively.

Another process for identifying opportunities for improved performance is external evaluation. For example, a suburban community in Colorado (Lakewood, population 140,000) brought national, regional, and local government practitioners together for the purpose of stimulating dialogue about municipal services between the mayor and city council, city administrative staff, and local citizens. Panels were selected to focus on three policy areas: law enforcement, community development and leisure, and urban management and administration. They were taken on tours of city operations, and, during in-depth interviews with staff, had the opportunity to discuss specific areas of interest. Each panel formulated a summary statement and a list of recommendations that explained why certain recommendations had been made which were then presented to the mayor, council, and administrative staff.

Lakewood's approach to determining its strengths and weaknesses proved successful because it brought new perspectives to improving the performance of the organization and reinforced for the city council the urgency of many of the concerns and ideas already brought to their attention by management.

Continued on next page

AN OVERVIEW

Why Improve Productivity?

By Martharose F. Laffey, Tax and Finance Specialist, The Exchange, National Association of Counties Research, Inc.

For the past several years, the federal government has directed an eye toward productivity improvement by state and local governments. One reason for the interest has been the slide of the nation's economy, particularly a decrease in the annual growth rate of productivity. Over the past decade, U.S. productivity has dropped to an annual growth rate of 1.6 percent from 3 percent during the preceding 20 years. Japanese productivity, in contrast, has grown at a rate of 8.9 percent annually; West Germany's at 5.9 percent; and France's at 5.7 percent. The outlook for future productivity growth is not encouraging. U.S. productivity is projected to grow only between 2.4 percent and 2.7 percent annually over the next decade, as compared with a 4 percent annual growth rate for Western Europe and a 6 percent growth rate for Japan.

This general decline in the growth rate of U.S. productivity has significant implications for state and local governments because the public sector now constitutes approximately one-third of the Gross National Product. One out of every eight civilian workers is employed by state and local government and the productivity of these workers is a critical factor in determining overall national productivity.

Another reason for federal government concern about the increased productivity of state and local governments is that these governments play a vital role in accomplishing specific national objectives and carrying out federally mandated programs. Activities undertaken by state and local governments in the national interest are partially financed by federal grants-in-aid, which totalled $77.9 billion in 1978. It is incumbent, therefore, upon the federal government to encourage the judicious expenditure of these substantial funds, and to ensure that future aid requirements reflect the efficient deployment of federal tax dollars by state and local governments.

Public officials at the state and local level are spurred to improve productivity not only by the federal government, but also by the citizens of their own jurisdictions. The negative impacts of low public employee productivity—retarded service expansion, increased taxes, and a waste of valuable resources—are exacerbated during inflationary periods. At the very least, these negative conditions create citizen demand for more efficient use of existing resources in the delivery of services. In many cases, they also prompt organized resistance to higher taxes, especially property taxes, and to increased government spending.

The need by counties for additional information and guidance concerning the design and implementation of a productivity improvement program has prompted the development of this edition of "New County Times."

The articles included here deal with several facets of the productivity improvement question. "Productivity for County Government: Where to Begin?", by Henderson and Young, outlines a flexible approach to the development of a productivity improvement program by county officials. Metropolitan Dade County manager, M.R. Stierheim, describes how a productivity unit was set up in his county. The role that the federal government has assumed in assisting local governments with productivity improvement efforts is the subject of a third article, and a reference list of productivity improvement resources within federal agencies is provided. Finally, the New Direction column presents capsule descriptions of productivity improvement programs in several counties, along with people to contact for more information.

This supplement and "The Exchange" are made possible through a grant from the Office of Intergovernmental Personnel Programs, Office of Personnel Management.

Steps to Improved Productivit

Continued from page 5

Policies then were defined and a plan of action for improving productivity performance was drafted and implemented.

Creating a Focal Point

A second major step toward improving productivity is organization. A county or department needs a focal point in order to coordinate strategies for improving performance. Regardless of whether a staff is immediately available to undertake a full-scale improvement program, a central office of productivity should be established. The office may only be staffed by one full-time or part-time employee who has the ability to make use of employees in other departments on a part-time basis. Initially, the office can:

- Focus attention on the desirability of improving productivity, provide limited assistance, and disseminate information about productivity improvement in other counties and cities.
- Initiate in-service training programs designed primarily to educate employees, making the county organization as a whole aware of the many strategies and techniques that can be used to improve productivity.
- Undertake an analysis within each of the departments to determine what additional staffing may be needed to initiate productivity improvement efforts.
- Provide the impetus for stimulating, encouraging, and coordinating productivity improvements throughout the county organization.

The more visible the program is, the more responsive the county organization will be to it. The office of productivity should become an analytical arm (similar to offices of management and budget in many counties) for the chief executive or county administrator. Aside from its visibility, the office will be perceived as having the full support of the administration and the legislative body. It is also essential that close working relationships be maintained between the office of productivity and the department of finance and personnel. If productivity is to be a high priority in a county organization, the office of productivity should not be viewed as a staff function for research and planning. Rather, it should be located where key decisions in the county are made.

Experience has shown that counties with the greatest need for productivity improvements, those with serious fiscal problems, are least likely to have a productivity strategy or program. Budget reductions are made first in management analysis functions, automatically forcing curtailment of on-going productivity improvement programs. To justify an on-going program with necessary staffing, a county will have to "market" the concept of productivity by giving greater visibility to the need for improvement, the methods and techniques that are being employed, and most important, the benefits of that effort to the taxpayers.

Identifying a Process

After a county has organized and staffed for productivity, it should design and implement a systematic, continuous approach to sustain the program. A systematic process for managing productivity should enable a county organization to:

- Diagnose the specific needs and opportunities for improving productivity in various units, using the most reliable data available to define those needs and opportunites;
- Verify and analyze the data about needs and opportunities;
- Select alternative approaches to addressing the specific needs and opportunities for improving productivity;
- Develop specific goals and objectives for achieving results;
- Monitor the extent to which those goals and objectives are achieved; and
- Assure that decisions about improving productivity are linked to the policymaking and budgetary processes of the organization.

The first step in this process should include (1) reviewing in more detail the organizational survey that was previously used to identify general needs for improving productivity, and (2) grouping the questionnaires by organizational unit so that specific questions can be asked about opportunities for improving performance. The initial questionnaire can be modified to seek out more precise information about the need for improved technology, operating procedures, employee performance, and management systems.

The second step involves verifying the data obtained from the questionnaire, and setting priorities so that alternative approaches for improving productivity can be identified. To verify the accuracy and significance of the survey responses, follow-up interviews should be scheduled with employees who completed the questionnaire, as well as additional employees who were not initially involved. Based upon these interviews, a list of priorities should be prepared which reflects the potential for immediate and low-cost improvements that may be mandated by law or that are needed for "critical" services (law enforcement, fire, emergency services). The list should also include improvements that can be achieved with high visibility so that the county organization's early efforts can be quickly perceived by taxpayers as a positive step.

Specific Approaches

After a county has determined that its initial productivity improvement needs can be realistically addressed within the capabilities and resources of its organization, specific approaches should be identified that can best meet those needs. There are four approaches most commonly used to improve productivity performance: technology, industrial engineering, employee motivation, and management systems. Many programs undertaken in local government have emphasized one or more of these approaches. The use of state-of-the-art technology has been successful in many larger organizations. For example, mechanized residential garbage collection with special adaptive 300 gallon containers or 4-cubic-yard metal bins has reduced crew sizes and costs, and infrared viewing devices for sensing radiation emanating from heat sources have improved fire prevention.

Industrial engineering techniques, such as measurement and work standards, scheduling techniques, and routing and location models, have been used successfully in many local government organizations. To illustrate, Genesee County, Mich. successfully implemented measurement and work standards programs which improved performance and reduced staff in several county departments.

Strategies for improving employee motivation, although relatively new to local government, have proven effective in some organizations. Employee performance appraisal processes (based on pre-specified goals set jointly by employee and supervisor) have improved the objectivity of appraisal and have created clearer distinctions between outstanding and poor performance. A greater use of monetary incentives, including performance bonuses and savings-sharing plans, are becoming more popular in comparison with longevity payments which are now recognized as counterproductive to improving productivity. Job enrichment techniques which expand the opportunities of employees for assuming different responsibilities (e.g., team policing, cross-training of building inspectors and street maintenance employees) have successfully improved employee motivation.

Finally, and quite important, are the results to be achieved from improved management systems. In many counties, however, one of the serious barriers to sustaining productivity evaluation and improvements has been the shortage of available staff with the necessary analytical skills to make such efforts work.

