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DIPLOMAT HOTEL
ROOM ASSIGNMENTS

<u>NAME</u>	<u>ROOM NUMBER</u>
ADAMS, Larry	834
BARNUM, John	4100
BAROODY, Bill	3400
BARRETT, Bob	3807
BENSON, Paul	803
BURKE, Cong.	650
CARROCCIO, Tom	735
CAVANEY, Red	3821
CAVANAUGH, Jim	4020
CHILES, Joy	4107
CRAWFORD, H. R.	3404
DALE, Billy	1404
DEBACA, Fernando	3504
DeCAIR, Tom	3618
DUVAL, Mike	3723
FALK, Jim	3814
FISHER, Mary	3318
GALLAGHER, Bob	523
GOODWIN, Bob	3902
HARTMANN, Bob	3806
HOWE, Nancy	3810
JACKSON, Ron	423
JONES, Wilbur	3811
KELLY, Cong.	651
KENNERLY, David	4223
LAWSON, General	833
LUKASH, William	3808
MACBETH, Elizabeth	3818
MEAD, Bob	3816
MORTON, Judy	3820
MORTON, Rogers	3223
NESSEN, Ron	4104
NOEL, Pappy	524
O'DONNELL, Terry	3802
OLDENBURG, Herb	615
ROSENBERGER, Eric	722
RUMSFELD, Don	3801
SEIDMAN, Bill	3500
SORUM, Pete	3811
SPONEMAN, Steve	3215
STEWART	3805
THEIS, Paul	3812

<u>NAME</u>	<u>ROOM NUMBER</u>
WARFIELD, Bill	3415
WASHBURN, Lang	4000
WEIDENFELD, Sheila	4109
WHITE, Margita	3417
VALET	3805
VENNERS, Peggy	3819
VICKERMAN, John	3717
WHITE HOUSE CONFERENCE	3704
WHITE HOUSE STAFF OFFICE	3900
VIP/STAFF LOUNGE	3823

WELCOME TO BROWARD COUNTY

Please use a White House phone or dial 920-8957 to let our Switch board know where you are going and when you expect to be back.

BAGGAGE CALL - WEDNESDAY, FEBRUARY 26TH

- 1) Please place all Air Force One baggage unlocked outside your room by 10:00 am.
- 2) Please place all baggage for Inverrary Hills in the VIP/ Staff Lounge (Room 3823) by 10:00 am.
- 3) There will be a 7:00 pm baggage call at the Senior Staff Residence of Inverrary Hills (3435 Spring Bluffs Place).

STAFF OFFICE

There is a Staff Office available in Room 3900. There is one IBM Executive typewriter, 2 IBM Standard typewriters and a Xerox 4500 for your use in the Staff Office.

VIP/STAFF LOUNGE

A VIP/Staff Lounge is available in Room 3823. There will be continuous beverage service, snacks on arrival and a dinner buffet starting at 8:00 pm. A continental breakfast will begin at 6:00 am Wednesday morning.

MOTOR POOL

A limited number of cars are available. Call the Staff Office and ask for the motor pool dispatcher. A driver will meet you in the Staff Lounge to escort you to your car.

VALET

Complete Valet service is available during your stay by dialing hotel extension 14 or by going through the White House Switchboard.

BARBER SHOP AND BEAUTY SALON

A Barber Shop is available in the Lower Lobby from 8:30 am to 5:00 pm.

A Beauty Salon is also available in the Lower Lobby from 9:00 am to 4:30 pm.

DRUGSTORE

A Drugstore is available in the Lower Lobby from 8:00 am to 10:00 P.M.

TENNIS COURTS

There are 19 asphalt Tennis Courts available until 11:00 pm for your use for a nominal fee. Reservations for court time can be obtained by dialing 62904 on a house phone or through the White House Switchboard.

DIPLOMAT HOTEL RESTAURANTS & CLUBS

Cafe Crystal - Peggy Lee is currently appearing at the Cafe Crystal (in the lobby area) in a dinner show at 10:00 pm. Reservations and coat and tie are both needed. Cover and minimum in effect.

The Celebrity Room is a small gourmet French Restaurant located in the lobby area. Reservations coat and tie are necessary. Expensive.

The Bon Appetite Restaurant just outside the lobby area is informal and available for breakfast and lunch only.

The Tack Room is a bar and night club located in the lobby area.

The Demi-Tasse is a coffee shop open from 7:00 am to 2:00 am located in the Lower Lobby.

The Dinghy is located in the Marina Building of the Diplomat Hotel. Seafood is served along with a salad bar. Reasonably priced. In conjunction with the Dinghy is located the Speak Easy. Entertainment and continuous dancing from 9:45 pm to 2:00 am.

The Via Veneto, which is located in the Golf and Racquet Club, serves Italian food and is open from 6:00 pm to 11:00 pm.

HILLS OF INVERRARY

Available for your use is a pool adjacent to the Presidential Residence.

Food and beverage will be available at the Senior Staff Residence (3435 Spring Bluffs Place) throughout the day and evening.

Motor pool cars will be available for your use by contacting the Staff Office at Inverrary.



February 24, 1975

Ms. Sheila Rabb Weidenfeld
Press Secretary to Mrs. Gerald Ford
c/o Diplomat Hotel
Hollywood By The Sea, Florida

Dear Ms. Weidenfeld:

Enclosed, you will find a copy of a letter to Mrs. Gerald Ford.

I am most anxious to tape a program with the First Lady, hence the duplication to correspondence you may have already received at the White House.

Any assistance you can provide in making JEANNE WOLF WITH BETTY FORD a reality would most certainly be appreciated.

Cordially,

Jeanne Wolf
Producer/Host
JEANNE WOLF WITH

JW/smw
Enclosures



**Jeane
Wolf
with...**

February 24, 1975

Mrs. Gerald R. Ford
c/o Diplomat Hotel
Hollywood By The Sea, Florida

Dear Mrs. Ford:

All of South Florida is delighted to learn of the President's visit and we are especially pleased that you could join him.

As hostess of a weekly interview program based at WPBT, South Florida's Public Television station (a program airing nationally on the PBS Network), I would love to have the opportunity of talking with you during your stay.

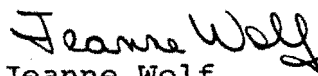
Our conversation would be a half hour, video taped portrait of you - completely free from commercials or other interruptions. We would, of course, make arrangements to tape around your busy schedule.

Some of my guests have been: Gov. & Mrs. Reubin Askew, Carl Rowan, Julian Bond, Dan Rather, James Michener, Jackie Gleason, Lily Tomlin - just to name a few.

The entire PBS audience would take much pleasure in a personal view of you. Your appearance would not only be a highly appreciated public service, but it would help to give Public Television across the country a much needed boost.

I look forward to hearing from you.

Cordially,


Jeane Wolf
Producer/Host
JEANNE WOLF WITH . . .

JW/smw
Enclosure



INTERVIEWS WITH A FRESH PERSPECTIVE

The art of conversation receives a refreshing boost each week on JEANNE WOLF WITH . . .

In a series of in-depth people portraits, producer/host Jeanne Wolf helps the television viewer rediscover how totally fascinating well-known personalities can be when they reveal themselves in candid conversation.

From her home base at WPBT/Channel 2, Public Television for South Florida, Jeanne Wolf has mastered the art of interviewing in a style that creates a genuine rapport with each famous guest. Her style is a successful combination of disarmingly direct approach and thorough subject knowledge.

Jeanne Wolf is equally at home with national figures from sports to show biz. Some of the subjects for half-hour conversations have been:

DAN RATHER
JACKIE GLEASON
JULIAN BOND
ART BUCHWALD
DR. JOYCE BROTHERS
KATHARINE GRAHAM
GEN. DANIEL JAMES, JR.
FLORENCE HENDERSON
RUDI GERNREICH
SHEILAH GRAHAM
ANITA BRYANT
JOAN BENNETT
GEORGE MASTERS
DR. ROBERT ATKINS
THEODORE BIKEL
BOBBY RIGGS
TOM MCGUANE

CESAR CHAVEZ
JAMES MICHENER
CHARLIE CALLAS
PHYLLIS DILLER
FLORYNCE KENNEDY
JAMES R. HOFFA
DOUGLAS FAIRBANKS, JR.
DR. THEODORE RUBIN
ESTELLE PARSONS
JULIE NEWMAR
RAYMOND DIRKS
MAMIE VAN DOREN
BUFFALO BOB SMITH
DR. IRWIN STILLMAN
TENNESSEE WILLIAMS
RICHARD CHAMBERLAIN
ARTHUR FIEDLER

DON SHULA
GORE VIDAL
CARL ROWAN
LILY TOMLIN
MILTON BERLE
JIM BISHOP
BILL BLASS
POLLY BERGEN
SAL MINEO
ROBERT CONRAD
ROBERTA PETERS
FIFI D'ORSAY
GOV. REUBIN ASKEW
NEHEMIAH PERSOFF
DAVID SUSSKIND
GEORGE ABBOTT
PETER FONDA

JEANNE WOLF WITH . . . has garnered strong ratings in Miami and enthusiastic response from a national audience as the first network series chosen by PBS from the State of Florida.

COMMUNITY TELEVISION FOUNDATION OF SOUTH FLORIDA, INC.



Ms. Sheila Rabb Weidenfeld
Press Secretary to
Mrs. Gerald Ford
c/o Diplomat Hotel
Hollywood By The Sea, Florida

MAILING ADDRESS: P.O. BOX 1 / NORTH MIAMI, FLORIDA 33161



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c/o Diplomat Hotel
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JW/smw
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JULIAN BOND	CHARLIE CALLAS	CARL ROWAN
ART BUCHWALD	PHYLLIS DILLER	LILY TOMLIN
DR. JOYCE BROTHERS	FLORYNCE KENNEDY	MILTON BERLE
KATHARINE GRAHAM	JAMES R. HOFFA	JIM BISHOP
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FLORENCE HENDERSON	DR. THEODORE RUBIN	POLLY BERGEN
RUDI GERNREICH	ESTELLE PARSONS	SAL MINEO
SHEILAH GRAHAM	JULIE NEWMAR	ROBERT CONRAD
ANITA BRYANT	RAYMOND DIRKS	ROBERTA PETERS
JOAN BENNETT	MAMIE VAN DOREN	FIFI D'ORSAY
GEORGE MASTERS	BUFFALO BOB SMITH	GOV. REUBIN ASKEW
DR. ROBERT ATKINS	DR. IRWIN STILLMAN	NEHEMIAH PERSOFF
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COMMUNITY TELEVISION FOUNDATION OF SOUTH FLORIDA, INC.



MRS. GERALD FORD
c/o Diplomat Hotel
Hollywood by the Sea,
Florida

MAILING ADDRESS: P.O. BOX 1 / NORTH MIAMI, FLORIDA 33161

Miami

- 22 -

#147-2/19

Then I wanted to tell you that Friday evening the President is going to stop in at the annual meeting of the Reserve Officers Association of the United States. He will receive the Reserve Officers Association Man of the Year Award. This will be at the Washington Hilton. The President will have some remarks and we will have them out in advance.

Q What time is that, Ron?

MR. NESSEN: I don't have the exact details but we will before Friday gets here.

Then one other added event to the Miami trip that I didn't have yesterday. I keep talking about a Miami trip; it is actually Hollywood, Florida, which is north of Miami.

The President will have a breakfast with the news executives from the Florida and the Southeastern region on Wednesday morning. That is the only other event.

Everything will take place at the Diplomat Hotel in Florida. The news conference will be at 11 o'clock on Wednesday as I mentioned.

We talked about the sign up list and putting a little X next to your name if you want to be in the drawing for a question at the news conference.

One other thing about the Florida trip.

Q Any decision on the golf tournament?

MR. NESSEN: Nothing firm on the golf game yet.

Q Ron, the tournament director down there says that they were informed on Monday that the President was definitely coming.

MR. NESSEN: Well, one of the publicity agents down there called me a couple weeks ago and wanted to announce that the President was coming and I said he better not because he has not decided whether to come or not. I suppose they want to attract a crowd for their tournament, but there is no decision made on whether he is going to do it.

Q What is holding up a decision? Doesn't he want to have this trip characterized as a golf holiday or something?

MORE

#147

At 9:10 p.m. this evening, the President will depart the South Grounds by motorcade for the Washington Hilton Hotel, where, at about 9:30, he will receive the Reserve Officers Association's highest award, the "Minuteman of the Year Award." The President is the 18th recipient of this award, and he is the first President to receive it.

Senator Stennis will make the presentation. The President will make some remarks, and we will have the text available after the briefing, which is embargoed for release at 6:00 p.m. tonight. There will be open press coverage of the award presentation and of the President's remarks. The travel pool, which we have posted, should assemble here by 9:00 p.m. CBS is the pool network.

Q Jack, without sounding at all critical, why a 6:00 p.m. embargo on the text? It seems like a good idea, but isn't it different than you usually do?

MR. HUSHEN: No. I think, whenever possible, we will be using an a.m. or p.m. release time.

Q But this is the first time you have done that on a Presidential speech.

MR. HUSHEN: No, it is at least the second.

Q The budget was the first, right? (Laughter.)

Q What are you going to do, put it out at 3 o'clock in New York? That is the reverse of what happened the last time.

MR. HUSHEN: No.

Q You say we are going to get it right now?

MR. HUSHEN: After the briefing.

We have one personnel announcement for you today. I think you already have the paper on that. The President announces his intention to nominate Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador to Austria. He will succeed John P. Humes, who is resigning. Mr. Buchanan is presently engaged in the private investment business. He was Chief of Protocol of the United States, with rank of Ambassador, from 1957 to 1961, after serving as Ambassador to Luxembourg.

Let me just give you some of the additional details on our trip to Hollywood, Florida. You should have your baggage to Room 87 of the EOB by 10:00 a.m., Tuesday. The press bus will depart the Southwest Gate for Andrews at 11:30 a.m. Check-in time at Andrews with baggage is 11:30 a.m.

Q What was the press bus departure?

MR. HUSHEN: It will depart from the Southwest Gate at 11:30 a.m., and for those who are going directly to Andrews with your baggage, you should be there by 11:30 a.m.

The press plane departs Andrews at 12:15 p.m. for Fort Lauderdale-Hollywood International Airport. You will arrive there at approximately 2:30 p.m., Eastern Daylight Time.

The President will depart from the White House at 12:55 p.m., from Andrews at 2:30 p.m. and will arrive at Fort Lauderdale at 3:30 p.m.

Q Departs Andrews at 1:30 p.m., you mean?

MR. HUSHEN: It must be 1:30 p.m. We have got 2:30 p.m. here.

It leaves Andrews at 1:15 p.m.

Q It does not take 35 minutes to get there.

Q Do that over again.

MR. HUSHEN: A slight correction --

Q When does it leave the White House?

MR. HUSHEN: 12:55 p.m. is the scheduled departure from the White House. 1:15 p.m. is the scheduled departure from Andrews. 3:30 p.m. is the scheduled arrival at Fort Lauderdale.

Q What do you mean, Fort Lauderdale?

MR. HUSHEN: Fort Lauderdale International Airport.

Q Any particular spot there, any particular terminal?

MR. HUSHEN: I don't have that yet.

Q Is it going to land at the Hollywood International Airport?

MR. HUSHEN: It is the Fort Lauderdale-Hollywood International Airport. It is the same one where the press plane will land.

Q And then? Will he take a helicopter?

MR. HUSHEN: I don't have any more details on that particular aspect of it, except to say that I think you know the President, White House staff and the press corps all will be staying at the Diplomat Hotel in Hollywood, and the phone number there is Area Code 305-923-8111.

We expect to have the bibles out Monday afternoon, which will give you the rest of the details of it. I just wanted you to have this information so you could make your plans.

Q Can you say whether there is a motorcade or a helicopter?

MR. HUSHEN: No.

Q Have you announced the mayors' dinner?

MR. HUSHEN: I am about to.

