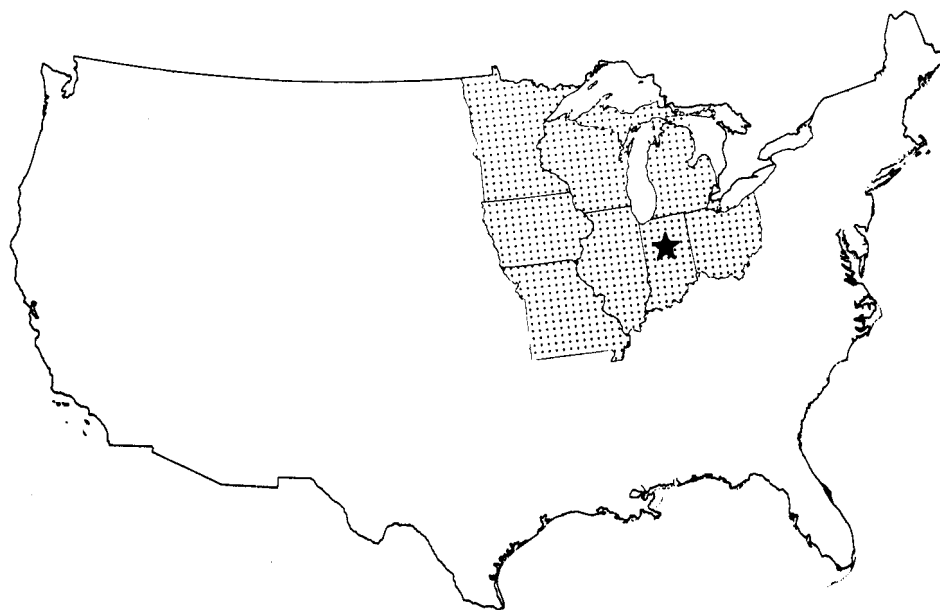


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WHITE HOUSE
PUBLIC FORUM
ON
DOMESTIC POLICY



INDIANAPOLIS, INDIANA
NOVEMBER 25, 1975

Domestic Council
Executive Office of the President

INDIANAPOLIS

PUBLIC FORUM ON DOMESTIC POLICY

Indianapolis

November 25, 1975


SUMMARY

for

DOMESTIC REVIEW PROCESS

Domestic Council

The White House



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Economic Growth



PUBLIC FORUM SUMMARY

Indianapolis

Part I. Economic Growth

Those who commented on economic growth issues at Indianapolis focussed either on joblessness on one hand or deregulation on the other. Those concerned with unemployment and joblessness often called upon the Federal government to provide jobs, as the employer of the last resort. Those on the other side of the issue, expressed concern that government regulation, unbalanced budgets and Federally mandated "non-productive capital investment" were stifling free enterprise.

One witness called for "overall economic planning." This was the Executive Director for Community Relations of the Social Development Commission in Milwaukee, Wisconsin. "There can be no effective economic recovery," he said, "without a constructive, planned development for the future, while being cost conscious today."

He added:

"While I realize that even the discussion of a national planning mechanism is heresy in some quarters, we must recognize that we are probably the only industrialized country in the world without one."

He noted that many national leaders in America "have recognized the need for a national mechanism for economic planning."

He explained that none of our economic or socio-political problems can be dealt with effectively "without addressing the necessity for overall economic planning."

An Indiana State Senator who is Chairman of the Indiana Senate Finance Committee worded his recommendation for the Federal budget with brevity. "Balance it," he said.

The First Vice President of the National Association of Home Builders in Indianapolis, Indiana, said that "the combination of refinancing past Federal debt and this year's current budget deficit in the monetary markets is having a devastating effect on the private sector of the economy."

He also complained of over regulation.

"The free enterprise system which through productivity, invention and competition has given the American citizen the highest living standard ever known to mankind," he said, "is slowly being strangled, over regulated and now simply out-bid for capital resources."

The President of Stokely-Van Camp, headquartered in Indianapolis, said that it is "increasingly evident today that capital will be the limiting ingredient to the U.S.'s ability to increase employment and production. I implore the Federal government," he said, "to require its legislative and regulatory agencies to keep the capital shortage problem paramount in all their actions."

He also cited serious concern with "the great volume of rules, regulations and enforcement practices which flow from various government agencies that more frequently than not are taken without regard for the economic impact and cost on the American public, even though their own studies indicate a severe cost in capital investment."

He said these range from "the picayunish practics" of OSHA (Occupational Safety and Health Administration) to the "far reaching and costly requirements" of EPA (Environmental Protection Agency).

He cited examples of each.

The President of Hayes-Albion Corporation of Jackson, Michigan, reported that during the past four years, his corporation has had to authorize expenditures exceeding \$3 million for "nonproductive equipment needed to comply with Federal and State requirements for pollution control and safety."

He said that such investment "has been a primary factor in reduced labor productivity."

He recommended the following remedies:

1. A moratorium on EPA, OSHA and similar legislation affecting industry investment requirements. During that time:
 - a. Establish definitive realistic standards.
 - b. Determine the effects of compliance with suggested standards using agencies other than those who set the standards.
 - c. Permit capital to be invested in modernization and processes necessary to gain productivity.
2. Provide accelerated write-off and additional investment credit for any remaining mandated controls requiring capital expenditure.
3. Significantly reduce government deficit spending to ease pressure on interest rates and the availability of money.

And he concluded:

Government interference with normal business decisions has resulted from legislation and declarations by regulatory agencies. This interference must be minimized to allow

the flow of capital funds into productive equipment, so that the U.S. can regain its rightful position as a leader in labor productivity, efficiency of resource utilization and development of improved products and processes. Until such time as these burdens are removed from industry or are compensated for in some other manner, we believe our domestic economy will continue to suffer from underemployment and inflation.

The President of the Brown Deer Bank in Milwaukee, Wisconsin, said that growing businesses are "now starving for capital." He called for "realistic tax reform."

He explained:

The corporate surtax exemption must be increased to \$100,000 from the temporary \$50,000 level granted for 1975. A surtax exemption level of \$100,000 will help all businesses equally, and will not unfairly favor the 4,800 corporations with earnings over \$1 million. More importantly, the increase in retained earnings will enable the small and medium size business to grow and remain competitive.

He also was concerned about the "over regulation of business." He said the problem is "drowning us in a sea of paperwork that is destroying our ability to survive and grow."

He said the cost of governmental paperwork is disproportionate to the size of the business.

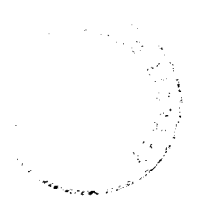
And he added:

Many governmental forms take the same amount of time to prepare, whether for the largest business or the smallest business. Large companies can afford to hire specialists to handle governmental paperwork. Small businesses cannot. They often can complete their governmental paperwork only by retaining lawyers or CPAs, at higher hourly rates than large companies must pay to their own employees.

The Mayor of Duluth, Minnesota, said that to continue economic recovery in his area, "we must continue to have tax exempt industrial development revenue bonds."

He called for a revision of tax laws and made the following suggestions:

1. That the present limitation on capital investment in a community by a company be eliminated. The law now prohibits a company from spending more than \$5 million in a community during the period three years before a bond closing and three years after.
2. We suggest that the law be changed to allow any company to finance capital expenditures of up to \$10 million in industrial revenue bonds. This would not be limited to any single community nor time period. We feel such action would eliminate objections to the present law and would give more flexibility to the use of industrial revenue bonds.



3. We also recommend that the present exemptions from the capital investment limitation be continued. These include no limitation on expenditures for port related facilities, pollution control equipment and the exemption of all bond issues of \$1 million or less.
4. To reduce the use of these bonds as a "possible tax dodge," perhaps the amount of these bonds that can be held by any individual or corporation as tax exempt should be limited.

He also recommended continuation of the Economic Development Administration of the U. S. Department of Commerce -- with increased funding. "EDA has been a boon to Duluth," he said.

The Director of the Office of Intergovernmental Relations in Michigan's Department of Management and Budget called for the application of a countercyclical concept with economic development programs. He said qualification for Federal EDA assistance "could be activated by an early warning device" tied to persistent unemployment trends in affected areas.

He also submitted the following statement with regard to Economic Development Act programs:

Congress extended for two years the Public Works and Economic Development Act of 1965, as amended, with the enactment of Public Law 93-423 on September 27, 1974. The latest amendments included certain provisions intended (1) to give the states a capacity to plan and administer a future block grant economic development program and (2) to give the Secretary of Commerce a chance to demonstrate the viability of a preventive approach to economic dislocation and adjustment (Section 302(a) and Title IX, respectively).

If the desire for and commitment to the block grant approach remains strong, then the Department of Commerce should appropriately construct its 1976 and 1977 Work Programs to reflect the high priority of this concern. The Department of Commerce should increase its efforts to distribute the useful and relevant information acquired through research and technical assistance supported over the past decade. The Department of Commerce should clearly specify a normative state role in economic development block grant planning and administration, such that the states can test and evaluate it in systematic fashion.

The Secretary should acquaint the states with the results to date of the Department's experience with Title IX programs at his earliest convenience. The states have the same genuine concern for development programs with a preventive focus as did the Congress when it enacted Title IX. The states feel that they could profit from a closer working relationship among the Title III planning agencies and the organizational entities otherwise formed to apply for and expend the grants offered under the balance of EDA titles.

The Congress expressly called for the judicious use of all Economic Development Act Title III planning assistance funds, such that they would be ". . . used in conjunction with any other available Federal planning assistance to assure adequate and effective planning and economical use of funds (Section 302(c), Public Works and Economic Development Act of 1965, as amended)." The efforts

to decentralize the federal administration of federally-assisted programs has not yet yielded a workable technique to accomplish the objective of integrated planning assistance, particularly at the Federal Region level. Failure to integrate at the Federal Region level ensures that the states will be forced into fractured planning with a program-specific focus.

The Mayor of Arlington Heights, Illinois believes economic recovery can be aided by "following a moderately restrictive monetary policy supplemented by the Administration's current tax cut bill and tax rebate program."

He believes that fiscal and monetary policy should be supplemented by the following:

1. Support President Ford's attempt to repeal a series of some 25 or 30 laws, regulations and practices which serve to stabilize high prices for the benefit of private interests. For example, these practices include sections of the Davis-Bacon Act which obligate contractors to excessive wages on federally-assisted construction projects.
2. Address both inflationary trends and unemployment trends by upgrading the skills of the labor force. The administration should make use of the manpower training programs wherein federal funds are allocated by formula to private businessmen for the purpose of hiring and training heretofore unskilled individuals.

With reference to the Comprehensive Employment and Training Act (CETA) program, he said:

Federal requirements could be minimized to increase the effectiveness of this program by including provisions which raise the ceiling on maximum pay from \$10,000 to \$12 - 13,000. This would allow agencies to attract a more diverse type of worker and retain him on the payroll after formal training is completed.

He also expressed support for the National League of Cities suit, currently at the Supreme Court, which challenges the constitutionality of extending minimum wage provisions of the Fair Labor Standards Act to state and local government.

The General Manager of the Government and Urban Affairs Division of the Indianapolis Chamber of Commerce described "the growing malaise of inflation and unemployment" in his city in the following terms:

We have been witness to the growing hostility and dangerous legislation that has as its genesis the United States Congress and the federal bureaucracy and its ultimate target, the private sector institutions of our economy. More ominous, however, is our witness to the untrammelled growth of our federal government and its network of federal bureaucracies into a fourth branch of government whose lust for power and control has at once been pervasive, coercive and overly intrusive into our lives as American citizens, as business leaders and as the pro publico bono. It is the combination of these events and circumstances that have formed an unholy synergism which holds the promise of being judged by unborn future historians as the watershed in the decline and fall of the American republic in a tragic period.

The Corporate Staff Economist of Eli Lilly and Company said he is "optimistic about the future." But he is concerned about economic regulation: "Both inflation and government regulation tend to inhibit capital formation by diverting resources from cash flows otherwise probably going into capital formation as well as by adding costly uncertainty to investment decisions leading to the formation of private sector, productive real capital."

He recommended the following as administrative and legislative programs to aid in the fostering of economic growth and stability:

1. Strengthening the new Congressional budgeting, economic impact statement and deregulation programs already in place. Government needs better diagnosis of problems and more study to be certain of the total balance of the consequences of solutions than it has had in the past.
2. Congress should immediately place an absolute limit on the number of non-DOD federal employees at current levels for two years. Beginning in fiscal 1979 such federal employment should be reduced by 5% per year for a period of three to five years. The federal bureaucracy itself -- composed largely of intelligent, dedicated people -- nevertheless represents a very serious obstacle to efforts to reduce the social and economic impact of government and to return to more reliance on the private sector, state agencies and markets. Agencies themselves -- especially science-based

agencies like FDA and EPA -- can and do develop into regulatory bodies with impact beyond that intended by Congress and beyond the points of effective and productive influence on our society and our economy.

The Executive Vice President of Western Reserve Economic Development Agency in Niles, Ohio, is concerned about the conflict between certain national goals. "Basic in that conflict," he said, "is the impact of environmental actions on the goal of full employment."

And he added: "Congress has not told us that clean water is any higher goal than full employment, and yet the EPA Administrator has publicly labeled economic impact studies as economic blackmail." The said EPA is "only one of a caravan of alphabetical regulators that includes OSHA, the IRS, the FTC, the ICC, the SEC, and all the rest."

And he concludes: "Until there is a national domestic policy that balances environmental goals with the competing national goals, environmental regulations, however well meaning, run the risk of being counter productive."

The President of Mid-West Industries, Ida Grove, Iowa, said that business is steadily being regulated off the profit charts by Federal and state agencies. "The costs and losses of time and money mandated by the maze of government guidelines," he said, "are reflected in every price list and every price tag printed in America."

