

This Week

• Summit County approves first home rule charter in Ohio's history. For this and other election results, see page 3.
• Rural development funds appropriated, see page 6.

Vol. 11, No. 44

COUNTY NEWS

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

November 12, 1979

NACo

Washington, D.C.

House Clears Welfare Bill

After narrowly rejecting a Republican alternative, the House passed H.R. 4904, the Administration's Social Welfare Reform Amendments of 1979 by 222 to 184. The bill, greatly scaled down from an earlier Carter administration proposal, would cost about \$3 billion in increased benefits and fiscal relief to states and counties.

Many county officials are watching the outcome as the House's Welfare and Social Services Committee Chairman Frank Jungas of Cottonwood County, Minn., who noted that NACo, along with many other groups, has spent a long time to get a welfare reform bill as far as the House floor. NACo has stayed out front on the

issue and committed a lot of time and resources to it, he said.

Jungas had high praise for Rep. James Corman (D-Calif.), prime mover of the bill which would restructure the nation's largest welfare program.

"No one has been more steady of purpose or courageous in the welfare reform battle than Jim Corman, who sometimes seemed to have to lead Congress singlehandedly. We're glad he persevered, because this bill is of great importance to NACo," he said.

A SEPARATE bill to provide jobs for welfare recipients, the Work and Training Opportunities Act of 1979, H.R. 4425, is pending in the House Education and Labor Committee.

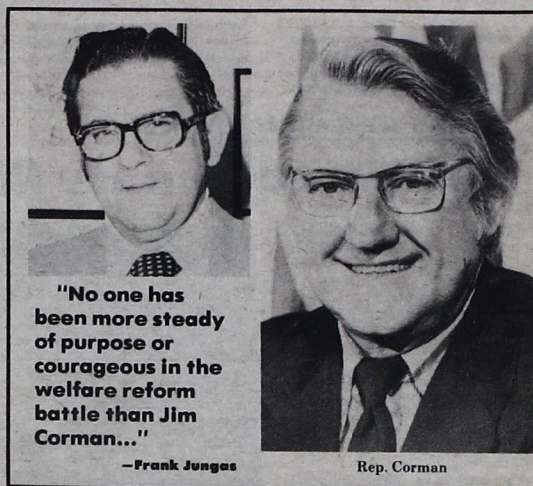
Fiscal relief would be increased if the jobs bill is passed, but without it, the cash assistance improvements of H.R. 4904 would result in substantial cost reduction for states and counties that pay for the Aid to Families with Dependent Children program and Medicaid. Under the 1982 full implementation, state AFDC and Medicaid costs would be reduced by at least \$700 million, with about \$180 million being passed through to counties. Another \$1.7 billion would go to AFDC and Supplemental Security Income (SSI) recipients for increased benefits and slightly expanded coverage.

States would be required for the first time to pay AFDC-eligible families a minimum benefit not less than 65 percent of the poverty level, and to extend these benefits to two-parent families in states that are not already doing so. Food stamp benefits would be paid in cash to SSI recipients and other eligible persons over age 65 if they live in "pure" households of persons eligible for the cashout. A pilot provision permits testing of AFDC food stamp cashout as well.

NACo actively supported H.R. 4904 and lobbied against the alternative measure which proposed to substitute a block grant approach in which states would be given the current federal welfare dollars and be allowed to construct any system of welfare they choose.

This approach is characterized by the Roussellot bill, H.R. 4460, the Family Welfare Improvement Act of 1979, which was expected to be offered as a substitute to H.R. 4904. In House floor action, however, the Republican alternative offered by Rep. Bill Archer (R-Tex.) would have allowed all states to set whatever work requirements they wish for the AFDC program and would have limited the block grant approach to

See HOUSE, page 7



"No one has been more steady of purpose or courageous in the welfare reform battle than Jim Corman..."

—Frank Jungas

Rep. Corman

Reconciliation Snags Conferees on Budget

By a vote of 205 to 190, the House passed on Nov. 8 Budget Committee Chairman Robert Giannino's motion to reject the conference report on the Budget Resolution for fiscal '80, but rejected the conferees' and for "reconciliation." This sent the bill back to the Senate which is working on reconciliation language in conference.

Reconciliation would force six House and six Senate committees to approve appropriation levels to meet the spending targets of the budget.

Earlier in the week the Senate approved, 65 to 27, a compromise between the conference report on the current fiscal year. Progress in reaching agreement on the second reconciliation resolution has been amazingly slow with conferees trying to strike a balance between Senate demands for high defense spending and the House insistence on a budget outlay for some social programs, as well as to resolve the issue of reconciliation.

The budget resolution of the conferees projects a deficit of \$29.8 billion for fiscal '80, slightly more than recorded last year when the deficit totaled \$493.6 billion. The resolution sets a binding ceiling on spending and a floor under revenues for fiscal '80. A comparison of the 1975-76 budget in conference with amounts in the Senate and House passed bills appears on page 12.

The Senate passed its version of the second budget resolution 62-36, Nov. 19, while the House passed its version by voice vote, Sept. 27.

This week County News is the first in a four-part series on the state of federalism at the end of the 1970s by Neal Spellman, a nationally syndicated columnist who writes on state and local issues. See page 4.

ADOPTION OF the conference report by the House and Senate will bar consideration of any legislation which would cause spending in fiscal '80 to breach the ceiling or cause revenues to drop below the floor.

The budget aggregates are made up of assumptions regarding spending for the budget's functional categories. These categories are not, however, ceilings on spending within each function.

In addition, the conference report contains both the House and Senate versions of budget projections for fiscal '81 and fiscal '82. It also contains general provisions, including ones to:

- Require each standing committee of the House having jurisdiction over entitlement programs to include in its March 15 report to the House

See BINDING, page 8

LEAA Victory for Counties

Minutes before meeting with LEAA Administrator Henry Dogin last Wednesday, Frank Francois, NACo president, was told that counties had won a significant victory in the battle to reauthorize the Law Enforcement Assistance Administration.

He learned that House and Senate conferees had agreed to make counties with 100,000 or more population eligible for entitlement status, if in any given year their allocation is at least \$50,000. NACo has been lobbying for two years to persuade first the Carter administration and then Congress to apply the same

population criteria to counties that they did to cities, namely 100,000.

The compromise language means that all counties that would receive formula grant allocations large enough to make entitlement status a workable option will have that choice. "With the aid of other public interest groups working together," Francois said, "we now have a new LEAA bill that resolves most issues county officials were concerned about and that promises to make a very effective program."

MEETING WITH Dogin to See LEAA, page 3

Gains Scored for Agland Protection

KING COUNTY, Wash.—In last Tuesday's general election, the voters here overwhelmingly approved, by a 63-percent margin, a referendum authorizing a \$50 million bond issue to be used for farmland

preservation.

Sponsored by King County Executive and NACo Second Vice President John Spellman, the measure, known as Proposition 3 on the ballot, enables the county to purchase development rights to selected prime farmland that otherwise would be converted to nonagricultural uses.

Development rights, as the term implies, consists of the right to use property for purposes other than agricultural and are similar to conservation easements.

Meanwhile, as County News went to press, the House Agriculture Committee, by a vote of 26 to 13, reported out H.R. 2251, the Agricultural Land Protection Act. The bill was originally introduced by Rep. James M. Jeffords (R-Vt.) and was shepherded through the committee by Chairman Thomas Foley (D-Wash.) The bill provides funds for county and state farmland preservation projects and a federal study to evaluate the results of these demonstration projects.

Stricken from the bill was a

provision which would have required federal agencies to notify state and county governments of proposed federal agency action that could result in farmland conversion.

DURING THE past several decades King County, which includes the city of Seattle, has lost approximately half its farmland to development. Spellman and other county and civic leaders became concerned about the potential loss of income and jobs, as well as the disappearance of open space. Their farmland bond issue was first put on the ballot in November 1978, when it failed by only one-fifth of 1 percent to get the 60 percent approval required by law. A second effort to pass the referendum failed in this September's primary election because, although it received 77 percent of the vote, the turnout was insufficient.

Convinced that there was substantial support for farmland preservation, Spellman persuaded the King County Council to put the proposition on the ballot in this

year's general election and finally passed.

"The approval of Proposition 3 is a landmark in agricultural land preservation in the United States," said Spellman. "It marks the first time that the electorate itself has voted to reach into its own pocket-book to preserve farmland."

"This demonstration of public support underscores the importance of protecting our remaining agricultural lands," he continued. "It should have a profound impact on pending federal legislation that would assist other counties and states in achieving this goal."

Along with the agricultural land preservation measure, the King County electorate also approved a number of Proposition 13-type tax limitations. Political observers in the county noted that this result casts the success of the \$50 million land issue in an even more favorable light—proving that the voters are willing to spend tax dollars for farmland preservation even in a time of economic restraint.



Spellman

Energy Board Approved by House

After lengthy and often heated debate, the House of Representatives approved another piece in the President's energy program—an energy mobilization board with the power to cut red tape on big energy projects and, if needed, force some decisions on state and local governments.

The bill now must go to a conference with the Senate-passed version where significant differences between the two measures have to be resolved.

The three-day debate pitted two powerful committee chairmen against one another—Rep. Morris Udall (D-Ariz.) of the Interior Committee and Rep. John Dingell (D-Mich.) of

the Interstate and Foreign Commerce Committee. The main issue was whether to let the five-member board waive local, state and federal laws holding up completion of major energy projects.

By the narrow margin of 215-192 the House sided with Rep. Dingell. (See page 8 for vote).

Conspicuously absent during much of the debate were representatives of the Administration. Although President Carter had said he wanted no waiver of substantive law, one observer noted that the White House "lobbied in such a way to insure the waiver." Even though the House-passed version differs in a number of ways from the Administration's original proposal, White House aide

Bertram Carp called the vote "a major advance for our energy program."