On Tuesday evening, after his arrival, the President will host a working dinner for the Mayors of Fort Lauderdale, Miami and Mayors from eight States in the Southeastern region, which are Florida, Alabama, Georgia, Louisiana --

Q Mayors of these States?

MR. HUSHEN: Mayors.

Q Mayors of various cities in these States, and they are what?

MR. HUSHEN: Let me go through the list of the States.

-- Florida, Alabama, Georgia, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. These mayors represent a bipartisan group from both large and small cities.

MORE

**WHITE HOUSE CONFERENCE
ON
DOMESTIC AND ECONOMIC AFFAIRS**

**SOUTH FLORIDA
February 25, 1975**

CO-SPONSORING ORGANIZATIONS

AMERICAN ASSOCIATION OF RETIRED PERSONS AND NATIONAL RETIRED TEACHERS
ASSOCIATION

FLORIDA COUNCIL OF 100

GREATER FT. LAUDERDALE CHAMBER OF COMMERCE

GREATER HOLLYWOOD CHAMBER OF COMMERCE

LATIN CHAMBER OF COMMERCE

LATIN AMERICAN CHAMBER OF COMMERCE OF HIALEAH

LEAGUE OF WOMEN VOTERS OF METROPOLITAN DADE COUNTY

MIAMI BEACH CHAMBER OF COMMERCE

THE GREATER MIAMI CHAMBER OF COMMERCE

UNITED WAY OF DADE COUNTY

URBAN LEAGUE OF GREATER MIAMI

SPONSORED BY

THE WHITE HOUSE OFFICE OF PUBLIC LIAISON

federal register

FRIDAY, FEBRUARY 7, 1975

WASHINGTON, D.C.

Volume 40 ■ Number 27

PART II



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Assistant Secretary
for Community Development



COMMUNITY DEVELOPMENT BLOCK GRANTS

Applications and Criteria



Title 24—Housing and Urban Development
CHAPTER V—OFFICE OF ASSISTANT SECRETARY FOR COMMUNITY DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. R-75-307]

PART 570—COMMUNITY DEVELOPMENT BLOCK GRANTS

Subpart E—Applications and Criteria for Discretionary Grants

Notice was given on November 27, 1974 (39 FR 41492), that the Department of Housing and Urban Development was proposing to amend Title 24 of the Code of Federal Regulations by adding Subpart E to Part 570 of Chapter V. The Department herewith publishes its regulations for Subpart E—Applications and Criteria for Discretionary Grants.

These regulations deal with the distribution and application process for these discretionary grants as more fully defined in § 570.104. Funds for discretionary grants. There are four basic sources of funds authorized by Title I of the Housing and Community Development Act of 1974. The first source is entitlement grants described in the November 13, 1974, FEDERAL REGISTER publication. The other three sources of funds are the urgent needs fund, general purpose funds for metropolitan and nonmetropolitan areas, and the Secretary's fund, which are all described in these proposed regulations.

The urgent needs fund is authorized by section 103(b) of the Act. This fund, referred to in § 570.104(b) of the November 13, 1974, FEDERAL REGISTER publication as the "transition funds," will be hereafter called the "urgent needs fund."

General purpose grants made for metropolitan and nonmetropolitan areas are authorized by section 103(a) of the Act, and the amounts are established under section 106 (d) and (f) of the Act.

The Secretary's fund is authorized by section 107 of the Act and is available for the following purposes: New communities; areawide projects; Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands; innovative projects; federally recognized disasters; and correction of inequities resulting from the allocation provisions of section 106 of the Act.

The Department has received more than 100 responses to the November 27, 1974 publication. All comments received were given consideration and many of the changes incorporated in these regulations reflect the suggestions received from the public. The principal changes are set forth below.

A number of comments were received suggesting that the requirement for preapplications be dropped because of the time restraints on funding in Fiscal Year 1975. The language of § 570.400(b) has been changed to encourage the submission of preapplications while permitting applicants to submit full applications without a preapplication.

A new subparagraph has been added to § 570.400(c) to clarify what may be encompassed by an application and to make it clear that subsequent years'

funding is not precluded for activities proposed in the application.

Most of the comments received addressed the problem of meeting the requirements of OMB Circular No. A-95. The revised language of § 570.400(d) allows for a reduction in the time of the A-95 review process for Fiscal Year 1975 submissions.

Language has been added to § 570.400 (e) to permit applicants to be reimbursed pursuant to a letter to proceed, for the cost of planning an application for discretionary block grants once the application has been approved by HUD.

Several changes have been made in the criteria for funding applications for urgent community development needs described in § 570.401. The significant change in this section reflects the intent of the Department to ensure that applicants for urgent needs funding have made maximum use of available resources to meet their urgent community development needs before making their application to HUD. Application requirements have been clarified by minor language changes.

The criteria for funding applications for general purpose funds for metropolitan and nonmetropolitan areas have been substantially revised in § 570.402(b). The revised criteria accurately reflect the Congressional intent that community development block grants be used to assist in the development of viable urban communities and expand economic opportunities principally for persons of low and moderate income. In addition, the Department has added another criterion to encourage the submission of joint applications between States and units of general local governments or two or more units of general local government for activities designed to implement areawide housing and community development plans. Additional instructions have also been provided in § 570.402(e) with respect to applications submitted by States.

In response to a number of comments, language has been added at § 570.402(f) to explain the process HUD will follow in the reallocation of funds and the timing of such reallocation.

The language describing eligible applicants for the discretionary funds available to new communities has been expanded to define more clearly which entities can apply for such funds in § 570.403(b) (3). Also, applicants as defined in § 570.403(b) (1), (2) and (3) are eligible to apply for funds available under §§ 570.401, 570.402, 570.406 and 570.407.

A number of significant changes have been made in § 570.406—Innovative Projects. The list of selection criteria described in § 570.406(b) has been expanded to include several new criteria. In addition, the basis for the Department's review of proposals is explained in § 570.406(b) (4). Application and reporting requirements have also been expanded upon to clarify applicants' responsibility in these respects.

Many comments were received suggesting that the discretionary funding available for federally recognized disasters be made available to localities where such disasters had occurred prior to the effective date of the Act. The Department did

not respond affirmatively to these comments as the intent of the statute was clearly to assist communities affected by such disasters subsequent to the effective date of the Act. However, in response to many comments on this subject the Department has expanded the definition of federally recognized disasters in § 570.407 (a) to include those disasters requiring Federal emergency assistance and for those disasters recognized by other Federal agencies pursuant to their statutory authority. Priorities will be given in the use of these discretionary funds to those needs caused by Presidentially declared major disasters.

Additional criteria for funding were added to § 570.408—Inequities Funding to indicate the Department's intent to give consideration to other circumstances which might give rise to a need for discretionary funding. For localities subject to the phase-in provision, the new criterion in § 570.408(b) (3) is added. If the hold harmless amount is significantly lower than the average amount approved by HUD for the fiscal years immediately preceding or subsequent to the base period, such applicants may be considered for funding. In addition, the Department recognizes that substantial decreases in anticipated levels of available discretionary funding for metropolitan areas caused by the implementation of the provision governing urban counties for applicants may result in some inequities in funding that can be corrected by the provision of this Subpart.

Accordingly, Title 24 is amended as follows: A new Subpart E—Applications and Criteria for Discretionary Grants is added to Part 570 to read as set forth hereinafter:

Subpart E—Applications and Criteria for Discretionary Grants

Sec.	General.
570.400	General.
570.401	Urgent needs fund.
570.402	General purpose funds for metropolitan and nonmetropolitan areas.
570.403	New communities.
570.404	Areawide projects [Reserved]
570.405	Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.
570.406	Innovative projects.
570.407	Federally recognized disasters.
570.408	Inequities funds.

AUTHORITY: Title I of the Housing and Community Development Act of 1974 (Pub. Law 93-383; sec. 7(d), Department of HUD Act (42 U.S.C. 3535(d)).

Subpart E—Applications and Criteria for Discretionary Grants

§ 570.400 General.

(a) *Applicability of rules and regulations.* The policies and procedures set forth in Subpart A, B, C, F, G, H, I, and J of this Part shall apply to this subpart and to the funds described in § 570.104, except to the extent that they are specifically modified or augmented by the contents of this subpart, including specified exemptions described herein. The HUD Environmental Review Procedures contained in 24 CFR Part 58 also apply to this subpart, unless otherwise specifically provided herein.

(b) *Preapplications.* Preapplications will be accepted for metropolitan and nonmetropolitan discretionary balances described in § 570.402. Applicants are encouraged to submit preapplications but, because of the time constraints in Fiscal Year 1975, a full application that was not preceded by a preapplication will nevertheless be considered without prejudice by HUD. The purpose of the preapplication is basically: (1) To determine how well the application compares with similar applications from other jurisdictions, and (2) to discourage applications which have little or no chance for Federal funding before applicants incur significant expenditures for preparing an application.

(i) *Submission requirements.* Preapplications shall be submitted on HUD forms to the appropriate HUD Area Office. The preapplication shall consist of a brief description of the applicant's community development needs, the activities proposed to meet those needs, and the general location and estimated cost of the proposed activities. The applicant's statement shall address the specific criteria under which it requests priority consideration for funding under § 570.402(b).

(ii) *HUD review of preapplications.* HUD will review preapplications based upon the appropriate criteria set forth in this subpart, to determine how well an application is likely to compete with other applications for the same discretionary funds submitted by other jurisdictions. Applicants will be advised of HUD's determinations and judgments on the preapplication, and of the availability of funds for that particular fiscal year. Notwithstanding the nature of such advice, any eligible applicant may submit an application under the provisions of this subpart.

(3) *Preapplication submission dates.* The Secretary will establish from time to time the earliest and latest dates for submission of preapplications for each fiscal year. For Fiscal Year 1975, the earliest date for submission of a preapplication shall be January 1, 1975; the latest date shall be March 1, 1975.

(c) *Applications.* (1) *Submission requirements.* Applications shall be submitted on HUD forms to the appropriate HUD Area Office. Specific submission requirements are contained in the following sections of this subpart which describe each discretionary fund. To the maximum extent possible, and with the prior concurrence of the Secretary, documentation submitted in support of an application previously submitted for funding under this part will be accepted and need not be resubmitted with an application for a discretionary grant.

(2) *Scope of application.* An application may include any number of eligible activities up to the maximum dollar amount established by the Secretary for applications submitted under this subpart. An application may be for any reasonable period of time necessary to complete the proposed activities. For new activities to be carried out with a discretionary grant the applicant shall apply for discretionary funds in an

amount which, along with any other resources that may be available, will be adequate to complete the activities. While a recipient remains eligible for discretionary grant funding in subsequent years, an applicant shall not assume that additional funding will be available in subsequent years to continue or expand activities. An application may not, however, be only for planning purposes, as defined in § 570.200(a) (12).

(3) *Application submission dates.* The Secretary will establish from time to time the earliest and latest dates for submission of applications for discretionary grants for each fiscal year. For Fiscal Year 1975 the earliest and latest dates shall be as follows:

- (i) General purpose funds for metropolitan and nonmetropolitan areas—March 15, 1975 through May 15, 1975;
- (ii) Urgent needs fund—January 1, 1975 through May 15, 1975;
- (iii) Secretary's fund:
 - (A) New communities—February 1, 1975 through May 15, 1975;
 - (B) Areawide projects—reserved;
 - (C) Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands—February 1, 1975 through May 15, 1975;
 - (D) Innovative projects—February 1, 1975 through April 20, 1975;
 - (E) Federally recognized disasters—January 1, 1975 through June 30, 1975; and
 - (F) Inequities—February 1, 1975 through May 15, 1975.

(d) *Meeting the Requirements of OMB Circular No. A-95—(1) Preapplications.* Applicants must comply with the procedures set forth in OMB Circular No. A-95 which include the requirements of paragraph 7, Part I, for submission of a preapplication to the appropriate State and areawide clearinghouses at the same time that it is submitted to HUD. Although HUD has up to 45 days to respond to a preapplication, the Department expects to respond to all preapplications within 20 days of the closing date for the receipt of preapplications. Clearinghouse comments should be received by HUD within 15 days of receipt of a preapplication in order that HUD may respond promptly to preapplications. This period may be informally extended by mutual agreement between HUD and a clearinghouse, provided it will not delay the HUD response. However, any comment by a clearinghouse during the preapplication stage will not be considered a substitute for review under the regular procedures of Part I to A-95 unless the clearinghouse so indicates.

(2) *Final applications.* For final applications the Office of Management and Budget has granted for first year submissions only, an exception to the length of review time. Under the exception, a preapplication submission in accordance with the preceding subparagraph will meet the normal A-95 requirement that applicants notify clearinghouses of the intent to apply for assistance and the subsequent clearinghouse review of such notification. Therefore, for first year submissions only, final applications will be subject only to the A-95 requirement that

clearinghouses be provided 30 days for review of the completed final application. Final applications submitted under this subpart which have not been preceded by a preapplication are subject to the requirements of 570.300(c).

(3) *Indian tribes.* Applications from federally recognized Indian tribes are not subject to the regular A-95 requirements. However, Indian tribes may voluntarily participate in the A-95 Project Notification and Review System and are encouraged to do so. HUD will notify the appropriate State and areawide clearinghouses of any applications from federally recognized Indian tribes upon their receipt.

(e) *Advances of funds.* Applicants are not authorized to receive an advance of funds from discretionary grants, as described in § 570.302, except for Guam and the Virgin Islands which may receive an advance of funds in an amount not to exceed ten percent of their hold harmless amounts. In response to a request by a unit of general local government, the Secretary may, however, in cases of demonstrated need, issue a letter to proceed authorizing an applicant to incur costs for the planning and preparation of an application for funds available under this subpart. Reimbursement for such costs will be dependent upon HUD approval of such application.

(f) *Review of applications for discretionary grants—(1) Acceptance of application.* HUD will accept an application for review, *Provided, That:*

- (i) It has been received before the close of business on the final date established by HUD for submission of applications for each fiscal year;
- (ii) The application is complete, as required in this subpart;
- (iii) The required certifications have been properly executed; and
- (iv) The applicant has attached or enclosed any comments or recommendations made by or through state and areawide clearinghouses or has stated that no comments or recommendations have been received.

(2) *Timing of review.* While the Secretary is not required by the Act to review and approve a discretionary grant application within any specified time period, the Secretary will make every effort to complete his review of all such applications within 75 days.

(3) *Notification to applicants.* The Secretary will notify the applicant in writing that the application has been approved, partially approved, or disapproved. If an application is partially approved or disapproved, the applicant will be informed of the specific reasons for partial approval or disapproval. The Secretary may make conditional approvals, as provided in § 570.306(e).

(g) *Program amendments.* Recipients shall request prior HUD approval for program amendments wherever the amendment results from changes in the scope or the objective of the approved program.

(h) *Performance Report.* Except for new communities and innovative projects, each recipient shall, upon completion of the activities carried out with the discretionary grant, or upon submission of a subsequent discretionary grant ap-

application, whichever is earlier, submit a performance report as described in § 570.906(b), and shall meet the requirements of § 570.906(c) concerning notice of the availability of the report for examination by the public.

§ 570.401 Urgent needs fund.

(a) *Eligible applicants.* Eligible applicants are States, and units of general local government as defined in § 570.3(v). For the purpose of this section, the second sentence in § 570.3(v) includes those entities described in § 570.403(b) (1), (2) and (3).

(b) *Criteria for Selection.* The Secretary shall make grants for the purpose of facilitating an orderly transition to the community development block grant program and to provide for urgent community development needs which cannot be met through the allocation provisions of § 570.102, § 570.103, and § 570.104(c), giving priority to the following:

(1) The analysis performed by the unit of general local government (and concurred in by HUD) of its ongoing projects or program undertaken pursuant to Title I of the Housing Act of 1949 indicates that the entitlement amount is: (i) Insufficient, over a three-year period beginning January 1, 1975, to complete the program or project plan as approved by HUD; or (ii) in any one of those three years the entitlement amount will be insufficient to maintain the progress schedules adopted locally for achievement of the program and the inability to maintain such progress will seriously and adversely affect the Federal interest in the project or program.