Compounding the problem of analytical capability is the general inadequacy of the management systems which are the foundation for productivity improvement efforts—budgeting, accounting, personnel records, performance appraisal, and information systems.

Budgeting systems, in particular, are often inadequate in local government. Although different types of budgeting systems (line-item, performance, zero-base) have advantages for certain organizations, they are basically not conducive to establishing productivity goals and objectives, allocating the necessary resources where they are most needed to achieve organizational goals, and monitoring the performance of services to determine whether or not productivity is truly being achieved. Budgeting systems are needed which are both programmatic and performance-oriented, clearly identifying services being delivered by departments, costs of services, and efficiency and effectiveness of service delivery.

Productivity Measures

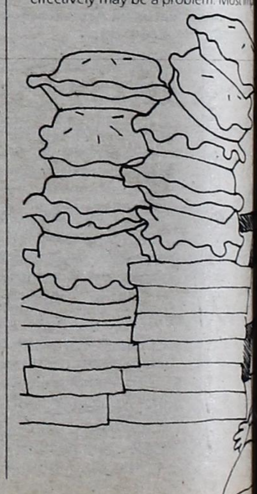
There has been considerable difficulty in developing productivity measurements for government in the past. The most readily available instruments have been workload measures, which unfortunately have several weaknesses that render them less than ideal for measuring productivity in the provision of local government services.

There have been, however, local government successes in developing effective productivity measurements. A few cities and counties have effectively created integrated systems which use four categories to support a truly comprehensive evaluation of productivity improvement efforts: (1) demand, (2) workload, (3)productivity, and (4) effectiveness. These four categories enable decision-makers to ask a variety of questions when they evaluate productivity performance.

An integrated performance measurement mechanism, linked to the county organization's budgeting system, will convert performance data for a proposed program year into measurement commitments to provide specific services at precise levels of efficiency and effectiveness. These commitments are the performance objectives. The cost of each program is linked to the proposed level of performance so that the county organ[...] can see the cost/service level impact of [...] change it proposes.

After the four types of productivity evaluation input have been identified, [...] following parameters for a productivity evaluation mechanism should be esta[...]

- **Information used for perfor[...] evaluation must be quantifiabl[...]** Objective data is necessary if you are [...] beyond the subjective "hunches" and [...] that usually substitute for true produc[...] performance evaluation.
- **Not all services are suscept[...] quantified evaluation.** Some ope[...] and management activities are not me[...] to the extent they should be; and some [...] measures of activities are not meaning[...]
- **A few key indicators or measurements are all that are necessary.** The legislative body, man[...] staff, and others in your organization [...] or will not absorb enormous statistical [...] and generally, local government orga[...] cannot commit staff resources to suppo[...] intensive data gathering programs.
- **The data must be readily av[...]** Generally, resources are not available [...] support new research and data gather[...] However, reasonable estimates of qua[...] professionals or samples of data should [...] accepted where key performance measurements cannot otherwise be su[...] by complete data.
- **Program managers should [...] substantial control over the sele[...] of productivity performance measurements.** It is essential that yo[...] believe in these measurements, and th[...] agree that the performance measurem[...] valid and accurate in depicting their performance.
- **Data should be gathered for [...] task performance, estimated cur[...] performance, and projected fut[...] performance.** In this way, compar[...] be made between past and present; a[...] can be identified which may affect fu[...] decisions and actions. Projections of performance will also permit decision-[...] about the future allocation of resource[...] budget process) to be based on specif[...] assumptions about future needs, actio[...] costs.
- **Comparative data from othe[...] agencies and standards or guide[...] from various professional organizations and associations [...] be used cautiously, or not used [...]** Too often "comparison" data is not tr[...] comparable, or is based on averages o[...] which may not apply to your organiza[...] Furthermore, the unavailability of staf[...] expertise in most organizations for rese[...] analysis required to use such compari[...] effectively may be a problem. Most im[...]



Lessons to Remember

There are a few caveats to remember in attempting to improve productivity.

- First, although public rhetoric encourages the notion of productivity in cities and counties, local officials find it difficult to marshall citizen support for productivity improvement efforts.
- Second, the payoffs from productivity improvement are frequently long-term, not immediate—and more particularly, not quickly visible. Productivity improvement often requires substantial costs before gains are realized, making it politically risky.
- Third, when fiscal purse strings are pulled tight, the temptation must be avoided to make budget reductions that first affect productivity analysis functions, curtailing or eliminating on-going productivity improvements.
- Finally, organizations must both understand and support the initial development and maintenance of a productivity improvement program. Although initial commitment may come from the legislative body or the county administrator, rank-and-file employees must feel that there are personal gains to be realized from the program before results can be achieved.

Dade Creates Productivity Analysis Unit

by M.R. Stierheim
County Manager
Metropolitan Dade County

Like many cities and counties throughout the United States, Metropolitan Dade County is finding it difficult to meet increasing citizen demands for services at a time when taxes and other revenue sources are not keeping pace with expenditures. Increased demands for services coupled with fixed or even declining revenues dictate that tax dollars be spent only on effective and efficient programs.

Metro Dade has earned a well-deserved national reputation for developing innovative ways to improve services to citizens and for holding down the cost of government. Recently, it was determined that there was a need within the county for a central unit with specific responsibility for analyzing and improving productivity. To respond to this need, a Productivity Analysis Unit (P.A.U.) was created within the Dade County Office of Management and Budget. The primary function of this unit is to use proven, management-engineering techniques to analyze the way county work is performed and to improve the methods and systems used to provide services to citizens.

In deciding what approach to use in setting up a productivity program, the following three conclusions were drawn:

First, research indicated that there is no substitute or shortcut for improving work force productivity that does not involve a systematic analysis of the way services are delivered and the way work is performed. This kind of in-depth analysis can only be done at the work site.

Second, the best performers are those agencies and enterprises that have taken the straightforward position that productivity improvement requires hard work, investment of resources, and an analytic staff to develop, coordinate and administer the program.

Third, the effort must have the full support and genuine commitment of management.

Costs and Staffing

To staff the new unit, a coordinator and seven analysts were recruited, six of whom were promoted from other positions within the county. The projected annual operating expense for the P.A.U. is approximately $150,000. The federal Office of Personnel Management has awarded the county an Intergovernmental Personnel Act grant of $37,900 to pay the costs of two staff persons. Three other analysts are "on loan" to OMB from county operating departments. As the unit completes its study of each department which has "loaned" an analyst, that analyst will remain in his or her respective department to follow through on recommended productivity improvements. The unit will then be augmented by new analysts from departments to be studied in the future.

A contract was signed with Price Waterhouse and Co. to provide initial analyst training and consultant services. Training consisted of intensive four week classroom instruction in data gathering methods, work measurement and standards setting, and other productivity analysis techniques. Price Waterhouse and Co. staff members are now providing technical assistance and are reviewing the work of P.A.U. analysts during the initial analysis and study of Metro-Dade's Tax Collection Division of the Finance Department. Other operating departments scheduled to be studied in the next 12 to 18 months include: public works, general services administration, solid waste collection, and the metropolitan transit agency.

The operations tentatively selected to be studied within these departments include over 700 employees with personnel costs of over $10 million. Obviously, even a modest productivity cost savings in these operations would represent a significant "return" to the county for the cost of the P.A.U.

Metro-Dade has placed great emphasis on keeping county employees informed about the purpose and the progress of the P.A.U. Prior to inauguration of the current tax collection analysis, P.A.U. staff members met with all division supervisors, union representatives, and employees to brief them on how the analysis would be performed and distribute information which described the project. As a result of this effort, employee concerns about possible staff cuts or unreasonable workload requirements have been alleviated and most employees now consider themselves "part of the team."

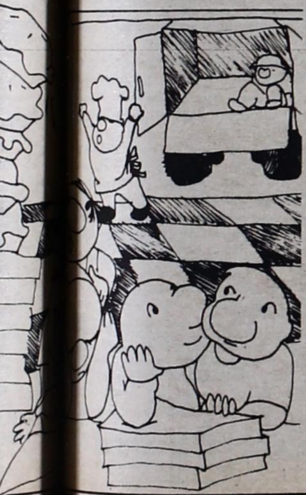
Information Gathered

Each analysis is expected to span a four to five month period, but may vary, depending on the complexity of the organization. Analysts gather data such as organization charts, number of vacancies, staffing levels, pertinent statutes, and administrative orders and workloads. Employees, department managers, and supervisors are all interviewed to determine exactly how their duties fit into the overall operations. Analysts use the information gathered to suggest ways to improve work methods.