NACo SUPPORTED BILL

NACo, along with other public interest groups, had been working closely with both sponsors to iron out a compromise that would satisfy all parties. In the end, NACo supported the compromise offered by Reps. Udall, Don Clausen (R-Calif.) and Tim Wirth (D-Colo.).

The Udall-Clausen-Wirth compromise would have allowed the board to designate priority energy projects; set binding project decision schedules; enforce deadlines; and suspend requirements enacted after construction of a project had begun.

Where this proposal differed from the Dingell backed bill was in the enforcement of the decision schedule and the waiver of existing and new requirements. Initially the Interstate and Foreign Commerce Committee bill gave the board the power to waive all federal, state and local substantive and procedural laws. This would have included laws enacted after construction of a project had begun, as well as existing laws and requirements. However, on a vote of 415-1, the House approved an amendment offered by Rep. Jim Santini (D-Nev.) and Rep. Manuel Lujan (R-N.M.) which prevents the waiver of existing state or local laws, unless they are enforcing a federal requirement, and requires the approval of both Houses of Congress for the waiver of new requirements.

There was some confusion, however, over whether state and local environmental laws which were enacted because of a federal requirement, or which referred to a federal requirement when adopted by the state or local government, could be waived. Rep. Lujan, in response to a question on the floor, stated that these laws would not be subject to the waiver. It appears that a final resolution of this issue may have to await a court ruling.

The Udall-Clausen-Wirth compromise would have required the board to obtain a court order before forcing a state or local government to take an action required by the project-decision schedule. If a state or local government failed to abide by a court decision, or if the court failed to rule within 120 days, the board was empowered to step in and make the decision for the state or local government.

Under the version adopted by the House, if the state or local government misses an energy project deadline, the board, after a hearing, can immediately step in and make the decision for the agency.

In many members' minds the choice between the Dingell bill and the Udall-Clausen-Wirth compromise was reduced to a question of enforcement. The choice was seen as having a court force a decision allowing the board to supplant state and local decision-makers.

MAJOR DIFFERENCES

Meanwhile major differences between the House and Senate versions must be worked out by the Conference Committee. While the House version will allow for the waiver of existing federal laws, the Senate allows waivers only for requirements imposed after construction of a project has begun. In addition, the House requires that any waiver approved by both Houses of Congress. The Senate, on the other hand, does not require congressional approval of a waiver but specifies that the waiver of a new requirement can be vetoed, on health or safety grounds, by either the Secretary of the Interior or the administrator of the Environmental Protection Agency. Congress could act to override agency veto.

Another major difference involves the enforcement mechanism. The House would allow the board to make a decision for a state or local agency which had missed a deadline. The Senate has a similar provision except a hearing is not required and court enforcement is allowed as an option. These points and the scope of judicial review will be the main areas in which the committee will focus.

While the Udall-Clausen-Wirth compromise was not ultimately adopted, it is clear that the activities of the compromise supporters led some significant changes in the bill as finally reported. County officials are encouraged to acknowledge the congressmen who voted in favor of NACo's position.

—Mark Co

COASTAL ZONE MANAGEMENT

Increased County Role Asked

Describing the Coastal Zone Management Act of 1972 as "unique federal legislation," NACo's chairman for coastal zone management urged a strengthened role for counties and other local governments in implementing state coastal zone management programs developed over the past seven years.

Karen Gottovi, commissioner, New Hanover County, N.C., testified recently before the House Merchant Marine and Fisheries subcommittee on oceanography during oversight hearings on the 1972 act.

The act's most important breakthrough, she said, is its procedure for assuring compatibility and cooperation among various levels of government with coastal management responsibilities. (Section 307 of the act requires federal agencies to conduct their activities in a manner consistent with approved state coastal management programs which give consideration to the national interest during their implementation.)

Gottovi called for strengthened local participation in determining consistency of federal actions. She offered the example of Oregon, where county zoning and land use regulation ordinances are included in the state's coastal program by reference. Thus, they are the basis for determining consistency of proposed federal projects, permits, grants and other programs which significantly affect the county coastal resources.

GOTTOVI POINTED out that most states have delegated authority to counties to implement federally approved programs and described three possible approaches:

- Local implementation of state standards with state administrative review is used in Alaska, Maine,



PROTECTION FOR COASTAL RESOURCES—Karen Gottovi, NACo chairman for coastal zone management, calls the Coastal Zone Management Act "unique" in its emphasis on intergovernmental cooperation.

Michigan, North Carolina, Oregon, Wisconsin, and Washington;

- Direct state implementation is used in California, Delaware, Hawaii and New Jersey;

- State administrative review of development plans, projects and local regulations, which has not been adopted by any state.

In her state of North Carolina, Gottovi said, counties are required to adopt comprehensive land use plans. The state issues or denies major development permits while counties administer minor permits. All decisions are based on the land use plan adopted by the county.

Gottovi called for better technical

information, public access and better disaster plans. She also cited the federal flood insurance program as a major incentive for development in coastal areas, including those subject to frequent and severe storms.

New approaches within the terms of that important program must be found, she warned, to ensure relocation of development from devastated and threatened areas to locations less likely to be subject to frequent storms.

The oceanography subcommittee plans to hold field hearings on the Coastal Zone Management Act. Watch *County News* for an announcement once dates are confirmed.

Carter Signs Standby Gas Rationing Plan

Last week President Carter signed a bill which gives him the authority to develop a standby gasoline rationing plan. Congress will have 30 days to review any plan developed by the Administration and the plan will be considered approved unless both Houses pass a joint resolution rejecting it.

If a resolution of disapproval is adopted, the President can veto it, but a two-thirds majority of both Houses can override such a veto.

However, the actual imposition of a rationing plan can be vetoed by either House.

Some other restrictions were placed on the President's authority to im-

pose gasoline rationing. Rationing can only be imposed if a daily shortage of 20 percent of either gasoline, diesel fuel or home heating oil persists for 30 days.

The President can put rationing into effect without a 20 percent shortage if both Houses pass a resolution of approval, but the waiver of the 20 percent shortage requirement is limited to nine months.

Debate on gasoline rationing dates back to passage of the Energy Policy and Conservation Act of 1975 (EPCA), P.L. 94-613. Under EPCA the President was required to develop a standby rationing plan which had to be submitted to both Houses for

approval. However, an Administration plan was rejected last February, and Congress has since been working on an alternate proposal.

As finally approved by Congress, S. 1030 contained most of what the Administration had requested.

IN ADDITION to the gasoline rationing provisions, the bill also requires development of state conservation plans to deal with an energy shortage.

The President is required to set both national and state-by-state targets for reducing energy consumption. How the state goals will be met is to be determined by each

individual state.

The plans developed by the states are to be submitted to the Secretary of Energy for approval. If a state plan is rejected, or if a state is not meeting the goals established for it, a federal conservation plan can be imposed.

The bill also loosened the requirements on the heating and cooling of buildings adopted earlier in the year. The change would allow a building operation to offer an alternative to the temperature restriction if it would save a comparable amount of energy. The local government would have to agree to monitor and enforce a building operator's compliance with an alternative method.

A publication describing a new program to train economically disadvantaged women to become child care aides has been issued by the Women's Bureau of the Department of Labor.

"Training for Child Care Work: Project Fresh Start" describes a CETA-funded program developed by the Worcester, Mass. YWCA which offers skills training and supportive services to those preparing to become competent workers in day care centers, schools, and other community facilities.

The Worcester program includes classroom training, "hands-on" experience, and a number of supportive services, including child care, coun-

Training for Child Aide Jobs

seling, job development and placement.

Women's Bureau Director Alan Herman noted that replication of the program model by CETA sponsors and others would help alleviate some of the child care problems faced by parents who bear the multiple responsibilities of homemaking, childbearing, and contributing toward family income.

Single copies of the program materials are available free from the Women's Bureau, Department of Labor, Washington, D.C. 20210. Copies available for \$2.50 each from Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

COUNTY NEWS
(USPS 704-620)

EDITOR: Bernard Hillenbrand
MANAGING EDITOR: Christine Grewick
PRODUCTION MANAGER: Michael Bove
GRAPHICS: Karen Eldridge, Robert Redden and Deborah Salzer
ASSISTANT EDITOR: Joan Amico
WRITER/PHOTOGRAPHER: Paul Serber
CIRCULATION COORDINATOR: G. Mark
Published weekly except during Christmas and the week following the annual conference

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, \$50 for members purchasing 10 or more subscriptions. Member county surplus subscriptions are \$10 per county purchasing 10 or more surplus subscriptions \$15. Send payment with above address. While utmost care is used, *County News* cannot be responsible for returned manuscripts.

Summit Home Rule Is First in Ohio's History

Summit County (Akron), Ohio last week became the first county to adopt a home rule charter in the 45 years since the state passed legislation permitting optional forms of county government.

By nearly two to one, voters approved a charter calling for an elected executive form of government with a seven-member county council to be elected at large. Currently, the county is operating under a three-member commission, the traditional form in nearly 2,500 of the 3,104 county governments in the United States.

This was the third attempt since 1970 to adopt home rule in Summit County. Previous efforts, however, called for more drastic changes such as eliminating all elected offices ex-

cept the executive and council, according to Barbara Hiney, executive director of the Goals for Greater Akron, a civic improvement group which spearheaded a coalition of civic and business organizations in the campaign for the new charter.

"Minimal changes were sought this time around," Hiney said. "Except for calling for an elected executive and the larger council, all other elected positions, sheriff, auditor, clerk, etc., were left intact." Hiney indicated that, with the passage of home rule, future efforts would be made to reduce the number of elected county offices.

Another factor affecting the passage of the charter was a change in state legislation in 1978 which permitted a charter to be placed on

the ballot by voter initiative petition, rather than by the election of a charter commission study group which in turn prepares a proposed charter to be submitted to the voters at the following election.

A citizens' coalition, composed of the Goals for Greater Akron, the Akron Regional Development Board, and the League of Women Voters of Summit County, seized this opportunity to form a citizens advisory group to pursue passage of home rule. This advisory group, headed by bipartisan leadership which also was a positive factor in the overall campaign, developed the moderate charter proposal and received 18,000 voters' signatures on the petition to place the issue on the November ballot.