There were other witnesses who felt that the goal of full employment was an economic necessity.

"Work must be provided for those who are able to work," according to the President of the National Conference of Catholic Charities. The economy exists to serve the people and their fundamental aspirations. We think the goal of a full employment economy, even at the price of some inflation, is a moral imperative!"

The Governor of Indiana said: "The creation of jobs -- employment that will stimulate the state's and nation's productivity -- is a priority in Indiana."

The President of the League of Women Voters of Indiana noted that "Our organization gives highest priority to action in support of a national policy directed toward the goal of full employment and would focus short-term action on measures to alleviate the impact of recession and inflation on those for whom jobs are not available and on the disadvantaged."

She added: "We question whether full employment and fuller utilization of productive capacity must come at the cost of environmental considerations -- especially protections against pollution which threatens human health."

The Executive Director of the Chicago Urban League said their recommendations "are specifically aimed at relieving the hardships that the black community has endured during the economically disastrous period."

While he believes there is no single solution to minority problems in the current economic climate, he urged the government to consider the following steps:

1. Current experience indicates there is duplication of effort in government bureaus and that the citizens the government seeks to serve are being short-changed while the public is being overcharged.

Specifically, combine the office of Minority Business Enterprise and the Small Business Administration. This is one example of bureaucratic inefficiency that is in fact wasting money that ought to go into additional business support.

2. Vigorously support a full employment policy. Strong consideration should be given to the two bills now before Congress. The Equal Opportunity and Full Employment Bill and the Balanced Growth and Economic Planning Bill of 1975 which emphasize full employment policies. We believe each bill has aspects which may have positive influences on minority employment and should be supported to that extent.
3. Federal agencies charged with ending job discrimination are in fact aiding it. The government must be consistent about fair employment policies. In the construction industry it supports minority hiring one day, and permits contractors to avoid compliance regulations the next. In the past decade only 10 contractors in the United States have been barred from bidding on federal contracts. The mere chances of a contractor being monitored are so remote as to be nonexistent.
4. Federal policy should focus on immediate legislation to expand the federal Public Employment Act and the Comprehensive Employment and Training Act. The City of Chicago's basic CETA grant for fiscal year 1975 was approximately

36 million dollars and for fiscal year 1976, 32 million dollars. In keeping with the act's present structure of awarding grants on an annual 10 percent declining scale, the city will receive a mere 29 million dollars by the end of fiscal 1977. This is just a drop in the bucket for a city the size of Chicago.

5. The administration should urge passage of Senate Bill 625 which, on a one-year stop-gap basis would provide federal funding for health insurance coverage for millions of workers who lost this protection when they lost their jobs.
6. Federal government should establish a massive construction program to obtain full employment. The scope of this program must be comprehensive and include public works projects to rebuild the inner-city and create viable employment programs for minorities of those communities.

The Coordinator of the Poverty Task Force of the Greater Cleveland Interchurch Council is concerned that "many businesses have moved to the suburban areas and out of the inner city where jobs are needed so badly."

She added:

The unemployment crisis in Cleveland has reached the point where it is one of the most explosive issues facing every resident in the Metropolitan area. For the unemployed, the future holds no promise of jobs and real possibilities of foreclosures,

repossessions, evictions and starvation; for the employed, the future holds the threat of layoffs, speed-ups, increased industrial accidents and deteriorated working conditions.

An unemployed Indianapolis man noted the "there must be something good about the cities -- look at all the white folks who live in the suburbs who come here to work every day." He called for remedial reading classes for young adults so that inner-city youth can compete in the job market.

Another Indianapolis man called for legislation to "eradicate the cancer of joblessness that is devastating Indiana and the nation."

He called for enactment of the Full Employment Act (H.R. 50).

He said:

This HR50 (the Hawkins Bill) can put all Americans back to work and help restore our sagging economy. Its implementation shouldn't be spread out over several years; to get us out of this depression we need jobs now. The bill needs some amendments to give local communities and minorities greater input and control. The black community is particularly hard-hit by unemployment so special attention is needed in providing jobs for black people. Young people and women have the hardest time getting jobs; again special provisions are needed. The wages paid under the Hawkins Bill must of course be at prevailing union rates.

And the Mayor of Cedar Rapids, Iowa, said: "We must continue to expand our manpower programs to put people back to work."

He also supported Federal legislations:

In this regard, Federal legislation such as the proposed "Local Public Works Capital Development Act of 1975" should be enacted to assist municipalities and State Governments put people back to work. In addition, bills such as this particular one would allow state and local governments to carry out needed repair, additions to, or erection of public buildings and facilities. This legislation should be enacted to assist state and local governments in the overall process of putting the country at "full employment" again.

The Indiana State AFL-CIO submitted "A Resolution to Put Indiana Back to Work."

The following are excerpts from the resolution indicating support for:

1. The immediate tax cut not passed by the United States Congress and signed by the President of the United States and an immediate study be made by appropriate Congressional Committees on ways to close loopholes of special tax privilege for the wealthy and corporations.
2. Immediate government measures to reduce America's dependence on imported oil and the establishment of a fair and equitable system of allocation and rationing, if needed.
3. Immediate reduction of interest rates and allocation of credit for high priority social and economic activities.
4. Immediate massive Federal efforts to create jobs for the unemployed.

5. Immediate action to protect existing jobs from unfair foreign competition.
6. Immediate government assistance to the unemployed to minimize their hardships.
7. Immediate action to motivate building projects that will put the building industry back to work.

The resolution included specific recommendations under each of the above headings.

The Indiana State AFL-CIO drafted legislation to "correct existing inequities" in unemployment compensation laws and urged moving "ahead in the protective benefits for the workers" covered by the Workmen's Compensation and Occupational Law and bringing more workers under its coverage.

Finally, the Director of the Michigan Department of Labor submitted the following recommendations on unemployment insurance:

The present system of unemployment compensation fosters inequities among states in terms of the costs levied upon employers. Furthermore, in times of recession those states which find it necessary to replenish their unemployment insurance funds with federal loans, and which do not repay those loans promptly, will be handicapped in their attempts to recover economically through cutbacks in the level of federal assistance. We feel the federal role in unemployment insurance needs to be re-examined for the extent to which it (1) assures the equitable extension of benefits to the nation's employees, and (2) uniformly spreads the cost of the program among states.

Due to the absence of national standards, states offer varying benefit levels to claimants under unemployment insurance programs. This fact, coupled with the varying degrees of sensitivity to economic trends exhibited by different states, assures that some states will be at a continual disadvantage with respect to sustaining their jobless population. The disadvantage which is levied on employers has a direct impact on a state's ability to attract and keep industry.

Regarding the present system of financing, the Employment Security program aggravates the inequities in the distribution of its costs. A state may obtain a federal loan to replenish a depleted unemployment insurance fund. However, unless any outstanding balance is repaid by the second January 1st after the extension of the first loan -- i.e., within a one to two year period -- regular federal contributions to the state fund are reduced. The reduction must be offset by a higher assessment on employers. This assures that states who suffer from an extended recession will encounter additional difficulties in making a full economic recovery.

Michigan is calling for the setting of national standards for the employment security program to assure the equitable distribution of benefits and costs. Uniform standards on benefit levels could remove the incentives to states to alter program benefits for the sake of attracting or keeping industries. The federal role in financing should be geared to spreading the costs of unemployment nationally. This is reasonable since

state economics are highly interdependent. As an interim measure to nationalization of the program, states should not be required to repay any balance due until the state's unemployment level had remained within 120% of the national level for a three year period.

Resource Development



Part II. Resource Development

The shortage of natural gas and petroleum products was a major concern at the Indianapolis Forum. Some witnesses called for a "workable coal development policy" as part of a clear, national energy policy. Those who called for an increased reliance on coal were critical of environmental laws and regulations which inhibit coal use. The voices of environmentalists who presented views were muted. But at least one insisted that "environmental protection is worth its cost."

The Governor of Indiana was concerned that "Congress pays lip service to coal and then proceeds to enact questionable legislation further restricting its production."

And he said that the policies of the Environmental Protection Agency (EPA) "would appear to work against the use of coal, by permitting its application only on terms that would place an onerous burden upon the American consumer.

And he added:

If we are to move forward, we must have clear policy signals from Washington. If it is to be part of a national energy policy that we will utilize coal, then let the administrators, the regulators and the legislators give us a workable coal development policy. The same holds true for domestic production of petroleum, natural gas and nuclear power. If we are serious about designing energy efficiency into the American way of life, we need to get away from slick pamphlets and bumper stickers and bear down upon the fundamental economic and social issues involved. Will these needs be met through the normal processes, or through incentives, or through regulatory constraints? Until we know, our ability to proceed is badly hampered.

The President of the Peabody Coal Company of St. Louis, Missouri (the largest single producer of coal in the United States), said that coal production must be doubled in the next ten years if energy self-sufficiency can ever be approached.

He called on the Federal government to underwrite a crash research and development program for:

1. Conversion of coal to oil;
2. Coal-fired combined cycle generation of electricity;
3. Stack gas sulfur dioxide removal;
4. Solvent refining of coal;
5. Improved mining technology to increase productivity with greater safety;
6. Energy conservation through more efficient uses of all energy forms.

He said that Federal surface mining regulations are unnecessary. And he called for a lifting of the four year old moratorium on the leasing of Federal coal reserves.

He suggested changes in the Clean Air Act, and called on Congress to:

- extend the compliance schedules for meeting air quality standards;
- substitute point source controls for regional emission limitations;
- eliminate the no-significant deterioration doctrine;

- permit the use of non-continuous control systems where applicable to meet primary ambient air quality standards; and
- stimulate development of advanced air pollution control technology.

He said the coal industry recognizes the need for proper environmental standards. "However," he said, "we feel just as strongly that America can no longer pursue environmental goals in an energy vacuum."

The President of the Hayes-Albion Corporation recommended that pollution controls "be extensively reexamined and reestablished for specific problem areas to allow more coal of all types to be used for power generation and other boiler fuel applications."

He also called for decontrol of natural gas prices at the wellhead -- together with a system of incentives to encourage conservation.

Finally, he called for "tax incentives to support the immediate investment in more efficient energy conversion systems including heat recuperators."

The Executive Vice President of Commonwealth Edison Company (serving Northern Illinois) said Federal government action is needed to assure the continued development of nuclear power. "Make no mistake about it," he said, "nuclear power is the most economical way we have to generate electricity."

He called for an increase in enrichment capacity, conservation of uranium supplies, continuation of the breeder reactor program, and the selection of a method for permanent disposal of radioactive wastes.

He said that "greater stability in nuclear licensing requirements and shorter schedules" are needed.

Finally, he called for prompt action to extend the Price-Anderson nuclear indemnity statute beyond the August 1, 1977, expiration date.

The Chairman of the Board of Indiana Gas Company, Inc., of Indianapolis, Indiana, told the Forum that "because of governmental interference with the basic laws of supply and demand, natural gas. . .is in short supply even though we have vast potential resources."

He added:

It is apparent that any plan for minimizing dependence on foreign oil, as is mandatory for the well-being of our country, must include the more rapid development of our large natural gas resources, including those in Alaska, and the more rapid development of coal gasification technology.

He called for the deregulation of new natural gas and concluded:

In spite of the dominate role natural gas is now and must by necessity continue to play in our energy supply picture for many years to come, the gas industry is concerned that government decision-makers seem to lack a full appreciation of the economic significance of the growing natural gas shortage. It is hoped that a strong, well-coordinated national energy policy will soon emerge which will enable the gas industry to make the contribution to the economy that is so vital to the nation's well-being.

The Indianapolis Chamber of Commerce submitted an energy policy position paper. Included were the following specific recommended actions by the President and the Congress of the United States:

1. They must deregulate the price of natural gas and permit free market mechanisms to operate so that energy firms will step up exploration and production of domestic supplies. Such deregulation should be instituted in a manner that provides for the effect on the economy to be phased-in over a reasonable period of time.
2. They should remove controls on the price of oil and permit free market mechanisms to operate so that energy firms will step up exploration and production of domestic supplies. Existing controls should be phased-out over a reasonable period of time.
3. They should open up quickly for competitive leasing the outer continental shelf and all the naval petroleum reserves.
4. A Congressional overview of the government licensing and regulatory procedures of nuclear power plant construction and siting should be made with the expressed purpose of expediting the whole process.
5. They should give the free market a realistic chance to operate free of government controls for a period of not less than five years and then have a Congressional study made of the results.

6. They must induce into the environmental protection agencies the concept of cost-effectiveness. The cost/benefit ratio of regulatory agencies has, so far, been largely a matter of cursory lip service. No one has any desire to despoil our environment, of course, but many of the regulations promulgated in the recent past appear to be more punitive than corrective or preventive.

The real cost to the public must be determined objectively and must be compared to the benefits to be accrued by the public. The emotionalism and political opportunism which generated many of our current regulations must be replaced by an objective cost-benefit analysis and regulations promulgated accordingly.

7. There must be a concerted effort to utilize, more efficiently, our one abundant, economical source of energy -- coal. The federal government agencies EPA and FEA must coordinate their positions and create incentives for the utilities and industry to use coal as boiler fuel. These incentives must include reasonable modifications of the current SO₂ emission regulations except in areas in which there is a real, demonstrable health problem in the community affected. We have extrapolated potential health effects in a few communities to nationwide emission limitations which have added unreasonable economic burdens to most of the country, without commensurate improvements in health.

The President of the Indianapolis Power and Light Company was concerned about "the financial impact that environmental laws and regulations have."

He noted that standards concerning sulfur dioxide emissions have by far the greatest financial impact on the consumer. He cited local examples.