An important part of each study is the establishment of fair and reasonable time standards necessary to complete those tasks that comprise the bulk of each employee's work day. The guidelines are set for the time required by a competent, trained employee working at a reasonable pace to complete a certain task when following a prescribed method. Allowances are made for delays, fatigue, and personal time.

Using the workload forecasts and time guidelines, the analysts prepare a staffing budget to forecast the manpower necessary to complete the workload for the year. Analysts work closely with supervisors and managers to improve work schedules, distribute uneven workloads, solve problems, and devise more open channels of communication. Employees contribute ideas based on their own experiences to increase the overall productivity of the office.

For further information about the Metro-Dade County productivity improvement program, contact: Richard Slocum, Dade County Courthouse, Rm. 1403, 73 West Flagler Street, Miami, Fla. 33130, 305/579-5143.



New Directions

Counties throughout the nation are attempting to improve productivity by seeking the help of big business, consultants and private citizens. The following are examples of cooperative efforts between these groups aimed at improving government efficiency and giving the taxpayer the most for his dollar.

Allegheny County, Pa.

Committee for Progress in Allegheny County (ComPAC). In this program, big business pitched in top executives to explore ways the county could streamline its bureaucracy. Over 18 months, business executives suggested numerous reforms in areas like purchasing practices, cash management, personnel, computer services and records management.

When the county carried out ComPAC's recommendations in 1978, savings to taxpayers were significant. Nearly $2.5 million was saved the first year alone. Contact: Susan Tymoczko, Greater Pittsburgh Chamber of Commerce, 411 Seventh Ave., Pittsburgh, Pa. 15219, 412/391-3400.

Baltimore County, Md.

Employee Performance Evaluation Program. This program gives supervisory personnel a set of standardized procedures to be used in evaluating employee performance. Employees are also permitted to evaluate themselves with respect to their assigned duties and responsibilities. Thus far, the program has resulted in better communications between supervisors and employees, higher standards of work performance and improved service delivery. Contact: Lorraine McLoud, Personnel Analyst, Office of Personnel, 111 West Chesapeake Avenue, Towson, Md. 21204, 301/494-3120.

Hennepin County, Minn.

Productivity Improvement Program. In this program, internal consultants work with the county manager's office in solving productivity-related problems.

The project makes use of the following tools: motion and time study, work-flow analysis, workspace layout, work measurement, determination of staffing requirements, methods improvement, and simplification through mechanization/automation. In addition, use is made of system analysis/design, organizational analysis, and organization development. Contact: Gordon Prentice, Office of Planning and Development, A-2300 Government Center, Minneapolis, Minn. 55487, 617/348-5241.

Mecklenburg County, N.C.

Resource Management Program. This program is aimed at improving overall county operations through a systematic approach to managing resources based on performance measurement. Significant reductions of staff in county departments and improved service delivery, particularly in the fire protection area, have already resulted. Contact: Glenn C. Blaisdell, County Manager, Mecklenburg County, 720 E. Fourth Street, Charlotte, N.C. 28202, 704/374-2472.

Washington, D.C.

Improving Productivity of Neighborhood Services. In this HUD-funded project, citizens and employees joined in an effort to clean up the trash in one test district. The project netted the following results: street and alley cleaning was improved by over 40 percent; systematic inspections for trash on private property replaced a system that had primarily responded to complaints; a warning (prior to a formal citation for violation) was adopted with a set date for compliance; and a calendar listing removal services was distributed. Contact: Douglas Lee, Office of the City Administrator, District Building, Rm. 511, 1350 E Street, N.W., Washington, D.C. 20004, 202/727-6645.

Westchester County N.Y.

Tri-Modal Productivity Improvement Project. This program, funded by the Department of Labor and the Intergovernmental Personnel Act, used nine CETA employees to conduct a comprehensive personnel survey. In addition, a resource management training program was implemented for supervisors and managers with emphasis upon productivity improvement. Contact: Hartley W. Barclay, Jr., Personnel Officer, County of Westchester, 148 Martine Avenue, Rm. 100, White Plains, N.Y. 10601, 914/682-2670.

Federal Role in Productivity Improvement

In recent years, the federal government has assumed an active role in the productivity improvement efforts of state and local governments through agency activities, the establishment of the National Productivity Council, and grant reform initiatives.

Within **federal agencies**, several programs have been designed to improve productivity by strengthening the management capacities of state and local governments: the Intergovernmental Personnel Act, a $20 million grant program of the Office of Personnel Management that finances improvements in personnel management systems; the Department of Housing and Urban Development's "701" program, a comprehensive planning assistance program; HUD's government financial management capacity sharing program which focuses on improving financial practices; the National Science Foundation's intergovernmental program, which encourages the use of scientific and technical information in management activities; and the Department of Labor's public employee labor relations program.

While all of these programs are valuable to county officials, only the efforts of the Office of Personnel Management and the Department of Housing and Urban Development will be discussed here because these agencies have traditionally assumed a leadership role in assisting state and local governments in improving productivity and their programs are among the most dynamic in this area.

Personnel Management

The Intergovernmental Personnel Act (IPA), passed in 1970, authorized a variety of mechanisms to help state and local governments improve their personnel management capacity. Included were grants for personnel system improvement and training; technical assistance in personnel functions; a program to increase employee mobility among state and local governments, the federal government and universities; and the Civil Service Commission's administration of merit system standards.

While the IPA grant program represents a large part of the federal investment in improving state and local government personnel management and training systems, funding for the program has been relatively small, ranging from $10 million in fiscal '74 to $20 million in fiscal '78. Over the years, more than half of the funds have been used for personnel system improvements, with the rest being used to fund training programs in a wide range of management skills and government activities.

In addition to the IPA program, the Office of Personnel Management recently has established a Grants Assessment, Research and Productivity Section to provide a focal point for federal efforts to help state and local governments improve productivity.

For additional information about OPM activities, contact Norman Beckman, Assistant Director for Intergovernmental Personnel Programs, Office of Personnel Management, 1900 E Street N.W., Rm. 2305, Washington, D.C. 20415, 202/632-6830.

Housing and Urban Development

During the 1960s, HUD established the "701" program, which provided funds to state, local and regional governments for comprehensive planning purposes. A substantial portion of the "701" appropriation was earmarked for the improvement of the general management capacity of these governments. However, the combined effect of amendments in 1974 and reduced appropriations have resulted in diminished general management improvement activities under the program in recent years. For example, the fiscal '80 appropriation is $40 million, of which only approximately $5 million will be used to improve general management.

In 1978, after extensive consultation with local officials and others, HUD created a new program designed to assist local officials to improve financial management in designated priority areas. Among the first areas to receive attention was performance measurement. In the last year, the HUD Government Financial Management Capacity Sharing Program has provided general information, responded to technical inquiries, trained interested staff of federal agencies and public interest groups, created a financial management library, and established a network of local government financial management experts.

For additional information about HUD activities, contact Alan Siegel, Director, Government Capacity Building Division, Office of Policy Development & Urban Development, Washington, D.C 20410, 202/755-5613.

Other Avenues

Another federal initiative in productivity improvements is the recent establishment by the President of a **National Productivity Council** to serve as the focal point in the Executive Branch for federal efforts to improve productivity in both the public and private sectors of the economy. It replaced the National Center for Productivity and Quality of Working Life. Last spring, the council undertook a study to determine the appropriate role of the federal government in supporting the productivity improvement efforts of state and local governments. The draft final report of that study has just been released and offers the following recommendations for consideration in structuring the federal role:

- Designation of the Office of Personnel Management as the lead federal agency for state and local government productivity improvement.
- Development of an information sharing program by the Office of Personnel Management.
- Amendment of the Intergovernmental Personnel Act to authorize grants and cooperative agreements in diverse management areas.
- Continued efforts by federal agencies to support state and local government productivity measurement.

One question, however, that the council did not address directly in its study, and a major avenue of possible cost-cutting and productivity improvement for both federal and state and local governments, is **grant reform**. The impact of grants-in-aid on local government productivity is often negative because of the delays and additional costs caused by the myriad of regulations and excessive red tape. Another problem with federal grants is the unfortunate lack of grant rewards for productivity performance in grant administration.

To ameliorate these difficulties, there is currently a major Executive Branch effort under way to simplify and improve the federal grants system. The primary components of the effort include:

- **The Federal Grants and Cooperative Agreement Act of 1977** which requires a comprehensive review of federal assistance management practices and proposals for reforming the federal aid system.
- **The Eligibility Simplification Project,** which is a comprehensive review of major public assistance programs to find ways of simplifying the complex and burdensome process of determining eligibility for these programs.
- **Planning Requirements Reform,** an effort to simplify and consolidate the numerous planning requirements associated with federal grants to insure consistency among different agencies and programs and lessen the burden on state and local government recipients.
- **Compliance with OMB Circular A-95**, which is an effort to (1) assure that major grant-making agencies follow prescribed procedures for evaluation, review and coordination of federally assisted programs, (2) clarify the role of state and local areawide clearinghouses in reviewing the impact of major federal programs on local plans and programs.