Some opposition to the charter was expressed by those who saw an elected executive position as another layer of government in the county. Summit County Commissioner John Morgan disagreed. He said "the home rule government proposal would provide a needed separation of

powers between the executive and legislative aspects of government," adding that the expanded council would ensure greater fiscal stability.

Summit County becomes the 129th county in the country to adopt the elected executive form of government.

County Votes Are In

Voters in counties across the nation went to the polls last week to decide the fate of issues as basic as home rule and as timely as energy conservation and tax relief.

In charter issues, Genesee County, N.Y. voters narrowly defeated a proposal to form a county administrator type of government. In Ulster County, N.Y. efforts at forming an elected executive government failed by nearly three to one.

RETHINKING TAXES

County roads and bridges in Missouri may be in for big improvements since voters passed Amendment 2, a proposal that will divert half of motor vehicle sales taxes to counties, cities and the State Highway Department. Called a "\$39.4 million bargain" by its supporters, the amendment would channel this amount into additional road improvements with no tax increase.

In other Missouri elections, citizens in St. Charles and Jefferson counties approved a county sales tax which would roll back property taxes and fund county law enforcement and emergency medical services.

Tax relief was in the spotlight in state elections also. Seventy-five percent of California voters approved Proposition 4, a measure that permanently fixes state and local government spending at 1978-79 levels, adjusted for inflation and population growth. It also requires return of government surpluses to the taxpayers.

In Washington State, voters passed a similar measure requiring that taxing and spending at the state level be in proportion and not greater than the personal income of the state's citizens.

ENERGY ISSUES

On the energy side, voters in Marin County, Calif. were divided on the concept of turning an unused Air Force Base into a model solar community incorporating the latest ad-

vances in solar technology. Voters defeated the measure 33,424-29,296.

Westchester County, N.Y. voters failed to take the first step towards acquiring Consolidated Edison's utility distribution system for the county. County Proposal 1, which was defeated, would have authorized a study on ways the county could lower its energy costs including a takeover of Con Ed's county facility or a search for a power supplier with lower rates.

BOTTLE BILLS

Voters in Ohio and Washington State defeated bills that would have required a mandatory deposit on most beverage containers.

In Maine, the situation was reversed. A proposal to repeal a state bottle deposit bill failed despite support from the beverage container industry and local grocers who claimed that they did not have the facilities nor the time to handle the influx of returned bottles.

—Paul Serber



EXPANDING COUNTIES' CRIMINAL JUSTICE ROLE—Frank Francois, left, NACo president, and Richard Hammel, chairman of NACo's Criminal Justice and Public Safety Steering Committee, meet with Henry Dogin, center, new LEAA administrator. Dogin said he supports a greater role for counties in local law enforcement matters.

LEAA Head Backs County Role

Continued from page 1

discuss the role of counties in the new LEAA program, in addition to Francois, were Richard Hammel, commissioner, Genesee County, N.Y., and chairman of NACo's Criminal Justice and Public Safety Steering Committee; Bernard Ellenbrand, NACo executive director; and Herbert Jones, associate director for NACo's Criminal Justice Program.

"Our meeting with Dogin made clear that the agency is fully supportive of the increased local role mandated in the new LEAA, and that the

administrator intends to continue that support," Francois said after the meeting.

"We were very well received by him," Francois said. "If all federal agency administrators worked this way, we certainly would have a better intergovernmental environment."

Dogin told the NACo representatives that he believes the best way to run LEAA is to begin at the local level where most crime problems exist. "Cities and counties are best able to run and design effective criminal justice programs," he said.

Dogin asked NACo to work with him to develop "innovative ideas that will truly work." He gave as an example the way in which LEAA's arson initiative was planned. Experts from all over the country and all levels of government were called to Washington to participate in a brainstorming session out of which the program was formed.

The LEAA bill reported by the Conference Committee is expected to be passed by both Houses within two weeks. More details on the conference report will appear in next week's *County News*.

Health Wage 'Cap' Affects Counties

Reports from Wisconsin and New Hampshire indicate that new Medicaid regulations which place a cap on reimbursement for wages may mean significantly higher costs for county health facilities.

For example, Racine County, Wis. estimates it will need an additional \$9,000 for the county's health care facility in the coming fiscal year just to maintain present care. Taking into account neighboring Kenosha and Waukegan counties, the additional county tax dollars that will be needed is placed at over \$1 million.

Bob Lethbridge, president of the National Association of County Health Facility Administrators (NACHFA), a NACo affiliate, estimates increased county costs of \$475,000 for Merrimack County, N.H. Lethbridge, administrator of the Merrimack County Nursing Home, alerted NACHFA board

members to the new regulations at their recent meeting in Detroit, along with Mike Berry of the Wisconsin Association of County Homes.

The new "cap" on reimbursement to homes licensed as skilled or intermediate nursing care facilities took effect Oct. 1 under regulations published Aug. 31 in the *Federal Register*. The rules limit Medicaid and Medicare reimbursements for "routine service costs" to intermediate and skilled nursing facilities at 115 percent of a local hospital wage and market basket index. States now reimbursing above the 115 percent limit are required to reduce Medicaid reimbursements accordingly. Where county homes exceed the wage limit, as has been reported in Wisconsin and New Hampshire, counties will be forced to pick up the deficit.

The reimbursement cap attempts

to take different labor costs into account by varying the schedule for urban SMSAs and rural non-SMSA areas, as well as for free-standing versus hospital-based facilities. The index does not, however, consider the higher labor costs common in rural counties adjacent to metropolitan areas, nor does it adequately provide for possible exemptions to facilities serving patients who require more expensive care. Size of the facility is also not considered.

The National Association of County Health Facility Administrators, the Wisconsin Association of County Homes, and the Wisconsin County Boards Association are working with Rep. Les Aspin (D-Wis.) to protest the regulation.

As proposed in the *Federal Register* on May 18 (pp. 22362-

22366), the schedule referred only to Medicare skilled nursing facility reimbursement limits, with no mention of limitations on Medicaid or intermediate nursing facility reimbursements. The final schedule, which includes the cap on Medicaid "routine service cost" reimbursement to both intermediate and skilled facilities thus went into effect with no opportunity for comment from county nursing homes and other Medicaid providers.

Because of the complexity of the regulation, many county health care facilities are still in the process of calculating the cap's impact. Counties are urged to contact their congressman as soon as possible to assist in protesting the effect the regulations will have.

For further information contact Tecla Bacon, NACo.

GRS Audit Regs to Be Explained

Reports indicate that state and local governments may be heading for a new crisis—meeting the audit requirements of the general revenue sharing program. To help governments avoid potential pitfalls, the Municipal Finance Officers Association (MFOA) is sponsoring three one-day seminars on auditing requirements in December.

According to MFOA, many state and local government officials may not know the full details of the audit requirements or the dangers of non-compliance. Under amendments to the general revenue sharing program, state and local governments receiving more than \$25,000 since 1976 are required to conduct an organization-wide audit. Deadline for submitting these to the Office of General Revenue Sharing is March 1, 1980. Jurisdictions that fail to submit audits by the deadline may be termed out of compliance and their quarterly payment could be in danger.

County officials should be particularly sensitive to the program's audit requirements since Congress, in considering reenactment of general revenue sharing, will be eyeing how well local governments comply. Critics of revenue sharing often point to the lack of accountability for expenditures in the present program.

The seminars are scheduled for Dec. 5 in Chicago, Ill., Dec. 6 in Houston, Texas and Dec. 10 in Washington, D.C. Experts on revenue sharing and auditing procedures will attend each session including representatives from the Office of Management and Budget, Office of Revenue Sharing, and public accounting firms.

For further information, contact the International MFOA Career Development Center, 180 North Michigan Ave., Suite 800, Chicago, Ill. 60601, 312/977-9700.

COMMENTARY

Federal Strings Tie Hands of Local Officials

First in a Series

by Neal R. Peirce

American federalism, which served the country so well for close to two centuries, was grievously wounded in the 1970s.

Despite all the talk of popular participation during the decade, the average citizen's power to affect government, through the ballot box in his local community, was severely diminished. More was lost, too: the system's traditional balance between competing national and state-local interests, and the clear-cut accountability of government officials at all levels.

The irony is that no one ever intended this result, nor has there been any significant national debate on the subject. Almost invisibly, it happened.

But the reason and the result are now clear enough. There has been an unprecedented expansion of federal funding—and federal controls. Power has shifted from elected officials to bureaucrats. State and local governments, chosen by Congress as delivery agents for a mind-blowing variety of programs, have found their own policy priorities distorted. Their operations became so smothered in detail that responding to local citizen wishes is extremely difficult.

Ironically, the 1970s opened with debate about then-President Nixon's "New Federalism," a policy designed to counteract the flood of narrow categorical aid programs under Lyndon Johnson's "Great Society." But the promised devolution of power to states and localities proved chimerical. Congress during the '70s added some 150 new categorical aid programs, to reach a new total of 492—"each with its own set of red tape and overhead costs and each with its own propensity for growth," says Vermont Gov. Richard Snelling. Revenue-sharing and other block grants of the New Federalist era, intended to come with less strings, became hemmed in with conditions.

When Johnson left office, total yearly federal aid to states and cities was \$20 billion. Today that figure is \$82 billion. This volume of activity makes "LBJ look like a piker" in contrast, says David Walker, assistant director of the Advisory Commission on Inter-

governmental Relations.

Today virtually no town, village, township, county or Indian tribe in America is without direct ties to Washington, D.C. And there is virtually no function of local government, from police to community arts promotion, for which there isn't a counterpart federal aid program.

It is true, of course, that a major cause of the expansion of federal power has been the state

"The promised devolution of power... proved chimerical."

and local governments' unwillingness, or lack of money, to meet real social needs. But under the pressure of a myriad of special-interest groups, Congress has added hundreds of programs, from rat control in cities to protection of estuarine sanctuaries, that lack broad national support or in any event should be handled locally. Outmoded programs are rarely terminated or overlapping ones combined.