(2) A unit of general local government participated in the planned variations demonstration assisted under the provisions of the Demonstration Cities and Metropolitan Development Act of 1966 and will suffer a significant decrease in the level of ongoing activities funded under the planned variations demonstration.

(3) A state or unit of general local government, as a result of cost increases due to circumstances beyond its control, has been unable to complete an ongoing project assisted under one or more of the following terminated categorical programs: (i) Water and sewer facilities under section 702 of the Housing and Urban Development Act of 1965; (ii) neighborhood facilities under section 703 of the Housing and Urban Development Act of 1965; (iii) open-space land under Title VII of the Housing Act of 1961; and the Secretary's analysis of the financial capacity of the unit of general local government indicates a lack of available resources locally or otherwise to finance completion of the project and the Federal investment in the project as of January 1, 1975 warrants the incremental Federal assistance required to complete the project.

(c) *Application requirements.* Applications for funds to meet urgent community development needs shall be submitted by States and units of general local government to the HUD Area Office serving the locality. The required docu-

mentation establishing the basis for grants under this section shall be supplied by applicants at the request of the HUD Area Office. Planned Variation cities requesting funds under criterion (2) shall comply with the application requirements outlined in § 570.303. Applicants under criteria (1) and (3) shall submit documentation, in a manner prescribed by HUD, justifying and documenting the urgent need for funds under this section, and shall provide the certifications required by § 570.303(e) (1), (3), (4), (5), (6), and (8).

§ 570.402 General purpose funds for metropolitan and nonmetropolitan areas.

(a) *Eligible applicants.* Eligible applicants are States, and units of general local government as defined in § 570.3(v), excluding metropolitan cities, urban counties and units of general local government which are included in urban counties as described in § 570.105(b) (3) (i) and (iii). For the purpose of this section, the second sentence in § 570.3(v) includes those entities described in § 570.403(b) (1), (2) and (3).

(b) *Criteria for selection.* In selecting among applications, priority will be extended to those applications showing the following conditions, and proposing activities which directly or indirectly relate to these conditions:

(1) Extent of substandard housing conditions determined as follows:

(i) for metropolitan areas, the proportion and extent of overcrowded housing as defined in § 570.3(i) and expressed as a percentage of the total housing units in the unit of general local government; and

(ii) for nonmetropolitan areas, the proportion and extent of housing units lacking plumbing as published by the United States Bureau of the Census for 1970 for rural areas and expressed as a percentage of the total housing units in the unit of general local government.

(2) The proportion and extent of poverty as defined in § 570.3(j) and expressed as a percentage of the total population for the unit of general local government.

(3) An extraordinarily high rate of growth or a severe and rapid decline in population and economic activity, either one of these conditions resulting primarily from the impact of national policy decisions or direct Federal program decisions, and where the program is designed to offset or mitigate the effects of sudden spurts or declines in growth.

(4) Conditions which represent an imminent threat to public health or safety.

Additional priority may be extended where there are joint and voluntary cooperation agreements between States and units of general local government or two or more units of general local government and the activities are designed to implement housing and community development plans that are Statewide or areawide in scope, provided that one or more of the participants in the agreement also meets at least one of the other

criteria listed in this subsection. Area Offices of HUD are authorized at their discretion (but not required) to set maximum grant limits for each fiscal year, related to the total amount of discretionary balance available in that year to a given metropolitan area or to the non-metropolitan portion of a State. A judgmental factor which may be applied by each Area Office is an estimate of the capacity of the applicant to complete the proposed activities within the estimated cost.

(c) *Application requirements.* Applicants for general purpose funds for metropolitan and nonmetropolitan areas shall meet the application requirements in § 570.303.

(d) *Waiver of Application requirements.* The provisions of § 570.304 shall also apply to applications under this section.

(e) *Applications submitted by States.* States (including the Commonwealth of Puerto Rico) may apply for general purpose funds for metropolitan and non-metropolitan areas to carry out eligible activities in metropolitan and non-metropolitan areas, respectively.

(1) Separate applications are required for nonmetropolitan areas and for each separate metropolitan area for which a State seeks funds.

(2) The geographical area to be covered by the application shall be the jurisdiction of the unit or units of general local government in which the proposed activity or activities are to be located or carried out. This policy pertains particularly to the community development plan summary, as described in § 570.303(a), and the housing assistance plan, as described in § 570.303(c). The State application shall indicate that the housing assistance plan has been adopted by the unit or units of general local government.

(3) A State may not apply for activities to be located in or carried out in metropolitan cities, urban counties or units of general local government which are included in urban counties, unless such funds have been reallocated in accordance with the provisions of § 570.107.

(4) A State may apply for activities to be carried out pursuant to State authority or pursuant to an agreement with one or more units of general local government.

(f) *Reallocation of funds.* When funds are reallocated in accordance with the provisions of § 570.107, the policies and criteria of this section shall apply except that metropolitan cities, urban counties and units of general local government which are included in urban counties shall be eligible applicants for reallocated funds. In Fiscal Year 1975, funds will be reallocated as soon as practicable after May 15, 1975.

§ 570.403 New communities.

(a) *General.* This Section covers grants made in behalf of activities and projects to be undertaken in direct support of a new community (which term means a new community approved by the Secretary under Title VII of the Housing and Urban Development Act of 1970 or Title IV of the Housing and Urban De-

velopment Act of 1968), and reflected in a current new community development plan (the development plan which forms an attachment to each new community project agreement by and between each developer and the United States, as the same may be revised and amended from time to time).

(b) *Eligible Applicants.* States, and units of general local government which meet the definition contained in § 570.3(v) may apply under this subsection for grants made on the basis of the provisions of this section. For the purpose of this section, the second sentence in § 570.3(v) includes:

(1) A State land development agency or local public body or agency with authority to act as a developer of a new community.

(2) Any community association (including any homes association), or other similar nonprofit organization established in a new community under covenants approved by the Secretary in connection with approved new community development projects, or any community authority established under State law for similar purposes, or any of the foregoing organizations otherwise approved by the Secretary which is legally and administratively qualified to carry to successful completion those projects for which grant assistance is sought by the applicant.

(3) A private new community developer or any subsidiary thereof organized in a form satisfactory to the Secretary: *Provided,* That a request has been made to an appropriate unit of general local government or a non-profit organization to apply for and serve as grantee for the direct benefit of the new community, and such request has been denied, or in the judgment of the New Communities Administration (NCA) of HUD, no acceptable response has been received within a reasonable period of time.

(c) *Application Requirements—(1) General.* The requirements of this paragraph shall be applicable only for the geographic area within the new community. The requirements set forth in this paragraph are designed to supplement application procedures and approval requirements of the new communities program under which applicants will have already provided substantial information to the Secretary.

(2) *Activities Program.* The application shall include a brief description of the activities and costs to be funded from the grants for the program year. The application shall identify separately any activities not previously submitted to and approved by NCA.

(3) *Certifications.* The Applicant shall submit certifications in such form as HUD will prescribe, providing the assurances required under § 570.303(e) (1), (3), (4) if applicable, (5) and (6) with

respect to activities undertaken with funds under this Part.

(4) *Environmental review requirements.* (1) For activities proposed by an applicant eligible under § 570.403(b) (2) or (3), no new environmental review or clearances will be required by virtue of any such activity's proposed funding under this part if the activity is a part of a previously approved project for which environmental review clearances have been completed, which clearances adequately covered such activity, and for which circumstances, including the availability of additional data or advances in technology, have not changed significantly.

If NCA determines that an additional review is required, environmental review shall be conducted by HUD pursuant to HUD Handbook 1390.1.

(ii) For activities proposed by an applicant eligible under § 570.403(b) (2) or (3), environmental reviews shall be conducted by the applicant pursuant to 24 CFR Part 58, or, if applicable, by HUD in accordance with § 570.603.

(5) *Clearinghouse review.* Applicants must comply with the procedures set forth in OMB Circular A-95 (requiring review by a clearinghouse) only where the proposed Title I funded activities have not previously been the subject of clearinghouse review.

(6) *Performance report.* Progress in execution activities funded under the Act shall be reported to NCA as a part of the quarterly and annual reporting and review procedures.

(d) *Review and approval of applications.* All applications for grants to assist new community development projects pursuant to this section shall be submitted to NCA through the appropriate HUD Area Office.

(1) *Scope of review.* NCA will review the application, based upon data and information supplied by the developer of the new community project and other independent reviews conducted by NCA staff or others at NCA request, to determine pertinent facts and goals and their consistency with information contained in the Project Agreement, Development Plan, and other documents submitted by the developer or obtained by NCA in the project review process. The review will include application of the selection criterion in paragraph (d) (2) of this section.

(2) *Criterion for selection.* The criterion to be used in selecting among applications and activities is whether the grants are necessary to achieve new community objectives.

(e) *Grant administration.* The provisions of Subpart F, Grant Administration, shall be applicable to applicants, except that private developers shall not be required to comply with the competitive bidding requirements of subsections 3c (5), (6) and (8) of Attachment O, FMC Circular 74-7, which is incorporated in § 570.507.

(f) *Program management.* Program management shall be accomplished within the framework of NCA project

management, including the financial and physical progress reports required by NCA administrative procedures.

(g) *Remedies for non-compliance.* The provisions of §§ 570.911, 570.912, and 570.913 shall apply, except that the provisions of § 570.912, dealing with securing compliance through State governors, shall not apply to private developers, or prospective grantees controlled by private developers.

§ 570.404 Areawide projects [Reserved]

§ 570.405 Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(a) *Eligible applicants.* Eligible applicants are Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(b) *Criteria for funding.* Applicants may submit applications for discretionary grants for the full range of eligible activities described in § 570.200. The Secretary will establish for each fiscal year an amount for which each eligible applicant may apply. For Fiscal Year 1975, the following shall apply:

(1) Guam and the Virgin Islands shall each receive their hold-harmless amount as calculated pursuant to § 570.103(c). Guam and the Virgin Islands may also apply for funds to cover urgent needs not met by the hold-harmless amounts.

(2) The Secretary shall establish a funding level for American Samoa and the Trust Territory of the Pacific Islands, taking into account their needs and their local administrative capacity.

(c) *Application requirements.* Applicants shall meet the application requirements in § 570.303.

§ 570.406 Innovative projects.

(a) *Eligible applicants.* Eligible applicants are States, and units of general local government as defined in § 570.3(v). For the purpose of this section, the second sentence in § 570.3(v) includes those entities described in § 570.403(b) (1), (2) and (3).

(b) *Criteria for selection.* (1) *Definition.* An innovative community development project is one which encompasses a concept, system, or procedure that is unique, advances the state of the community development art and has the potential for transferability. Where a proposed project is one which has been demonstrated or is in use elsewhere, the applicant will be expected to show the key variables of the project within the applicant's jurisdiction which will be significantly different from previous projects or that the circumstances and environment for its adaptation are different. In general, a project will not be considered as meeting innovative criteria if it does not potentially advance the state of technology.

(2) *Selection priorities.* Each year HUD may establish areas of national significance which will be given priority in the review of application for funds under this section. In Fiscal Year 1975 priority will be given to projects which address one or more of the following areas:

(i) *Public service productivity.* Efforts to make local government service more

effective, more efficient and less costly, and which are designed to mitigate the effects of inflation.

(ii) *Community development energy conservation.* Projects designed to enhance the rational use of energy for community development.

(iii) *Neighborhood preservation.* Projects which maximize the use of existing housing stock and community development and other resources for neighborhood preservation.

(3) *Other criteria.* In addition to the above criteria, HUD will consider the degree to which applications:

(i) Benefit persons of low and moderate income.

(ii) Integrate and relate the provision of housing to the provision of public facilities and/or supportive social services.

(iii) Demonstrate improved policy-planning-management capacity.

(iv) Demonstrate the involvement of both the public and private sectors.

(v) Encourage and reinforce the creation of community and neighborhood development organizations with the staff and ability to attract and involve public and private resources.

(vi) Serve as a prototype for improving community development activities, the demonstration of which would not otherwise be undertaken without Federal assistance.

(vii) Promote an increase in the diversity and vitality of neighborhoods.

(viii) Address problem areas common to a substantial number of communities.

(ix) Demonstrate activities which can be replicated by and transferred to a substantial number of communities.

(4) *Other review factors.* In addition, each application will be evaluated by such criteria as:

(i) The overall technical merit of the proposed project including the specific impact of the innovation.

(ii) The unique capabilities, related experiences, facilities or techniques which the applicant possesses and offers for achieving the objectives of the project.

(iii) The unique qualification capabilities and experience of proposed key personnel.

(iv) The availability of discretionary grant funding for innovative projects in light of competing needs.

(c) *Application requirements.* Applications shall be submitted to HUD's Office of Policy Development and Research through the appropriate HUD Area Office. Applications shall be in a format prescribed by HUD and shall include the following:

(1) A one page abstract summarizing the proposal and indicating where else in HUD or any other Federal agency the application has been sent within the last two years.

(2) A narrative describing the proposed project and how it conforms to the criteria for selection.

(3) The certifications required by § 570.303(e)(1), (3), (4), (5), (6), and (8) with respect to activities to be undertaken with funds under this Part. In ad-

dition, the applicant must certify that citizens likely to be affected by the project, particularly low and moderate income persons, have been provided an opportunity to comment on the application.

(d) *Reports.* In lieu of the annual performance report cited in § 570.906, recipients shall submit the following:

(i) *Outline for Final Project Report.* Midway through completion of the project (or at an alternate point in time as specified by HUD) each recipient shall prepare a detailed outline of the final project report under guidelines provided by HUD.

(ii) *Draft Report.* The recipient shall submit to HUD, six copies of a draft of the final project report with all readily reproducible charts, tables, graphs, and appendices that are to be included in the final report. In addition, each recipient shall meet the requirements of § 570.906 (c) concerning notice of the availability of the report for examination by the public with the exception that reports need only be available to be copied by the public.

(iii) *Final Report.* The report shall describe in appropriate detail the objectives of the project and how they were met, the methods and techniques that were used, the types of problems encountered during project execution and the methods used to resolve them and the conclusions and recommendations that are to be drawn from the demonstration project. The final report shall be in a form and manner prescribed by HUD.

(e) *Records.* Recipients must comply with the requirements of § 570.907, excluding § 570.907(b). In lieu of this exception, recipients shall maintain records describing the process used to provide an opportunity for citizens to comment on the application.

§ 570.407 Federally recognized disasters.

(a) *General.* Grants under this section shall be for the purpose of meeting emergency community development needs caused by federally recognized disasters. For purposes of this section, "federally recognized disasters" means any hurricane, tornado, storm, flood, high-water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which (1) in the determination of the President, pursuant to the Disaster Relief Act of 1974 (42 U.S.C. 5121n.), (1) causes damage of sufficient severity and magnitude to warrant major disaster assistance under such Act, above and beyond emergency services by the Federal Government, to supplement the efforts and available resources of States, local governments and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby; or

(ii) requires Federal emergency assistance to supplement State and local efforts to save lives and protect public health and safety or to avert or lessen

the threat of a major disaster, or (2) in the determination of a Federal agency requires disaster or emergency assistance pursuant to the statutory authority of such Federal agency.

(b) *Eligible Applicants.* Eligible applicants are States, and units of general local government as defined in § 570.3 (v). For the purpose of this section, the second sentence in § 570.3(v) includes those entities described in § 570.403(b) (1), (2) and (3).

(c) *Criteria for Funding.* Within the limits of available funds, applications will be funded on the basis of the following criteria:

(1) Severity and magnitude of the federally recognized disaster, with priority given to needs caused by Presidentially declared major disasters.

(2) Community development needs identified which are essential for the immediate restoration or maintenance of community health, safety, or economic stability and resources are not available from other sources to meet these community development needs in a timely fashion.

(d) *Application Requirements.* An application should be submitted within 120 days after either the Presidential declaration or other Federal recognition that disaster or emergency assistance is required. The application shall describe the emergency needs, the proposed program of activities, sources of funds and the level of funding requested. If the emergency nature of the needs requires, satisfaction of selected application requirements may be postponed or waived by the Secretary. Applications shall be submitted to the appropriate HUD Area Office in a form and manner prescribed by HUD to ensure coordination with respect to other disaster relief and emergency measures undertaken or being considered.