He concluded:

State and local air pollution control agencies have conscientiously worked toward achieving reasonable solutions to our environmental problems. However, due to the severe restraints placed upon such agencies by the Clean Air Act and EPA's interpretation of its responsibilities under the Act, reasonable solutions have been impossible to achieve. Now is the time for Congress and EPA to re-evaluate our environmental goals in terms of present social, economic and energy conditions.

The Executive Vice President of Western Reserve Economic Development Agency described himself as "a critic of environmental regulations."

He said: "I find those regulations unresponsive to our national goals, lacking in scholarship, insensitive to our country's diversity and an insult to the English language."

He was very critical of "the gibberish that passes for regulatory language."

He added:

There is a creeping arrogance in EPA. A feeling that the agency has all the facts and a handle on eternal truths. The evidence is otherwise. We still have much

to learn. A little humility and a willingness to admit that EPA can't do everything is essential to viable regulations.

This country needs an environmental policy. That does not mean an EPA policy. It does mean an administrative policy that places environmental goals within the context of our overall domestic goals. We all know we can't meet all those goals. What we want is for someone to admit it and give us a comprehensive domestic policy we can follow.

The President of Stokely-Van Camp, Inc., was critical of EPA rules, regulations and enforcement. His statement included the following illustration:

An example where the inflexibility of the regulators is causing unnecessary capital expenditures is under the National Pollution Discharge Elimination System program, where a plant is required to construct an advanced waste treatment facility by the legal deadline while the city it is a part of won't be meeting the deadline. If the plant were allowed to delay until the public facility was constructed, it could discharge to the city plant, and it and the city would save much of the unnecessary duplication of treatment plant construction costs. But, the regulators so far have insisted the industry must meet the compliance deadline, without regard to duplicating costs.

The Director of the Michigan Department of Commerce believes the country needs "a comprehensive energy policy based on certain assumptions about energy."

He cited three assumptions:

First, I believe the economic approach to energy is the best. Energy is a means to economic well-being and it is consistent with our national push for economic recovery that we begin to treat energy as an economic factor. Second, energy conservation is merely another form of cost effective input substitution. And third, federal decision-making in the energy area must be done with the consultation and cooperation of the state.

And he concluded:

I am very optimistic about the potential cost savings available to business, industry and homeowners in the energy field. I am also buoyed by the fact that there are numerous avenues available to us to use fuel more efficiently. Finally, by becoming more economic in our use of energy, we can take another step toward our goal of energy independence.

The Director of Michigan's Department of Public Health supports the Federal Safe Drinking Water Act of 1974. To be successful, however, he said the EPA regulations "must be realistic, reasonable and cost effective." He said states must not be "placed in a straitjacket into enforcing regulations including water sample monitoring which will result in water sample testing for testing's sake."

He added:

Even with a realistic, reasonable and cost effective program it will be very costly. The states are going to need and will require

financial assistance in a meaningful measure from the federal government. There was authorized to be appropriated fifteen million dollars for the fiscal year ending June 30, 1976. The administration asked for only one half of the money appropriated. We were dismayed at this action since that amount was really not enough. We are convinced the states could have effectively used the fifteen million dollars by procuring necessary sophisticated equipment for laboratory testing, contracting with consulting firms in developing such programs as data processing and expanding the staff to carry out the administrative, surveillance, enforcement, laboratory work and other functions.

We must emphasize as strongly as we can that the Administration must recommend that the full twenty-five million dollars be appropriated in 1976-1977 as authorized in the act.

The President of the League of Women Voters of Indiana disputed the argument that efforts to clean up polluted water and air have caused the energy squeeze.

"The reverse is probably true," she said. "Our use of energy with the implicit assumption that our air and water are free sewers for the dissipation of wastes has created our environmental problem."

She added:

League members feel that we are facing much more than an energy crisis. We are facing a test of our basic values. This has been and will continue to be a painful period because we are seeing the end of an era of

cheap and abundant energy with all that that implies. However, our pressing need to save energy may cause us to face up to some of our other problems such as urban decay, suburban sprawl, decline of mass transit, destruction of our system of railroads, our increasing volume of solid wastes, our profligate use of non-renewable resources which Department of the Interior studies have documented. Our nation is presently at a crossroads in dealing with environmental problems created largely by our high use of energy.

She believes that public understanding, input, and cooperation are essential to the success of environmental programs. And, she said, "citizens must be involved in the difficult choices which must be made."

The Chairman of the Illinois Pollution Control Board believes that "environmental protection is worth its cost."

He listed ways to protect the environment "in the simplest fashion, from a governmental administration standpoint":

1. Head the problem off in advance, if possible.
2. Before a law or regulation is adopted have adequate interplay between regulator and the regulated and the public.
3. Review existing regulations regularly.
4. Have adequate enforcement procedures.

He elaborated on each of these points in some detail, and he summarized his views as follows:

The need for environmental protection is great and growing, especially on an international basis. Several major changes in the world ecosystem may be two decades or less away. We must construct and operate a domestic environmental protection system to meet the world and domestic environmental problems.

That system should involve the people through hearings and comment periods. It should be as simple as possible in order to reduce costs and strengthen accountability. It should anticipate environmental problems and not react to them.

The Executive Secretary of the Indiana Division of the Izaak Walton League of America, Inc., is fearful that "fewer and fewer people are any longer trying" to keep watch over the administration of anti-pollution laws. This is because it has become a bureaucratic function. "We have become an organization of paper shufflers," he said, "and the waters are still being polluted."

And he added:

Today, the Government seems to respond to public aspirations with mountains of paper, forms and technical documentation that would defy the combined capabilities of Harvard and Caltech to resolve into manageable components.

Instead of moving ahead in full and open partnership with the public, the Government often appears to be guided by the wishes of the most influential political and special interests. Its energy policy seems especially susceptible. Our long range solutions are not

in nuclear power or breeder reactors. By the time the myriad problems of public safety and environmental safeguards could be resolved, we could well have placed solar systems on line. We see the sun rise every day, but virtually ignore that fairly reliable phenomenon, and insist on mining old "sunlight" that was laid down, one time, millions of years ago. Why? Because that is what the electric utility industry prefers; and it is what the huge oil and coal conglomerates dictate.

The League of Women Voters of Ohio believes that "energy conservation ought to be adopted as the keystone" of a national energy policy.

Its statement said:

It is time to adopt a national plan of action for energy conservation, not just to be undertaken for a few months or a year, but a sustained effort to achieve concrete and realistic conservation goals over a period of five to ten years.

Conservation has the potential of spreading out the capital costs of energy development during this period when there is a great need for capital for many other purposes. Conservation will lessen the environmental costs by allowing time to plan for development of the least damaging energy sources.

The statement also noted:

The public needs full and objective information about the energy problem. They need to be aware of the hard facts, that the energy problem will be an enduring one, with immediate, mid-term and long-range aspects, each having significant social, economic and environmental consequences.

To be able to make intelligent personal choices, as well as to exercise their democratic rights and responsibilities, citizens need to have access to an adequate presentation of facts and options. Government, as the agent of the people, ought to be striving to provide the public with full and impartial information.

And the Chairman of the Minneapolis-St. Paul Metropolitan Transit Commission called for petroleum conservation.

He said:

Any energy program must therefore stress petroleum conservation -- to prolong its availability to petroleum-dependent industries such as agriculture. Neither the Congress nor the administration has shown the courage to introduce programs which would effectively restrain consumption of petroleum. On the contrary, current legislation will reduce the price of gasoline. I suggest that gasoline used by automobiles should be taxed at a rate of 30 cents per gallon. A small portion of the revenue should be rebated to correct inequitable impacts on lower income groups; the remainder should be dedicated on a 50/50 basis to the development of alternate sources of energy and the development of mass transit.

And the Indiana AFL-CIO called for immediate government measures "to reduce America's dependence on imported oil and the establishment of a fair and equitable system of allocation and rationing, if needed."

Water resource management issues were cited by several participants.

The Wabash Valley Interstate Commission called for "progressive management of our water resources."

The Commission said that Federal policies should be "sharpened" to eliminate costly time lags which now are experienced on such projects as the projected reservoirs in the Wabash River Basin of Illinois and Indiana, the dredging of the Detroit River, the Federal-state programs for water quality and the placement of plants for power production.

And the statement called for "clear-cut environmental decisions at the point of project authorizations."

And the President of the Wabash Valley Association, Inc., called on the Federal government "for financial and planning help for the orderly development of this great river basin."

The Chairman of the Great Lakes Basin Commission detailed the work of the commission as the "principal coordinating agency of Federal, state and local plans in this region." He cited the need for public participation in the "establishment of environmental and developmental goals and objectives."

And the Executive Director of the Great Lakes Commission presented a statement of programs and goals of the Commission and furnished the "Goals and Objectives of the Great Lakes Task Force."

Finally, the Director of the Ohio Department of Agriculture was concerned about the impact on the agricultural community of environmental legislation and regulation.

Excerpts of his statement follow:

Laws such as the Occupational Health and Safety Act, the Federal Water Pollution Control Act, the Clean Air Act, the Water Quality Act, the Solid Waste Disposal Act, and the Federal Insecticide, Fungicide and Rodenticide Act, are, in my opinion, not being administered in a balanced manner -- providing for a true balancing of the risks and benefits involved nor with adequate concern for the economic impact.

In my opinion, the cost/benefit aspect of many of our regulatory programs has been seriously neglected. For example, cancelling the use of certain pesticides and food additives has been accomplished by utilizing tactics which in the opinion of many over-emphasize the risks. The cost in terms of emergency health problems, increased cost of agricultural production or the production cost of alternatives was not considered, or was grossly underestimated.

Furthermore, the argument used by the EPA in eliminating certain pesticides was that only a few products were being eliminated. The impact in terms of usage, the reasons for heavy usage by farmers and the cost of replacement material appears to have been neglected. The availability of substitute products is uncertain, and in one case, the recommended substitutes were suspended, and finally many of the substitutes are of little value because the time limits of application cause them to be impractical.

I do want to point out that although the EPA has been frequently mentioned, other Federal agencies have similar regulatory problems. The State Department's recent activities concerning farm exports is a prime example of Federal government insensitivity to problems of the agricultural sector.

My principal point is to emphasize the need for joint development of Federal regulations by all affected parties, Federal, state, and industry. Only through the cooperation of all of these groups is it possible to avoid conflict which can nullify the benefits we hope to attain.

Social Policy



Part III. Social Policy

The major concern in the area of social policy was inefficient and costly health care service and delivery with adequate health care viewed as a right for all Americans. Among those calling for a national health insurance program were several who felt it should combine public and private sectors. The problems of the poor, elderly and minorities were described, with some suggestions for reforming the welfare system.

The Mayor of Cedar Rapids, Iowa, believes that "government has an obligation to help people who cannot help themselves." But he said that people who can help themselves should do so and "not continually live off the myriad welfare programs."

He added:

The intent of these programs should be to promote the idea among its recipients, that capable persons should be working. Appropriate officials should review the eligibility requirements and administration of the programs to see that the persons most in need are actually receiving the services they require. Persons found to be abusing the use of these programs should be removed from the program roster(s).

The President of the Hayes-Albion Corporation of Jackson, Michigan, recommended that the Federal government concentrate on "removing the abuses in existing welfare programs." He said that "a Federal audit of the welfare programs in Michigan showed that the removal of abuses would reduce the annual cost by well in excess of \$100,000,000."

He said a basic decision must be made: "Shall we continue our free enterprise system and reduce the level of Federal controls with their spiraling costs or shall we discard the free enterprise system and declare ourselves a Federally controlled welfare state?"

An Iowa State Representative said no one who has an interest in public welfare programs is satisfied with what we have today, "commonly referred to as the 'welfare mess'."

She referred to three areas of concern:

First, I would like to discuss the confusion which results from the large number of federal programs (about 300) in HEW. Each program is administered under a separate set of regulations which are lengthy and detailed. The regulations often appear to be complex, contradictory, duplicative, overly restrictive and obscure. Even the Regional Offices of HEW differ in their interpretations of these regulations.

A second area of concern can best be stated as a need to reverse our nation's philosophical approach toward welfare-related programs. It appears that about 90% of our welfare effort relates to limited attempts to correct problems that have been of long duration in their development. Only a minimal effort is expended on preventative measures.

A third concern is in the negative effects of narrow program delineation. The restrictive nature inherent in categorical programs produces the sort of

situation where a concerned social worker counsels a father to desert his family in order to qualify for costly medical care needed by his child.

She suggested the following ways in which changes could occur to answer these concerns:

1. A reorganization of the many programs should be undertaken, with the goal of merging and coordinating as many programs as possible.
2. Efforts should be made to develop uniformity in such elements of the programs as eligibility criteria, payment standards and program components.
3. The various parts of HEW should be urged to work as cooperative branches of the whole, rather than as competing and antagonistic elements.
4. The federal government should consider confining its programs to income distribution, while the states concentrate on developing programs to meet social needs. In this regard I would hope that the administration will once more give support to the Family Assistance Proposal which was presented to Congress by the Nixon administration.
5. The Mega-proposal developed under former Secretary of HEW, Elliot Richardson, deserves public debate and serious consideration. It has in it the elements of a partnership between federal and state governments that provides an appropriate role for each.

A member of the Indiana Welfare Rights Organization said that "the delivery of services to the poor, sick and aged, to children and handicapped, has reached a crisis in a time of great economic and political crisis." He said that laws which are designed to protect the poor "are often evaded, overlooked and distorted" and "carried out with contempt of the poor, rather than with a humane and human attitude."

He called for changes in the attitude of welfare officials to the needy citizens of his community.