THE RESULT: a badly overloaded intergovernmental system, in which federal regulation writers struggle to design, for hundreds of programs, rules which can't possibly apply well in the tens of thousands of communities in a continent-sized, highly variegated society.

On top of all this, a bewildering array of crosscutting requirements—31, by one count—have been applied to most federal-aid programs. Among them are equal employment opportunities for women and minorities, rights for the handicapped, civil-service merit rules, citizen participation, historic preservation and environmental impact statements. It's almost impossible to argue against the right or protection sought in each case—all seem desirable, some essential. But the cumulative mass so impedes grants that the whole process is often slowed to a snail's pace.

Walker, the single American who probably keeps the most constant vigil on the state of the federal system, is alarmed. Since the later 1960s, he says, "We've emerged from a relatively simple governmental system to one that

is more costly, more inefficient, more ineffective, and above all, less accountable than it has ever been."

"To the extent elected officials lose control, so do the voters..."

Says James Gleason, the elected Montgomery County, Md., executive from 1970 to 1978: "The federal government has absorbed so much of the government jurisdiction that it has become the decider of all programs, and state and local officials have become implementers of those programs. It's not what you think is good for your community as an elected official. It's what they (federal bureaucrats) think. It makes a mockery of the elected franchise."

Gleason exaggerates—some. Local governments' own revenues have grown. Smart local administrators can juggle federal grant money in ways Washington

never intended. City halls respond to neighborhood and minority voices far more than they felt necessary in past times.

Still, local leaders are severely constrained by the regulations and separate fund flows of myriad federal programs. The system makes it exceedingly difficult for them to decide on priorities—in other words, to manage intelligently.

TO THE EXTENT elected officials lose control, so do the voters who choose them. Programs with admirable social goals are so structured that they threaten to emasculate local government—traditionally the schoolyard, the training ground of self-government in America.

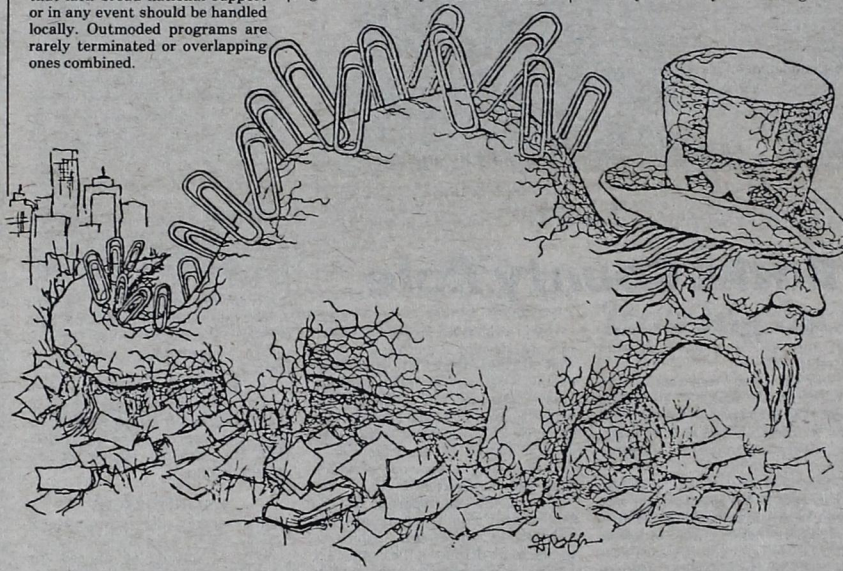
In times past, American federalism was likened to a layer cake of neatly divided responsibilities between federal, state and local governments. Since the New Deal, it's been increasingly "marbled," with higher levels delving into areas once left to lower ones, plus adding countless new functions. Walker likens the system today to "a gelatinous mass, oozing, slithering, squishing," with clear-cut responsibilities ever more blurred.

As functions float between levels of government, even government managers lose track of who's in charge in any area. Voters complain about the size of government, but their deeper concern may be to find who is in charge, who can be held accountable.

The 1980s needs to be a time of hard re-examination—not to destroy valuable programs, but to see how they can be accountably delivered. To take account, in other words, of "first things first"—accountability, practicality, and care not to violate the constitutional balances of our federal system.

Such talk is practically taboo in Washington, where the interests continue to lobby Congress and the bureaucracy for every variety of favor and the careers of thousands rest on playing the system for maximum advantage. But unless serious attention is paid, the confusion of the '70s could turn into full paralysis of government in the '80s.

© 1979, The Washington Post Company



DADE COUNTY, FLA.

Disaster Plan Proves Worth for Nursing Home

Editor's Note: Disaster preparedness is more than developing operating procedures for police, fire and public works agencies during an emergency. Not to be forgotten is disaster preparedness for local hospitals, nursing homes and other health care facilities. Emergency evacuation plans can run into a snarl when an in-patient facility stands in a relocation area unless specific details are straightened out in advance. The following article gives tips on what to do and where to go for more information.

DADE COUNTY, Fla.—The importance of having a disaster plan in hand was brought home to Metro-Dade County this fall when Hurricane David threatened a direct hit

upon the Miami area and a county nursing home had to be hastily evacuated.

Moving nursing home patients is extremely risky. Studies show such relocation can cause sickness, even death. Remarkably, no Lutheran Medical Center patient became ill or died because of the evacuation and return, and no unusual anxiety was evident among 153 sick and elderly evacuees.

Some highlights of the finely honed disaster plan, which has since been offered as a guide to all other nursing homes in the community, are:

- Giving patients individual attention to hygiene, a hot meal and medication before the move.
- Packing medicine for each one in labeled paper bags and checking

patient wrist IDs upon leaving and returning.

- Being certain mattresses and basic supplies arrived at the temporary shelter before the patients.

- Reserving beds in advance at a nearby hospital for the most seriously ill. (A Lutheran physician and nurse stayed with these 15 patients.)

- Transporting the rest of the patients to an elementary school where medical and nursing staff set up a temporary clinic.

- Having vehicles from other programs in the Department of Human Resources parked at the medical center before the storm—just in case.

Even with a sufficient number of vehicles, it took almost four hours to evacuate the patients, much

slower than had been anticipated because more "lift" vehicles were needed. Alternative types of transportation are now being considered. Other recommendations are for post-emergency staffing by a rested staff, developing emergency evacuation kits, and improving radio communication.

Employee dedication and community concern contributed greatly to the successful operation. Staff worked around the clock. Workers not on shift came in to help, bringing along relatives. Seeing top department administrators working along with them kept staff morale high. Community groups volunteered, and patients helped also by trying to walk faster and farther.

Besides evacuation procedures,

other parts of the disaster plan covered:

- Social workers visiting home care patients to ensure ample supplies, assist in vital planning, and give emotional support;

- Methadone patients, with special permission, getting additional doses to hold them through the emergency period; and

- Kidney dialysis patients receiving treatments prior to the storm.

For more details, contact Gen. T. O'Neil, DPA, Director Office of Health Services, Metro-Dade Department of Human Resources, 10 W. Flagler Street, Suite 1502, Miami, Fla. 33130.

Energy Workshops Agenda

Day One: Evening
Registration, Reception, and Cash Bar

Day Two: 8:30 a.m.-5:15 p.m.
Workshops
Organizing the Energy Office
Organizing the Community

Four concurrent sessions:

- Existing/New Buildings
- Vehicle Fleets
- Community Education
- Home Energy Audits

Lunch

Concurrent sessions repeated
Groups attend different sessions than in the morning.

Day Three: 8:30-Noon

Three concurrent sessions:

- Emergency Temperature Restrictions for Buildings
- Emergency Services and Fuel Allocations
- Developing a County Contingency Plan

Wrapup and further questions

ENERGY CONSERVATION WORKSHOPS

Battlelines Drawn for "Energy War"

"The major gains and victories in the energy war will not happen in Washington. Rather, the energy war will be won, or lost, at the local level." So said NACo President Frank Francois in response to President Carter's energy challenge.

One of the front-line fighters in that war, who will share his experiences at NACo's upcoming energy workshops, is Donald Harwig, director of facilities maintenance, Hillsborough County, Fla. Harwig's energy program received nationwide attention when, in a personal visit, it was singled out by President Carter as an example of successful local response to the energy challenge.

The Hillsborough program, and those in Clinton County, Mich. and Milwaukee County, Wis., were cited in a publication from the President's Clearinghouse for Community Energy Efficiency. (These programs, along with four others, were the subject of a recent NACoR publication, *Establishing an Energy Office: Seven County Programs*.)

Harwig's two-pronged approach to energy conservation includes better energy management in county buildings and a model for long-range county energy planning. The model provides an inventory of natural and manmade energy systems in the county and has been expanded to project the effects of ordinances and subdivision regulations on energy use in an "average" county home.

Harwig agrees that energy programs can best be put into effect at the county level, while "programs which need congressional approval are liable to be shot down by interest groups." He stresses, however, that a successful program has to have "backing from top to bottom—from county executive to the secretaries who make the paperwork move."

NACoR's energy conservation workshops will be held Dec. 10-12, in Columbus, Ohio and Dec. 17-19, in Denver, Colo. For one and a half days, participants will explore methods of organizing an energy office and planning ahead for emergencies; enlisting the community in the energy war, emphasizing the use of home audits; applying conservation in new and existing buildings, including the application of building temperature restrictions; and management and fuel allocations for vehicle fleets.

In addition to Harwig, county energy participants and their areas of expertise will be:

- Danny Alvarez, Dade County, Fla.: organization of an energy office, vehicle fleet management, emergency services and fuel allocations;
- Leslie Brook, Genesee County,

Mich.: community organization and education;

- Tom Duro, Chautauque County, N.Y.: setting up an energy office and organizing the community;

- Sherri Kimes, St. Louis County, Mo.: home energy audits;

- Melissa McClaren-Lighty, Santa Clara County, Calif.: contingency planning and home energy audits;

- Paul Page, Nashville-Davidson County, Tenn.: vehicle fleet management and energy conservation in buildings;

- Fred Rehm, Milwaukee County, Wis.: conserving energy in buildings.