§ 570.408 Inequities funds.

(a) *General.* Funds are available under this subpart to correct in whole or in part inequities resulting from the allocation provisions of Section 106 of the Act.

(b) *Eligible applicants.* Eligible applicants are States, and units of general local government as defined in the first sentence of § 570.3(v) or in § 570.403(a).

(c) *Criteria for selection.* The Secretary shall make grants to eligible applicants, giving priority to the following: Applications for funds available under this subpart shall be reviewed by the Secretary in accordance with the following criteria:

(1) Funding under this subpart is necessary to correct a technical error in the computation of a locality's entitlement amount.

(2) Funding under this subpart is needed by an applicant, meeting the criteria as specified in § 570.401(b) for urgent needs funds.

(3) Funding under this subpart is necessary to compensate for the fact that the applicant's hold harmless amount as calculated pursuant to § 570.103(c) is significantly lower than the average

amount of funds approved by HUD for applicable programs in such governmental unit during the fiscal years immediately preceding and immediately following the base period of Fiscal Years 1968 through 1972, and the applicant is subject to the phase-in provisions of § 570.102(c).

Grants may also be made under this section whenever implementation of the provisions of § 570.105 regarding the qualification of urban counties results in

a significant decrease in the anticipated levels of funding available for discretionary grants in metropolitan areas in accordance with § 570.104(c)(1).

(d) *Application requirements.* Applicants shall meet all application requirements in § 570.303.

DAVID O. MEEKER, JR.,
Assistant Secretary for Community Planning and Development.

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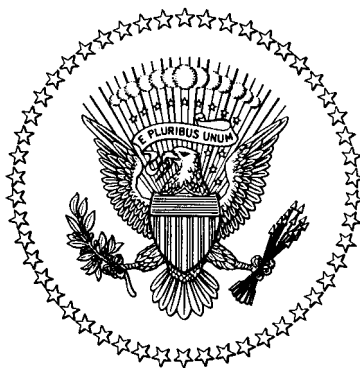
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**ECONOMY AND ENERGY:
THE PRESIDENT'S PROGRAM IN BRIEF**



THE WHITE HOUSE

- FOREWORD -

Immediately following the State of the Union message, over one thousand leaders from every segment of American society came to the White House for a series of briefings and discussions on the economic and energy proposals in President Ford's message. In the course of this series of discussions, certain basic questions kept recurring.

The purpose of this pamphlet is to answer many of the most commonly-asked questions by presenting a brief overview and highlights of the President's program.

ECONOMY AND ENERGY -
THE PRESIDENT'S PROGRAM IN BRIEF

President Ford's comprehensive economic and energy proposals are designed to respond to one of the most complex and serious challenges in American history. This paper provides a brief and frank discussion of the situation.

The problem can be simply stated: We are experiencing the highest rate of inflation since World War II and a recession with unemployment already over seven percent. On top of this, the United States is faced with a growing dependence for oil on unreliable foreign sources at prices that pose very serious national security, financial and economic problems.

Each of these problems is closely linked to the others. Because of that linkage they must be treated together.

Inflation has resulted from a number of causes, including:

- Many years of excessive Federal spending and too rapid growth of money and credit.
- The quadrupling of oil prices by the major foreign producing countries.
- Poor harvests leading to higher food prices.
- Two devaluations of the dollar.

This inflation has helped create the recession by:

- Cutting the real purchasing power of paychecks.
- Pushing interest rates to high levels that work severe hardship on many sectors of the economy, particularly homebuilding.
- Depressing consumer confidence and their willingness to buy.

Higher oil prices imposed by the oil exporting countries contributed directly to both recession and inflation. This increase in the price of energy and energy-related products works like a tax levied by a foreign power. It reduces the cash an individual or a family has available for other spending, but also removes these revenues from our Nation as a whole because, unlike domestic taxation, they are not even available for public spending here at home.

The higher energy bill has thus resulted in a massive flow of dollars to the oil exporting countries. Other industrialized countries are also paying very high oil bills, threatening the stability of world financial markets and their ability to pay for the energy they need.

The Arab oil embargo brought home forcefully to every American what this dependence could mean to our economy and to our national security, and yet our dependence steadily increases. Domestic oil and gas production is falling and imports are rising. Today, imports account for about 40% of our petroleum consumption. If present trends continued, we would be importing 50% of our oil by 1985.

Unless we take immediate steps to reduce our consumption of fuel and increase our self-reliance, we will experience greater imports, have more severe balance of payments problems, and be subject to major interruptions and price manipulation by oil exporting countries.

The control of the oil cartel countries over oil supply and prices gives them leverage over our entire economy, and represents a tremendous drain on our national wealth.

To put the situation in perspective: In 1970, we spent less than \$3 billion on oil imports; in 1974, we spent roughly \$25 billion; and by 1977, if we fail to take action now, it is estimated that we will pay \$32 billion to the oil-producing countries. And with those import dollars go the real income and wealth we could otherwise enjoy.

The President believes we must cut our oil imports by about one million barrels per day by the end of this year and by two million barrels per day by the end of 1977.

President Ford, after wide consultation, has developed a three-pronged attack on the challenges of recession, inflation and energy dependence. Since it is designed to deal with a wide range of very difficult problems, his program is complex. As a result, the program can be judged fairly only by viewing it as a whole since the various parts are closely interrelated to achieve the desired objectives.

The goals of the President's program may be summarized as follows:

- To hasten recovery from the recession, the President sees the need for an immediate, across-the-board tax rebate of \$12 billion for individual taxpayers on 1974 taxes, returning to them up to 12 percent of their taxes in May and September of 1975. An additional \$4 billion would be in the form of a one-year increase to 12% in the investment tax credit, thus spurring industrial expansion and creating new jobs. The intent of the tax refund is to give the economy a sharp, one-time stimulus (\$16 billion total) that would speed recovery without causing more inflation.

- To curb inflation, the President will attempt to effect a moratorium on new spending programs outside the energy field and a five percent limit on automatic cost of living increases in social security benefits, military retirement pay and the like. The program also includes a five percent limit on Federal pay increases in 1975. Inflation is showing some signs of abating, but the President believes it is critical to restore long-term discipline to our fiscal and monetary policies in order to eliminate this continuing threat.

- To free us from dependence on foreign energy sources, the President has designed a tough new program to encourage conservation and greater domestic energy production.

Energy conservation would be achieved through a series of import fees, excise taxes and decontrol of domestic oil and gas prices with the increased costs recaptured through tax revenues that would raise the price of most petroleum products on an average of 10 cents a gallon. This will reduce demand for these products sufficiently so that, together with increased domestic production, the President's goals can be met.

As part of a longer run solution, the President has an agreement with the major domestic auto makers to improve gasoline mileage by 40% on the average by 1980, compared to 1974 cars. He is also working to change building standards to improve insulation and other building practices so as to reduce energy needs. Efforts are also under way to substantially improve the energy efficiency of major appliances.

Increased energy production in the United States would be achieved through a number of measures. These include oil production from Naval Petroleum Reserves and higher production from existing wells in response to improved incentives because domestic oil prices will no longer be below prices we must pay for imported oil. These policies will be supplemented by actions to encourage faster development and production of our domestic energy resources.

In addition, the President would require:

- Such adjustments as are necessary to permit expanding use of our domestic energy supplies to produce electric power.
- A long range synthetic fuels program.
- A continuation of the accelerated program of research and development in the energy area.

A question that is often raised is whether this program contributes both to inflation and recession by increasing energy costs to consumers.

The President felt that the costs could not be avoided if the economy was going to reduce its demand for petroleum products and become less dependent on foreign energy sources by 1985. The alternative would have been a system of rationing that would not solve our energy problem and would be unfair to the average American.

The President's total energy program will have a one-time effect of increasing prices by about 2%. The estimated increased cost of petroleum and petroleum-related products to all segments of society will be about \$30 billion a year. Estimate of the average annual cost per family is about \$275.

The President's total program will not depress the economy because higher energy costs will be offset by the permanent reduction of taxes. This program of tax reduction includes \$16.5 billion for individuals that will show up as an immediate reduction in taxes withheld from current earnings. Seventy percent will go to persons with incomes of less than \$15,000 per year. Individuals who pay no taxes at all will receive \$2 billion annually - or about \$80 per person. Corporate taxes will be cut by \$6 billion. State and local governments will also receive added funds under the General Revenue Sharing formula. In addition, individuals who install insulation in their homes will receive a tax credit for a portion of those costs.

In summary, higher energy taxes will increase energy prices, but these higher prices will be an incentive for all energy users to look for ways to reduce their own use of energy, whether for gasoline, heating oil, electricity, etc. Some businesses or individuals will find that they can reduce their use of energy, while others will decide to pay the higher price. Under the President's program everyone can make his or her own decision.

In order to avoid hurting average and lower income people most, because of higher energy costs, a disproportionate share of the reduction in taxes will go to low and middle income families. For many families, the tax cut will restore a part of the purchasing power that has been lost as a result of inflation. Higher income people, however, will receive permanent tax reductions that do not fully offset their higher energy costs.

The President contemplates a tough, comprehensive, and integrated program. It would help protect our national security. It would stimulate the economy through tax cuts to get us out of the recession. It would keep a lid on Federal spending to prevent a new round of inflation, and bring the Federal budget into balance when the economy recovers. It would raise petroleum prices in order to encourage conservation and increase domestic production. And it would recapture excessive oil company profits through a windfall profits tax. On balance, it would deal fairly and equitably with consumers and producers alike.

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JANUARY 15, 1975

EMBARGOED FOR WIRE TRANSMISSION
UNTIL 10:00 A.M., EST

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

Twenty-six years ago, a freshman Congressman, a young fellow, with lots of idealism who was out to change the world, stood before Speaker Sam Rayburn in the well of this House and solemnly swore to the same oath you took yesterday. That is an unforgettable experience, and I congratulate you all.

Two days later, that same freshman sat in the back row as President Truman, all charged up by his single-handed election victory, reported as the Constitution requires on the State of the Union.

When the bipartisan applause stopped, President Truman said:

"I am happy to report to this Eighty-first Congress that the State of the Union is good. Our Nation is better able than ever before to meet the needs of the American people and to give them their fair chance in the pursuit of happiness. It is foremost among the nations of the world in the search for peace."

Today, that freshman Member from Michigan stands where Mr. Truman stood and I must say to you that the State of the Union is not good.

Millions of Americans are out of work. Recession and inflation are eroding the money of millions more. Prices are too high and sales are too slow.

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This year's Federal deficit will be about \$30 billion; next year's probably \$45 billion. The national debt will rise to over \$500 billion.

Our plant capacity and productivity are not increasing fast enough. We depend on others for essential energy.

Some people question their government's ability to make the hard decisions and stick with them. They expect Washington politics as usual.

Yet, what President Truman said on January 5, 1949, is even more true in 1975.

We are better able to meet the peoples' needs.

All Americans do have a fairer chance to pursue happiness. Not only are we still the foremost nation in pursuit of peace, but today's prospects of attaining it are infinitely brighter.

There were 59,000,000 Americans employed at the start of 1949. Now there are more than 85,000,000 Americans who have jobs. In comparable dollars, the average income of the American family has doubled during the past 26 years.

Now, I want to speak very bluntly. I've got bad news, and I don't expect any applause. The American people want action and it will take both the Congress and the President to give them what they want. Progress and solutions can be achieved. And they will be achieved.

My message today is not intended to address all the complex needs of America. I will send separate messages making specific recommendations for domestic legislation, such as General Revenue Sharing and the extension of the Voting Rights Act.

The moment has come to move in a new direction. We can do this by fashioning a new partnership between the Congress, the White House and the people we both represent.

Let us mobilize the most powerful and creative industrial nation that ever existed on this earth to put all our people to work. The emphasis of our economic efforts must now shift from inflation to jobs.

To bolster business and industry and to create new jobs, I propose a one-year tax reduction of \$16 billion. Three-quarters would go to individuals and one-quarter to promote business investment.

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This cash rebate to individuals amounts to 12 percent of 1974 tax payments -- a total cut of \$12 billion, with a maximum of \$1,000 per return.

I call today on the Congress to act by April 1. If you do, the Treasury can send the first check for half the rebate in May and the second by September.

The other one-fourth of the cut, about \$4 billion, will go to businesses, including farms, to promote expansion and create more jobs. The one-year reduction for businesses would be in the form of a liberalized investment tax credit increasing the rate to 12 percent for all businesses.

This tax cut does not include the more fundamental reforms needed in our tax system. But it points us in the right direction -- allowing us as taxpayers rather than the Government to spend our pay.

Cutting taxes, now, is essential if we are to turn the economy around. A tax cut offers the best hope of creating more jobs. Unfortunately, it will increase the size of the budget deficit. Therefore, it is more important than ever that we take steps to control the growth of Federal expenditures.

Part of our trouble is that we have been self-indulgent. For decades, we have been voting ever-increasing levels of Government benefits -- and now the bill has come due. We have been adding so many new programs that the size and growth of the Federal budget has taken on a life of its own.

One characteristic of these programs is that their cost increases automatically every year because the number of people eligible for most of these benefits increases every year. When these programs are enacted, there is no dollar amount set. No one knows what they will cost. All we know is that whatever they cost last year, they will cost more next year.

It is a question of simple arithmetic. Unless we check the excessive growth of Federal expenditures or impose on ourselves matching increases in taxes, we will continue to run huge inflationary deficits in the Federal budget.

If we project the current built-in momentum of Federal spending through the next 15 years, Federal, State, and local government expenditures could easily comprise half of our gross national product. This compares with less than a third in 1975.

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I am now in the process of preparing the budget submissions for fiscal year 1976. In that budget, I will propose legislation to restrain the growth of a number of existing programs. I have also concluded that no new spending programs can be initiated this year, except those for energy. Further, I will not hesitate to veto any new spending programs adopted by the Congress.

As an additional step toward putting the Federal government's house in order, I recommend a five percent limit on Federal pay increases in 1975. In all Government programs tied to the consumer price index -- including social security, civil service and military retirement pay, and food stamps -- I also propose a one-year maximum increase of 5 percent.

None of these recommended ceiling limitations, over which the Congress has final authority, are easy to propose, because in most cases they involve anticipated payments to many deserving people. Nonetheless, it must be done. I must emphasize that I am not asking you to eliminate, reduce or freeze these payments. I am merely recommending that we slow down the rate at which these payments increase and these programs grow.

Only a reduction in the growth in spending can keep Federal borrowing down and reduce the damage to the private sector from high interest rates. Only a reduction in spending can make it possible for the Federal Reserve System to avoid an inflationary growth in the money supply and thus restore balance to our economy. A major reduction in the growth of Federal spending can help to dispel the uncertainty that so many feel about our economy, and put us on the way to curing our economic ills.

If we do not act to slow down the rate of increase in Federal spending, the United States Treasury will be legally obligated to spend more than \$360 billion in Fiscal Year 1976 -- even if no new programs are enacted. These are not matters of conjecture or prediction, but again of simple arithmetic. The size of these numbers and their implications for our everyday life and the health of our economic system are shocking.

I submitted to the last Congress a list of budget deferrals and recisions. There will be more cuts recommended in the budget I will submit. Even so, the level of outlays for fiscal year 1976 is still much too high. Not only is it too high for this year but the decisions we make now inevitably have a major and growing impact on expenditure levels in future years. This is a fundamental issue we must jointly solve.

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The economic disruption we and others are experiencing stems in part from the fact that the world price of petroleum has quadrupled in the last year. But we cannot put all of the blame on the oil-exporting nations. We in the United States are not blameless. Our growing dependence upon foreign sources has been adding to our vulnerability for years and we did nothing to prepare ourselves for an event such as the embargo of 1973.