Federal Government Resources for Local Government Productivity Improvement

General Reference

Productivity Information Center National-Technical Information Service 425 13th Street N.W., Room 620 Washington, D.C. 20004 202/724-3382	Provides reference materials on productivity-related matters.

Housing and Community Development

Office of Community Planning and Development Policy Planning Department Technical Assistance Division, Rm. 7138 Department of Housing and Urban Development Washington, D.C. 20410 202/755-6090	Offers technical assistance to improve local government programs in community planning and housing management.

Economic Development

Regional Economic Information System Bureau of Economic Analysis 1401 K Street N.W. Washington, D.C. 20230 202/523-0966	Supplies data at the county level on personal income and employment by industrial classification for purposes of local economic development planning.

Rural Development

Farmers Home Administration Information Staff Department of Agriculture 14th and Independence Avenues S.W. Washington, D.C. 20250 202/447-4323	Provides training, technical materials, and financial assistance for rural development planning, rural industry and home building, and rural water and sewer system construction.

Fire Safety

U.S. Fire Administration Office of Information Federal Emergency Management Agency P.O. Box 19518 Washington, D.C. 20036 202/634-7663	Provides professional development training for local government fire safety personnel, conducts management research in resource location and use to minimize the cost of effective areawide fire protection services, and provides information on new methods and procedures related to prevention, occurrence and control of fires.

Law Enforcement

Office of Criminal Justice Education and Training Law Enforcement Assistance Administration 633 Indiana Avenue N.W. Washington, D.C. 20531 301/492-9025	Offers training and technical assistance for local government criminal justice officials and researches, evaluates and tests new criminal justice methods and equipment.
National Institute for Law Enforcement and Criminal Justice Law Enforcement Assistance Administration 633 Indiana Avenue N.W. Washington, D.C. 20531 301/492-9108	

Transportation

Technology Sharing Division (I-25) Office of Intergovernmental Affairs Department of Transportation 400 Seventh Street S.W. Washington, D.C. 20590 202/426-4208	Provides general information about technological innovations in transportation.
Office of Transportation Management (UPM-40) Management and Demonstration Urban Mass Transportation Administration Department of Transportation 400 Seventh Street S.W. Washington, D.C. 20590 202/426-9274	Distributes information relating to urban mass transit productivity improvements.
Implementation Division (HDV-20) Federal Highway Administration Department of Transportation 400 Seventh Street S.W. Washington, D.C. 20590 202/426-9230	Supplies information about highway improvement and traffic management resources.
National Highway Institute Department of Transportation NASSIF Building, Room 4206 400 Seventh Street S.W. Washington, D.C. 20590 202/426-9141	

Education

Program of Teaching and Instruction National Institute of Education 1200 19th Street N.W. Washington, D.C. 20208 202/254-7946	Provides information on improving educational productivity through more efficient financing, administration, and institutional techniques.
Educational Resources Information Center National Institute of Education 1832 M Street N.W. Washington, D.C. 20208 202/254-7934	Maintains a computerized file of most published materials dealing with educational program involvement.

Energy

Technical Information Center Department of Energy P.O. Box 62 Oak Ridge, Tenn. 37830 615/576-1188	Provides technical information for local government officials in energy-related matters, such as conservation and solar applications.

Environment

Office of Public Awareness (A-107) Environmental Protection Agency 401 M Street S.W. Washington, D.C. 20460 202/755-0710	Disseminates information concerning environmental programs for governments and sponsors national conferences dealing with these programs.
Air Pollution Training Institute Manpower and Technical Information Branch (MD-17) Environmental Protection Agency Research Triangle Park, N.C. 27711 919/541-2401	Trains local government officials in the design and implementation of environmental programs for air pollution control.
National Training and Operational Technology Center Environmental Protection Agency Cincinnati, Ohio 45268 513/684-7501	Provides training for local government officials in the design and implementation of environmental programs for water pollution control.

Public Employee Labor Relations

Office of Labor Management Relations Department of Labor 200 Constitution Avenue N.W. Washington, D.C. 20210 202/523-6487	Provides government officials with training and technical assistance in the area of labor-management relations.
Technical Assistance Division Federal Mediation and Conciliation Service 2100 K Street N.W., Room 510 Washington, D.C. 20427 202/653-5143	

Public Employee Safety and Health

Occupational Safety and Health Administration Training Institute 1555 Times Drive Des Plaines, Ill. 60018 312/353-2500	Offers training and technical materials to assist officials in upgrading the health and safety of public employees.
Training, Education, Consultation and Federal Agency Programs Occupational Safety and Health Administration Department of Labor 200 Constitution Avenue N.W. Washington, D.C. 20210 202/523-7251	

Technology Transfer

Intergovernmental Science and Public Technology Program National Science Foundation 1800 G Street N.W., Room 1150 Washington, D.C. 20550 202/634-7672	Works with local governments to increase the effectiveness of applied technology in delivering public services and formulating public policy.

Health

Health Services Administration Department of Health, Education and Welfare Parklawn Building 5600 Fishers Lane Rockville, Md. 20852 301/443-2065	Carries out demonstrations of health care services for particular categories of people (e.g., maternal and child health, family planning, migrants, etc.
National Center for Health Services Research Department of Health, Education and Welfare Center Building, Room 8-50 Hyattsville, Md. 20783 301/436-6944	Maintains a training institute for government health personnel for upgrading skills and communicating research in the field.

DERAL AID BRIEFING

GRS, Grant Reform Legislation to Be Outlined

Baskett, president of the l of Intergovernmental Coor- rs will welcome participants to 5th Annual National Federal onference at the Washington Regency Oct. 23-26.

kett, federal aid coordinator yahoga County, Ohio, expects nference to provide a forum county officials and grant nators can get the most up-to- nformation on the programs dminister, exchange ideas and om national experts in the field.

gates will hear from Sen. Wil- radley (D-N.J.) at the opening l session, Wednesday, Oct. 23 m. Sen. Bradley will speak on l revenue sharing and targeted rcyclical assistance, the key s of federal financial assistance l governments.

lowing Bradley's address, Associate Director Jon Wein- will provide a legislative over- nd introduce NACo's legisla- epresentatives who will be ble for an informal question swer period.

James Sasser (D-Tenn.) chair- f the Senate subcommittee on overnmental relations will at Wednesday's luncheon on cts for grant reform in this ess. Final hearings on S. 878, deral Assistance Reform Act, 904, the Federal Assistance and Small Community Act, cheduled to begin Oct. 3.

ce the grant reform hearings ncluded," states Sasser, "the overnmental relations subcom- will move quickly for markup legislation so that the full can act on it as soon as pos-

VID WALKER, associate r of the Advisory Commission on Intergovernmental Relations (ACIR) will address the history and probable outlook for reform in the intergovernmental grants-in-aid system at Thursday's luncheon.

Workshops are scheduled for Wednesday, Thursday and Friday morning and will assess the impact of congressional and federal agency actions in a number of areas.

These include CETA: Where Do We Go from Here?; Future Funding for Airport Programs; Emergency Management; Grant Simplification; Easing the Burden for Local Government; Solving Some of Our Energy Problems through Public Transportation; Environment, Energy and Parks Clinic; Auditing Procedures and How They Affect Your County; New Attachment "P", Circular A-102; Where Are the Dollars for Health Services?; Financial Management for Grants; LEAA; and Welfare and Social Services.

In addition, the conference will provide a two-and-a-half hour county grantsmanship seminar on Wednesday to discuss approaches counties can take in dealing with the questions of indirect costs, contracting out /nonprofit, cutback management, federal regulations and other subjects suggested by the audience.

William B. Montalto, assistant project director, Model Procurement Code Project, American Bar Association, will discuss standards governing state and local grantee procurement, Attachment "O" of OMB Circular A-102, and how they affect counties. He will also introduce a relatively new discipline concerning disputes, appeals and remedies in grant law.

THE COUNCIL OF Intergovernmental Coordinators will convene its annual business meeting following lunch on Thursday, Oct. 25 to elect officers for 1979-80. There will also be an awards ceremony to recognize CIC officers and board members for outstanding service to the organization.

Registration will take place in the escalator lobby starting Tuesday, Oct. 23 at noon. Delegates should register and pick up conference packets before the reception on Tuesday at 6 p.m. in the Yorktown Room.