He called the following specific steps "essential":

1. Food stamps in sufficient quantity for all without long waits. Unemployment compensation checks without long waits. Use of the latest federal guidelines.
2. Emergency assistance for all. The food and medicine first, please, ask the long questions later when the patient is feeling better. This goes for adults and especially for children.
3. Publicizing of services available to the poor, so that more and more can be aided -- not less and less.
4. We need a new county hospital where patients are treated without charge for any and all purposes -- including preventative medicine -- where payment is demanded only if the patient is able to pay. Eventually, all medical services should be free to all citizens. Illness should be a collective concern of our community.

5. The trustee's staff should be enlarged
-- from the ranks of the unemployed
-- to help care for those who suffer
mainly from unemployment.
6. The state of Indiana should seek and
receive all federal funds possible to
accomplish these tasks and tax those
most able to pay if extra funds are
needed.
7. Food stamps and medicine orders
should be cashable in any store or
pharmacy.
8. Really serious efforts should be made
by officials to create more jobs, to save
jobs, to pay living wages, for only
more jobs can mean less welfare orders.

The President of the National Conference of Catholic Charities is concerned "that we move toward welfare reform out of a desire to secure justice for our citizens and not solely out of a desire to save money."

He said any welfare reform "must be encompassed in a social policy which will bring us a full employment economy and which will meet the fair income needs of all persons in our society."

He suggested the following "general principles: "

1. Welfare reform must commit us to a national policy of fair income which must be available as a matter of right . . .with need as the sole criterion of eligibility.
2. Such a fair income must be sufficient to insure that participants have a decent and dignified living.

3. A fair income must be available to all individuals and families including persons who are employed but do not receive adequate income.
4. A fair income is one which provides for the differences and changes in the cost of living.
5. A fair income program must provide for freedom of participants to manage their own income and participate in meeting their personal and employment needs.
6. A fair income program must be developed as part of a broader economic independence program which would assure employment programs and auxiliary services to assist persons to develop economic independence and personal initiative.
7. A fair income program must not discriminate against persons or families because of race, ethnic background, sex, age, marital status or family size.

He suggested that basic income support programs are best funded at the national level. And he called for "administrative simplicity" in the operation of such programs.

The Poverty Task Force Coordinator of the Greater Cleveland Interchurch Council -- an ADC mother with nine children -- called for a "unified" social service system.

She explained:

The federal government needs to become unified in its attempts to meet the needs of low and moderate income people. Most of the time, services are in scattered sites and this creates a transportation problem. There are numerous forms you have to fill out for each service at each agency. Through a unified system, this type of bureaucracy could be solved.

She concluded her testimony with the following poem which she wrote:

HOW IT SHOULD BE!!

Fragmentation, inflation, automation and
improper representation
Has caused a holy mess in our nation.
We have a responsibility as humankind
to clean up our creation.
We must work together for survival
of all people
Who God so lovingly is letting live on
this earth,
Even though we haven't did what we
should to take care of our turf.
We must bypass personalities and such
And think of all humankind very much.
Our responsibilities are numerous --
we must take hold
And make the United States for all
its citizens precious as Gold!

The Indiana State AFL-CIO stated that the government must "provide that the increased costs of welfare during the present emergency are borne by the Federal government."

An individual from Chicago said that "the war on poverty or any other attempt to deal with the problems of the disadvantaged never touch in a meaningful way the Hispanic population." He said the amount of money

appropriated for programs in the Hispanic communities is insignificant. "The resources of the Federal government are not publicized in the proper language," he said. "The availability of the Federal government is far from touching the surface of our Hispanic population."

The Chairman and President of the American United Life Insurance Company complained that "the governmental mechanism for handling complaints of discrimination in employment allows for delays and duplication of effort that deny speedy justice to the complainants and the companies charged with violations."

He cited an experience in his own firm to illustrate his point.

He suggested that the Equal Employment Opportunity Commission and the Office of Federal Contract Compliance be combined, "thus eliminating one source of duplication of time, effort and money by both the Federal government and the companies involved."

On the issue of health care, the Governor of Indiana said that leadership at all levels of government "has been challenged to find a way of making high quality care totally accessible and equitable in its delivery to all citizens."

He added:

In an effort to meet this challenge a proliferation of diversified Federal programs has resulted -- implemented by a large number of separate agencies. As a result of this phenomenon, management of the several Congressional intentions has become confused and, in fact, nearly impossible. This dilemma has been passed on to state and local government where program implementation is to take place.

In order to resolve the confusion that now reigns, to utilize both our public and private resources, and to make available the best health care system possible, I believe that immediately the Federal direction should be to consolidate the responsibility for all Federal health interests, activities and programs in a single agency.

The Executive Director of the Health and Hospitals Governing Commission of Cook County in Chicago, Illinois, finds "no defensible pattern of health care development in our country."

He noted:

Over the past few years there have been many proposals for National Health Insurance. Several represent patent attempts by special interests to preserve the status quo. Few addressed themselves to fundamental changes in the health care system. The Congress attempted to rationalize and satisfy these interests in a single piece of legislation and found it impossible.

It now appears that it may be impossible, in a single stroke, to change what exists and replace it all with something new. I am not even convinced that this would be desirable if it were possible. A more reasonable and feasible approach might well be to attempt to use some of the existing financing mechanisms to make adjustments and improvements in the existing system.

He said it is time for Congress and the Department of Health, Education and Welfare to "take the initiative in using the substantial leverage which the Federal dollars represent in creating incentives for change."

He said he knows HEW has the expertise to design and implement a variety of innovative approaches to the problem. But first, he said, there must be a mandate from the Administration.

He explained:

The first step must be the creation of a visible and credible mechanism within government for the development of national health policy and the establishment of national health priorities. The Congress must be prepared to support such policy and to signal its support of the established priorities by the appropriations it makes.

The Forward Plan for Health is an attempt by the Department of Health, Education and Welfare to provide such a framework of priorities. How well it will serve the nation will be determined by the extent to which the Congress and the Administration support the Plan by their future actions.

An Associate Professor of Medical Care Organization, School of Public Health, at the University of Michigan said:

We have attempted to solve the problems of inadequate, inaccessible, insufficient medical care by resorting to the usual remedy: More money.

The result, he said, has been a fragmented, nonrational delivery system, "made irrational by the financing system."

He offered four recommendations:

1. Since medical care is invested with the public interest, all hospitals, nursing homes, and other institutions should be considered to be public utilities and regulated as such.
2. We should encourage the development of controlled HMOs, paying physicians not on a piece-work basis but rather within a system that rewards efficient care at the earliest stages of disease and removes the financial incentive to bilk the public purse.
3. We should institute comprehensive, compulsory national health insurance under regionalized control -- but not without first restructuring the delivery system.
4. We should recognize that we are not dealing with a health care system but with a sick care system. We do not provide services for health but for illness and injury. The providers now benefit not from keeping people healthy but from caring for the sick, and our current incentives encourage this. We should turn this around by doing what we can to reduce the need for the sick care system.

And he concluded:

The answer is a new system of public utility hospitals, tied to networks of capitated prepaid group practice plans with built-in controls and efficiency incentives, functioning within a regionally coordinated system under public accountability.

The President of the Indiana Hospital Association noted that the hospital industry in Indiana "is in an extremely tight cash flow situation."

And he added:

We are a demand pull industry and all the approaches I see to how we can solve the problems are based upon the concept that we are in a situation of unlimited supply. . .The bureaucrats can control the dollar amount of expenditures through the appropriation process, but unfortunately, they cannot control the effectiveness of the expenditures of those dollars. So long as the philosophy of bureaucracy is to continue to promise everything to the recipients and pay whatever portion of the bill they can, we're going to have the results of inflation in our industry.

I can't resist adding that I think our record in cost effectiveness stands well above that of the bureaucratic process. The current idea of promising everything to the recipients and then paying only part of it tends to create nothing

but havoc. I believe its being done because of the feeling the industry doesn't know how to control costs, and I repeat we need to go to the other end of it and say you need to control the demand.

The Government Relations Associate of the Health Insurance Association of America noted that, among the various national health insurance proposals, there is general agreement on certain tenents, "defined as the inalienable rights of national health insurance legislation."

There is less agreement, he said, on the issues of financing and administration.

He added:

At the time of choosing we would respectfully suggest that government chart how far this nation has already progressed in health financing and administration skills and then enact legislation that provides what is needed and yet builds on what is already in place.

And he concluded:

The Health Insurance Association of America, representing more than 320 private insurance companies, supports the early enactment of a national health insurance program which utilizes, to the fullest, the unique capabilities of both the private and governmental sectors. Specifically we would support the principles of any bill patterned along the lines of the National Health Care Act of 1975 (H.R. 5990 and S. 1438) introduced by Congressman Burleson and Senator McIntyre.

Similarly, the President of Blue Shield of Indiana said his organization supports national health insurance legislation which conforms to the following principles:

1. There should be maximum participation by private enterprise, which has developed nearly all the capacity which now exists in the actual administration of health benefits.
2. The patient should have a free choice in selecting his physician, his hospital, and his insurance company. Any legislation that would put shackles on the individual's freedom of choice does him no favor. We also believe in encouraging new systems for delivering health care, and for giving patients free choice of which system is best for them.
3. Financing from governmental sources will continue to be necessary for coverage of the aged and the poor. We believe programs for the poor may need to be expanded to include those near-poor individuals who do not qualify for Medicaid.
4. Effective regulation of insurance companies participating in a national program is necessary, both with respect to benefits offered and percentage of income which can be retained. We believe regulation by states will respond to our nation's diverse needs better than the Federal government, although Federal guidelines may be necessary.

5. A Federal program should provide for a minimum basic standard of coverage to be provided through the private sector, and should permit additional supplementary coverage to be bought also through the private sector.
6. If a National Health Insurance program is enacted, it should be easily understandable to the public, and it should allow maximum possible lead time for the government, the private insurance companies, the providers of health care, and certainly the American people, to prepare themselves for the transition.

The Indiana State AFL-CIO statement on national health insurance indicated support for the National Health Security bill now before Congress (a bipartisan bill, S.3 and H.R.21) as "the best means available to us for improving the extent and quality of medical care for all citizens."

This bill, the statement said, would:

1. Make virtually the entire range of medical services available to all citizens, young and old, with a minimum of red tape.
2. Spread the cost of financing these services among the population by means of taxes on employers, employees, and the self-employed and by additional payments from general revenue. Health security would be financed by a one percent tax on workers' income up to \$15,000 a year -- no new tax, since they already pay almost that much now toward Medicare; by a 3.5 percent tax on employers' payrolls and by a 2.5 percent tax on the first \$15,000 of income of the self-employed. These funds would be matched by money from general tax revenues. There would be no tax on the first \$3,000 of any income of those over 60.

3. Provide effective controls on medical costs.
4. Provide personnel needed for expanded medical services through a Health Resources Development Fund that will be used to educate and train needed medical professionals, para-professionals and other workers, encourage group practice and expand and improve facilities and services.
5. Effect needed reforms in the delivery of medical care by providing incentives for organizing better arrangements for care of patients and by encouraging preventive care and early diagnosis and treatment of disease.

The Executive Director of Springfield and Sangamon County Community Action, Inc., suggested the following:

Each individual should be able to receive adequate health services when needed not depending upon the ability to pay. There should be more health education and prevention stressed in place of emergency and disastrous services. Health services personnel are so short that the selection of who is served and how becomes a problem (unhealthy persons). The legislation should specify a definite percentage of revenue sharing (general or special) money go to assist individuals in receiving adequate health services.

A spokesman for the National Retired Teachers Association and the American Association of Retired Persons referred to the Supplemental Security Income (SSI) program as "a forward step of the greatest importance to the blind, the disabled and the aged."

He believes it is the first stage of true welfare reform by which an income floor would be provided for all Americans.

But he believes SSI should be improved. Detailed amendments were submitted to the Council. The following represent the "thrust" of these amendments.

First, we ask the members of the Domestic Council to seriously consider raising the benefit levels under the SSI program.

Second, we are asking that income and resource limitations of SSI be tied to a cost-of-living index which would automatically adjust the established dollar limit in the law to reflect the value gained through inflation.

Third, we are pressing through our recommendations for action by the government which is responsive and helpful to the potential applicants. We are urging that the statute require the Secretary of Health, Education, and Welfare to take affirmative action to assure that all potential eligible individuals will be provided with available information and encouraged to make application for the benefits provided by the SSI program.

Fourth, we are recommending a series of amendments which will enhance the flexibility of the program to deal with those special cases for which the previous statute sets hard and fast rules.

Fifth, our Associations are advancing a number of technical amendments to facilitate the meshing of the SSI program with related assistance and service delivery programs. The one lesson which we should all have learned from the implementation of the SSI program is that you cannot change the income maintenance aspects of assistance without a corresponding change in the service programs.

The parent of "a severely disabled young man" from Nashville, Indiana, spoke of the "many aspects of life which are denied the handicapped."

She cited three specific rights she said are too often denied the handicapped: the right to move freely within society; the right to live independently; and the right to participate in the mainstream of society.

She suggested three effective courses of action which might be taken:

First, to utilize for the benefit of the handicapped, all existing resources within the departments of Government. That is to say, that each department must clearly identify the resources it presently has which can be of benefit to the handicapped, and then, make its findings available to the public. Secondly, there needs to be an effective Coordinating Council for the handicapped than can utilize and disseminate the gathered information. At present it is virtually impossible to obtain a composite analysis of what is available to aid and assist the handicapped. Implementation of Federal statutes is difficult to achieve at the local level when the statutes are barely known to the public. Thirdly, the imperative for consumer-handicapped-input into matters that concern them. The handicapped must have a part in the decision-making process. Then, and only then, will the handicapped become full participating citizens of this country.

Finally, the International Representative of the American Federation of State, County and Municipal Employees drew to the attention of the Forum "the thorny and controversial issues relating to the institutionalization of the severely mentally ill and retarded and the recent trend to transfer hundreds of thousands of them into private nursing homes and to stick the Federal taxpayer with half to two-thirds of the cost through the Medicaid program."