During the 1960s, this country had a surplus capacity of crude oil, which we were able to make available to our trading partners whenever there was a disruption of supply. This surplus capacity enabled us to influence both supplies and prices of crude oil throughout the world. Our excess capacity neutralized any effort at establishing an effective cartel, and thus the rest of the world was assured of adequate supplies of oil at reasonable prices.

In the 1960s, our surplus capacity vanished and, as a consequence, the latent power of the oil cartel could emerge in full force. Europe and Japan, both heavily dependent on imported oil, now struggle to keep their economies in balance. Even the United States, which is far more self-sufficient than most other industrial countries, has been put under serious pressure.

I am proposing a program which will begin to restore our country's surplus capacity in total energy. In this way, we will be able to assure ourselves reliable and adequate energy and help foster a new world energy stability for other major consuming nations.

But this Nation and, in fact, the world must face the prospect of energy difficulties between now and 1985. This program will impose burdens on all of us with the aim of reducing our consumption of energy and increasing production. Great attention has been paid to considerations of fairness and I can assure you that the burdens will not fall more harshly on those less able to bear them.

I am recommending a plan to make us invulnerable to cut-offs of foreign oil. It will require sacrifices. But it will work.

I have set the following national energy goals to assure that our future is as secure and productive as our past:

- First, we must reduce oil imports by 1 million barrels per day by the end of this year and by 2 million barrels per day by the end of 1977.

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- Second, we must end vulnerability to economic disruption by foreign suppliers by 1985.
- Third, we must develop our energy technology and resources so that the United States has the ability to supply a significant share of the energy needs of the Free World by the end of this century.

To attain these objectives, we need immediate action to cut imports. Unfortunately, in the short-term there are only a limited number of actions which can increase domestic supply. I will press for all of them.

I urge quick action on legislation to allow commercial production at the Elk Hills, California, Naval Petroleum Reserve. In order that we make greater use of domestic coal resources, I am submitting amendments to the Energy Supply and Environmental Coordination Act which will greatly increase the number of power plants that can be promptly converted to coal.

Voluntary conservation continues to be essential, but tougher programs are also needed -- and needed now. Therefore, I am using Presidential powers to raise the fee on all imported crude oil and petroleum products. Crude oil fee levels will be increased \$1 per barrel on February 1, by \$2 per barrel on March 1 and by \$3 per barrel on April 1. I will take action to reduce undue hardship on any geographical region. The foregoing are interim administrative actions. They will be rescinded when the necessary legislation is enacted.

To that end, I am requesting the Congress to act within 90 days on a more comprehensive energy tax program. It includes:

- Excise taxes and import fees totalling \$2 per barrel on product imports and on all crude oil.
- Deregulation of new natural gas and enactment of a natural gas excise tax.
- Enactment of a windfall profits tax by April 1 to ensure that oil producers do not profit unduly. At the same time I plan to take Presidential initiative to decontrol the price of domestic crude oil on April 1.

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The sooner Congress acts, the more effective the oil conservation program will be and the quicker the Federal revenues can be returned to our people.

I am prepared to use Presidential authority to limit imports, as necessary, to assure the success of this program.

I want you to know that before deciding on my energy conservation program, I considered rationing and higher gasoline taxes as alternatives. Neither would achieve the desired results and both would produce unacceptable inequities.

A massive program must be initiated to increase energy supply, cut demand and provide new standby emergency programs to achieve the independence we want by 1985. The largest part of increased oil production must come from new frontier areas on the Outer Continental Shelf and from the Naval Petroleum Reserve No. 4 in Alaska. It is the intention of this Administration to move ahead with exploration, leasing and production on those frontier areas of the Outer Continental Shelf where the environmental risks are acceptable.

Use of our most abundant domestic resource -- coal -- is severely limited. We must strike a reasonable compromise on environmental concerns with coal. I am submitting Clean Air Act amendments which will allow greater coal use without sacrificing our clean air goals.

I vetoed the strip mining legislation passed by the last Congress. With appropriate changes, I will sign a revised version into law.

I am proposing a number of actions to energize our nuclear power program. I will submit legislation to expedite nuclear licensing and the rapid selection of sites.

In recent months, utilities have cancelled or postponed over 60 percent of planned nuclear expansion and 30 percent of planned additions to non-nuclear capacity. Financing problems for that industry are growing worse. I am therefore recommending that the one year investment tax credit of 12 percent be extended an additional two years to specifically speed the construction of power plants that do not use natural gas or oil. I am also submitting proposals for selective changes in State utility commission regulations.

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To provide the critical stability for our domestic energy production in the face of world price uncertainty, I will request legislation to authorize and require tariffs, import quotas or price floors to protect our energy prices at levels which will achieve energy independence.

Increasing energy supplies is not enough. We must also take additional steps to cut long-term consumption. I therefore propose:

- Legislation to make thermal efficiency standards mandatory for all new buildings in the United States. These standards would be set after appropriate consultation with architects, builders and labor.
- A new tax credit of up to \$150 for those home owners who install insulation equipment.
- The establishment of an energy conservation program to help low income families purchase insulation supplies.
- Legislation to modify and defer automotive pollution standards for 5 years to enable us to improve new automobile gas mileage 40 percent by 1980.

These proposals and actions, cumulatively, can reduce our dependence on foreign energy supplies to 3-5 million barrels per day by 1985. To make the United States invulnerable to foreign disruption, I propose standby emergency legislation and a strategic storage program of 1 billion barrels of oil for domestic needs and 300 million barrels for defense purposes.

I will ask for the funds needed for energy research and development activities. I have established a goal of 1 million barrels of synthetic fuels and shale oil production per day by 1985 together with an incentive program to achieve it.

I believe in America's capabilities. Within the next ten years, my program envisions:

- 200 major nuclear power plants,
- 250 major new coal mines,
- 150 major coal-fired power plants,
- 30 major new oil refineries,

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- 20 major new synthetic fuel plants,
- the drilling of many thousands of new oil wells,
- the insulation of 18 million homes,
- and construction of millions of new automobiles, trucks and buses that use much less fuel.

We can do it. In another crisis -- the one in 1942 -- President Franklin D. Roosevelt said this country would build 60,000 aircraft. By 1943, production had reached 125,000 airplanes annually.

If the Congress and the American people will work with me to attain these targets, they will be achieved and surpassed.

From adversity, let us seize opportunity. Revenues of some \$30 billion from higher energy taxes designed to encourage conservation must be refunded to the American people in a manner which corrects distortions in our tax system wrought by inflation.

People have been pushed into higher tax brackets by inflation with a consequent reduction in their actual spending power. Business taxes are similarly distorted because inflation exaggerates reported profits resulting in excessive taxes.

Accordingly, I propose that future individual income taxes be reduced by \$16.5 billion. This will be done by raising the low income allowance and reducing tax rates. This continuing tax cut will primarily benefit lower and middle income taxpayers.

For example, a typical family of four with a gross income of \$5,600 now pays \$185 in Federal income taxes. Under this tax cut plan, they would pay nothing. A family of four with a gross income of \$12,500 now pays \$1,260 in Federal taxes. My plan reduces that by \$300. Families grossing \$20,000 would receive a reduction of \$210.

Those with the very lowest incomes, who can least afford higher costs, must also be compensated. I propose a payment of \$80 to every person 18 years of age and older in that category.

State and local governments will receive \$2 billion in additional revenue sharing to offset their increased energy costs.

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To offset inflationary distortions and to generate more economic activity, the corporate tax rate will be reduced from 48 percent to 42 percent.

Now, let me turn to the international dimension of the present crisis. At no time in our peacetime history has the state of the Nation depended more heavily on the state of the world. And seldom if ever has the state of the world depended more heavily on the state of our Nation.

The economic distress is global. We will not solve it at home unless we help to remedy the profound economic dislocation abroad. World trade and monetary structure provides markets, energy, food and vital raw materials -- for all nations. This international system is now in jeopardy.

This Nation can be proud of significant achievements in recent years in solving problems and crises. The Berlin Agreement, the SALT agreements, our new relationship with China, the unprecedented efforts in the Middle East -- are immensely encouraging. But the world is not free from crisis. In a world of 150 nations, where nuclear technology is proliferating and regional conflicts continue, international security cannot be taken for granted.

So let there be no mistake about it: international cooperation is a vital fact of our lives today. This is not a moment for the American people to turn inward. More than ever before, our own well-being depends on America's determination and leadership in the world.

We are a great Nation -- spiritually, politically, militarily, diplomatically and economically. America's commitment to international security has sustained the safety of allies and friends in many areas -- in the Middle East, in Europe, in Asia. Our turning away would unleash new instabilities and dangers around the globe which would, in turn, threaten our own security.

At the end of World War II, we turned a similar challenge into an historic achievement. An old order was in disarray; political and economic institutions were shattered. In that period, this Nation and its partners built new institutions, new mechanisms of mutual support and cooperation. Today, as then, we face an historic opportunity. If we act, imaginatively and boldly, as we acted then, this period will in retrospect be seen as one of the great creative moments of our history.

The whole world is watching to see how we respond.

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A resurgent American economy would do more to restore the confidence of the world in its own future than anything else we can do. The program that this Congress will pass can demonstrate to the world that we have started to put our own house in order. It can show that this Nation is able and willing to help other nations meet the common challenge. It can demonstrate that the United States will fulfill its responsibility as a leader among nations.

At stake is the future of the industrialized democracies, which have perceived their destiny in common and sustained it in common for 30 years.

The developing nations are also at a turning point. The poorest nations see their hopes of feeding their hungry and developing their societies shattered by the economic crisis. The long-term economic future for the producers of raw materials also depends on cooperative solutions.

Our relations with the Communist countries are a basic factor of the world environment. We must seek to build a long-term basis for coexistence. We will stand by our principles and our interests; we will act firmly when challenged. The kind of world we want depends on a broad policy of creating mutual incentives for restraint and for cooperation.

As we move forward to meet our global challenges and opportunities, we must have the tools to do the job.

Our military forces are strong and ready. This military strength deters aggression against our allies, stabilizes our relations with former adversaries and protects our homeland. Fully adequate conventional and strategic forces cost many billions, but these dollars are sound insurance for our safety and a more peaceful world.

Military strength alone is not sufficient. Effective diplomacy is also essential in preventing conflict and building world understanding. The Vladivostok negotiations with the Soviet Union represent a major step in moderating **strategic arms competition**. My recent discussions with leaders of the Atlantic Community, Japan and South Korea have contributed to our meeting the common challenge.

But we have serious problems before us that require cooperation between the President and the Congress. By the Constitution and tradition, the execution of foreign policy is the responsibility of the President.

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In recent years, under the stress of the Vietnam War, legislative restrictions on the President's capability to execute foreign and military decisions have proliferated. As a member of the Congress, I opposed some and approved others. As President, I welcome the advice and cooperation of the House and Senate.

But, if our foreign policy is to be successful we cannot rigidly restrict in legislation the ability of the President to act. The conduct of negotiations is ill suited to such limitations. For my part, I pledge this Administration will act in the closest consultations with the Congress as we face delicate situations and troubled times throughout the globe.

When I became President only five months ago, I promised the last Congress a policy of communication, conciliation, compromise and cooperation. I renew that pledge to the new members of this Congress.

To sum up:

America needs a new direction which I have sought to chart here today -- a change of course which will:

- put the unemployed back to work;
- increase real income and production;
- restrain the growth of government spending;
- achieve energy independence; and
- advance the cause of world understanding.

We have the ability. We have the know-how. In partnership with the American people, we will achieve these objectives.

As our 200th anniversary approaches, we owe it to ourselves, and to posterity, to rebuild our political and economic strength. Let us make America, once again, and for centuries more to come, what it has so long been -- a stronghold and beacon-light of liberty for the world.

GERALD R. FORD

THE WHITE HOUSE,

January 15, 1975.

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Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET

THE PRESIDENT'S STATE OF THE UNION MESSAGE

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The President's Economic and Tax Program

The President's State of the Union Address outlined the nation's current economic situation and outlook, and his economic and tax program which are designed to wage a simultaneous three-front campaign against recession, inflation and energy dependence.

BACKGROUND

The U.S. economy is faced with the closely linked problems of inflation and recession. During 1974, the economy experienced the highest rate of inflation since World War II. Late in 1974, when a recession set in, unemployment rose sharply to over 7 percent, the highest level in 13 years.

Accelerated inflation had its roots in the policies of the past and several recent developments not subject to U.S. control. Specifically:

- Excessive Federal spending and lending for over a decade and too much money and credit growth.
- Unusually poor harvests contributed heavily to world-wide food shortages and escalating food prices.
- World petroleum product prices increased dramatically due to the Arab nations' embargo on shipments of oil to the U.S., the quadrupling of the price of crude oil by the OPEC nations, and their sharp reductions in crude oil production to maintain higher prices. Higher energy prices were passed through in the prices of other products and services.
- The decline in U.S. domestic production of oil and natural gas that began in the 1960's also contributed to higher energy prices.

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- An economic boom occurred simultaneously in the industrialized nations of the world.
- There were two international devaluations of the dollar.

Inflation contributed strongly to the forces of recession:

- The real purchasing power of workers' paychecks was reduced.
- Inflation also reduced consumer confidence, contributing to the most severe slump in consumer purchasing since World War II.
- Inflation forced interest rates to very high levels, draining funds out of financial institutions that supply most mortgage loans and thus sharply reducing construction of homes.
- Federal Government spending and lending programs, accounting for over half the funds raised in capital markets, reduced the amount of money available for capital investments needed to raise productivity and increase living standards.

CURRENT SITUATION AND NEAR-TERM OUTLOOK

The economy is now in a full-fledged recession and unemployment will rise further. Inflation continues at a rapid pace and the need to take immediate steps to conserve energy will further complicate the problem initially.

There are no instant cures. A careful and balanced policy approach is required. It will take time to yield full results. There is, however, no prospect of a long and deep economic downturn on the scale of the 1930's.

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MAJOR ELEMENTS OF THE PRESIDENT'S ECONOMIC AND TAX PROGRAM

- I. A \$16 Billion Temporary, Anti-Recession Tax Reduction. This major reduction in taxes proposed for individuals and businesses is designed to restore consumer confidence and promote a recovery of production and employment. The recession is deeper and more widespread than expected earlier, but the tax reduction -- together with the easing of monetary conditions that has already taken place -- will support a healthy economic recovery. The tax reduction must be temporary to avoid excessive stimulus resulting in a new price explosion and congested capital markets. The temporary nature of the reduction is consistent with the long-term economic goals of achieving and maintaining reasonable price stability and raising the share of national output devoted to saving and capital formation.

- II. Energy Taxes and Fees. Energy excise taxes and fees on petroleum and natural gas will reduce use of these energy sources and reduce the nation's need for importing expensive and insecure foreign oil. Removal of price controls from domestic crude oil (together with other energy actions) will encourage domestic oil production. A windfall profits tax would recover windfall profits resulting from crude oil decontrol. Energy taxes and fees are expected to raise \$30 billion in new Federal revenues on an annual basis.

- III. Permanent Tax Reduction Made Possible By Energy Taxes and Fees. The \$30 billion annual revenue from energy conservation excise taxes and fees and the windfall profits tax on crude oil would be returned to the economy through a major tax cut, a cash payment for non-taxpayers, and direct distribution to governmental units. Tax reductions are designed to go mainly to low-and middle-income taxpayers.

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IV. One Year Moratorium on New Federal Spending Programs. The moratorium on new spending programs proposed by the President will permit the Federal Government to move toward long-term budget responsibility and to avoid refueling inflation when the economy begins rising again.

V. Budget Reductions. The President will propose significant spending reductions in his Fiscal Year 1976 Budget. The reductions total more than \$17 billion, including \$7.8 billion savings from reductions proposed last year and \$6.1 billion from the 5 percent ceiling to be proposed on Federal employee pay increases and on Federal benefit programs that rise automatically with the Consumer Price Index.