Agenda for the workshops and registration and housing information are on this page. For further information, call Connie Becton at the NACoR Energy Project.

Lehigh County Developing Health/Housing for Aging

LEHIGH COUNTY, Pa.—How would health and housing programs for the elderly be interrelated so that both provide the best care and older people to maintain as much independence as possible?

This knotty problem is being addressed by officials in this eastern Pennsylvania county of 265,000. Under the direction of County Executive David K. Bausch, the county has already developed several unusual and innovative housing programs for the county's older citizens.

With a 1976 grant from the Economic Development Administration, the county built a 200-unit apartment complex that can provide low rents to elderly people who do not qualify for federal rent subsidies. Because the building was built with a grant, there is no mortgage, hence rents can be kept low.

With full support from Bausch and other county leaders, a local housing authority has converted several unused school buildings into housing for the elderly.

In all, there are 1,900 units of housing for the elderly and 2,000 nursing home beds in the county. The county also operates two nursing homes itself and works closely with the Allentown and Sacred Heart Hospital to develop geriatric care and services in the county. Current planning is being conducted for the county by Progress Associates, Inc. (PAI) and supported by a grant from the Dorothy Rider

Pool Health Care Trust.

To date PAI has:

- Completed an extensive literature search on housing and health needs;

- Interviewed 76 "key informants" in the county;

- Randomly selected 760 households in the county for a human service needs analysis;

- Conducted a health care-housing workshop that involved representatives of local agencies, hospitals, housing authorities plus specialists in the field of aging from several national organizations, including NACo.

The results of these efforts have been included in "Elderly Health Care-Housing: Program Report" and will also lead to the development of a seminar series on how to develop economical housing for the elderly.

The report indicates that Lehigh County is moving in the direction of creating a "health care-housing ventures corporation," which will attempt to attract private business to meet "certain elderly needs."

Meetings are scheduled for next year and are geared toward county elected officials as well as those responsible for planning and administering housing programs.

For more information about either the report or the seminars contact William Scharf, Progress Associates, Inc., 602 Hamilton Mall, Allentown, Pa. 18101, 215/820-9331.

—Phil Jones, NACoR

Recorder/Recorder Corner

EDITOR'S NOTE: This is the second of a six-part series describing programs currently being conducted under grants from HUD to demonstrate methods of improving local land recordation procedures.

Pinal County is a small, rural jurisdiction in Arizona located halfway between the metropolitan areas of Phoenix and Tucson. It has an estimated population of 68,000 with approximately 87,000 property parcels.

The county has proposed developing an automated recordation system, based on a minicomputer which enhances its transferability potential. A types of automated geographic indexes will be created. A parcel level index will be fed property information by the assessor's office. The sectionship-range index will contain information on items such as mining claims, personal property mortgages on crops, easements, and rights of way, to name a few. In addition, the county will cease its aperture card microfilm system and will convert to a micro jacket system.

The county is using the services of the Management Research Foundation, San Francisco, Calif., who have made themselves familiar with Pinal County operations, data processing hardware, and land title recordation. For more information contact Ed Truman, Recorder, Pinal County Courthouse, Florence, Ariz.

Energy Conservation... It pays to save



Two things are certain this winter: fuel costs will continue to rise, and fuel and gasoline availability will remain in flux. It is imperative, therefore, that counties take steps now to conserve energy both in their internal operations and in the community at large.

To help counties meet the challenge of energy conservation, the National Association of Counties Research, Inc. is sponsoring two workshops geared toward energy coordinators, county administrators and elected officials.

County energy experts will lead workshops on: Organizing your Energy Office; Organizing your Community to Conserve Energy; Energy Management in County Buildings and Facilities; Energy Programs for the Community and Contingency Planning for Fuel Emergencies.

Workshops will be held:

December 10-12
Columbus, Ohio
(Note date change)

December 17-19
Denver, Colorado

Special conference room rates will be available to all workshop attendees whose reservations are postmarked to the NACoR Energy Workshop Registration Center no later than three weeks before the workshop you wish to attend. Thereafter, rooms will be available on a first come, first served basis.

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.

REGISTRATION FORM

REGISTRATION FEE PER SESSION \$45

Name _____

Title _____

County _____

Address _____

Telephone _____
(Area Code)

HOUSING FORM

Name _____

Co-occupant _____

Special Hotel Requests _____

Credit Card Name _____

Credit Card No. _____ Expiration Date _____

Authorized user's signature _____
Arrival Date/Time _____ Departure Date/Time _____

☐ Check here if you have a housing-related disability

☐ Columbus, Ohio
December 10-12
Hilton East
Single \$34, Double/Twin \$40

☐ Denver, Colorado
December 17-19
Stouffer's Denver Inn
Single \$42, Double/Twin \$49

Rooms must be guaranteed for arrival by county voucher, credit card, or by sending one night's deposit to the address below.

Return housing and registration forms to: NACoR Energy Workshop Registration Center, 1735 New York Avenue, Washington, D.C. 20006.

For housing information call 703/471-6180. For information on the program call NACoR County Energy Management Project, 202/785-9577.

SPECIAL REPORT

Rural Development Funds Decided

Congress has finally approved a conference report containing money for an assortment of rural development programs for fiscal '80. These funds help provide low-income housing, new sewer and water systems, and loans for construction of needed community facilities.

Overall, appropriations for the programs administered by the Farmers Home Administration (FmHA) are down slightly from last year, with several programs suffering cuts. On the positive side, the rural development planning program, supported by NACo, was funded at \$7 million, up from \$5 million.

The chart on this page lists the appropriations for rural development programs for fiscal '80 and compares these levels to fiscal '79. In addition, programs which could be a source of help to rural counties and their citizens are described and the conditions of assistance are given. Rural areas are defined by these programs as communities of 10,000 people or less.

The number following the program title is the number given to it in the *Catalog of Federal Domestic Assistance*, a complete list of federal aid programs compiled by the Office of Management and Budget (OMB). Also noted is whether the rural program is subject to the A-95 clearinghouse process. The A-95 process is applied to more than 200 federal aid programs to allow state, regional and local governments to integrate federal assistance programs and federal development activities with their existing programs, policies and plans. (By submitting all applications for such grants to an area or state "clearinghouse," duplication is avoided and local plans are not funded that conflict with the wider region.)

Section 502 Low and Moderate Income Housing Loans (OMB #10.410): This program provides guaranteed and insured loans for low income, moderate income, and guaranteed above modest income housing loans with low interest rates. Loans may be used for construction, repair and purchase of housing, including sewage facilities, water supply and weatherization, as well as the acquisition of land for construction.

Conditions of aid: OMB Circular A-95 applies. No match is required.

Awards range from \$1,000 to \$50,000, the average award has been \$23,910.

Section 515 Rural Rental Housing Loans (OMB #10.415): This program provides both subsidized and unsubsidized guaranteed, and insured loans for rental units. Loans can be used to construct rental units, improve or repair rental cooperative housing as well as to acquire or improve land for such units. All rental units must be for low or moderate income families.

Conditions of aid: OMB A-95 Circular applies. The program cannot be used for institutionalized homes. No match is required, but monthly progress reports are required as well as an annual audit.

Awards range from \$54,900 to \$750,000.

Section 504 Very Low Income Housing Repair Loans and Grants (OMB #10.417): This program offers assistance in the form of loans and grants to very low income rural homeowners for minor home repairs to eliminate safety and health hazards. The loans or grants may be provided only if the applicant is not eligible for the 502 program. The funds may be used to repair foundations, roofs, and basic structures, as well as make repairs to the water/waste disposal system. The program may also be used for weatherization.

Conditions of aid: No match is required. No loan can exceed \$5,000 to any one person. No new construction may be financed by the program.

Awards have ranged from \$200 to \$5,000 for both the grant and loan program. The average award has been \$2,370.

Section 524 Rural Housing Site Loans (OMB #10.411): This program provides direct, guaranteed and insured loans to local governments and nonprofit organizations for the purchase and development of adequate housing sites. In developing the sites, the program can cover the purchase of equipment that will become a permanent part of the development, as well as

Comparison of Rural Development Appropriations

Rural Housing Insurance Fund	Fiscal '79	Fiscal '80
Sec 502 Low-Income Housing Loans	2,067,000	2,280,000
Sec 502 Mod Income Housing Loans	800,000	800,000
Sec 502 Guar Above Mod Income Housing	500,000	500,000
Sec 115 Rental Housing Loans (Sub)	820,000	820,000
Sec 115 Rental Housing Loans (UnSub)	48,000	48,000
Sec 504 Very Low Income Housing Repair Loan	24,000	24,000
Farm Labor Housing Loans	38,000	30,000
Sec 524 Rural Housing Site Loans	3,000	1,000
Rental Assistance Program	425,500	393,000
Rural Development Insurance Fund		
Water and Waste Disposal Loans	900,000	700,000
Community Facilities	247,000	250,000
Business and Industrial Loans	1,093,000	1,100,000
Grants		
Water and Waste Disposal Grants	291,500	300,000
Rural Development Grants	10,000	10,000
Rural Development Planning Grants	5,000	7,000
Rural Community Fire Protection Grants	3,500	3,500
Very Low Income Housing Repair Grants	19,000	24,000
Mutual Self-Help Housing Grants	30,144	5,000
Farm Labor Housing Grants	33,000	25,000
Self Help Housing Site Loans	1,700	1,000
Sec 525 Supervisory and		
Technical Assistance Grants	2,500	1,500

water/sewer facilities, payment of engineering and legal fees, closing costs and needed landscaping.

Conditions of aid: The sites must be used for low or moderate income family housing development. OMB Circular A-95 applies, so it will be necessary to have the project cleared through the local A-95 agency.