He cited three "main avenues" to be followed to remedy this situation:

First, the federal government should stop collaborating with states attempting to get out from under their historic responsibility for care for the mentally ill. HEW should review state plans aimed at this goal and should require states to continue to deliver care whether the patients are in or out of state facilities.

Second, Washington should develop experimental continuing-care programs which bring the resources of state facilities to discharged patients in their communities. The Social Security Act must be further amended so that alternatives to nursing homes can be developed and the mentally handicapped can be given proper care. These amendments would make experimental programs eligible for reimbursement.

Third, no nursing home should get a nickel of federal payments for mentally ill residents without meeting a new set of mental health care quality standards which should be developed and implemented without delay.

Community Building



Part IV. Community Building

Adequate, available housing was a major concern at the Indianapolis Forum. Revenue sharing was generally favored. But state and local officials expressed concern over Federal rules and regulations. One participant even submitted a statement suggesting changes in the Federal Register.

The Mayor of Cedar Rapids, Iowa, believes that if cities "are going to continue to grow in a planned and orderly fashion, and if our cities are going to continue to be places people enjoy and in which they are proud to live, then officials at the Federal, state and local level must work more closely together."

By this, he meant that these officials, working together should follow through on Federal programs, in consultation, so as to:

1. Provide the necessary funds to accomplish a given objective;
2. Provide that programs begin when they are needed, without undue delay caused by departmental bureaucracies within the Federal and state framework;
3. Provide that governmental actions are coordinated and implemented at the same time in order to maximize the impact of Federal, state and local dollars;
4. Provide that governmental decisions are reached sufficiently prior to the time state and local governments prepare their budgets for the succeeding year.

He said the movement on the part of the Federal government to "decentralize" grant-in-aid programs and move in the direction of "block grant" programs "is a welcome and long overdue revision in the Federal-state-city relationship."

He believes the General Revenue Sharing Program "must be continued and funded at a level that reflects the inflationary period we are now experiencing."

An Indiana State Senator said Federal Revenue Sharing "should continue at the same level."

The Director of the Office of Intergovernmental Relations in Michigan's Department of Management and Budget expressed concern over what he felt was "the apparent lack of support for continuation of general revenue sharing beyond 1976."

And he added:

Countercyclical assistance, in tandem with general revenue sharing, offers the needed flexibility for short- and long-term economic stability at the local levels of government. State governments simply do not have as yet the fiscal tools to adequately cope with wide fluctuations in the economic climates of local governments.

He submitted the following comments on Federal-state cooperation:

The Federal Regional Councils need to develop closer working relationships with governmental units at all levels. Major federal grant-making agencies must improve their coordination among themselves and with state and local governments in executing the categorical grant system. In establishing management-by-objective (MBO) for fiscal years, substantive analyses must be made of established goals, and definite priorities assigned to projects selected for implementation. For example, there has been no real follow-up to the Michigan Innovative Federal Assistance Reform Project which

was listed as a major MBO for F.Y. 1974. The F.Y. 1975 MBO's called for a pilot program to demonstrate the cutting of red tape in the delivery of federal program funds to a state. The administration should provide unambiguous policy which declares executive intent to further integrate multi-agency and multi-level approaches to economic development problems. Such a policy should have direct and continuing state involvement in its formulation.

The Domestic Council should take the lead in establishing an appropriate forum with the states to effect this objective. It should not be conceived or executed in haste if lasting benefits are truly desired. The states have been precluded from offering and advocating major national policy input on a regular basis by virtue of inattention to the interorganizational imperatives of information sharing. Planning processes must be managed just as any other activity.

In a comprehensive planning approach, the federal agencies need to reassess the array of domestic assistance programs that are being made available to states. This should include an extensive inventory and description of federal programs and funds in terms of their various impacts on state economies. More precise but flexible guidelines should be developed for states as they administer programs funded from more than one federal source. The use of block grants, or a similar concept, should be encouraged to permit state and local agencies to combine several grants under a single proposal with a uniform set of standards and procedures. This will permit more simplified applications and greater stress on the implementation,

measurement and evaluation of performance objectives. It will enable state and substate units to adopt federal assistance more readily to selected, high priority needs with an economical allocation of resources.

The proposed elimination of Office of Federal Management Policy by the General Services Administration threatens to undermine the present efforts of the federal government to establish an effective intergovernmental system. This office is the major unit in the federal government assigned the responsibility for resolving conflict and duplication among the various intergovernmental units. It deals with the management of some 1,100 grant-in-aid programs and the problems arising from their competing requirements and overlapping jurisdictions. The abolition of this office would also impair the administration of the Intergovernmental Cooperation Act of 1968 and the Joint Funding Simplification Act of 1974. Michigan favors full restoration of appropriations for this important office.

The Executive Assistant to the Governor of Indiana for Urban and Community Affairs applauded the new federalism approach "with its hope of a new responsiveness, a new sharing of both responsibility and opportunity with state and local government."

But, he said, programs under general revenue sharing are "putting a severe strain on our ability to manage."

To help solve this problem, he called for increased funding and use of the Intergovernmental Personnel Act of 1974 (IPA).

The Act, he said, established the following four objectives:

1. To assist the chief executive of a state or local government to strengthen the capacity to plan, organize, coordinate, and administer government programs and improve the delivery of public services.
2. To bring about greater intergovernmental cooperation.
3. To meet high priority personnel administration and training needs of state and local governments which are not being adequately met by other means, and which must be met if a high caliber of public service is to be established and maintained.
4. To assist state and local governments in a manner that is consistent with merit principles and that encourages innovation and allows for diversity.

He noted that Federal funding for IPA in fiscal year 1976 is \$15 million. He recommended raising the appropriation to \$50 million, "if necessary, at the expense of other grant programs."

The Mayor of Arlington Heights, Illinois, expressed wholehearted support for continuing Federal revenue sharing.

However, he is concerned about some elements of the new legislation.

He explained:

The local portion of revenue sharing is determined by local tax effort, per capita income and population. Currently, local governments are limited to receiving 145% of the average statewide per capita local allocation within their respective states.

The new bill would incrementally raise this allocation to 175%. This legislation would allow governmental units with high tax efforts and/or low per capita income to receive more funds. Many local communities perceive this to be a formula imbalance which removes potentially significant incentives for local communities to exhibit financial prudence. Legislation should be adopted which provides for disbursement according to a proportionate formula rather than a progressive formula.

And he recommended the following action with respect to the Housing and Community Development Act program:

- A statutory commitment should be made to extend funding for this program beyond its initial six year period.
- Enact amendments to state legislative and/or constitutional prohibitions which limit the ability of cities to conduct certain community development activities. An example is state legislation which prohibits local general purpose governments from directly making loans to individuals. This makes it difficult for cities to participate in relocation and rehabilitation programs.
- To provide incentives for the infusion of private capital from developers by making money available for mortgage interest similar to provisions in the old 236 program.
- Increase the level of appropriations for this program.

-- Finally, consideration should be given to further minimizing the imposition of federal requirements. The outstanding example in this area is the modifications made in the NATIONAL ENVIRONMENTAL PROTECTION ACT (NEPA) relative to its application to the Housing and Community Development Act.

He concluded by calling for "a spirit of cooperation which is indispensable if jurisdictional limits imposed on state and local governments are to be overcome."

The Governor of Indiana believes the Administration "should place a high priority upon simplifying the relationship between people and government and streamlining the relationships between different levels of government."

He added:

The existing structures and procedures, haphazard in their evolution and cumbersome in their workings, siphon off as overhead massive amounts of money which should find their way to the American people in the form of meaningful programs. The burdens of regulation, the inconsistencies of policy and the frequent shifts in rules and guidelines are a nightmare for our citizens, our businessmen and the lower levels of government.

This certainly is true of the broad range of social programs controlled at the Federal level. In the absence of cohesive administration and clear-cut goals, they are sinking under their own weight.

State and local officials have obtained interesting experiences in working with these programs and agencies and have a unique perspective to recommend improvements, if their federal counterparts are willing to listen and act.

The Executive Director of the Greater Wabash Regional Planning Commission in Grayville, Illinois, is concerned about "disjointed, uncoordinated, and nonresponsive Federal programs."

His statement discussed the need for a responsive, horizontal Federal program delivery, the problem of red tape from Washington and other "Federal mismanagement" concerns.

He urged the Council to consider the following recommendations:

1. For the designation of a focal point within the Executive Office of the President to execute the responsibilities for overall direction, coordination, and evaluation of a NATIONAL POLICY for intergovernmental, interagency program cross-cutting to be implemented through the Domestic Council, the Office of Management and Budget, the Advisory Commission on Intergovernmental Relations, and the Federal Regional Councils.
2. For reducing or consolidating the 1,100 Federal programs to a much more manageable level.
3. For mandating jurisdictional and regional implementation procedures throughout the nation.
4. The enactment of new legislation greatly broadening the "701" act into a "Responsive Government Policy and Resource Management Act" embracing the concepts we have recommended herein.

The Executive Director of Springfield and Sangamon County Community Action, Inc., noted that "the new Federalism was to be sure all persons were heard, to coordinate all services, to enlighten the citizenry and to bring Federal government to the people."

The result, she said, has been different:

The Federal government has given the money back to the local government to provide services which is shifting the responsibility, confusing some people and leaving others out of the system.

The Executive Director for Community Relations of the Wisconsin Social Development Commission said that "the need for an effective urban policy is apparent when one assesses the condition of most large urban centers today."

He added:

The present developmental patterns of urban areas not only increase the stratification already described; they are economically wasteful and, ultimately self-defeating. The cities are not going away -- more and more of us are urbanites -- so we must no longer indulge in perpetrating the myth that the country can somehow recover economically without strong and stable cities as the foundation for that recovery.

He proposed exploring "a well thought-out plan of urban containment," which he described as "controlled development that increases density in certain urban and suburban areas, and prevents leapfrogging development and wasteful exurban sprawl."

The Executive Director of the Michigan Association of Counties believes "an alarming number of Americans have already lost or are beginning to lose confidence in the nation's government."

He believes one major cause of this loss of confidence resides in implementation and enforcement of laws by the "bureaucrats."

He explained:

Bureaucracy is buried deep in the Washington jungle; rooted to defy eradication; feeding on itself as it grows and multiplies.

The road to disaster is paved with good "rules and regulations," the dictum of the bureaucrats' bible, The Federal Register. These instruments, abounding in unfathomable syntax, so inadvicably labeled "guidelines" are the bane of the common citizen, sophisticated business and industry, and a land of paradise for lawyers.

Anyone who is compelled to regularly peruse these pompous documents, will take umbrage. The bureaucrats divine the law and its implementing "rules and regs" as they might well please. Not infrequently does the law bear the remotest resemblance to the statutes adopted by the Congress. They are laced with sections, subsections, addenda, paragraphs which are neither the letter nor the intent of the law.

The sad conclusion is that the bureaucrats, not the lawmakers are writing the law. And, with their penchant for tenure they conjure up methods by which they insure longevity in their jobs.

The Congress must recapture its jurisdiction from the bureaucrats. Then and not until then will they capture the people's confidence.

A spokesman for the Indianapolis Chamber of Commerce believes "the Federal deficit coupled with the rampages of the bureaucracies is a gothic horror story."

And he said:

There is a rising tide of citizen discontent and awareness of the ever increasing role of the federal government into their lives and the sacred and profane waste machine used to gobble up taxpayers' dollars for frivolous projects as well as socially engineered extravaganzas that were never submitted to a referendum decision. It would take a virtual small army of economists and accountants to do the comprehensive task of dismantling the Rube Goldberg contrived system of bureaucracy that we now have and which the government claims we demand and, yes enjoy!

He called the Federal bureaucracy "the Fourth Branch of Government," and proposed reforms.

The Executive Director of the Iowa State Association of Counties in Des Moines, Iowa, submitted a paper titled: "The Federal Register is Too Much."

In it, he said:

The problems of following federal regulatory changes are staggering to local officials. The Federal Register pours out of Washington like an avalanche burying everything in its path. Those of us who subscribe to it, cannot possibly evaluate all of the proposed regulations that impact on local general purpose governments. In creating an institutionalized process for promulgation and review of regulations the federal government, has also succeeded in adding another front to le guerre de papier. There are 1445 pages in last weeks Federal Register.



He proposed the following reform:

Each department and regulatory agency should establish an intergovernmental mailing list. The list need not be excessively large -- somewhere between 500 to 3,000 in number. The list should consist of private, nonprofit, and government organizations that traditionally serve their peers through information and training programs.

The federal government should tie into these information services by adopting the following procedures within their organizations:

1. New regulation or amendment is discussed by federal departmental personnel.
2. Action is taken to draft proposed regulations.
3. Final substance of draft is prepared for presentation to legal counsel.
4. A 1 to 2 page policy analysis of the draft is prepared and sent to those on the intergovernmental mailing list with speculated week of publication in the Federal Register for full regulation.
5. Legal counsel approves draft or recommends changes for department or agency head.
6. Regulations appear in Federal Register requesting comment.

He noted that step four is the only new element.

The Secretary of the Arrowhead Redevelopment District Commission in Itasca County, Minnesota, presented his views on the subject of public land management.

He summarized his concerns this way:

I am convinced the problem of reimbursement for services on public land is widespread and critical to county governments everywhere. A great inequity exists in the amount of payments made, and this inequity is the cause of severe financial problems in a large majority of counties involved.

We in Itasca County, and I am sure I can speak for other counties in Minnesota, feel that in any plan developed for the future in National Forest programs, consideration must be given to paying for services provided by counties having National Forest lands within their boundaries.

The Mayor of Gary, Indiana, believes the era of "throw-away cities" and "throwaway housing" should be ended. He agrees with Federal policy which newly emphasizes the restoration and rehabilitation of existing housing stock.