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SPECIFIC PROPOSALS ANNOUNCED BY THE PRESIDENT

- I. A Temporary, Anti-Recession Tax Cut of \$16 Billion. The President proposed a temporary, tax reduction of approximately \$16 billion to provide prompt stimulus to consumer spending and business investment. The tax cut is divided 75 percent to individuals and 25 percent to corporations, which is approximately the ratio that individual income taxes bear to corporate income taxes. The cuts would be:
- A. A Tax Reduction for Individuals of \$12 Billion.
1. Individuals will receive a cash refund equal to 12 percent of their 1974 tax liabilities, as reported on their 1974 tax returns now being filed, up to a limit of \$1,000. Married couples filing separately would receive a maximum refund of \$500 each.
 2. The temporary reduction will be a uniform 12 percent for all taxpayers up to about the \$41,000 income level where the \$1,000 maximum takes effect, and will then be a progressively smaller percentage for taxpayers above that level.
 3. The refund will be paid in two equal installments in 1975 with payments of the first installment beginning in May and the second in September.
 4. The proposal does not affect in any way the manner in which taxpayers complete and file their 1974 tax returns. They will file and pay their tax in accordance with existing law, without regard to the tax reduction. Later they will receive their refund checks from the Internal Revenue Service. Because no changes in deductions and other such items are involved, the Internal Revenue Service will be able to determine the amount of the refund and mail the checks without requiring further forms and computations from taxpayers.

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5. The effect of the tax refund can be illustrated for a family of four as follows:

<u>Adjusted Gross Income</u>	<u>Present Tax</u>	<u>Proposed Refund</u>	<u>Percent Saving</u>
\$ 5,000	\$ 98	\$ 12	-12.0%
7,000	402	48	-12.0%
10,000	867	104	-12.0%
12,500	1,261	151	-12.0%
15,000	1,699	204	-12.0%
20,000	2,660	319	-12.0%
40,000	7,958	955	-12.0%
50,000	11,465	1,000	- 8.7%
60,000	15,460	1,000	- 6.5%
100,000	33,340	1,000	- 3.0%
200,000	85,620	1,000	- 1.2%

Although the taxpayer will not figure his own refund, it is a simple matter for him to anticipate how much the Internal Revenue Service will be sending him, by calculating 12 percent of his total tax liability for the year (on Form 1040 for 1974, it is line 18, page 1, and on Form 1040A, line 19).

B. A Temporary Increase in Investment Tax Credit for Business and Farmers of \$4 billion.

1. There will be an increase for one year in the investment tax credit to 12 percent for all taxpayers, including utilities (which presently have, in effect, a 4 percent credit). Utilities will continue to receive a 12 percent credit for two additional years for qualified investment in electrical power plants other than oil- or gas-fired facilities.

2. This increase in the credit will provide benefits of \$4 billion in 1975 to immediately stimulate job-creating investment. (In view of the need for speedy enactment and the temporary nature of the increased credit, this change does not include the basic restructuring of the credit as proposed on a permanent basis in October, 1974.)

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3. With respect to utilities, it includes a temporary increase in the amount of credit which may be used to offset income tax. Under current law, not more than 50 percent of the income tax liability for the year may be offset by the investment credit. Since many utilities have credits they have been unable to use because of this limitation, under this proposal utilities will be permitted to use the credit to offset up to 75 percent of their tax liability for 1975, 70 percent for 1976, 65 percent for 1977, and so on, until 1980, when they will in five annual steps have returned to the 50 percent limitation applicable to industry generally.

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4. The 12 percent credit will apply to property placed in service during 1975 and to property ordered during 1975 if placed in service before the end of 1976. The credit will also be available to the extent of construction, reconstruction or erection of property by or for a taxpayer during 1975, without regard to the date ultimately placed in service. Similar rules will apply to investment in electrical power plants other than oil- or gas-fired facilities, for which the 12 percent credit will continue through 1977.

II. Energy Conservation Taxes and Fees. Energy taxes and fees, in conjunction with domestic crude oil price decontrol and the proposed windfall profits tax, would raise about \$30 billion on an annual basis. The fees and taxes and related actions (discussed more fully in Part Two of this Fact Sheet) include:

A. Administrative Actions.

1. Import Fee -- The President is acting immediately within existing authorities to increase import fees on crude oil and petroleum products. These new import fees will be modified upon passage of the President's legislative package.

(a) Import fees on crude oil and petroleum products will be increased by \$1 effective February 1, 1975; an additional \$1 effective March 1; and another \$1 effective April 1, for a total increase of \$3.00 per barrel. Currently existing fees will also remain in effect.

(b) FEA's "Old Oil Entitlements" program will be utilized to spread price increases on crude among all refiners, and to lessen disproportionate regional effects, such as New England, or in any specific industries or areas of human need where oil is essential.

(c) As of February 1975, product imports will cease to be covered by FEA's "Old Oil Entitlements" program. In order to overcome any severe regional impacts that could be caused by large fees in import dependent areas, imported products will receive a fee rebate corresponding to the benefit which would have been obtained under that program. The rebate should be approximately \$1.00 in February, \$1.40 in March, and \$1.80 per barrel thereafter.

(d) The import fee program will reduce imports by an estimated 500,000 barrels per day and generate about \$400 million per month in revenues by April.

2. Crude Oil Price Decontrol -- To stimulate domestic production and further cut demand, steps will be taken to remove price controls on domestic crude oil by April 1, 1975, subject to congressional disapproval as provided by §4(g) of the Emergency Petroleum Allocation Act of 1973.

3. Control of Imports -- The energy conservation measures to be imposed administratively outlined above, the energy conservation taxes outlined below and other energy conservation measures covered in Part Two below, will be supplemented by the use of Presidential power to limit oil imports as necessary to fully achieve the President's goals of reducing foreign oil imports by one million barrels a day by the end of 1975 and by two million barrels before the end of 1977.

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B. Taxes Proposed to the Congress. The President asked the Congress to pass within 90 days a comprehensive energy conservation tax program which will raise an estimated \$30 billion in revenues on an annual basis. The taxes proposed are:

1. Petroleum Excise Tax and Import Fee -- An excise tax on all domestic crude oil of \$2 per barrel and a fee on imported crude oil and product imports of \$2 per barrel.

2. Natural Gas Excise Tax -- An excise tax on natural gas of 37¢ per thousand cubic feet (mcf), the equivalent on a Btu basis to the \$2 per barrel petroleum excise tax and import fee.

3. Windfall Profits Tax -- To ensure that the end of controls on crude oil prices does not result in one sector of the economy benefitting unfairly at the expense of other sectors, a windfall profits tax will be levied on the profits realized by producers of domestic oil. This tax is intended to recapture excessive profits which would otherwise be realized by producers as a result of the rise in international oil prices. This tax does not itself cause price increases, but simply recaptures the profits from price increases otherwise induced. It will, together with the income tax on such profits, produce revenues of approximately \$12 billion. In aggregate, the windfall profits tax is sufficient to absorb all the profits that would otherwise flow from decontrolling oil prices, plus an additional \$3 billion. More specifically the tax will operate as follows:

(a) A windfall profits tax at rates graduated from 15 percent to 90 percent will be imposed on that portion of the price per barrel that exceeds the producer's adjusted base price and therefore represents a windfall profit. The initial "adjusted base price" will be the producer's ceiling price per barrel on December 1, 1973 plus 95 cents to adjust for subsequent increased costs and higher price levels generally. Each month the bases will be adjusted upward on a specified schedule, which will gradually raise the adjusted base price to reflect long-run supply conditions and provide the incentive for new investment in petroleum exploration. Percentage depletion will not be allowed on the windfall profits tax liability.

(b) The windfall profits tax rates will be applied to prices per barrel in excess of applicable adjusted base prices as follows:

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<u>Portion of price per barrel in excess of base and subject to tax</u>	<u>Amount of tax</u>
Less than \$0.20	15% of amount within bracket
\$0.20, under \$0.50	\$0.03 plus 30% of amount within bracket
\$0.50, under \$1.20	\$0.12 plus 60% of amount within bracket
\$1.20, under \$3.00	\$0.54 plus 80% of amount within bracket
\$3.00 and over	\$1.98 plus 90% of amount within bracket

(c) The windfall profits tax does not include a "plowback" provision, nor does it contain exemptions for classes of production or producers. It does, however, include the limitation that the amount subject to tax may not exceed 75 percent of the net income from the barrel of crude oil. The tax will be retroactive to January 1, 1975.

(d) The windfall profits tax reduces the base for the depletion allowance.

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III. Permanent Tax Reductions and Payments to Non-Taxpayers Made Possible by Energy Conservation Taxes.

Of the \$30 billion in revenue raised annually by the proposed conservation taxes outlined above, about \$5 billion is paid by governments through the higher costs of energy in their purchases. This \$5 billion includes:

- . \$3 billion by the Federal government.
- . \$2 billion by state and local governments.

The President is proposing to the Congress that \$2 billion of the revenues be paid to State and local governments, pursuant to the distribution formulas applicable to general revenue sharing. The other \$25 billion will be returned to the economy mostly in the form of tax cuts. As in the case of the temporary tax reduction, this permanent change will be divided between individuals and corporations on a 75-25 percent basis, about \$19 billion for individuals and about \$6 billion for corporations. Specifically, this would include:

A. Reductions for Individuals in 1975 --
Tax cuts for individuals will be achieved in two ways: (1) through an increase in the Low Income Allowance and (2) a cut in the schedule of tax rates. In this way, tax-paying individuals will receive a reduction of approximately \$16 1/2 billion, with proportionately larger cuts going to low-and middle-income families. The Low Income Allowance will be increased from the present \$1,300 level to \$2,600 for joint returns and \$2,000 for single returns. That will bring the level at which returns are nontaxable to what is approximately the current "poverty level" of \$5,600 for a family of 4. In addition, the tax rates applicable to various brackets of income will be reduced. The aggregate effects of these changes are as follows:

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(1975 Levels)
(\$billions)

Adjusted Gross Income Class (\$000)	Income Tax Paid Under Present Law	Amount of Income Tax Reduction	Percentage Reduction in Income Tax (..... %
0 - 3	3	- .25	-83.3%
3 - 5	1.3	- 1.20	-66.7
5 - 7	4.0	- 1.96	-49.0
7 - 10	8.9	- 3.38	-38.0
10 - 15	21.9	- 4.72	-21.6
15 - 20	22.8	- 2.70	-11.8
20 - 50	44.4	- 2.15	- 4.8
50 - 100	13.5	- .11	- 0.8
100 and over	13.3	- .03	- 0.2
Total	130.9	-16.50*	-12.6

*Does not include payments to nontaxpayers

The effect of these tax changes can be illustrated for a family of 4, as follows:

Adjusted Gross Income	Present Tax 1/	New Tax	Tax Saving	Percent Saving
\$ 5,600	\$ 185	\$ 0	\$185	100.0%
7,000	402	110	292	72.6
10,000	867	518	349	40.3
12,500	1,261	961	300	23.8
15,000	1,699	1,478	221	13.0
20,000	2,660	2,450	210	7.9
30,000	4,938	4,837	151	3.0
40,000	7,958	7,828	130	1.6

1/ Calculated assuming Low Income Allowance or itemized deductions equal to 17 percent of income, whichever is greater.

B. Residential Conservation Tax Credit (Discussed in the Energy Section of this Fact Sheet). The President seeks legislation to provide incentives to homeowners for making thermal efficiency improvements, such as storm windows and insulation, in existing homes. This measure, along with a stepped-up public information program, could save the equivalent of over 500,000 barrels of oil per day by 1985. Under this legislation:

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1. A 15 percent tax credit retroactive to January 1, 1975 for the cost of certain improvements in thermal efficiency in residences would be provided. Tax credits would apply to the first \$1,000 of expenditures and can be claimed during the next three years.

2. At least 18 million homes could qualify for these tax benefits, estimated to total about \$500 million annually in tax credits.

C. Payments to Nontaxpayers of \$2 billion.

The final component of the \$19 billion distribution to individuals is a distribution of nearly \$2 billion to nontaxpayers and certain low-income taxpayers. For this low-income group, a special distribution of \$80 per adult will be provided, as follows:

1. Adults who would pay no tax, even without the tax reductions in A above, will receive \$80.

2. Adults who receive less than \$80 in such tax reductions will receive approximately the difference.

3. Persons not otherwise filing returns but eligible for these special distributions will make application on simple forms provided by the Internal Revenue Service on which they would furnish their name, address, social security number, and income.

4. For purposes of the special distribution, "adults" are individuals who during the year are at least 18 years old and who are not eligible to be claimed as a dependent under the Federal income tax laws.

5. Since most taxpayers will receive their 1975 income tax reductions in 1975 through reductions in withholding on wages and estimated tax payments, the special distribution to non-taxpayers and low-income

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taxpayers will also begin in 1975. It is anticipated that disbursement, based on 1974 income can be made in the summer of 1975.

D. Tax Reductions for Corporations. The corporate rate will be reduced by 6 percentage points, effectively lowering the corporate rate from 48 percent to 42 percent for 1975. The resulting benefit in 1975 is estimated at about \$6 billion.

IV. Moratorium on New Federal Spending Programs. The President announced that he would propose no new Federal spending programs except for energy. He also indicated that he would not hesitate to veto any new spending programs passed by the Congress. The need for the moratorium is demonstrated by preliminary FY 1976 Budget estimates:

	Fiscal Years			Percent Change	
	1974	1975	1976	75/74	76/75
Revenues	264.9	280	303	5.7%	8.2%
Outlays	268.4	314	349	17 %	11.1%
Deficit	-3.5	32-34	45-47	--	--

NOTE: Estimates for 1975 and 1976 are subject to a variation of \$2 billion in the final budget.

V. Budget Reductions.

The budget figures shown above assume that significant budget reductions proposed by the President are effected. Including reductions proposed in a series of special messages sent to the last session of Congress, these budget reductions total more than 17 billion. Of this total, over \$6 billion will result from the proposed 5% ceiling on Federal pay increases and on those Federal benefit programs that rise automatically with the Consumer Price Index.

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The following summarizes reductions in 1976 spending to be included in the upcoming budget:

	<u>(Outlays in billions)</u>
Effect of budget reductions proposed last year (including administrative actions)	\$8.9
Amounts overturned by the Congress	<u>-1.1</u>
Remaining savings	7.8
Further reductions to be proposed:	
Ceiling of 5% on Federal pay and programs tied to the CPI	6.1
Other actions planned	<u>3.6</u>
Total reductions	17.5

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The following lists those programs to which the 5% ceiling will apply and shows spending amounts for them:

Effect of 5% Ceiling on Pay Increases
and Programs Tied to CPI
(Fiscal year estimates; Dollars in billions)

Programs Affected	1975 Outlays	1976 Outlays		Difference 1975-1976 (with ceiling)
		Without ceiling	With ceiling	
Social security ..	64.5	74.3	71.8	+7.3
Railroad retirement	3.0	3.4	3.3	+0.3
Supplemental Security Income	4.7	5.5	5.4	+0.7
Civil service and military retirement payments	13.5	16.2	14.9	+1.4
Foreign Service retirement1	.1	.1	*
Food stamp program	3.7	3.9	3.6	-0.1
Child nutrition	1.3	1.8	1.6	+0.3
Federal salaries:				
Military	23.2	23.1	22.5	-0.7
Civilian	35.5	38.9	38.0	+2.5
Coal miner benefits	1.0	1.0	1.0	*
Total	150.5	168.2	162.1	+11.7

* Less than \$50 million.

The 5% ceiling will take into account increases that have already occurred since January 1, 1975. Under the plan, after June 30, 1976, adjustments would be resumed in the same way as before the establishment of the 5% ceiling. However, no catchup of the increases lost under the ceiling would take place.