Range of previous awards are \$117,175 for direct loans, \$45,200 for insured loans up to \$571,000. The average award is \$176,683.

Farm Labor Housing Loans and Grants (OMB #10.405): This program provides project grants, and guaranteed insured loans for construction repair and/or purchase of housing to provide low-rent housing for farm laborers. The program will also fund the acquisition and improvement of land to be used under the program's objectives.

Conditions of aid: A-95 clearance process is required. There is no match requirement, but monthly reporting and annual audits are required.

Awards have ranged from \$22,750 to \$1.7 million.

Rental Assistance Program (OMB #10.427): This program provides direct payments to low-income families to help offset their rent payments. Payments can be made to senior citizens, or families and domestic farm laborers whose rent exceeds 25 percent of an adjusted annual income within a state limitation. Local agency may receive loans for the program.

Conditions of aid: There is no match required. Monthly progress reports are required during the first year of operation, as well as an annual report. Audits are required on an annual basis. It is estimated that 20,000 people will receive payments in fiscal '80.

Water and Waste Disposal Loans and Grants (OMB #10.418): FmHA offers two specific programs for water and waste disposal: one offering project grants, the other low interest guaranteed insured loans. Both loans and grants can be used for installation, repair, improvement or expansion of rural water facilities, including distribution lines, wells and pumping facilities. The program may also be used for installation, repair, improvement or expansion of rural waste disposal systems, including collection and treatment of sanitary, storm and solid waste.

Conditions of aid: Periodic reporting and auditing, as well as OMB Circular A-95 clearance with the local agency are required. FmHA gives priority rating to communities of below 5,500 population.

Loans range from \$50,000 to \$53 million with average award being \$440,655. Grants range from \$5,000 to \$7 million with the average award being \$207,589.

Community Facilities Loans (OMB #10.423): This program provides guaranteed, insured loans for essential community facilities, including fire and rescue services, transportation, and social, cultural, health and recreational facilities. The program will fund access ways and utility extensions to the facility. All facilities, however, must be for public use. Counties, as well as private organizations are eligible provided the area population is 10,000 or less.

Conditions of aid: OMB A-95 is required, but no local match is requested. Community and migrant health centers may be funded with \$25 million set aside for this purpose.

Loans have ranged from \$1,600 to \$18 million. The average award is \$535,000.

Business and Industrial Loans (OMB #10.422): This program provides guaranteed, insured loans to counties, as well as nonprofit and profit-making organizations, for improving, developing or financing business, industry or employment efforts aimed at improving economic conditions in rural areas. To be eligible, a county's population must not exceed 50,000. Preference is given to communities under 25,000 population.

Conditions of aid: OMB A-95 clearance process must be used. Applicants are required to provide a minimum of 10 percent equity. Reporting is required during the construction phase with an annual audit.

Awards have ranged from \$11,000 to \$33 million. The average award is \$824,000.

Rural Development Grants (OMB #10.424): This program provides grants for financing of industrial sites in rural areas, including the acquisition and development of land as well as the construction, conversion, enlargement, repair or modernization of existing buildings. Funding also may be used for access street, parking areas and transportation serving the industrial site. Utility extension, increasing water supply and water disposal facilities are eligible, as well as pollution control and abatement incidental to the development of the site.

Funds are allocated to the states based on rural population and numbers of households in poverty. Priority is given to communities of less than 25,000 population. Counties are eligible recipients.

Conditions of aid: The OMB A-95 process must be followed as well as periodic reporting and auditing. No match is required.

Grant awards range from \$7,000 to \$769,023. The average award is \$67,000.

Rural Planning Grants (OMB #10.426): The rural planning grant process, Section 111, provides project grants to states, counties and areawide planning bodies, as well as community-based organizations for the development of comprehensive plans for rural development. It may also be used to update and revise

existing plans. Counties up to 10,000 population are eligible. FmHA has decided to utilize its other loan and grant programs to implement plans funded with Section 111 monies. The state FmHA directors rank eligible projects within the state for funding.

Conditions of aid: Only 75 percent of the costs are covered. The county must match the percent of the project costs with cash or in-kind contribution. Grants are usually for only 12 months. Quarterly financial and program reporting is required.

Awards range from \$3,750 to \$50,000. The average award is \$35,000.

Community Fire Protection: This program offers financial and technical assistance through the U.S. Forest Service to provide management training and information, as well as equipment for local forces to combat "wild fire." It is not listed in the Catalog of Federal Domestic Assistance. For more information, contact your county FmHA office, or the Forest Service.

Mutual Self Help Housing Grants (OMB #10.420): This program, Section 523 Self Help Housing Assistance, provides project grants to states, cities, and counties, or community-based organizations, for training and technical assistance to families participating in self-help housing construction. Funds may be used to hire personnel to train only, as well as to purchase essential tools for the program and necessary office space. Funds may also be used to pay essential fees for training self-help group members in construction techniques for other professional services.

Conditions of aid: The program requires quarterly progress reporting and periodic audits. No match, however, is required. The A-95 clearance process is required.

Average award for this program has been \$126,446. Awards have ranged from \$45,000 to \$801,400.

IN ADDITION to FmHA programs, rural counties above 20,000 population and up to 50,000 may apply to the small cities block grant programs, in the Department of Housing and Urban Development. (OMB #14.219). Twenty percent of funds have been set aside for this purpose.

The program will fund acquisition, rehabilitation or construction of certain public facilities, and improvements, housing rehabilitation and economic development. Funds are not to be used for general government public facilities and certain communitywide facilities. This program may be used with FmHA funds to jointly fund a project. (Joint funding process and standards are set out in OMB Circular III). Counties should contact their wide HUD office for more information. A clearance and environmental impact statements are required.

Audits and annual reporting are required, accordance with procedures established under OMB Circular A-102, "Uniform Standards for Administration of Federal Assisted Projects: State and Local Governments." General FmHA programs rely on the uniform standards as well.

Copies of all the circulars may be obtained from the Publication Department, Office of Management and Budget (OMB), New Executive Office Building, Washington, D.C. 20503. Standard accounting procedures apply in all of all federal monies in accordance to procedures outlined in Federal Management Circular (FMC) 74.4, which also may be obtained from the OMB.

In addition, counties may obtain a computerized printout of available federal programs through the Federal Assistance Program Retrieval System (FAPRS), which is administered by the budget division of the OMB.

For rural counties needing help in understanding the federal grants-in-aid system, the NACo Council of Intergovernmental Coordinators (CIC) offers training programs.

For more information regarding this training program, contact Elizabeth Rott of the NACo staff.

—Linda Church

State Association News

Kentucky Cutting County Insurance Costs

The Kentucky Association of Counties has taken two big steps to help its members reduce the high cost of insurance. So far counties participating in the KACo-sponsored self-insurance programs—Workmen's Compensation and Unemployment Insurance—have saved more than \$200,000. Projected future savings are put at over \$1 million annually.

The Kentucky Association of Counties joined the Kentucky Municipal League (KML) in launching the

Self-Insurance Fund for Workmen's Compensation, July 1, 1978. Robert F. Hart Jr., administers this fund for both organizations. In addition to the savings for counties, this fund has enabled cities to save approximately \$200,000 during the first year. The projected savings in the future are more than \$500,000 annually.

This fund currently serves 82 of 120 Kentucky counties and more than 100 Kentucky cities. Govern-

mental units of the fund contributed more than \$2 million in premiums the first year and paid out less than half of that amount in claims. The savings will be returned to cities and counties in reduced premiums, noted Hart. "Many of these employers renewed their policies the second year for 28 percent less than the quotation received from insurance agents," he said.

According to Hart, the Workmen's Compensation Fund is protected by more than \$5 million of excess insurance, which virtually eliminates the threat of a defunct fund.

The program is governed by a seven-member board composed of city and county officials. Surplus funds are invested in certificates of deposit held by Kentucky banks.

The second program, the Unemployment Insurance Fund, is administered by KACo executive director, Fred Creasey. Of the 120 counties in Kentucky, 114 participate in the program.

KACo began its Unemployment Insurance program this January in response to costly premiums, as well as to carry out the General Assembly's mandate which required counties, cities and school districts to provide unemployment benefits to their employees by Jan. 1, 1979.

The Kentucky Department of Human Resources has declared the KACo unemployment plan as the only legal group reimbursing fund in the commonwealth. It, too, is governed by a seven-member board of directors, made up of elected county officials. All surplus monies are invested in certificates of deposit held by Kentucky banks.

According to Creasey, following a thorough feasibility study, KACo determined an assessment of \$120 per employee (earning \$6,000 or more annually) the first year in order to implement the program. Because claims have been low, the assessment will be lowered to \$60 per employee the second year. Third-year premiums will be adjusted according to

first and second year claims.

In the event that the claims exceed monies in the KACo Unemployment Insurance Fund, "stop-loss" insurance is activated, a form of insurance which insures the fund itself, thus protecting counties from a potentially defunct fund, said Creasey.

The KACo Board of Directors recently passed a resolution declaring the program as "the first success of its kind in Kentucky." Creasey, pleased with the response to the self-insurance plans, feels that "they are the most successful in the nation."

Not only do these plans answer many of the counties' insurance

needs, they also provide an alternative source of revenue for the state association which serves as the agent.

KACo has recently implemented health and accident insurance and deferred compensation plans for Kentucky counties. Feasibility studies are currently being conducted for directors' liability and other types of coverage.

For more information regarding this program, contact Fred Creasey, Executive Director, Kentucky Association of Counties, P.O. Box 345, Frankfort, Ky. 40601, 502/223-7668.



Creasey



Hart

State Meetings Coming Up

November 18-20

Missouri Association of Counties Annual Conference
Edge of the Four Seasons
Ozark, Mo.

November 27-29

Nebraska Association of County Officials
Holiday Inn
Omaha, Neb.

December 3-6

County Commissioners' Association (Ohio)
Hilton House
Columbus, Ohio

December 4-7

Colorado Counties, Inc.
Four Seasons
Colorado Springs, Colo.