He added:

Unfortunately, the shift in direction has been so abrupt, so sharp and so poorly planned, that ongoing programs have been undermined; new programs have been discredited before they could be launched; and, long-term goals of national housing policy have been placed in grave jeopardy.

He noted that many central cities now have many acres of vacant and abandoned land cleared years ago in the first stage of an urban renewal effort. He said new housing legislation should take this vacant land into account.



And he added:

In this regard, I would urge that the government increase funding levels for the Section 236 Housing Assistance Program, one of the few programs able to place homes on now vacant central city land. I would argue strongly against eliminating tax advantages now available to housing investors in any new tax reform package. Without strong tax incentives, through so-called "artificial tax losses," the 236 program cannot function. I would also ask the government to examine the possibility of making outright grants to developers and investors so that the investment return on housing is competitive with other investment options.

He was also concerned about the impact of sudden shifts from programs like Section 23 to Section 8.

He explained:

The Section 8 subsidy formula is unlikely to encourage mortgage bankers and developers to underwrite new housing development. Under present legislation, the Federal government is making a 10-year commitment for Section 8 assistance -- far less than the 35- and 40-year commitments necessary to attract mortgage money.

Further, the Section 8 fair market rent schedule for existing housing must be changed, if the program is to generate housing activity. At present, there is little incentive to rehabilitate housing when the ceiling for allowable rents is oppressively low.

Finally, the Section 312 program, one of the major legislative engines for housing rehabilitation in this country has been denied the fuel needed to operate. First, funds to operate this program were impounded. Then, funds were freed, technically, but the program never truly became operational. Loan commitments under this program still have not been made, although only a few months remain to administer this effort in the current fiscal year.

A former VISTA volunteer in Indianapolis believes that "public housing is developing into government-run ghettos." He said that revenues generated by housing authorities cannot keep pace with expenses, and, as a result, tenants suffer from poor management, poor maintenance and lack of services.

He concluded:

Two things must be done to reverse this alarming trend. First, HUD must make enough subsidy available to operate public housing in a safe, decent sanitary condition. Second, new approaches to running public housing must be utilized. The approach I speak of is tenant involvement.

The Executive Director of the Indianapolis Housing Authority cited two positive results of the Housing and Community Development Act of 1974.

The first step permits this agency to charge welfare families the amount they can receive from the Welfare Department for shelter and utilities. 70% of our occupants receive some public assistance.



As one further reform in this area, we propose that Welfare Departments be instructed to remit the shelter and utility allocations directly to Housing Authorities. The second step forward is regulations that will permit Housing Authorities to reject applicants whose past conduct is undesirable. In the past such families, if otherwise eligible, had to be housed. These undesirable families undermined the stability of the projects by their criminal activities. Often we could not evict them before many good families had been victimized.

He submitted the following suggestion:

We urge that the Department of Housing and Urban Development and the Department of Health, Education and Welfare find some means to provide some support for housing authorities within areas where such a heavy welfare load is carried. Without some support and increase in funds it can only lead to eventual bankruptcy for Housing Authorities in all areas.

He also submitted a demonstration program proposal for Lease-Purchase Single Family Housing for qualified low-income families employing and combining existing low-income housing programs and financing with certain local programs and incentives.

A Senior Vice President of Knutson Mortgage and Finance Corporation, Minneapolis, Minnesota, presented his views on the Section 8 Housing Assistance Payment Program.

In order to achieve the goals of the program, he said, a supply of vacant existing housing rental units is needed as well as an incentive and the capacity to produce in significant numbers unsubsidized new rental units.

"Unfortunately," he notes, "those conditions don't exist today."

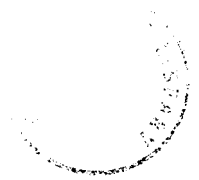
However, he proposed several options for creating conditions which would make Section 8 workable. Among them was the following:

You can provide financing or programs to accompany Section 8 subsidies. This financing would have to provide for interest rate reductions to 7-8 percent as opposed to conventional rates of 9-3/4 to 10-1/2%. If this option were selected, the GNMA Tandem Program, in my judgment is ideal because, it's in place, it can be used nationwide, and it can be relied on by developers and lenders to provide funds early in the development process.

He also noted that rejuvenation of older rental housing units will become an increasingly significant means of providing decent housing.

But he cited the following problem with rehabilitation programs:

The rehabilitation standards established by both local government and by HUD/FHA in its mortgage insurance function typically require that the property, when completed, meet the same standards as new construction. As a result of these standards, often times improvements are made and materials replaced unnecessarily which results in rehabilitation costs to that extent that projects become infeasible. Rehabilitation standards and the financing practices should attempt to create decent, safe housing, utilizing existing components to the maximum extent possible. It is recognized that financing is on a long-term basis and many



components' useful life will be much shorter. These replacements may be provided for by establishment of delayed reserve escrow accounts which can be part of the financing package for disbursement when needed. Primarily, we need recognition that rehab and new construction differ, and we need to reflect that difference in standards and programs.

The First Vice President of the National Association of Home Builders who resides in Indianapolis said that because of current interest rates, it is not feasible to build rental apartments anywhere. And, he said, single family detached housing is feasible for fewer than 20 percent of our families.

He asked the President to establish a goal of 1.8 million units of new housing for the year 1976.

The President of the National Association of Building Manufacturers submitted a position paper "outlining our evaluation of the historical role housing has played in past economic recoveries, observations on how changing attitudes and policies have weakened the industry as a fundamental support to a stable economy, and specific suggestions for Administration action which will help restore housing to a production level which will bolster and stabilize the national economy and meet the public's need for homes."

A Member of the Board of the National Association of Railroad Passengers said his organization supports a "balanced national transportation system."

In this context, he noted that "rail service can fill the short-haul needs and do it more efficiently than the airliners or the private automobile."

He listed a few of his Association's positions:

1. Amtrak's network of medium and long-distance routes should be filled out to remove some serious gaps.
2. New daytime corridor services should be inaugurated as soon as possible along the lines proposed by the United States Railway Association in its Final System Plan for the Northeast -- but throughout the nation wherever prospects are good for heavy usage.
3. More frequent service should be provided on existing routes, following the example of the successes enjoyed by Amtrak's Chicago-Detroit service, where three round-trips a day are offered now with modern equipment -- and ridership is up by nearly 80 percent over a year ago.
4. Existing railroad trackage around major cities should be used for new rail commuter service. It could be put into service quickly at a fraction of the cost of developing new subway or surface rapid transit systems.
5. Downtown train stations should be used unless there is some overwhelming reason for putting them elsewhere.
6. Track and roadbed deterioration must be halted and improvements carried forward without delay so trains can travel fast and provide comfortable and reliable rides to the passengers.

The President of the Rock Island Lines commented on the relationship between railroads and the Federal government.



He made three main points:

1. It must be public policy that non-profit (usually deficit-ridden) commuter rail lines become wards of the state and Federal governments rather than penal burdens on the nation's least-solvent transportation sector.
2. On a larger matter, the so-called "rationalization" of the nation's rail network cannot be mandated by theoreticians and planners in Washington any more than social habits can be changed by legislation.
3. A final suggestion regards the regulation of transportation, including (but not limited to) quality of service, pricing of services, service territories and mergers. The Administration should support legislation placing definite time limits on the making of decisions at places such as the Interstate Commerce Commission.

The Lieutenant Governor of Michigan spoke of his state's commitment to rail reorganization.

He said:

Michigan has reached a critical point in its process of responding to Rail Reorganization. We intend to retain service on the vast majority of our light-density bankrupt lines excluded from Conrail, and to retain service on many lines which the ICC may permit solvent carriers to discard in the future.

He suggested several ways the Federal government could aid his state in this support:

The Governor of Indiana urged the Administration to "move quickly and with determination" to resolve the differences which have deadlocked Rail Reorganization legislation. "I cannot emphasize too strongly the need for prompt action," he said.

The Chairman of the Minneapolis-St. Paul Metropolitan Transit Commission noted that "urban transportation policy will in large measure determine whether we build communities that make sense."

He believes "it is essential that Congress and the Executive Branch give more than lip service to policies well stated in the enabling legislation which created the Urban Mass Transportation Administration."

He explained:

That statute calls for establishment of mass transit systems "needed for economical and desirable urban development." It requires development of transit plans "formulated with due consideration to their probable effect on the future development of urban areas."

He also said:

We must narrow the "expenditure gap" between transportation modes that is so wide that it lavishly rewards inefficient use of transportation resources and penalizes efficient use.

A spokesman for the Indiana Farm Bureau Co-op Association, Inc., described the dependence of agriculture on a "viable transportation system."

He said "agriculture must have a dependable transportation system involving all modes."

Here is how he summarized his views:



1. Carriers must have sound management.
2. Excessive demands by unions must be discontinued.
3. Employees must be motivated to give a day's work for a day's pay.
4. Outmoded work rules must be changed.
5. Carriers should not be deregulated.

Both the Great Lakes Commission and the Wabash Valley Association reported the "urgent need of development of water transportation."

The President of Macalester College said "there must be increasing federal and state activity in the area of direct aid to students" to insure against the demise of the private college.

He added:

The Federal government can assist states in funding incentive grants for students to attend the post-secondary institutions of their choice. Basic educational opportunity grants should be raised from \$1,400-\$1,800 to \$2,000. Work study legislation should be encouraged and student loan opportunities extended.

The Federal government should increase the amount of income permissible by family unit thereby broadening the base of participation in Federal loan, scholarship and grant programs. The lower and middle-class families given inflationary trends are both in need of State/Federal assistance. Special programs must be directed toward minority students insuring them post secondary educational opportunities.

Federal government grants-in-aid to states for loan and scholarship programs should require portability permitting the broadest possible choice on the part of students in terms of educational institutions without regard to state location.

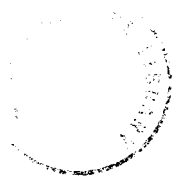
The Federal government should greatly eliminate paper work and report requirements on local educational institutions relying instead on review and evaluation and investigation when changes are levied against colleges and universities for failing to comply with state and federal statutes in the areas of fair and equal educational and employment opportunities.

The Federal government should entertain proposals from private colleges for innovative and experimental programs making awards on the basis of merit and performance.

Finally, the President of the Indiana State Teachers Association called for "an increased economic commitment to education."

He added:

The percentage of federal money in Indiana falls far below our state and national resolutions for equalized funding. We believe the state, the national, and the local governments should share equally in the costs. While we are in favor of maintaining local control of expenditures, we believe our national priorities on spending have kept the children of this nation and this state from receiving the quality education they need.



Critical Concerns



CRITICAL CONCERNS

Indianapolis

In the area of economic growth, the majority of witnesses called for reduced unemployment and the deregulation of private enterprise. There was emphasis placed on increasing capital formation, which is presently hampered by the combined effects of corporate taxes, Federal regulations, and inflation.

Participants recommended that the Federal Government sponsor job-creation projects immediately. Full employment was urged as the standard for expanded manpower programs that would focus on minority unemployment.

Explaining that free enterprise is "slowly being strangled" by Federal regulations, participants stressed the financial costs of compliance. Businessmen who are obligated to install nonproductive equipment said that they were limited in making the capital investment that would expand productivity and employment.

Specific criticism was directed at the "picayunish practices" of the Occupational Safety and Health Agency and the extensive requirements of the Environmental Protection Agency. Witnesses asked that realistic performance standards be established and that evaluation studies be conducted by agencies other than those which established the standards. It was urged that environmental goals be aligned with competing economic objectives in order to avoid counter-productive conflicts.

Participants who discussed resource development called for a national energy policy that would address specific attention to coal development. One spokesman noted, "If we are serious about designing energy efficiency into the American way of life, we need to get away from slick pamphlets and bumper stickers and bear down upon the fundamental economic and social issues involved."

Environmental regulations drew heavy criticism. Witnesses said that officials should obtain public input before issuing regulations that are ill-suited to local conditions. Many people recommended periodic review of existing regulations to assess their ongoing value.

The importance of energy conservation was underlined. Individual spokesmen called for improved water resource management. It was noted that agricultural productivity should not be impaired by environmental insecticide regulations.

Inefficient and costly health care service dominated discussions of social policy. Participants insisted that the right of every citizen to adequate care should serve as the basis for health delivery reforms. Many called for a national health insurance program that would combine the services of the public and private sectors now involved in health delivery programs.

Several witnesses focused on the costs of hospital care and suggested that expenditures be monitored to increase hospital efficiency. One spokesman suggested that hospitals should be considered public utilities and managed as such. Many participants emphasized the need for improved preventative medical services, and called for programs that would familiarize the public with services that are currently available.

Agreeing that the present welfare system must be reformed, witnesses called for a "national policy of fair income." All recommendations included work incentives, uniform eligibility standards, and streamlined regulations.

Witnesses in the community building area focused on the housing shortage. Many called for rehabilitation programs that would restore the existing housing supply; it was noted that financing plans for these programs must be developed.

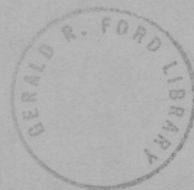
Support for revenue sharing and the Housing and Community Development Act was qualified by the request for increased funding and fewer regulations. Witnesses directed substantial criticism at the excessive red tape involved in community building programs. Several addressed themselves specifically to the problems of following Federal regulatory changes, which were described as "staggering."

One elaborated:

The road to disaster is paved with good "rules and regulations," the dictum of the bureaucrats' bible, The Federal Register. These instruments, abounding in unfathomable syntax, so inadvisedly labeled "guidelines" are the bane of the common citizen, sophisticated business and industry, and a land of paradise for lawyers. Anyone who is compelled to regularly peruse these pompous documents will take umbrage. . .