For more information, contact Joan Paschal at NACo, 202/785-9577.

Fifteenth Annual National Federal Aid Conference

Hosted by the National Association of Counties/ Council of Intergovernmental Coordinators

Hyatt Regency Hotel, Washington, D.C. October 23-26, 1979

Delegates to NACo/CIC 15th Annual National Federal Aid Conference can preregister for the conference and reserve hotel space by completing this form.

Conference Registration

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

Conference Registration Fees: $95 (member), $125 (nonmember counties), $150 (other). **Make check payable to NACo/CIC Federal Aid Conference.**

Name______________________County______________________

Title______________________Telephone (______)__________

Address____

City______________________State__________Zip__________

For Office Use Only: Check No.__________Check Amount________Date Received________

Housing Reservation

- No housing reservations will be accepted over the telephone at any time by the conference registration center.
- Return both housing reservations and conference registration to the NACo/CIC Federal Aid Conference Registration Center, 1735 New York Avenue N.W., Washington, D.C. 20006.

Hyatt Regency rates:
Single: $48/$53/$58 Double: $60/$65/$70
1 Bedroom Suites: $130/$155/$180 2 Bedroom Suites: $190/$215/$240

Name____

Address______________________Telephone(______)__________

Arrival date/time__________________Departure date/time__________________

No room deposit required. Rooms may be guaranteed by credit card number for late arrival. Give credit card company, number and expiration date:________________________

____

Special hotel requests:________________________________

Senate/House Feud Delays 1980 Funding

slap to the House, the Sen- ejected, 55-9, the conference on H.J. Res. 404, a bill to e funds for 10 out of 13 ap- ations bills, because it con- the House-passed abortion ge. A "continuing" resolution ded since the new fiscal '80 tarted Oct. 1.

new resolution, H.J. Res. 402, s slightly more liberal abor- nguage and limits the pay e for members of Congress percent.

hat has become an escalating tween the House and Senate, nate it seems has scored a few by making it clear it opposes ise for Congress, and that it king hard while the House is

Senate was willing to give ss the 5.5 percent pay increase ouse wanted, but in return it d the House to soften its lan- on federal funding of abor- Instead the House voted for he pay raise and strict abor- nguage, then quickly ad- d for a one-week recess, leaving nate a take-it-or-leave-it choice. enators denounced the House oted to kill the bill rather than

ght in the middle of the feud out 22,000 federal employees ake more than $47,500 a year. se the House and Senate d to a stand-off without passing easure before the House re- Oct. 1, the federal employees became entitled to a 12.9 percent accrued pay increase as of midnight Sept. 30.

However, the chances of getting that amount are slim. The Senate rolled the figure back to 5.5 percent, and on that, at least, the House is likely to agree.

The only clear winners in the feud are federal judges, who were linked with the top federal employees and Congress in the pay increase. Because the Constitution does not permit a federal judge's salary to be lowered during his term of office, the judges will get the 12.9 increase no matter what Congress does later.

Also caught in the middle are most government departments and agencies who technically ran out of authority to continue funding programs and payrolls Oct. 1. Their funding stopped because Congress has not yet passed their appropriations bills. The measure to which the pay raise was attached was a resolution containing their funding until Oct. 31.

Most departments and agencies have enough funding to continue operating for a week or so, but may run into difficulty after that. If the fight continues much beyond Oct. 10, military personnel might miss some paychecks. If it goes beyond Oct. 20, paychecks for most government workers will be held up.

The House returns from recess this week and efforts to work out a compromise will begin in both Houses.

—Jon Weintraub

Concerned Officials Examine Bridge Program

Ninety county elected officials and engineers met Sept. 18-19 with state transportation representatives and Federal Highway Administration regional and division officials to learn about bridge inventory and inspection, sufficiency ratings and project selection. They will use this information as they participate in the $4.2 billion federal highway bridge replacement and rehabilitation program over the next several years.

This first bridge meeting, held in Ada County (Boise), Idaho for states in FHWA Region 10 (Idaho, Oregon and Washington), was sponsored by NACoR's Transportation Project in cooperation with NACE. It will be followed throughout the next several months by meetings in each of FHWA's other regions. (See advertisement on accompanying page.)

Discussions at the close of the meetings highlighted several concerns:

- All participants emphasized that choosing bridge projects for funding is an engineering decision, not a political one.
- Oregon attendees were concerned with the lack of funds to undertake substantial bridge projects.
- Washington officials wanted to learn from Oregon about successful state lobbying efforts to raise the dollar amount of projects that qualify for "day labor," projects for which counties can use their own labor force rather than asking for bids from outside contractors.
- Idaho called on the state to work with counties to establish a rational basis for distributing federal bridge funds and selecting projects, since need exceeds dollars available.

Matter and Measure

NATIONAL ASSOCIATION COUNTY ENGINEERS NACE

IDAHO

The Idaho Transportation Department employs a bridge inspector at each of its six district offices to inventory and inspect off-system bridges for any of Idaho's 44 counties. (Under the federal bridge program inventory and inspection of all bridges must be completed by Dec. 31, 1980.) The state charges 20 cents per square foot of bridge for inventory and inspection. The state DOT has conducted two training sessions to instruct and certify local government personnel in bridge inspection techniques.

In Idaho there are 312 local agencies with some road and bridge responsibilities, including 33 counties and 64 highway districts. The total number of off-system bridges is 1,873, with 1,867 under county jurisdiction, 55 percent of which were inventoried and inspected as of September. The number of off-system bridges under county jurisdiction that are planned for replacement are two in fiscal '79 and nine in fiscal '80. County off-system replacement in 1981 and 1982 depends on receipt of discretionary funds. Fiscal '79 money apportioned to Idaho was about $3 million.

The state will select projects with the guidance of the Idaho Transportation Board. Initially, a number of critically deficient bridges being developed under the safer-off-system roads program will be funded. Letters will be sent to local public agencies having the lowest rated bridges to determine their willingness to reconstruct them under the bridge replacement program.

Phillip A. Marsh, local roads supervisor, Idaho Transportation Department, asked for suggestions on cutting paperwork and on deciding what "fair and equitable" distribution of bridge funds really means.

OREGON

In Oregon, inventory and inspection of off-system bridges is being done by local jurisdictions at their own expense so that federal bridge funds can be used exclusively for construction.

However, according to John Wood, structure maintenance engineer, Oregon State Highway Division, Oregon's 36 counties have responded slowly to the federal requirement of inventory and inspection of off-system bridges although the state has sponsored training sessions for local government engineers and consultants.

Federal bridge program funds for off-system structures in Oregon will be distributed to local governments by the following formula: The replacement costs of all off-system deficient bridges will be divided by the replacement costs of all deficient bridges in the state, multiplied by the annual apportionment of federal bridge funds. Oregon's apportionment is slightly over $6 million.

Further, the state DOT has established a review board to select projects. The board is made up of two state representatives, one from the Association of Oregon Counties and one from the League of Oregon Cities.

Oregon DOT officials estimate the number of off-system bridges at 3,000 with 23 percent of county off-system bridges inventoried and inspected as of September. Five off-system bridges under county jurisdiction are planned for replacement in fiscal '79.

WASHINGTON

W. Eugene Sampley, Skagit County director of public works and chairman of WSACE's Bridge Committee, explained how a Bridge Replacement Program Committee made up of three state, city and county representatives has taken the responsibility of selecting structures and authorizing projects for federal funding.

According to WASHDOT officials, the number of off-system bridges is 2,940 with 2,453 under county jurisdiction, all of which had be- ventoried and inspected as of 1977. Eighty-one county off-sy bridges were to be replaced by tember. Slightly under $18 has been apportioned to the for fiscal '79.

The joint cooperation with co and WASHDOT has not come night. WSACE has been w with the state for many year develop an attitude of cooper and mutual confidence. In 19 Washington State Associati County Engineers (WSACE) sored a Bridge Inspectors' Se to train county personnel i state's bridge inventory and i tion program which incorp FHWA guidelines and proce and brought the entire state b system under one inventory pr

In addition, Ruth M. Lizak ciate director, NASA Techn Applications Team, gave a presentation on free inform available to county transpor officials. Contact Lizak at 41 6200, ext. 3778 for information.

Senate Panel Reinstates State/Local Park Funds

The Senate Appropriations subcommittee for Interior has restored the $159 million cut by the House to the state and local portion of the Land and Water Conservation Fund for fiscal '80. The fund is the principal source of federal assistance for ~~both the acquisition~~ and development of new park and recreation facilities at the county and local level. Senate subcommittee action means that $359 million will be recommended for the fund, the level requested by the Administration. The House had earlier recommended only $200 million.