December 6-7

Association of County Commissions of Alabama
Mid-Winter Conference
Holiday Inn South
Tuscaloosa, Ala.

December 6-8

Hawaii State Association of Counties, Inc.
Island of Maui
Hawaii

Names and Faces

MICHIGAN... Commissioner Andrew DeKraker of Kent County, Mich., was elected president of the Michigan Association of Counties during the 81st annual fall conference at the Grand Hotel on Mackinac Island. Barry McGuire was again reaffirmed in his position as executive director of the association. Major topics were payment provisions of state mandates and the financial situation of Wayne County.

SOUTH DAKOTA... More than 600 county officials attended the 65th annual convention of the South Dakota State Association, held in Aberdeen, S.D. Sept. 24-26. NACo President Frank Francois kicked off the opening session during which Boyd E. Larson, commissioner, Lawrence County, was elected president. Neal Strand, executive director of the South Dakota Association of Counties, hosted the meeting.

WASHINGTON... The Washington Association of County Officials (WACO) elected Laura Brader, Benton County clerk, President for 1979-1980 at its 21st annual conference. More than 200 county assessors, attorneys, sheriffs, auditors, clerks, coroners, treasurers, prosecuting attorneys and deputies from throughout the state attended the meeting held in Thurston County, Olympia, Wash. Oct. 9-11.

Fred Saeger, executive director of WACO, planned a varied program of speakers whose topics ranged from how a university could benefit county government to the structure of county government and separation of powers. Jack Rogers, executive secretary of the Washington State Association of Counties (WSAC), also spoke, urging greater cooperation between WSAC and WACO, the two Washington organizations which represent county commissioners and other elected officials respectively.



DeKraker

Matter and Measure



UPDATE ON REGS

The U.S. Department of Transportation (DOT) recently published its Semi-Annual Regulations Agenda and Review List (Aug. 27 Federal Register). Copies are available from Patricia Harper at NACo.

The regulations agenda is a semi-annual summary of all proposed and each final regulation DOT expects to publish in the Federal Register during the next year. The regulations review list is a semi-annual summary of existing regulations DOT has selected for review and possible revocation or revision.

The agenda and review list summarize the regulation, indicate decision dates and provide names and telephone numbers of contacts for more information and copies of particular regulations.

To receive future copies of the Regulations Agenda, contact: Assistant General Counsel for Regulation and Enforcement, C-50, Office of the General Counsel, U.S. Department of Transportation, Washington, D.C. 20590, 426-4723.

To keep up-to-date on proposed regulations, you may place on DOT mailing lists. The Federal Aviation Administration has a mailing list system for notices of advance notices of proposed rulemaking. To request a copy of Advisory Circular No. 11-2 which describes application procedure, call 202/426-8058 or write to: Federal Aviation Administration, Office of Public Affairs, Attention: Public Information Center, APA-430, Independence Avenue S.W., Washington, D.C. 20591.

In addition, the Federal Highway Administration is publishing a consumer mailing list for those who want to receive federal-aid highway related rulemaking actions. For information, write to: Consumer Affairs Representa-

tive, Office of Public Affairs, Room 4208, Federal Highway Administration, 400 7th Street S.W., Washington, D.C. 20590.

HANDY PUBLIC TRANSPORTATION REFERENCE

The Urban Mass Transportation Administration (UMTA) has published *A Directory of Regularly Scheduled, Fixed Route, Local Public Transportation Service* (July 1979). Copies are available free of charge from Patricia Harper at NACo.

Part I, Transit Data for 106 urbanized areas over 200,000 population, includes the following information: name of area; population; peak requirements for rail cars, motor buses, cable cars, trackless trolleys and jitneys; ownership: private or public; name of management firm; and contact person, with address and telephone number.

Part II, Transit Data for 173 urbanized areas between 50,000 and 200,000 population, includes the following information: name of area; population; name of public transportation system; name of contract management firm; number of buses required for peak service; ownership: private or public; and contact person with address and telephone number. The directory also provides summaries of the above information.

FREE BROCHURE ON TRAFFIC SIGNS

Copies of a new Federal Highway Administration (FHWA) brochure are available free of charge from NACo. Contact Patricia Harper for copies.

The color brochure, *United States Road Symbol Signs*, illustrates sign types, colors and shapes for regulatory, warning, guide, services, construction and recreation signs.

House Welfare Bill Offers Fiscal Relief for Counties

Continued from page 1

demonstration grants in eight states and three counties. The work requirements could be extended to mothers with young children, only if states guaranteed suitable child care.

Similar proposals, known as "workfare" were offered in the House Ways and Means Committee by Reps. Bill Gradison (R-Ohio) and Jim Jones (R-Okl.) but were rejected in favor of the welfare bill sponsored by Rep. Corman and Chairman Al Ullman (D-Ore.).

The workfare package was offered in floor action as a motion to recommend the bill to the Ways and Means Committee with instructions to incorporate the workfare and block demonstration provisions. It was defeated 200-205, with no Republicans voting against it.

The Senate is expected to take up welfare reform early in the second session of the 96th Congress. Emphasis in the Senate is expected to focus on the block grant workfare approaches.

NACo WELFARE reform policy, adopted in 1976 and influential in subsequent administration legislative proposals, is being

reviewed and updated. NACo supports a comprehensive welfare reform strategy which emphasizes jobs and tax credits instead of welfare payment for people who can work, and which shifts fiscal responsibility for federal programs from the local property tax to federal taxes. The Welfare and Social Services Steering Committee has established work groups to consider and recommend an updated NACo policy.

"A lot of NACo's objectives set out in 1976 as interim goals toward eventual restructuring of the welfare system have been enacted piecemeal," said Jungas.

"The welfare reform amendments of 1979, as passed by the House, go a long way toward simplifying the AFDC and food stamp programs, and improving federal uniformity and benefits to poor people. We are glad for the emphasis on work in this bill, and for the expanded earned income tax credit. But we still have a long way to go to reform welfare and assure jobs for poor people. We will work hard to get a bill passed in the Senate next year."

The work group on welfare reform is meeting in Los Angeles County on Nov. 29. Call Ron Gibbs at NACo for details.

Washington Briefs

Community Development

Housing Authorization Bill. A House-Senate conference committee is still considering H.R. 3875, the Housing and Community Development Amendments of 1979. Conferees have agreed to an authorization of \$1.14 billion for the Section 8 assisted housing program. This amount, also included in the fiscal '80 HUD appropriations bill, is estimated to produce 266,000 units of assisted housing, significantly down from the 326,000 provided this

year. The conferees have also agreed to provisions broadening eligibility for pockets of poverty in the urban development action grant program, which NACo strongly supports. Conferees have a few remaining differences to resolve which should occur in the next week.

Fiscal '80 HUD Appropriations. The House and Senate have approved H.R. 4394, the fiscal '80 HUD appropriations bill which contains \$3.9 billion for the community development block grant program, \$675 million for the urban develop-

ment action program, and \$1.14 billion for the Section 8 assisted housing program. The amount provided by the bill for the Section 8 program, however, is higher than the target amount provided in the First Concurrent Budget Resolution and may be subject to reconciliation if the second budget resolution retains the lower amount, a move which NACo opposes. The bill will be sent to the President once the housing authorization bill has been enacted.

Economic Development Reauthorization. The Senate has passed S. 914, a four-year reauthorization of the grant and loan programs administered by the Economic Development Administration. The bill greatly expands these programs, but curtails eligibility for them. In contrast, a bill approved by the House Public Works Committee, H.R. 2063, expands eligibility for these programs which NACo supports. Last week the House Rules Committee gave the bill a rule. It is expected that the bill will be brought to the House floor later this month.

Employment

Labor-HEW Appropriations Act for Fiscal '80. The House rejected 187-219, the compromise abortion language in the Labor-HEW appropriations bill, H.R. 4389, which it had previously accepted in the continuing resolution, P.L. 96-86. The continuing resolution expires Nov. 20, thus action is necessary before that date to insure continued funding. It is likely that another continuing resolution will be enacted in lieu of further action on H.R. 4389.

Second Budget Resolution for Fiscal '80. The House and Senate should complete action this week on the conference report on the second budget resolution for fiscal '80. See page 1.

Energy

Energy Mobilization Board. The House has approved its version of the Energy Mobilization Board (see story page 2). The EMB must now go to a conference committee to resolve differences between the House bill and Senate-passed version. While the Senate has already appointed conferees the House has not yet acted. Given the continued pressure for rapid action on this proposal, the committee could meet as early as this week.

Nuclear Waste Management. Further Senate Committee action on the Nuclear Waste Reorganization Act of 1979, S. 742, has been postponed while members consider the Kemeny report on the nuclear accident at Three Mile Island. While final committee action is still possible before the end of the year, given the press of other business, committee consideration may be postponed until after the first of the year.

Energy Impact Assistance. Representatives of Sens. Wendell Ford (D-Ky.), Gary Hart (D-Colo.) and John Glenn (D-Ohio) are meeting with NACo, and other government groups, to try and develop an amendment on energy impact assistance which could be offered on the floor this week during consideration of the synthetic fuels legislation. At press time it was not clear if an amendment could be prepared in time. The conference committee on Interior appropriations also met last week to resolve differences between the House and Senate appropriations bills. One of the issues under discussion was the level of funding for the existing Farmers Home Administration energy impact assistance program. The Senate had approved the full \$120 million while the House approved no funds. After considerable debate, the committee approved only \$50 million for next year's program.

Local Energy Management Act. Firm dates for the hearings on the Local Energy Management Act, the Energy Management Partnership Act and related legislation have not been set. The committee staff continues to expect hearings before the end of this month. In the Senate, a number of members are considering sponsoring an amendment to the Department of Energy authorization bill, due on the floor late this week, similar to the House-passed Sharp amendment. The amendment would establish a national center to provide information on energy management to local governments.