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SUMMARY OF THE BUDGET IMPACT OF THE NEW TAXES AND FEES
AND THE TAX CUTS

The following table summarizes the estimated direct budget impact, on a full-year-effective basis, of the tax and related changes proposed by the President to deal with the economic and energy situations:

<u>Revenue Raising Measures</u>	<u>Estimated Amounts</u> (\$ billions)
Oil excise tax and import fee	+ 9 1/2
Natural gas excise tax	+ 8 1/2
Windfall Profits tax	+12
Total	+30

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<u>Revenue Disbursing Measures</u>	<u>Estimated Amounts</u> (<u>\$ billions</u>)
Energy rebates:	
Income tax cuts, individuals	-16 1/2
Residential tax credit	- 1/2
Nontaxpayer distribution	- 2
Corporate tax cut	- 6
State and local governments	- 2
Federal government costs	- 3
Subtotal	-30
Temporary economic stimulus:	
Individual tax refunds	-12
Investment credit increase	- 4
Subtotal	-16
Total Revenue Disbursing Measures	46

The tax and related changes will go into effect at different times, but all of them during the year 1975:

- The energy conservation taxes are proposed to go into effect April 1.
- The increase in import fees would go into effect
 - \$1 per barrel February 1.
 - To \$2 per barrel March 1.
 - To \$3 per barrel, if the energy taxes have not been enacted, April 1.
- The windfall profits tax on crude oil would be effective as of January 1, 1975. First payments of the tax would be made in the third quarter.
- The permanent tax cuts for individuals and corporations made possible by the revenues from the energy conservation taxes would be effective as of January 1, 1975. The changes in withholding rates for individuals are expected to go into effect on June 1. The withholding changes will be adjusted so that 12 months reduction is accomplished in the 7 months from June through December.

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- The tax credit for energy-saving improvements to existing residences would go into effect as of January 1, 1975.
- The special distribution to nontaxpayers is expected to be paid out in the summer of 1975.
- The \$2 billion distribution to State and local governments would be effective with the second quarter of 1975.
- The temporary anti-recession tax cut for individuals will be paid out in two installments, in the second and third quarters.
- The one-year increase in the investment tax credit becomes effective retroactively to January 1, 1975.

The timing of the various changes suggests a pattern of direct budget changes as follows. The timing of the economic stimulus or restraint will depend, as well, on such factors as the indirect effects of the budget changes, the timing of the pass-through of higher energy costs to final users, the extent to which the changes are anticipated, and a variety of monetary and financial developments that arise out of these changes.

Timing of Direct Budget Impact

(\$ billions)

	Calendar Years							
	1975				1976			
	I	II	III	IV	I	II	III	IV
Energy Taxes	+0.2	+4.1	+12.6	+7.6	+7.6	+7.5	+7.5	+7.5
Return of Energy Revenues to Economy								
Tax Reduction	.0	-3.2	-9.0	-9.0	-5.6	-7.9	-6.3	-6.4
Nontaxpayers			-2.0				-2.0	
S&L Gov'ts	.0	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5
Federal Govt.	.0	.0	-0.8	-0.7	-0.8	-0.7	-0.8	-0.7
Temporary Tax Cut	.0	-6.1	-7.9	-0.6	-0.8	-0.9	0	0
Net Effect	+0.2	-5.7	-7.6	-3.2	-0.1	-2.5	-2.1	-0.1

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INFLATION IMPACT

Both major parts of the tax package require inflation impact analysis. The excise taxes on crude oil and natural gas, combined with the tariff and decontrol of prices of both "old" oil and new natural gas, will add to the general price level immediately. The consumer price index is expected to rise by about two percent when these tax and price increases go into effect. However, this increase has a one-time impact on the price level that, with exceptions in some areas, should not add materially to inflationary pressures in future years.

The inflationary impact of the \$16 billion anti-recession tax cut is more difficult to assess. While some economists may argue that a tax cut will add to the rate of inflation during the year ahead, others would contend that under present economic conditions, with unemployment high and many factories operating well below capacity, the predominant effect of the tax cut will be to stimulate spending, and that additional spending will have only a slight impact on prices.

Whatever the precise price impact of this \$16 billion tax cut during 1975, the most important fact about it from the standpoint of inflation is that it is temporary. With the recession still under way, the rate of inflation will be coming down -- it will be too high, but nevertheless moving in the right direction. After the economy gets well into recovery, however, too much stimulus would be sure to reverse the slowing of the inflation rate and, indeed, start a new acceleration. Thus, the tax stimulus must be temporary rather than permanent.

The President has declared a moratorium on new Federal spending programs for this same reason. Budget expenditures are rising rapidly this year, in part, because of programs to aid the unemployed. That is acceptable and highly desirable in a recession to relieve the burden on workers who are affected. It is also desirable because spending under those programs phases out as the economy recovers and unemployment falls. The increased Federal spending is only temporary.

Over the long-term, however, both Federal spending and lending have been rising much too fast, a fact that accounts for a substantial part of our current economic problems. A new burst of expenditure programs cannot

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help the Nation recover from the current recession -- the impact would come much too late -- but it would surely do much inflationary harm as the economy returns to prosperous conditions in the years ahead. Therefore, at the same time that taxes are being reduced to support a healthy recovery, policies that would revive inflationary pressures must be avoided after the recovery is underway. The size of currently projected Federal budget deficits precludes introduction of new spending programs now that would raise inflationary pressures later. For this reason, the President requested that no new spending programs, except as needed in the energy area, be enacted so that we can regain control of the budget over the long-run and permit a gradual return to reasonable price stability.

PRESIDENTIAL PROPOSALS OF OCTOBER 8, 1974 RESUBMITTED FOR CONGRESSIONAL ACTION

In addition to the comprehensive set of economic and energy policies discussed in the State of the Union Message, the President asked that the new Congress pass quickly certain legislative proposals originally requested in his October 8, 1974, message. Those proposals would:

1. Remove restrictions on the production of rice, peanuts, and extra-long-staple cotton.
2. Amend P.L. 480 to waive certain restrictions on shipments of food under that Act to needy countries for national interest or humanitarian reasons.
3. Amend the Antitrust Civil Process Act to strengthen the investigation powers of the Antitrust Division of the Department of Justice.
4. Eliminate the U.S. Withholding tax on foreign portfolio investments to encourage such investment.
5. Allow dividends paid on qualified preferred stock to be an authorized deduction for determining corporate income taxes to increase incentives for raising needed capital in the form of equity rather than debt.
6. Create a National Commission on Regulatory Reform and take prompt action on other reforms of regulatory and administrative procedures that will be recommended in the future.

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7. Strengthen our financial institutions and provide a new tax incentive for investment in residential mortgages.

8. Permit more competition between different modes of surface transportation (The Surface Transportation Act).

9. Amend the Employment Act of 1946 to make explicit the goal of price stability. (Substitute "to promote maximum employment, maximum production, and stability of the general price level" in place of the present language, "to promote maximum employment, production and purchasing power.")

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5. Allow dividends paid on qualified preferred stock to be an authorized deduction for determining corporate income taxes to increase incentives for raising needed capital in the form of equity rather than debt.
6. Create a National Commission on Regulatory Reform and take prompt action on other reforms of regulatory and administrative procedures that will be recommended in the future.

Coal production is at about the same level as in the 1930's.

Nuclear energy accounts for only 1 percent of total energy.
The President's Energy Program
 (including energy taxes and fees)

Overall energy consumption is beginning to increase. The President's State of the Union Address outlined the Nation's energy outlook, set forth national energy policy objectives, and described actions he is taking immediately and indicated proposals he is asking the Congress to pass.

BACKGROUND

Over the past two years, progress has been made in conserving energy, expanding energy R&D and improving Federal government energy organization. Despite such accomplishments, we have not succeeded in solving fundamental problems and our National energy situation is critical. Our reliance on foreign sources of petroleum is contributing to both inflationary and recessionary pressures in the United States. World economic stability is threatened and several industrialized nations dependent upon imported oil are facing severe economic disruption.

With respect to the U.S. energy situation:

- Petroleum is readily available from foreign sources -- but at arbitrarily high prices, causing massive outflow of dollars, and at the risk of increasing our Nation's vulnerability to severe economic disruption should another embargo be imposed.
- Petroleum imports remain at high levels even at present high prices.
- Domestic oil production continues to decline as older fields are depleted and new fields are years from production; 8.8 million barrels per day in 1974 compared to 9.2 million in 1973.
- Total U.S. petroleum consumption is increasing, although at slower rates due to higher prices.
- Natural gas shortages are forcing curtailment of supplies to many industrial firms and denial of service to new residential customers. (14% expected this winter versus 7% last year.) This is resulting in unemployment, reductions in the production of fertilizer needed to increase food supplies, and increased demand for alternative fuels -- primarily imported oil.

- Coal production is at about the same level as in the 1930's.
- Nuclear energy accounts for only 1 percent of total energy supply and new plants are being delayed, postponed or cancelled.

-- Overall energy consumption is beginning to increase again:

U.S. vulnerability to economic and social impact from an embargo increases with higher imports and will continue to do so until we reverse current trends, ready standby plans, and increase petroleum storage.

Economic impacts of the four-fold increase in OPEC oil prices include:

- Heavy outflow of U.S. dollars (and, in effect, jobs) to pay for growing oil imports -- about \$24 billion in 1974 compared to \$2.7 billion in 1970.
- Tremendous balance of payments deficits and possible economic collapse for those nations of Europe and Asia that must depend upon expensive imported oil as a primary energy source.
- Accumulation of billions of dollars of surplus revenues in oil exporting nations -- approximately \$60 billion in 1974 alone.

U.S. ENERGY OUTLOOK

- I. Near-Term (1975-1977): In the next 2-3 years, there are only a few steps that can be taken to increase domestic energy supply particularly due to the long lead time for new production. Oil imports will thus continue to rise unless demand is curbed.
- II. Mid-Term (1975-1985): In the next ten years, there is greater flexibility. A number of actions can be taken to increase domestic supply, convert from foreign oil to domestic coal and nuclear energy, and reduce demand -- if the Nation takes tough actions. Vulnerability to an embargo can be eliminated.

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III. Long-Term (Beyond 1985): Emerging energy sources can play a bigger role in supplying U.S. needs -- the results of the Nation's expanded energy research and development program. U.S. independence can be maintained. New technologies are the most significant opportunity for other consuming nations with limited domestic resources.

NATIONAL ENERGY POLICY GOALS AND PRINCIPLES ANNOUNCED BY THE PRESIDENT

I. Near-Term (1975-1977): Reduce oil imports by 1 million barrels per day by the end of 1975 and 2 million barrels by the end of 1977, through immediate actions to reduce energy demand and increase domestic supply.

- (A) With no action, imports would be about 8 million barrels per day by the end of 1977, more than 20 percent above the 1973 pre-embargo levels.
- (B) Acting to meet the 1977 goal will reduce imports below 1973 levels, assuring reduced vulnerability from an embargo and greater consumer nation cooperation.
- (C) More drastic short-term reductions would have unacceptable economic impacts.

II. Mid-Term (1975-1985): Eliminate vulnerability by achieving the capacity for full energy independence by 1985. This means 1985 imports of no more than 3-5 million barrels of oil per day, all of which can be replaced immediately from a strategic storage system and managed with emergency measures.

- (A) With no action, oil imports by 1985 could be reduced to zero at prices of \$11 per barrel or more -- or they could go substantially higher if world oil prices are reduced (e.g., at \$7 per barrel, U.S. consumption could reach 24 million barrels per day with imports of above 12 million, or above 50% of the total.)
- (B) The U.S. anticipates a reduction in world oil prices over the next several years. Hence, plans and policies must be established to achieve energy independence even at lower prices -- countering the normal tendency to increase imports as the price declines.

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- (C) Actions to meet the 1985 goal will hold imports to no more than 3.5 million barrels per day, even at \$7 per barrel prices. Protection against an embargo of the remaining imports can then be handled most economically with storage and standby emergency measures.

III. Long-Term (Beyond 1985): Within this century, the U.S. should strive to develop technology and energy resources to enable it to supply a significant share of the Free World's energy needs.

- (A) Other consuming nations have insufficient fossil fuel resources to reach domestic energy self-sufficiency.
- (B) The U.S. can again become a world energy supplier and foster world energy price stability -- much the same as the nation did prior to the 1960's when it was a major supplier of world oil.

IV. Principles: Actions to achieve the above national energy goals must be based upon the following principles:

- Provide energy to the American consumer at the lowest possible cost consistent with our need for secure energy supplies.
- Make energy decisions consistent with our overall economic goals.
- Balance environmental goals with energy requirements.
- Rely upon the private sector and market forces as the most efficient means of achieving the Nation's goals, but act through the government where the private sector is unable to achieve our goals.
- Seek equity among all our citizens in sharing of benefits and costs of our energy program.
- Coordinate our energy policies with those of other consuming nations to promote interdependence, as well as independence.

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- (A) With no action, oil imports by 1985 could be reduced to zero at prices of \$11 per barrel or more -- or they could go substantially higher if world oil prices are reduced (e.g., at \$7 per barrel, U.S. consumption could reach 24 million barrels per day with imports of above 12 million, or above 50% of the total.)
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ACTIONS ANNOUNCED TODAY BY THE PRESIDENTI. ACTIONS ANNOUNCED BY THE PRESIDENT TO MEET
NEAR-TERM GOALS (1975-1977)

To meet the national goals, the President outlined a comprehensive program of legislative proposals to the Congress which he requested be enacted within 90 days and administrative actions that he will begin implementing immediately. The legislative package is more effective and equitable than the administrative program, but the President indicated that the seriousness of the situation demanded immediate action. These actions will reduce overall energy demand, increase domestic production, increase conversion to coal, and reduce oil imports. They include:

(A) Administrative Actions

1. Import Fee -- Because of the seriousness of the problem and because time is required for Congressional action on his legislative proposals, the President is acting immediately within existing authorities to increase the import fees on crude oil and petroleum products. These new import fees would be modified upon passage of the President's legislative package.

(a) Import fees on crude oil and petroleum products under the authority of the Trade Expansion Act of 1962, as amended, will be increased by \$1 effective February 1, 1975; an additional \$1 effective March 1; and another \$1 effective April 1, for a total increase of \$3.00 per barrel. Currently existing fees will also remain in effect.

(b) FEA's "Old Oil Entitlements" program will be utilized to spread price increases on crude among all refiners and to lessen disproportionate regional effects, particularly in the Northeast.

(c) As of February 1975, product imports will cease to be covered by FEA's "Old Oil Entitlements" program. In order to overcome any severe regional impacts that could be caused by large fees in import dependent areas, imported products will receive a rebate corresponding to the benefit which would have been obtained under that program. The rebate should be approximately \$1.00 in February, \$1.40 in March, and \$1.80 per barrel in April.

(d) This import fee program would reduce imports by about 500,000 barrels per day. In April it would generate about \$400 million per month in revenues.

2. Backup Import Control Program -- The energy conservation measures and tax proposals will be supplemented by the use of Presidential power to limit oil imports as necessary to achieve the near-term goals.
3. Crude Oil Price Decontrol -- To stimulate production and further cut demand, steps will be taken to remove price controls on domestic crude oil by April 1, 1975, subject to congressional disapproval as provided by §4(g) of the Emergency Petroleum Allocation Act of 1973.
4. Increase Public Education on Energy Conservation -- Energy Resources Council will step up its efforts to provide information on energy conservation methods and benefits.

(B) Legislative Proposals

1. Comprehensive Tax and Decontrol Program -- The President asked the Congress to pass within 90 days a comprehensive legislative package which could lead to reduction of oil imports of 900,000 barrels per day by 1975 and 1.6 million barrels by 1977. Average oil prices would rise about \$4.00 per barrel of \$.10 per gallon. The package which will raise \$30 billion in revenues on an annual basis includes:

(a) Windfall Profits Tax -- A tax on all domestic crude oil to capture the windfall profits resulting from price decontrol. The tax would take 88% of the windfall profits on crude oil and would phase out over several years. The tax would be retroactive to January 1, 1975.

(b) Petroleum Excise Tax and Import Fee -- An excise tax on all domestic crude oil of \$2 per barrel and a fee on imported crude oil and product imports of \$2 per barrel. The new, administratively established import fee of \$3 on crude oil would be reduced to \$2.00 and \$1.20 fee on products would be increased to \$2.00 when the tax is enacted. The product import fee would keep the excise tax from encouraging foreign refining and the related loss of jobs to the U.S.