Voting to restore the $159 million cut were Sens. Mark Hatfield (R-Ore.), who offered the amendment to the House Appropriation bill, H.R. 4930, Henry Bellmon (R-Okla.), Milton Young (R-N.D.), Paul Laxalt (R-Nev.), Quentin Burdick (D-N.D.), and Ted Stevens (R-Alaska). Voting against restoration were Sens. Robert Byrd (D-W.Va.), subcommittee chairman, and Walter Huddleston (D-Ky.) The subcommittee report is expected to go to the full Senate Appropriations Committee next week, and then on to a House-Senate conference.

Funding for the Urban Park and Recreation Recovery Program was put at $125 million for fiscal '80, the same amount approved by the House. The Administration had recommended $150 million.

Restoration of $159 million for the state and local portion of the Land and Water Conservation Fund was $89 million over the level of $270 million recommended by the subcommittee staff and Sen. Byrd. The vote included a corresponding reduction of $89 million in the federal portion which is used to purchase national parks and wildlife refuges. Obligation rates for the federal portion have been significantly lower than the state and local portion.

Action will now shift to the full committee where it is predicted that there will be an attempt to restore the amount cut in the federal portion of the fund. NACo and other public interest groups will be working to assure that restoration of the federal side would not be at the expense of the state and local side of the fund. County officials should contact members of the full Appropriations Committee and urge that the subcommittee report on state and local funding be approved.

The House-Senate conference will have the task of reconciling the federal and state-local sides of the fund so that the latter represents not more than 60 percent of the total appropriation. Reconciliation need not occur until preparation of the conference report on the bill.

'79 PAYMENT MAILED

PILT Counties Facing Shortfall

Late last month the Bureau of Land Management mailed payments totalling an estimated $87.5 million to more than 1,500 counties under the payments-in-lieu of taxes program (PILT). These funds are for the fiscal '79 payment year and represent approximately 87.6 percent of the full entitlements counties ordinarily would have qualified for under the program. The shortfall, amounting to about $12.8 million, resulted from implementation this year of a ruling by the U.S. Comptroller General.

This is the third year of the payments-in-lieu program since it was enacted in 1976. The program provides funds on a formula basis for the tax immunity of public lands to counties in all 50 states, plus the District of Columbia, Puerto Rico, and the Virgin Islands. Entitlements are based on the acreage of national forests, parks, wilderness, and lands administered by the Bureau of Land Management and Army Corps of Engineers. Included for the first time this year were wildlife refuges and active Army reserve lands.

The program does not cover active military lands, Indian Trust lands, or developed federal lands in urban areas. The federal Advisory Commission on Intergovernmental Relations is studying an in-lieu tax system that would encompass these lands.

Earlier this year a ruling by the U.S. Comptroller General changed the method for computing payments that were made in fiscal '78, resulting in the current shortfall. Deductions in the payment-in-lieu amounts are no longer to be made for public land payments passed through by counties to school districts if the pass-through is required by state law. As a result counties in 24 states received adjustments for their fiscal '78 payments using fiscal '79 appropriations. This left insufficient funds to make full payments in fiscal '79.

FISCAL '80 APPROPRIATIONS

The House of Representatives has approved a fiscal '80 appropriation bill, H.R. 4930, containing million for the payments-in program. This same amount wa proved last week by the Senate committee on Interior propriations. Full committee a to approve this amount is exp this week.

NACo supports the $108 m amount for fiscal '80. NA original estimate of $115 millio full payments has been re downward based on the pay data released by BLM in the week of September.

Still at issue, however, i Senate Appropriations Com proceedings is whether com report language is necessar allow use of any balance in fisc funds to restore any of the fisc shortfall. NACo supports resto of full funding on a pro-rata bas those counties that did not rece adjustment this year.

Any counties with question cerning payment amounts for '79 or fiscal '80 should contac NACo Public Lands Team.

State	Full '79 Entitlement	Actual '79 Payment
Alabama	$ 142,417	$ 124,533
Alaska	4,142,733	3,632,176
Arizona	7,735,566	6,782,259
Arkansas	1,632,501	1,431,172
California	11,138,595	9,765,851
Colorado	7,549,364	6,618,715
Connecticut	4,961	4,328
Delaware	4,981	4,313
District of Columbia	5,114	4,484
Florida	1,763,537	1,545,983
Georgia	724,343	634,898
Hawaii	24,528	21,505
Idaho	6,788,682	5,952,064
Illinois	319,474	279,943
Indiana	296,023	259,405
Iowa	128,276	112,314
Kansas	360,194	315,530
Kentucky	697,590	611,023
Louisiana	137,865	120,682
Maine	52,757	45,888
Maryland	139,807	122,461
Massachusetts	153,993	134,825
Michigan	1,591,117	1,394,964
Minnesota	1,452,015	1,272,710
Mississippi	402,719	352,764
Missouri	990,071	867,764
Montana	8,106,720	7,107,674
Nebraska	339,837	297,514
Nevada	5,184,175	4,545,294

State	Full '79 Entitlement	Actual '79 Payment
New Hampshire	265,489	[illegible]
New Jersey	143,573	[illegible]
New Mexico	9,726,898	[illegible]
New York	36,583	[illegible]
North Carolina	943,608	[illegible]
North Dakota	584,611	[illegible]
Ohio	349,129	[illegible]
Oklahoma	769,278	[illegible]
Oregon	2,848,471	[illegible]
Pennsylvania	368,408	[illegible]
Rhode Island	1,497	[illegible]
South Carolina	100,381	[illegible]
South Dakota	1,791,554	[illegible]
Tennessee	633,618	[illegible]
Texas	1,251,861	[illegible]
Utah	8,111,968	[illegible]
Vermont	61,156	[illegible]
Virginia	1,521,772	[illegible]
Washington	1,491,543	[illegible]
West Virginia	805,845	[illegible]
Wisconsin	613,742	[illegible]
Wyoming	5,913,170	[illegible]
Puerto Rico	17,319	[illegible]
Virgin Islands	15,683	[illegible]
Guam	554	
Totals	$100,377,666	[illegible]

Source: BLM Payment Data for fiscal '79

ETING WITH GOLDSCHMIDT

Windfall Tax May Still Support Public Transit

retary of Transportation Neil schmidt assured counties last that DOT has not given up on ing a portion of the windfall ts tax for transportation in the te Finance Committee. The fall profits tax is critical to sup- the Administration's $16.5 bil- 0-year transportation initiative h is primarily earmarked for c transportation projects.

Senate Finance Committee, the leadership of Sen. Russell (D-La.), recently voted to give more money in tax breaks the President's windfall profits ould generate.

ending the meeting were NACo sportation Steering Committee man Daniel Murphy, county executive from Oakland County, Mich., NACo Executive Director Bernard Hillenbrand, and Tom Bulger, NACo transportation lobbyist.

Murphy told the new DOT secretary that the most formidable challenge facing counties is the need to provide efficient transportation services in the face of rising gasoline prices and the nation's overall energy crisis.

He said that NACo supports the idea of a transportation initiative from the windfall profits tax, but suggested that DOT should strongly consider targeting available discretionary public transportation funds into areas which are now most heavily dependent on the automobile and are currently without alternative public transportation systems.

Murphy also said that a dependable and predictable level of federal support for public transportation is critical to counties.

Currently, the Administration's transportation proposal from the windfall profits tax does not target funds to areas such as highly urbanized counties or to rural areas.

Secretary Goldschmidt revealed that he was not foreclosing on, as many Washington observers have believed, the possibility of approving a number of major new transit starts. Presently a number of large urban areas like Los Angeles and Santa Clara County are petitioning DOT for approval to go forward with major transit programs.

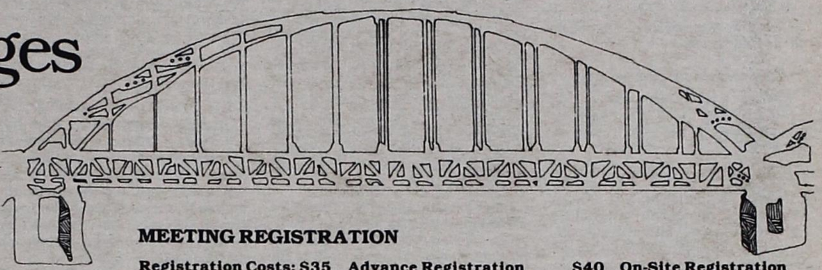
NACo's EXECUTIVE director brought to the Secretary's attention the plight of many small communities that have lost or may in the future lose airline service because of the Airline Deregulation Act. Goldschmidt indicated that his department would be willing to work with NACo and possibly intercede before the Civil Aeronautics Board (CAB) on behalf of small communities which are losing service.