Labor Relations

Mine Safety and Health Act. House Education and Labor Committee's health and safety subcommittee held 13 days of oversight hearings on MSHA. NACo testified Oct. 18. Hearings have concluded for this year, but will resume in January or February. The Labor/HEW appropriations bill deletes funds for enforcement of MSHA training stan-

dards as they apply to surface gravel, clay and stone operations. Other legislative changes have been made.

Social Security Disability Insurance/Deposit Payments. House has passed H.R. 3236, the Disability Insurance Amendments of 1979, and the Senate Finance Committee has amended and reported out its version of H.R. 3236. Both bills would change the Social Security disability benefits allowed and reduce the number of dropout years. Sen. Gaylord Nelson (D-Wis.) has added an amendment to H.R. 3236 which would require state and local governments to remit Social Security payments they have collected to the federal treasury 30 days after the end of each month. This amendment is stricter than current policy, but more flexible than that proposed by HEW. The bill as amended awaits action on the Senate floor.

Tax Status of Employer Share Health Insurance. House Ways and Means Chairman Al Ullman (D-Or.) introduced a bill, H.R. 5740, last week which would limit the amount of tax-free contributions that employers can make to employee health insurance coverage plans. The bill is an effort to curtail the rising costs of health care. Hearing dates have not been announced.

PERISA. No legislation has been introduced thus far this session. The Public Employee Retirement Income Security Act area, but new legislation is in the final stages of development. Actual introduction and hearings will not take place until next year.

Welfare/Social Services

Indochinese Refugee Assistance Program (IRAP). A two-year extension of the Indochina Migration and Refugee Assistance Act of 1975 was passed on Nov. 2 by the Senate as an amendment to S. 1668, the Cambodian Relief Bill. The House has passed H.R. 4955 to provide immediate relief to starving Cambodians. The two bills are expected to go to conference this week. Authority for 100 percent reimbursement of welfare and health costs under a continuing resolution expires Nov. 20. Plans for a second continuing resolution are under way. Case authorizing legislation fails to pass before Nov. 20. Administration's refugee policy in H.R. 2816, contains a one-year extension of IRAP, but is held up by House jurisdiction dispute.

Vote on Energy Mobilization Board (Udall/Clausen/Wirth Compromise)

AYES—192 (for NACo position)

Abdnor	Daschle	Grisham	McKinney	Roth
Akaka	Deckard	Guarini	Maguire	Roybal
Ambro	Dellums	Gudger	Markey	Sabo
Anderson	Derwinski	Hall, Ohio	McNee	Scheuer
Canfield	Dick	Hammer	Matsui	Schroeder
Ashbrook	Dixon	Hammer	Mavroules	Seiberling
Aspin	Dodd	Harkin	Mica	Sensenbrenner
AuCoin	Donnelly	Harris	Mikulski	Shannon
Balduz	Dorman	Harsha	Miller, Calif.	Simon
Barnes	Downey	Hawkins	Mink, N.J.	Smith, Neb.
Bauman	Heckler	Heckler	Mitchell, Md.	Solaz
Beard, R.I.	Early	Hollenbeck	Mitchell, N.Y.	Speilman
Bedell	Eckhardt	Howard	Moakley	St Germain
Beilenson	Edgar	Howe	Moffett	Stack
Bereuter	Edwards, Calif.	Hughes	Moore	Stark
Bethune	Emery	Ireland	Murphy, Pa.	Stewart
Bingham	Erhardt	Jacobs	Neal	Stokes
Boland	Evans, Del.	Jeffords	Nolan	Studds
Bolling	Evans, Ind.	Johnson, Calif.	Nolan	Swift
Bonior	Fazio	Johnson, Colo.	Nowak	Symms
Bonker	Fenwick	Kastenmeier	Oaker	Tobacco
Brodhead	Findley	Kemp	Oberstar	Tauke
Brown, Calif.	Fish	Kildee	Offenberg	Thompson
Burton, John	Fisher	Kindness	Panetta	Udall
Burton, Phillip	Florio	Kogovsek	Patterson	Van Deelen
Carr	Ford, Tenn.	Kostmayer	Paul	Vander Jagt
Cavanaugh	Kramer	LaFalce	Peterson	Vento
Cheney	Cheney	Lagomarsino	Peterson	Walgren
Chisholm	Garcia	Leach, Iowa	Purcell	Walker
Clausen	Gephardt	Lehman	Quayle	Waxman
Clay	Gilman	Livingson	Rangel	Weaver
Coe	Gingrich	Lloyd	Ratchford	Weiss
Conable	Goldwater	Long, Md.	Regula	Whitehurst
Cortle	Goodling	Lowry	Reuss	Williams, Mont.
Conyers	Gore	McCloskey	Richmond	Wirth
Corcoran	Gradison	Gray	Rinaldo	Wolpe
Corman	Gray	McDonald	Rose	Young, Mo.
Cotter	Green	McHugh		
Coughlin				
Danielson				

NOES—215 (against NACo position)

Addabbo	Coleman	Hall, Texas	McDade	Satterfield
Albosta	Collins, Texas	Hamilton	McEwen	Sawyer
Alexander	Courter	Hanley	McKay	Schulze
Andrews, N.C.	Crane, Daniel	Hansen	Marks	Schulze
Andrews, N.D.	Daniel, Dan	Helfer	Marino	Shelby
Annunzio	Daniel, R.W.	Helfer	Mattox	Shuster
Anthony	Dannemeyer	Hightower	Mazoli	Skellton
Applegate	Davis, Mich.	Hillis	Michel	Slack
Archer	Davis, S.C.	Hinson	Miller, Ohio	Smith, Iowa
Ashley	de la Garza	Holland	Minsky	Snodgrass
Atkinson	Devine	Holt	Mollohan	Snyder
Badham	Diggs	Hopkins	Moorhead	Solomon
Bafalis	Dingell	Horton	Mott	Spence
Bailey	Dougherty	Hubbard	Mott	Staggers
Barnard	Duncan, Ore.	Huckaby	Murphy, Ill.	Stangeland
Beard, Tefn.	Duncan, Tenn.	Hutto	Murphy, N.Y.	Stanton
Benjamin	Edwards, Ala.	Hyde	Murphy	Steed
Bennett	English	Ichord	Myers, Ind.	Stenholm
Bevil	Erlenborn	Jeffries	Myers, Pa.	Stockman
Blagel	Ertel	Jenkins	Natcher	Stratton
Blanchard	Evans, Ga.	Jennette	Nedzi	Stump
Boggs	Fair	Jones, Okla.	Neilon	Taylor
Boner	Fascello	Jones, Tenn.	Nichols	Thomas
Brinkley	Ferraro	Kazen	O'Brien	Traxler
Brademas	Fithian	Kelly	Pashayan	Triple
Breaux	Flippo	Latta	Patten	Ullman
Brooks	Foley	Leath, Texas	Pepper	Volkmer
Bouquard	Ford, Mich.	Lederer	Perkins	Wampler
Broomfield	Forsythe	Lee	Peyser	Watkins
Brown, Ohio	Fountain	Leland	Pickle	White
Broyhill	Frenzel	Lent	Price	Whitley
Buchanan	Frost	Levitas	Quillen	Whittaker
Burgener	Gaydos	Lewis	Rahall	Whitten
Burlison	Giammo	Loeffler	Railsback	Williams, Ohio
Butler	Gibbons	Long, La.	Ritter	Wilson, Texas
Byron	Glickman	Lott	Roberts	Wright
Campbell	Gonzalez	Lujan	Robinson	Wyatt
Carney	Gramm	Lundine	Roe	Wydyer
Carler	Grassley	Lungrun	Rousslet	Wylie
Chappell	Guy	McCormack	Roy	Yatron
Cleveland	Hagedorn		Rudd	Young, Alaska
Clinger			Russo	Zerfetti
			Santini	

NOT VOTING—26

Anderson, Ill.	Madigan	Runnels
Bauer	Mann	Shumway
Collins, Ill.	Montgomery	Treen
Crane, Philip	Moorhead, Pa.	Wilson, Bob
Dickinson	Rhodes	Pritchard
Edwards, Okla.	Rodino	Winn
Flood	Rosenthal	Wolf
Jones, N.C.	Rostenkowski	Zablocki
Leach, La.		

Binding Budget for '80 Unsettled

Continued from page 1

Budget Committee specific recommendations as to what changes, if any, would be appropriate in the funding mechanisms of such programs. This would enable Congress to exercise more fiscal control over expenditures mandated by these entitlements;

• Require the House Budget Committee to submit to the House such recommendations as it considers appropriate based on such reports; and

• Reaffirm congressional commitment to find a way to accurately relate the outlays of off-budget federal entities to the budget.

The general revenue sharing program is affected by the March 15 report requirement since it is an entitlement program. Thus, the House Committee on Government Operations would have to report any proposed funding changes in the programs to the House Budget Committee by March 15, 1980.

Finally, the conference agreement contains a section on year-end wasteful spending in which the conferees express concern about spending that results from government agencies obligating substantial amounts of money during the last weeks and months of the fiscal year in order to avoid lapse of unneeded funds at year-end. The conferees urge the appropriate committees to consider the need for language in fiscal '81 spending bills to control the obligation rates for federal programs, or consider alternative legislative remedies for this problem. The conferees also urge the President to consider such

limitations or remedies as part of budget and legislative proposals for fiscal '81.

The economic assumptions of the conference agreement are similar to those of the House version. The conferees project an average unemployment rate of 7.2 percent, a consumer price increase average of 9.3 percent in calendar year 1980.

Adoption of the conference report will complete the fourth full year implementation of the congressional budget process established by the Budget and Impoundment Control Act (P.L. 93-44).

—Jon Weinstock

Fiscal '80 Budget Aggregates (in millions)

	Senate	House	Conf.
Budget Authority	\$636,600	\$631,807	\$638,000
Outlays	\$46,300	\$48,175	\$47,600
Revenues	\$14,700	\$19,250	\$17,800
Deficit	\$1,600	\$28,925	\$29,800
Public Debt	\$90,700	\$85,825	\$86,400