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PUBLIC FORUM ON DOMESTIC POLICY

Morning Session
Secretary Rogers C. B. Morton
Department of Commerce

Presiding on behalf of
Vice President Nelson A. Rockefeller

500 Ballroom
Indiana Convention-Exposition Center

- 9:00 am** **Opening of Forum — James M. Cannon**
Assistant to the President and Executive Director of the
Domestic Council
- Welcome — The Honorable Otis R. Bowen, M.D.**
Governor, State of Indiana
- Welcome — The Honorable Richard G. Lugar**
Mayor of Indianapolis
- Introductions and Remarks**
Secretary Rogers C. B. Morton
- 9:25 am** **Social Programs**
Under Secretary Marjorie Lynch
Department of Health, Education and Welfare
- Witnesses:**
The Honorable Otis R. Bowen, M.D.
Governor, State of Indiana
- Mrs. Carole Ellis
Citizen of Cleveland, Ohio
- Discussion**
- 10:05 am** **Community Building**
Under Secretary John B. Rhinelander
Department of Housing and Urban Development
- Witnesses:**
The Honorable James J. Damman
Lt. Governor, State of Michigan
- The Honorable Richard G. Hatcher
Mayor, City of Gary, Indiana
- Discussion**

10:50 am Economic Recovery
Paul MacAvoy
Member, Council of Economic Advisors

Witnesses: *

The Honorable Charles Joseph
Mayor, Benton Harbor, Michigan

Dr. John Virts
Corporate Economist, Eli Lilly & Company, Indianapolis,
Indiana

Willis N. Zagrovich / Rose Edwards
Indiana Coalition of Concerned Citizens, Indianapolis

Discussion

11:30 am Resource Development and the Environment

Russell W. Peterson
Chairman, Council on Environmental Quality

Witnesses:

Mrs. Lee Botts
Executive Director, Lake Michigan Federation, Chicago,
Illinois

Mr. Zane Todd,
President, Indianapolis Power & Light Company,
Indiana

General Discussion with audience participation

12:30 pm Adjournment

Afternoon sessions will begin at 2:00 pm.

*Add Byron Godperson, President, Mid-West Industries,
Ida Grove, Iowa.

Afternoon Sessions
ECONOMIC RECOVERY

2:00 pm

Secretary Rogers C. B. Morton
Department of Commerce

Paul MacAvoy
Member, President's Council of Economic Advisors

Virginia Knauer*
Special Assistant to the President
for Consumer Affairs

Jobs and Employment

Witnesses:

James Compton
Executive Director, Chicago Urban League, Illinois

Elbert Roe*
Member, Indiana House of Representatives, Ligonier

Geoffrey McCarron
Director, Department of Labor and Industrial Relations,
Jefferson City, Missouri

Donald Sykes
Executive Director, Community Relations—Social
Development Commission, Milwaukee, Wisconsin

Kenneth L. Worley *
Regional Director, United Automobile Workers, St.
Louis, Missouri

Frederick Towe *
General Counsel, Indiana Brotherhood of Teamsters,
Indianapolis, Indiana

**Capital Requirements
and Government Regulations**

Witnesses:

Byron Godberson
President, Mid-West Industries, Ida Grove, Iowa

Welby Franz
Vice Chairman of the Board, Eastern Express Trucking
Company, Terre Haute, Indiana

***Unable to attend.**

Steven Sargent
Executive Director, Illinois Municipal League,
Springfield

William J. Tetzlaff *
Executive Secretary, Independent Business
Association of Wisconsin, Milwaukee

Witnesses will each testify for five minutes.
Time will be available for public participation.

5:00 pm Adjournment

***Represented by Dean Treptow, Independent
Business Association of Wisconsin, Milwaukee.**

SOCIAL PROGRAMS

2:00 pm

Under Secretary Marjorie Lynch
Department of Health, Education and Welfare
Assistant Secretary William Morrill, HEW
Assistant Secretary Virginia Trotter, HEW

Health Services and Delivery

Witnesses:

Sylvia Berki

Professor, University of Michigan, School of Public
Health, Ann Arbor

Richard C. Kilborn

President, Blue Shield of Indiana, Indianapolis

James G. Haughton

Executive Director, Cook County Health and Hospitals
Governing Commission, Chicago, Illinois

The Honorable Martin J. Schreiber

Lieutenant Governor, State of Wisconsin

Income Maintenance & Social Services

Witnesses:

Mrs. Joan Miller Lipsky

Member, Iowa State Legislature, Cedar Rapids

Rashey B. Moten

President, National Conference of Catholic Charities,
Kansas City, Kansas

James F. Conover

Area V Vice President, National Retired Teachers
Association, Terre Haute, Indiana

Education

Witnesses:

Dr. Willard L. Boyd

President, University of Iowa, Iowa City

Dr. John B. Davis, Jr.

President, Macalester College, St. Paul, Minnesota

Witnesses will each testify for five minutes.
Time will be available for public participation.

5:00 pm Adjournment



COMMUNITY BUILDING

2:00 pm

Under Secretary John B. Rhinelander
Department of Housing and Urban Development

Deputy Under Secretary John W. Snow
Department of Transportation

Assistant Secretary David O. Meeker, Jr., HUD

Transportation

Witnesses:

Pastora Cafferty

Member Regional Transportation Authority, Chicago,
Illinois

Douglas Kelm

Chairman, Mass Transit Commission, St. Paul,
Minnesota

Charles Whitten

General Manager, Toledo-Area Regional Authority, Ohio

Woodrow Imboden

Indiana Farm Bureau Coop. Association, Indianapolis.

Housing

Witnesses:

Ms. Geneva Bey

Acting President, Region V Citizen Participation Council,
Chicago, Illinois

Curt Glazer

Senior Vice President, Knutson Mortgage and Finance
Corporation, Minneapolis, Minnesota

Carl Beck

Executive Director, Housing Authority of Indianapolis,
Indiana

John C. Hart

Deputy Vice President, National Association of Home
Builders, Indianapolis, Indiana

Witnesses will each testify for five minutes.
Time will be available for public participation.

5:00 pm Adjournment

**RESOURCE DEVELOPMENT
AND THE ENVIRONMENT**

2:00 pm

Chairman Russell W. Peterson
Council on Environmental Quality
Administrator Frank G. Zarb*
Federal Energy Administration

Witnesses:

William A. Sullivan, Jr.
Former Vice President, Western Reserve Economic
Development Agency, Niles, Ohio

John Stackhouse
Farmer, Columbus, Ohio

Jacob Dumelle
Chairman, Illinois Pollution Control Board, Chicago

Mrs. Christine Carlson
Ohio League of Women Voters, Columbus

Wallace Behnke
Executive Vice President, Commonwealth Edison,
Chicago, Illinois

Thomas E. Dustin
President, Indiana Izaak Walton League, Huntertown

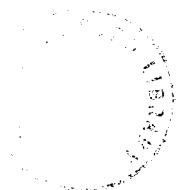
Edwin Phelps
President, Peabody Coal Company, St. Louis, Missouri

Jack W. Heiney
Chairman, Indiana Gas Company, Indianapolis, Indiana

Witnesses will each testify for five minutes.
Time will be available for public participation.

5:00 pm Adjournment

***Unable to attend. Eric Zausner, Deputy Administrator,
Federal Energy Administration, added to panel.**



INDIANAPOLIS FORUM PARTICIPANTS

The following is a listing of persons who contributed statements -- oral, written, or both -- to the Public Forum on Domestic Policy in Indianapolis, Indiana. The list includes invited witnesses, observers, and the general public.

Wilson E. Allen
Indianapolis, Indiana

John A. Amberger
Deputy Executive Director
Southeast Michigan Council of
Governments
Detroit, Michigan

Carl Beck
Executive Director
Housing Authority of Indianapolis
Indianapolis, Indiana

Wallace Behnke
Executive Vice President
Commonwealth Edison
Chicago, Illinois

Sylvia Berki
Professor
School of Public Health
University of Michigan
Ann Arbor, Michigan

George Berteau
Chairman
Regional Planning Council
Racine, Wisconsin

Geneva Bey
Acting President
Region V Citizen Participation
Council
Chicago, Illinois

Simon Boorda
Chairman
Communist Party of Indiana

Paul Booth
International Representative
Illinois American Federation of State,
County and Municipal Employers
Springfield, Illinois

Lee Botts
Executive Director
Lake Michigan Federation
Chicago, Illinois

Otis R. Bowen
Governor of Indiana
Indianapolis, Indiana

Willard L. Boyd
President
University of Iowa
Iowa City, Iowa

John A. Brooke
Skokie, Illinois

Anna V. Brown
Cleveland, Ohio

William H. Bryant
Vice President
Greater Cleveland Growth Association
Cleveland, Ohio

Thomas Burke
Seaway Port Authority of Duluth
Duluth, Minnesota

Pastora Cafferty
Regional Transportation Authority
Chicago, Illinois



Donald Canney
Mayor
Cedar Rapids, Iowa

Christine Carlson
Ohio League of Women Voters
Columbus, Ohio

Charles Chomet
Executive Director
Citizens for Better Care
Detroit, Michigan

Jack D. Clark
Indianapolis, Indiana

Lois Clark
North Liberty, Indiana

Donald L. Cleveland
Executive Director
Iowa State Association of Counties
Des Moines, Iowa

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Executive Director
Chicago Urban League
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National Retired Teachers Association
Terre Haute, Indiana

Mark Crain
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Steve Culley
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Community Action, Inc.
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Conrad F. Damfán
South Bend, Indiana

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Lt. Governor of Michigan
Lansing, Michigan

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President
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St. Paul, Minnesota

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Hayes-Albion Corporation
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Indiana Izaak Walton League
Huntertown, Indiana

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Indiana Coalition of Concerned
Citizens
Indianapolis, Indiana

Carole Ellis
Cleveland, Ohio

William S. Ennis
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Terre Haute, Indiana

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Corporation
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National Association of Home
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Governing Commission
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Chicago, Illinois

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Dayton, Ohio

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Benton Harbor, Michigan

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Indianapolis, Indiana

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Springfield, Illinois

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Milwaukee, Wisconsin

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Kansas City, Missouri

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Jerry Zeller
Columbus, Ohio

REGION V FEDERAL REGIONAL COUNCIL

The Federal Regional Councils were established by Presidential Executive Order in 1972 for the purpose of coordinating Federal Domestic Programs on the regional level.

Members of the Region V Federal Regional Council

**Department of Health, Education & Welfare—Richard E. Friedman,
Chairman**

Federal Energy Administration—N. Allen Andersen, Vice Chairman

Department of the Interior—Mandonna F. McGrath

Department of Agriculture—Charles W. Shuman

Department of Labor—Alexander White

Department of Housing & Urban Development—Don Morrow

Department of Transportation—Norman A. Erbe

Environmental Protection Agency—Francis T. Mayo

Community Services Administration—Glenwood A. Johnson

Law Enforcement Assistance Administration—V. Allen Adams

Ad Hoc Members

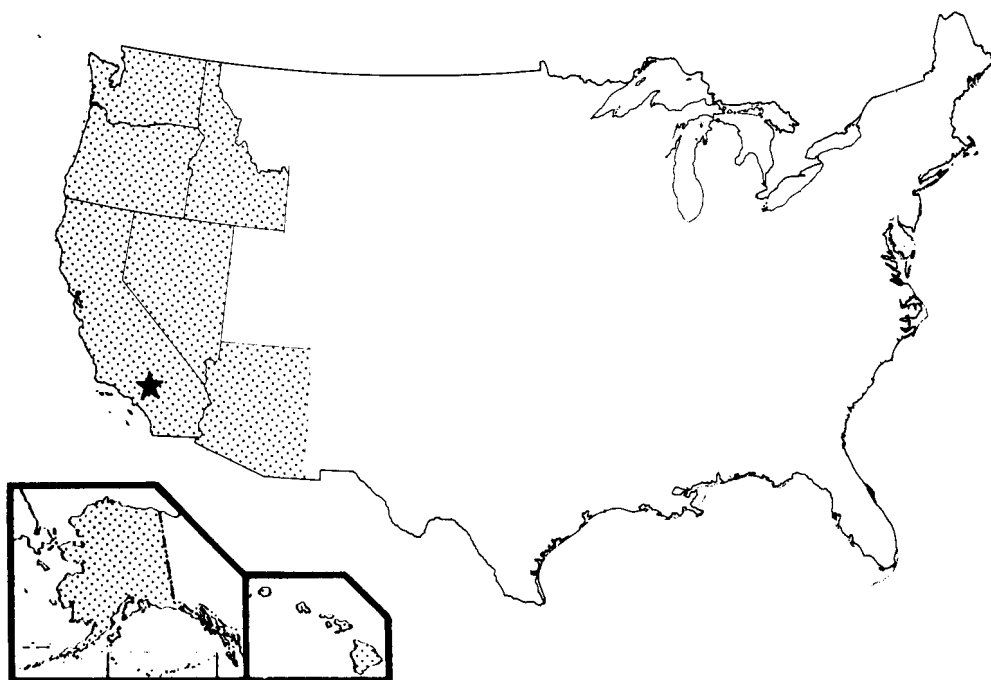
Small Business Administration—H. L. Aronson, Jr.

Economic Development Administration—James E. Peterson

American Revolution Bicentennial Administration—Del Black

Army Corps of Engineers—Brigadier General Robert L. Moore

WHITE HOUSE
PUBLIC FORUM
ON
DOMESTIC POLICY



LOS ANGELES, CALIFORNIA
DECEMBER 9, 1975

Domestic Council
Executive Office of the President

LOS ANGELES

PUBLIC FORUM SUMMARY

Los Angeles

While all of the transcripts and submitted statements from the Los Angeles Forum have been thoroughly analyzed and incorporated into the domestic review process, the comprehensive summary of this Forum was still being compiled at the time of publication. It will be inserted into this document in the next few days. However, the "Summary of Findings" which constitutes the first section of this volume incorporates the Los Angeles Forum material in its analysis.