Since the passage of the Airline Deregulation Act last year, scores of communities have either lost service or suffered drastic service cutbacks. NACo believes the reason for this is because the CAB is not enthusiastically enforcing a number of NACo-sponsored small community protection amendments secured by Rep. Matt McHugh (D-N.Y.) in last year's airline act.

The Secretary also said that he is confident that the government will win the pending Section 504 handicapped regulations lawsuit. The suit, which NACo is a party to, along with the American Public Transit Association, attempts to reopen the DOT regulations in order to obtain a more flexible approach to providing transit mobility to handicapped persons across the country. The regulations require, among other things, the purchase of wheelchair lift-equipped buses and full accessibility for subways, airports and highway facilities in future years.

hree Regional Meetings

elp for Your Bridges s on the Way



rumbling and falling down bridges pose a threat to both safety and economic health of a community. But you w well that the cost of repairing and replacing bridges is no ll order. That's the reason Congress passed the $4.2 billion ral bridge program.

o make sure that county officials get their fair share of these funds, Co, through its research arm, NACoR, along with the National ciation of County Engineers (NACE), is sponsoring a series of meetings iscuss: distribution of funds to counties, inventory and inspection edures, bridge ratings, project selection and regulations on such cs as environmental assessment and design standards.

he meetings are based on Federal Highway Administration (FHWA) ons. You must attend the meeting in the FHWA region that includes r state. The housing and registration information on this page pertains he three meetings that will be held this year. **Be sure to check your propriate box for the conference you will attend and return to NACo address listed below.**

ERAL INFORMATION

Delegates to NACoR/NACE Bridge ngs can both preregister for the ngs and reserve hotel accommodations mpleting this form in full.

advance registrations must include ent and be postmarked **no later than ays** prior to start of the meeting in region.

u must pay your registration fee by k, voucher or equivalent made ble to: NACoR Bridge Meeting.

Region 5 and Region 1 meetings begin irst day with a "get acquainted buffet heon at 11:30 a.m.; workshops start at p.m. Region 7 meeting begins at 3 p.m. on day one. Second day schedules run from 8:30 a.m.-noon for Region 5 and Region 1 and 8:30 a.m. to 3 p.m. for Region 7.

• No requests for registration will be accepted by telephone.

• Refunds of fee will be made if cancellation is necessary provided written notice is postmarked no later than two weeks prior to start of meeting in your region.

• Return housing and registration forms to: **NACoR Bridge Registration Center, 1735 New York Avenue N.W., Washington, D.C. 20006.**

For further housing and registration information call: 703/471-6180.

uture 1980 NACoR/NACE regional bridge meetings not included in this form re as follows:

Region 4
(Alabama, Florida, Georgia, Kentucky, Mississippi, South Carolina, Tennessee)

Atlanta, Georgia
Jan. 31-Feb. 1

Region 6
(Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Dallas/Ft. Worth, Texas
February 14-15

Region 8
(Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Denver area
Jan. 10-11

Region 9
(Arizona, California, Hawaii, Nevada)

San Francisco, California
January 24-25

atch ***County News*** **for details.**

r program information contact Marlene Glassman, ACoR Transportation Project Director at 202/785-9577.

MEETING REGISTRATION

Registration Costs: $35 Advance Registration $40 On-Site Registration

Name____________________
Last **First**

Title____________________

County____________________

Address____________________

City **State** **Zip** **Telephone(area code)**

HOUSING RESERVATION

• Special conference room rates will be available to all delegates whose reservations are postmarked to the NACoR Bridge Registration Center no later than 30 days prior to start of meeting in your region.

• No housing reservations will be accepted over the telephone at any time by the Conference Registration Center.

• You must register for the meeting through the Conference Registration Center in order to receive housing at the special rate.

☐ **Region 5**
Indianapolis, Indiana
Oct. 25-26, 1979
(Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)
Hilton Hotel
Single **$36**
Double/twin **$46**

☐ **Region 7**
Des Moines, Iowa
Nov. 5-6, 1979
(Iowa, Kansas, Missouri, Nebraska)
Best Western Airport Inn
Single **$24**
Double/twin **$26**

☐ **Region 1**
Albany, New York
Nov. 15-16, 1979
(New Jersey, New York)
Turf Inn
Single **$35**
Double/twin **$42**

Name of Individual____________________

Co-occupant if Double or Twin____________________

Arrival Date/Time__________ **Departure Date/Time**__________

Special Hotel Requests____________________

Credit Card Name__________ **Number**__________

Authorized user's signature__________ **Expiration Date**__________

☐ **Check here if you have a housing related disability.**

Rooms must be guaranteed for arrival by county voucher, credit card or by sending one night's deposit to the above address. For further housing information, call NACoR Conference Registration Center, 703/471-6180.

For Office Use Only

Check No.__________ **Date Received**__________

Check Amount__________ **Date Postmarked**__________

Washington Briefs

Employment

Continuing Resolution. The Senate passed H.J. Res. 402 by a vote of 77-9 after defeating the conference report to H.J. Res. 404 which contained the House's abortion language. No action can occur on H.J. Res. 402 which continues funding for government agencies until the House returns from its recess on Oct. 9. (See article page 9.)

Labor-HEW Appropriations. By a vote of 69-22, the Senate passed the Labor-HEW Appropriations Act for fiscal '80, H.R. 4389, while rejecting the House's abortion language, 54-33 and insisting on its own language, 57-31. The conference bill, which has been passed by both Houses, awaits a compromise on the abortion language before it can be signed into law.

Welfare Jobs. The House employment opportunities subcommittee will hold hearings on the jobs portion of the Administration's welfare reform bill Oct. 25.

Environment and Energy

Energy Impact Assistance. The Senate Interior Appropriations subcommittee approved $120 million for an energy impact assistance program for fiscal '80 under the Farmers Home Administration. The Administration had submitted a budget amendment requesting $75 million for the program, but the subcommittee, at the urging of Sen. Walter Huddleston (D-Ky.), approved the full amount. The House originally approved no funds for this program but is expected to favorably consider the Senate action.

Local Energy Management Act. Since the House was in recess last week, Rep. Phil Sharp (D-Ind.), was unable to offer his amendment to the fiscal '80 Department of Energy authorization bill on the Local Energy Management Act. The press of business facing the House on its return makes it questionable whether action will occur this week. Sen. Paul Tsongas (D-Mass.) has introduced the Community Energy Efficiency Act of 1979. This proposal combines elements of the Local Energy Management Act with a large investment in community-based conservation and renewable resource applications. (See story page 1.)

Nuclear Waste Management. Hearings on the Percy-Glenn nuclear waste management proposal, S. 742, are scheduled for Oct. 9-12 and will concentrate on the roles of state and local governments. NACo is expected to testify.

Energy Mobilization Board. The Senate has approved the EMB substantially as reported by the Energy and Natural Resources Committee. It allows the appointed EMB to make decisions for state and local governments which have failed to meet project decision deadlines.

Two significant amendments were adopted. The first makes any project which shifts from oil and gas to coal automatically a priority energy project. The second would allow EPA to veto a waiver of any law or procedure adopted after construction begins if it poses a threat to health and safety. The House Rules Committee will start debate on an EMB bill Oct. 15.

Health

Hospital Cost Containment. House Interstate and Foreign Commerce Committee has reported out, 23-19, a hospital cost containment bill. Sponsored by Rep. Henry Waxman (D-Calif.), H.R. 2626 would impose mandatory controls if a voluntary program fails. House Ways and Means has already reported its version of H.R. 2626. In the Senate, Sen. Herman Talmadge's cost containment bill, part of the Medicare/Medicaid Reform Act which contains provisions for cost containment under Medicare/Medicaid only, was ordered reported by Senate Finance. S. 570, the Administration bill voted out of the Senate Labor and Human Resources Committee in June, is expected to be introduced by Sen. Gaylord Nelson (D-Wis.) as a substitute to the Talmadge cost containment provisions on the Senate floor. Votes in both Houses expected within the next few weeks.

National Health Insurance. Continued markup in Senate Finance Committee of catastrophic health insurance proposals to resume in mid-October. Current committee bill does not include NACo-supported provision to federalize Medicaid services. Hearings expected this fall in House health and environment subcommittee on Health Care for All Americans Act, S. 1720/H.R. 5191, sponsored by Sen. Edward Kennedy (D-Mass.) and Rep. Henry Waxman (D-Calif.), and in Senate Labor and Human Resources.

Child Health Assurance Programs (CHAPs). Markup of H.R. 4962, sponsored by Rep. Henry Waxman (D-Calif.), began late last week in the House Interstate and Foreign Commerce Committee and will resume Oct. 10. This bill, to improve Medicaid services to low-income children and pregnant women, replaces the three bills considered in subcommittee markup, H.R. 2159, 2461 and 4063. The bill enables county health departments to provide assessments without directly providing follow-up care. The Administration proposal on the Senate side, S. 1204, sponsored by Sen. Abraham Ribicoff (D-Conn.) was ordered reported by Senate Finance.

Mental Health Systems Act. House Interstate and Foreign Commerce health and environment subcommittee markup of the Administration-sponsored bill, H.R. 4156, to provide more flexibility in delivery of services, not yet scheduled. S. 1177 being redrafted in Senate Labor and Human Resources health subcommittee. Markup scheduled for Oct. 18.

Medicare Amendments. Markup of H.R. 3990, H.R. 4000 in House Ways and Means, containing miscellaneous provisions, including extension of coverage for home care, tentatively scheduled for later this month.

Home Rule

Grant Reform. S. 878/H.R. 4504 and S. 904 would streamline the grants-in-aid system and provide a procedure for grant consolidation. Hearings in Senate subcommittee on intergovernmental relations concluded Oct. 3. Expect markup of the measures to be completed by the end of October. No House action scheduled to date.

Regulatory Reform. S. 262 and S. 755 would require economic analysis of major regulations and the development of an agency management process in promulgating regulations. Hearings held in House and Senate. Expect the Senate to mark up and report a bill by the end of October.

IPA. The Intergovernmental Personnel Act appropriations bill, H.R. 4393, was approved by House and Senate and signed by the President on Oct. 29. P.L. 96-74 contains $20 million for fiscal '80 funding of the act which provides grants to state and local government to develop and strengthen their personnel administration and training programs.

Rural Development

Appropriations. H.R. 4387 provides appropriations for Farmers Home Administration programs. Conferees have concluded action on rural development programs but have not completed action on the full Agriculture budget. Consequently, rural development programs are at a standstill since the new fiscal year began Oct. 1.

Rural Development and Policy Coordination Act. S. 670 establishes a rural development management process, increases authorization for the Section 111 rural planning grant program and authorizes the establishment of rural information centers. Has passed the Senate and awaits action of the Nolan counterpart in the House.

Rural Development and Policy Act. H.R. 3580, sponsored by Rep. Richard Nolan (D-Minn.), has been reported by the House committee and is presently awaiting a rule from the Rules Committee for House floor action. It increases the authorization for the Section 111 program and establishes a working group for rural development.

Land Use

Land and Water Conservation Fund Appropriations. The Senate Appropriations subcommittee on Interior has restored $159 million to the state-local portion of the fund. (See story page 1.)

Urban Park and Recreation Recovery Act Appropriations. The Senate Appropriations subcommittee has approved $125 million for the urban park program, the same amount approved by the House. The Carter administration recommended $150 million.

Agricultural Land Protection Act. Bills H.R. 2551 and S. 791 still await action by the Senate Agriculture subcommittee No. 1 and the full House Agriculture Committee. The bills would require federal agency actions to be consistent with state, county and local agricultural land protection programs, and would authorize a program of demonstration grants to assist state and local governments to adopt and carry out their own methods for preserving farmland. Subcommittee action is expected next week.

Public Lands

Payments-in-Lieu of Taxes. The Senate subcommittee on Interior appropriations last week approved $108 million for fiscal '80 appropriations for the payments-in-lieu of taxes program. This is the same amount voted by the House in H.R. 4930 earlier this year. New payment data made available by the Interior Department in the week preceding the subcommittee vote indicated that the $108 million amount will be sufficient for full payment to counties in fiscal '80. The full Appropriations Committee is expected to vote this week on the Interior appropriation bill.

Taxation and Finance

General Revenue Sharing. Stu Eizenstat, the President's domestic policy chief, briefed NACo on the Administration's plans for general revenue sharing last week. Essentially he reported that no decisions have been made as to renewal, the state's share, level of funding or local distribution. All decisions are expected in the context of the fiscal '81 budgetary timetable in December.

Countercyclical Fiscal Assistance. S. 566 has passed the Senate and includes both targeted and countercyclical measures based on an unemployment focus. The House Government Operations subcommittee on intergovernmental relations and human resources is moving very slowly on a single title bill (countercyclical only) which looks to the decline in real wages and salaries as a trigger. NACo supports the concept of countercyclical assistance but has taken no specific position on the Senate or House version.

Commercial Bank Underwriting of Revenue Bonds. House Banking subcommittee on financial institutions supervision, regulation and insurance will continue hearings on the NACo-supported bill, H.R. 1539. NACo will testify on Oct. 9. The bill would permit commercial banks to underwrite municipal revenue bonds, an activity now performed only by investment banks. It is felt that increased competition would allow for lower rates and a larger market for local bonds.

Transportation

DOT fiscal '80 appropri House passed DOT approp bill H.R. 4440. Senate cu marking up similar version. Co expected to approve a con resolution to allow DOT to p bills since the next fiscal year Oct. 1. Senate action expected week.

Handicapped Regulations La U.S. District Court Judge Lo Oberdorfer heard oral argu Oct. 4 on the 504 handicappe ulation lawsuit filed by the Am Public Transit Association joined in by NACo. The cas probably not be decided until ember with a strong possibility appeal by both sides which w ther delay implementation of th ulations which have been issu DOT. The case revolves a whether the 504 regulations mandate full transportation ibility primarily through bus arbitrary and capricious, the requirements of the Na Environmental Planning (NEPA), are an affirmative technique and whether the Sec of Transportation has the auth to issue the regulations.

Welfare/Social Servic

Indochinese Refugee Assis Program. H.R. 2816 is pendin sideration before the House Fo Affairs Committee. Markup exp in mid-October. As reported b House Judiciary Committee, th extends existing IRAP for one and thereafter limits assistan four years from date of entry ministration actively opposes provisions in favor of cuttin assistance to refugees in the more than two years. Countie continue to be reimbursed fo vices provided to refugees unti 31 under a continuing reso passed last week; or until H.R. and S. 643, passed Sept. 6 by th Senate, are resolved.

Welfare Reform. Rules Co tee has not yet taken up the of closed rule requested for 4904, the Social Welfare R Amendments of 1979, reporte of the Ways and Means Com Sept. 13. Senate hearings ar expected until full House passa

Title XX, Child Welfare Bill Clears Pane

Continued from page 1

• **For foster care:** establishes a ceiling on federal matching beginning in fiscal '80, set at 20 percent above 1980 expenditures, increasing 10 percent annually through 1984, and limits federal matching to children placed prior to Oct. 1, 1984. Bill also requires states to establish goals as to the maximum number of children who can remain in foster care for more than 24 months.

• **For institutional foster care:** limits the House provision of federal matching for public facilities housing 25 or fewer children to children placed in foster care for the first time after enactment of the bill.

• **For child welfare services:** adopted the foster care prevention and family reunification provisions of H.R. 3434, but did not authorize the higher spending level contained in H.R. 3434, which raised the current level from $56 million to $84 million. Instead, the committee bill would authorize a two-year "forward funding" process, by which the appropriations process could indicate to states what their spending level would be for two consecutive fiscal years, within the maximum of $266 million in the existing law. In addition, within the overall funding available, the federal matching share, now ranging from 33⅓ percent to 66⅔ percent, would become a flat 75 percent for all states.

• **For social services:** sets the Title XX spending ceiling at $2.7 billion for fiscal '80 and $2.9 for fiscal '81, increasing by $100 million annually until reaching $3.3 billion in 1985. Two hundred million dollars would continue to be earmarked for day care services, with no state matching. The committee included a more restrictive cap on Title XX training funds than the House bill's by limiting 1980 training funds to the amount a state spent in 1979 if the state's 1979 expenditures exceed 4 percent of their Title XX allotment. States that spent less on training i could go up to 4 percent of Title XX allotment in 1980.

Under the Finance Com bill, the authority to use Titl funds to hire welfare recipie child care jobs would becom manent, and the tax credit pro expanded. The tax credit pro would be retroactive to Nov. 1 when it expired.

• **For Title IV-D child su enforcement:** the committee ap an amendment making perman imbursement to states for servi non-welfare families, retroacti Oct. 1, 1978.

• **For AFDC (Aid to Families Dependent Children):** adopted visions contained in the Admi tion's welfare reform bill, H.R. which is pending floor action House: a revised formula for earnings disregard; penalties pients for failure to report and inclusion of stepfather inc calculating children's benefits.