In the meantime, the following is an abbreviated summary of those hearings:

Economic Growth

As in other Forums, the unemployment and inflation issues were paramount at the Los Angeles Forum. The Mayor of San Diego noted that the ultimate answer to unemployment "rests with a healthy, expanding private sector." And the Mayor of Los Angeles noted the employment impact in his community of the slump in the auto industry, the aerospace industry, and in the housing industry. He noted the special impact of unemployment on minorities. He noted that the city's public service job program is constrained by Labor Department budgetary limitations.

A spokesman for the California Governor proposed a National Work Program to "quickly and decisively" reduce unemployment. He said the \$20 billion program would result in a three percent unemployment reduction.

Others called for career education for youth. Another called for tax incentives and deregulation to aid the economy. And one businessman complained that environmental regulations have forced plant closures and unemployment. Labor groups suggested that "the first duty of Washington is to put America back to work." And a spokesman for the Associated General Contractors of America noted that "construction employment is the most efficient vehicle for economic recovery."



Resource Development

Issues of resource development and the environment are critical ones in the rapidly growing western states -- including Alaska and Hawaii. The Alaska Lieutenant Governor noted that one of his state's most "critical" challenges is to "reconcile resource development and environmental protection." A spokesman for the oil and gas industry sees little environmental danger in off-shore development. And he believes there is no time to lose -- "We believe the Federal government should go ahead with an orderly development of oil and gas resources from areas off-shore the United States."

Another industry spokesman believes the geothermal industry -- an "environmentally acceptable source of energy" should be encouraged. "Yet," he said, "it may soon die. . .if something isn't done to unsnarl the governmental red tape which has brought development to a standstill."

One testifier said a "chasm exists between local, state and federal interests in the development of energy resources." And a representative of the Sierra Club called for "a national energy policy with a comprehensive and meaningful conservation program." She called on the administration to give energy conservation top priority "in action as well as in words." She questioned the cost of developing the breeder reactor.

And the Mayor of Fairbanks, Alaska, called for the exploitation of his state's "largest untapped renewable energy resource -- water."

Social Policy

The health and welfare issues faced by state and local governments were addressed with particular candor in Los Angeles.

The Governor of Washington noted that "the paramount issue of social policy facing the United States today is the development of a rational income maintenance strategy for the nation." He wished to "avoid a simplistic solution," and he called on the administration to propose new welfare reform legislation. He called for improved state-Federal relations. "In other words," he pleaded, "get off our backs."

Another witness noted that the present structure of social services "looms as a bewildering, complicated maze."

And he called for an overall Federal policy on social services.

Another called for "structural reform" of the system. One testifier noted the "pressing need" for a "critical reexamination of the existing Federal-state relations" in administering social welfare programs.

An advocate of more visible national policy for older women submitted ten "new" commandments. One read: "Thou shalt not ignore us."

An Oregon County health official addressed "Some of the widely recognized problems of Federal, state and local government funding of health care." And he described the success of a local program called "Project Health."

The Governor of Hawaii noted that his state still faces the problem of doctors being poorly distributed between urban and rural areas.

And one witness described the health care needs of Spanish-surnamed Americans in East Los Angeles.

Community Building

Issues discussed in the area of community building on Federal-state-local relations, housing and transportation.

One witness noted that there is no "common focus among appropriate Federal agencies and departments for urban problem solving." He said that since the passage of the Housing and Community Development Act, "the gap between the Federal government and cities in setting up effective administrative processes for community development has become even more acute." And he said that experimenting with urban problem solving is over.

And the Governor of Arizona noted that the "era of confrontation" between state and Federal governments "must come to an end." He added: "Instead of confrontation, we must have negotiation." He expressed the hope that "people at the local level," will be consulted before regulations are formulated and issued. He agreed with the Governor of Washington and said, "please get the Feds off our back."

A Los Angeles mortgage banker said, "We should make housing dollars available for ordinary amortizing loans to repair and restore cohesive neighborhood housing."

And several witnesses urged a cohesive transportation policy.

CONTENTS

Agenda for Los Angeles Public Forum

Forum Participants

Region IX and Region X Federal Regional
Councils

PUBLIC FORUM ON DOMESTIC POLICY

Morning Session
Vice President Nelson A. Rockefeller
Presiding

Los Angeles Convention Center

9:00 am **Opening of Forum** — James M. Cannon
Assistant to the President and Executive Director
of the Domestic Council

Welcome — The Honorable March Fong Eu
Secretary of State, California

Welcome — The Honorable Thomas Bradley
Mayor, Los Angeles, California

Welcome — James Hayes
Member, Los Angeles County Board of Supervisors

Introductions and Remarks
Vice President Nelson A. Rockefeller

9:30 am **Economic Recovery**
Secretary John T. Dunlop
Department of Labor

Witnesses:

The Honorable Thomas Bradley
Mayor, Los Angeles, California

Dr. Thomas Hitch
Senior Vice President, First Hawaiian Bank, Honolulu

Jack Henning
Executive Secretary/Treasurer,
California Labor Federation, AFL-CIO,
San Francisco

Discussion

10:15 am Social Policy

Under Secretary Marjorie Lynch
Department of Health, Education and Welfare

Witnesses:

The Honorable Daniel J. Evans
Governor, State of Washington

Tish Sommers

National Coordinator of the Task Force
on Older Women, Oakland, California

Discussion

10:55 am Community Building

Secretary Carla A. Hills
Department of Housing and Urban Development

Witnesses:

The Honorable Raul H. Castro
Governor, State of Arizona

The Honorable John Carlson
Mayor, Fairbanks, Alaska

Discussion

11:35 am Resource Development and the Environment

Secretary Thomas S. Kleppe
Department of the Interior

Witnesses:

Harry Morrison

Vice President and General Manager,
Western Oil and Gas Association, Los Angeles

Mary Ann Eriksen

Southern California Sierra Club Representative,
Los Angeles

12:30 pm Adjournment

Afternoon Sessions will begin at 2:00 pm

Afternoon Sessions

**RESOURCE DEVELOPMENT
AND THE ENVIRONMENT**

Secretary Thomas S. Kleppe
Department of the Interior

Assistant Secretary Royston C. Hughes
Department of the Interior

John Busterud
Member, Council on Environmental Quality

2:00 pm

Alternate Sources of Energy

Witnesses:

John Shupe
Dean of Engineering, University of Hawaii, Honolulu

Dr. Edward Teller
Professor at Large, Lawrence-Livermore Labs,
Livermore, California

Robert Handy
Executive Director, Solar Energy Research
Committee, Phoenix, Arizona

Carel Otte
Vice President and Manager, Union Geothermal
Division, Union Oil Company of California,
Los Angeles

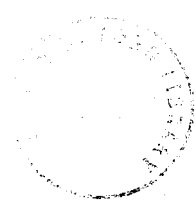
Oil, Gas and Coal Development

Witnesses:

The Honorable Lowell Thomas, Jr.
Lt. Governor, State of Alaska

James Hayes
Member, Los Angeles County Board of
Supervisors and President, Southern California
Association of Governments, Los Angeles

Robert E. Lutz
Assistant Professor and Director,
Institute of Coastal Law and Management,
University of Southern California, Los Angeles



**Coastal Zone Management
and Land Use**

Witnesses:

Larry Moss

Executive Director, Planning and
Conservation League, Sacramento, California

Bernard J. Ridder, Jr.

Member, California Coastal Zone Commission,
Garden Grove

5:00 pm Adjournment

The audience will participate as time permits

SOCIAL POLICY

Under Secretary Marjorie Lynch
Department of Health, Education and Welfare

Assistant Secretary William Morrill, HEW

Commissioner James B. Cardwell
Social Security Administration

2:00 pm

Income Security

Witnesses:

David Ushio

National Director, Japanese American
Citizen's League, San Francisco, California

Andrew T. Chang

Director, Department of Social Service
and Housing, Honolulu, Hawaii

Ted Watkins

Director, Watts Labor Community Action Council,
Los Angeles, California

Scott Briar, Ph.D.

Dean, School of Social Work, University
of Washington, Seattle

Health

Witnesses:

The Honorable George R. Ariyoshi

Governor, State of Hawaii

Frank Aguilera *

East Los Angeles Health Systems, California

Dr. Hugh Tilson

Director, Multnomah County Division of
Health Services, Portland, Oregon

Dr. Paul O'Rourke

Specialist, Health Care Service, Senate
Office of Research, Sacramento, California

5:00 pm Adjournment

The audience will participate as time permits

*Represented by Michael Severo, East Los Angeles
Health Systems, California.

ECONOMIC RECOVERY

Secretary John T. Dunlop
Department of Labor

Assistant Secretary Morton Corn, DOL

Fred Romero
Special Assistant to the Under Secretary, DOL

Mary Hilton
Deputy Director, Womens Bureau, DOL

2:00 pm

**Capital Formation/
Regulatory Practices**

Witnesses:

Allison Lynn Reaser
Economic Analyst, United California Bank,
Los Angeles

Roland Oakes
Manager Nevada Chapter, Associated General
Contractors of America, Reno

Frank C. Brooks
Chairman of the Board, Frank Brooks
Manufacturing Company, Bellingham, Washington

Darwin Aycock
Secretary/Treasurer, Arizona State AFL-CIO, Phoenix

Jobs and Unemployment

Witnesses:

John Hay
Executive Vice President, California Chamber
of Commerce, Sacramento

Max Wolfe
Regional Director, Western States International
Ladies Garment Workers Union, Los Angeles,
California

Humberto Fuentes *
Executive Director, Idaho Migrant Council, Boise

Susan Hone
Vice Mayor, Berkeley, California

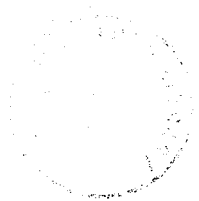
*Unable to attend.

Paul Bullock
Research Professor, Institute of Industrial Relations,
University of California, Los Angeles

Martin Glick
Director, Employment Development Department,
Sacramento, California

5:00 pm Adjournment

The audience will participate as time permits



COMMUNITY BUILDING

Secretary Carla A. Hills

Department of Housing and Urban Development

Don Patch

Director, Program Standards, HUD

Administrator Robert E. Patricelli

Urban Mass Transportation Administration

Associate Administrator Jerome C. Premo, UMTA

2:00 pm

Housing

Witnesses:

John Williams

Director, Oakland Redevelopment Agency, California

Mary Henderson

Councilwoman, Redwood City, California

Larry E. Chavez

Urban League Development Corporation,
Phoenix, Arizona

James E. Vance, Jr.

Department of Geography, University of
California, Berkeley

Richard Crissman

Director, Project Mortgages, Ralph C.
Sutro Company, Los Angeles, California

Transportation

Witnesses:

Peter F. Schabarum

Supervisor, Los Angeles County, California

Frank C. Herringer

General Manager, Bay Area Rapid Transit
District, Oakland, California

Albert C. Martin

President Elect, Los Angeles Area
Chamber of Commerce, California

John Beckett

Chairman, Metropolitan Transit Commission,
Berkeley, California

5:00 pm

Adjournment

The audience will particate as time permits



LOS ANGELES FORUM PARTICIPANTS

The following is a listing of persons who contributed statements -- oral, written, or both -- to the Public Forum on Domestic Policy in Los Angeles, California. The list includes invited witnesses, observers, and the general public.

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Board of Supervisors of the County
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Berkeley, California

Sylvia Houghland
Gray Panthers
Venice, California

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Compton, California

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El Monte, California

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Highway Users Federation
Washington, D.C.

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Newbury Park, California

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Topanga, California

League of Women Voters of
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Los Angeles, California

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El Proyecto del Barrio
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San Diego Regional Criminal Justice
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Western Oil & Gas Association
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Citizens Advisory Council
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Howard O. Watts
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Glendale, California

Pearl E. White
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Commission
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John Williams
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Burt Wilson
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Pete Wilson
Mayor
San Diego, California

Max Wolfe
Regional Director
Western States International
Ladies Garment Workers Union
Los Angeles, California

Jim Woods
Long Beach Area Chamber of
Commerce
Long Beach, California

Frank J. Woody
Washington State Legislature
Woodinville, Washington

Robin Young
Vice Mayor
La Habra, California

Mary Zucconi
Gardena, California

REGION IX and REGION X FEDERAL REGIONAL COUNCILS

The Federal Regional Councils were established by Presidential Executive Order in 1972 for the purpose of coordinating Federal Domestic Programs on the regional level.

Members of the Region IX Federal Regional Council

Department of Interior, Webster Otis, Chairman
Federal Energy Administration, William C. Arntz, Vice-Chairman
Department of Agriculture, Douglas R. Leisz
Department of Labor, George W. Smith
Department of Health, Education and Welfare, Joe P. Maldonado
Department of Housing and Urban Development, Robert H. Baida
Department of Transportation, Lawrence H. Dunn
Environmental Protection Agency, Paul DeFalco
Community Services Administration, Eugene Gonzales
Law Enforcement Assistance Administration, M. Thomas Clark
Army Corps of Engineers, Brigadier General Richard M. Connell

Members of the Region X Federal Regional Council

**Department of Health, Education and Welfare,
Bernard E. Kelly, Chairman**
Department of Transportation, Gov. Don Samuelson, Vice-Chairman
Department of Interior, Charles S. Polityka
Department of Agriculture, Don R. Campbell
Department of Labor, James T. Hughes
Department of Housing and Urban Development, James L. Young
Environmental Protection Agency, Dr. Clifford V. Smith
Federal Energy Administration, Jack B. Robertson
Community Services Administration, John C. Finley
Law Enforcement Assistance Administration, Bernard G. Winckoski