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(c) New Natural Gas Deregulation -- Remove Federal interstate price regulation on new natural gas to increase domestic production and reduce demand for scarce natural gas supplies.

(d) Natural Gas Excise Tax -- An excise tax on natural gas of 37¢ per thousand cubic feet (mcf), which is equivalent on a Btu basis to the \$2 per barrel petroleum excise tax and fee. This will discourage attempts to switch to natural gas and acts to reduce natural gas demand curtailments. Since the usual results of gas curtailments is a switch to oil, this will limit the growth of oil imports.

2. Elk Hills Naval Petroleum Reserve. The President is asking the Congress to permit production of the Elk Hills Naval Petroleum Reserve (NPR #1) under Navy control. Production could reach 160,000 barrels per day early in 1975 and 300,000 barrels per day by 1977. The oil produced would be used to top off Defense Department storage tanks, with the remainder sold at auction or exchanged for refined petroleum products used by the Department of Defense. Revenues would be used to finance further exploration, development and production of the Naval petroleum reserves and the strategic petroleum storage.

3. Conversion to the Use of Domestic Coal. The President is asking the Congress to amend the Clean Air Act and the Energy Supply and Environmental Coordination Act of 1974 to permit a vigorous program to make greater use of domestic coal to reduce the need for oil. This program would reduce the need for oil imports by 100,000 barrels per day in 1975 and 300,000 barrels in 1977. These amendments would extend FEA's authority to grant prohibition orders from 1975 to 1977, prohibit powerplants early in the planning process from burning oil and gas, extend FEA enforcement authority from 1978 to 1985, and make clear that coal burning

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installations that had originally planned to convert from coal to oil be eligible for compliance date extensions. It would give EPA authority to extend compliance dates and eliminate restrictive regional environmental limitations. A plant could convert as long as its own emissions do not exceed ambient air quality standards.

II. ACTIONS ANNOUNCED BY THE PRESIDENT TO MEET MID-TERM GOALS (1975-1985)

These actions are designed to meet the goal of achieving the capability for energy independence by 1985. The actions include measures to increase domestic energy production (including measures to cope with constraints and strike a balance between environmental and energy objectives), reduce energy demand, and prepare for any future emergency resulting from an embargo.

(A) Supply Actions

1. Naval Petroleum Reserve No. 4 (Legislative proposal) -- The President is asking the Congress to authorize the exploration, development and production of NPR-4 in Alaska to provide petroleum for the domestic economy, with 15-20% earmarked for military needs and strategic storage. The reserves in NPR-4 which are now largely unexplored could provide at least 2 million barrels of oil per day by 1985. Under the legislative proposal:

(a) The President would be authorized to explore, develop and produce NPR-4.

(b) The Government's share of production (approximately 15-20%) would be used to help finance the strategic storage system and to help fulfill military petroleum requirements. Any other receipts go to the United States Treasury as miscellaneous receipts.

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2. OCS Leasing (Administrative) -- The President reaffirmed his intention to continue an aggressive Outer Continental Shelf leasing policy, including lease sales in the Atlantic, Pacific, and Gulf of Alaska. Decisions on individual lease sales will await completion of appropriate environmental studies. Increased OCS leasing could add domestic production of 1.5 million barrels of oil and additional supplies of natural gas by 1985. There will be close cooperation with Coastal states in their planning for possible increased local development. Funding for environmental studies and assistance to States for planning has been increased in FY 1975.

3. Reducing Domestic Energy Price Uncertainty (Legislative proposal) -- Legislation will be requested authorizing and requiring the President to use tariffs, import quotas, import price floors, or other measures to achieve domestic energy price levels necessary to reach self-sufficiency goals. This legislation would enable the President to cope with possible large-scale fluctuations in world oil prices.

4. Clean Air Act Amendments (Legislative proposal) -- In addition to the amendments outlined earlier for short-term goals, the President is asking for other Clean Air Act amendments needed for a balance between environmental and energy goals. These include:

- (a) Legislative clarification to resolve problems resulting from court decisions with respect to significant air quality deterioration in areas already meeting health and welfare standards.
- (b) Extension of compliance dates through 1985 to implement a new policy regarding stack gas scrubbers -- to allow use of intermittent control systems in isolated power plants through 1985 and requiring other sources to achieve control as soon as possible.

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(c) A pause for 5 years (1977-1981 model years) for nationwide auto emission standards at the current California levels for hydrocarbons (0.9 grams per mile) and carbon monoxide (9 grams per mile), and at 1975 standards (3.1 grams per mile) for oxides of nitrogen (with the exception of California which has adopted the 2.0 standard). These standards for hydrocarbons (HC) and carbon monoxide (CO) are more stringent than now required nationwide for 1976 model year's cars. The change from the levels now required for 1977-1981 model years in the law will have no significant impact on air quality standards, yet they will facilitate attainment of the goal of 40% increase in auto fuel efficiency by the 1980 model year.

(d) EPA will shortly begin comprehensive hearings on emission controls and fuel economy which will provide more detailed data for Congressional consideration.

5. Surface Mining (Legislative proposal) -- The President is asking the Congress to pass a surface mining bill which strikes a balance between our desires for reclamation and environmental protection and our need to increase domestic coal production substantially over the next ten years. The proposed legislation will correct the problems which led to the President's veto of a surface mining bill last year.

6. Coal Leasing (Administrative) -- To assure rapid production from existing leases and to make new, low sulfur coal supplies available, the President directed the Secretary of the Interior to:

(a) Adopt legal diligence requirements to assure timely production from existing leases.

(b) Meet with Western Governors to explore regional questions on economic, environmental and social impacts associated with new Federal coal leases.

(c) Design a program of new coal leasing consistent with timely development and adequate return on public assets, if proper environmental safeguards can be provided.

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7. Electric Utilities -- The President is asking the Congress for legislation concerned with utilities. In recent months, 60% of planned nuclear capacity and 30% of non-nuclear capacity additions have been postponed or cancelled by electric utilities. Financing problems are worsening and State utility commission practices have not assured recovery of costs and adequate earnings. The transition from oil and gas-fired plants to coal and nuclear has been slowed greatly -- contributing to pressure for higher oil imports. Actions involve:

(a) Uniform Investment Tax Credit (Legislative) -- an increase in the investment tax credit to eliminate the gap between utilities and other industries -- currently a 4% rate applies to utilities and 7% to others.

~~(b)~~ Higher Investment Tax Credit (Legislative) -- An increase in investment tax credit for all industry, including utilities, for 1 year -- to 12%. The 12% rate would be retained for two additional years for all power plants except oil and gas-fired facilities.

(c) Preferred Stock Dividend Deductions (Legislative) -- A change in tax laws applicable to all industries, including utilities, which allows deductions of preferred stock dividends for tax purposes to reduce the cost of capital and stimulate equity rather than debt financing.

(d) Mandated Reform of State Utility Commission Processes (Legislative) -- The legislation would selectively reform utility commission practices by: (1) setting a maximum limit of 5 months for rate or service proceedings; (2) requiring fuel adjustment pass-throughs, including taxes; (3) requiring that construction work in progress be included in a utility's rate base; (4) removing any rules prohibiting a utility from charging lower rates for electric power during off-peak hours; and (5) allowing the cost of pollution control equipment to be included in the rate base.

(e) Energy Resources Council Study (Administrative) -- Review and report to the President on the entire regulatory process and financial situation relating to electric utilities and determine what further reforms or actions are needed. ERC will consult with State utility commissions, governors, public utilities and consumers.

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Electric Utilities -- The President is asking

8. Nuclear Power -- To accelerate the growth of nuclear power which supplies only one percent of our energy needs, the President is proposing, in addition to actions outlined above:

(a) Expedited Licensing and Siting (Legislative) -- A Nuclear Facility Licensing Act to assure more rapid siting and licensing of nuclear plants.

(b) 1976 Budget Increase (Legislative) -- An increase of \$41 million in appropriations for nuclear safety, safeguards, and waste management.

(A) Uniform Investment Tax Credit (Legislative)

9. Energy Facilities Siting (Legislative) -- Legislation would reduce energy facility siting bottlenecks and assure sites for needed facilities with proper land use considerations:

(a) The legislation would require that states have a comprehensive and coordinated process for expeditious review and approval of energy facility applications; and state authorities which ensure that final State energy facility decisions cannot be nullified by actions of local governments.

(b) Provision for owners of eligible facilities or citizens to sue States for inaction.

(c) Provide no Federal role in making case by case siting decisions for the States.

(B) Energy Conservation Actions

(d) Mandated Reform of State Utility Commission

The President announced a number of energy conservation measures to reduce demand, including:

1. Auto Gasoline Mileage Increases (Administrative) -- The Secretary of Transportation has obtained written agreements with each of the major domestic automobile manufacturers which will yield a 40 percent improvement in fuel efficiency on a weighted

rates for electric power during off-peak hours; and (2) allowing the cost of pollution control equipment to be included in the rate base.

(e) Energy Resources Council Study (Administrative) -- Review and report to the President on the entire regulatory process and financial situation relating to electric utilities and determine what further reforms or actions are needed. ERC will consult with State utility commissioners, governors, public utilities and consumers.

average for all new autos by 1980 model year. These agreements are contingent upon relaxation of Clean Air Act auto emission standards. The agreement provides for interim goals, Federal monitoring and public reporting of progress.

2. Building Thermal Standards (Legislative) --

The President is asking Congress for legislation to establish national mandatory thermal (heating and cooling) efficiency standards for new homes and commercial buildings which would save the equivalent of over one-half million barrels of oil per day by 1985. Under this legislation:

(a) The Secretary of Housing and Urban Development shall consult with engineering, architectural, consumer, labor, industry, and government representatives to advise on development of efficiency standards.

(b) Thermal standards for one and two-family dwellings will be developed and implementation would begin within one year. New minimum performance standards for energy in commercial and residential buildings would be developed and implemented as soon thereafter as practicable.

(c) Standards would be implemented by State and local governments through local building codes.

(d) The President also directed the Secretary of Housing and Urban Development to include energy conservation standards in new mobile home construction and safety standards.

3. Residential Conservation Tax Credit --

The President is asking Congress for legislation to provide incentives to homeowners for making thermal efficiency improvements in existing homes. This measure, along with a stepped-up public information program, could save the equivalent of over 500,000 barrels per day by 1985. Under this legislation:

(a) A 15 percent tax credit retroactive to January 1, 1975 for the cost of certain improvements in thermal efficiency in residences would be provided. Tax credits would apply to the first \$1,000 of expenditures and can be claimed during the next three years.

(b) Improvements such as storm windows, and insulation, would qualify for the tax credit.

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4. Low-Income Energy Conservation Program (Legislative) -- The President is proposing legislation to establish a Low-Income Energy Conservation Program to offer direct subsidies to low-income and elderly homeowners for certain energy conservation improvements such as insulation. The program is modeled upon a successful pilot program in Maine.

(a) The program would be administered by FEA, under new legislation, and the President is requesting supplemental appropriations in 1975 and \$55 million in fiscal year 1976.

(b) Acting through the States, Federal funds would be provided to purchase materials. Volunteers or community groups could install the materials.

5. Appliance Efficiency Standards (Administrative) -- The President directed the Energy Resources Council to develop energy efficiency goals for major appliances and to obtain agreements within six months from the major manufacturers of these appliances to comply with the goals. The goal is a 20% average improvement by 1980 for all major appliances, including air conditioners, refrigerators and other home appliances. Achievement of these goals would save the equivalent of over one-half million barrels of oil per day by 1985. If agreement cannot be reached, the President will submit legislation to establish mandatory appliance efficiency standards.

6. Appliance and Auto Efficiency Labelling Act (Legislative) -- The President will ask the Congress to enact a mandatory labelling bill to require that energy efficiency labels be placed on new appliances and autos.

(C) Emergency Preparedness

The President announced that comprehensive energy emergency legislation will be proposed, encompassing two major components.

1. Strategic Petroleum Storage (Legislative) -- Development of an energy storage system of one billion barrels for domestic use and 300 million barrels for military use. The legislation will

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authorize the government to purchase and prepare the storage facilities (salt domes or steel tanks), while complex institutional questions are resolved and before oil for storage is actually purchased. FEA will develop the overall program in cooperation with the Department of the Interior and the Department of Defense. All engineering, planning, and environmental studies would be completed within one year. The 1.3 billion barrels will not be complete for some years, since time is required to purchase, prepare, and fill the facilities.

2. Standby and Planning Authorities (Legislative) --

The President is requesting a set of emergency standby authorities to be used to deal with any significant future energy shortages. These authorities would also enable the United States to fully implement the agreement on an International Energy Program between the United States and other nations signed on November 18, 1974. This legislation would include the authority to:

- (a) Implement energy conservation plans to reduce demand for energy;
- (b) allocate petroleum products and establish price controls for allocated products;
- (c) ration fuels among end users;
- (d) allocate materials needed for energy production where such materials may be in short supply;
- (e) increase production of domestic oil; and
- (f) regulate petroleum inventories.

III. ACTIONS ANNOUNCED BY THE PRESIDENT TO MEET LONG-TERM GOALS (BEYOND 1985)

The expanded research and development program on which the nation is embarked will provide the basis for increasing domestic energy supplies and maintaining energy independence. It will also make it possible in the long run for the U.S. to export energy supplies and technology to others in the free world. Important elements are:

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- (A) Synthetic Fuels Program (Administrative) -- The President announced a National Synthetic Fuels Commercialization Program to ensure at least one million barrels per day equivalent of synthetic fuels capacity by 1985, using technologies now nearing commercial application.
1. Synthetic fuel types to be considered will include synthetic crude from oil shale and a wide range of clean solid, liquid, and gaseous fuels derived from coal.
 2. The Program would entail Federal incentives (possibly including price guarantees, purchase agreements, capital subsidies, leasing programs, etc.), granted competitively, and would be aimed at the production of selected types of gaseous and liquid fuels from both coal and oil shale.
 3. The program will rely on existing legislative authorities, including those contained in the Federal Non-Nuclear Energy Research and Development Act of 1974, but new legislative authorities will be requested if necessary.
- (B) Energy Research and Development Program -- In the current fiscal year, the Federal Government has greatly increased its funding for energy research and development programs. These Federal programs are a part of a much larger national energy R & D effort and are carried out in cooperation with industry, colleges and universities and others. The President stated that his 1976 Budget will continue to emphasize these accelerated programs which include research and the development of technology for energy conservation and on all forms of energy including fossil fuels, nuclear fission and fusion, solar and geothermal.
- (C) Energy Research and Development Administration -- (ERDA). The President has signed an Executive Order which activates, effective January 19, 1975, the Energy Research and Development Administration. ERDA will bring together in a single agency the major Federal energy R & D programs which will have the responsibility for leading the national effort to develop technology to assure that the U.S. will have an ample and secure supply of energy at reasonable prices. ERDA consolidates major R & D functions previously handled by the AEC, Department of the Interior, National Science Foundation and Environmental Protection Agency. ERDA will also continue the basic research, nuclear materials production and weapons programs of the AEC.

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IMPACTS OF NEAR AND MID-TERM
ACTIONS ON PETROLEUM CONSUMPTION AND IMPORTS

NEAR TERM PROGRAM
(MMB/D)

	1975	1977
CONSUMPTION IF NO NEW ACTIONS	18.0	18.3
IMPORTS IF NO NEW ACTIONS	6.5	8.0
	IMPORT SAVINGS	
Less Service Savings by Short-term Actions:	1975	1977
Production from Elk Hills	0.2	0.3
Coal Conversion	0.1	0.3
Tax Package	0.9	1.6
TOTAL IMPORT SAVINGS	1.2	2.2
REMAINING IMPORTS	5.3	5.8

MID-TERM PROGRAM

CONSUMPTION IF NO NEW ACTIONS	23.9 MMB/D	
IMPORTS IF NO NEW ACTIONS	12.7 MMB/D	
Less Savings Achieved by Following Actions:	1985 IMPACT ON IMPORTS	
OCS Leasing	1.5	
NPR-4 Development	2.0	
Coal Conversion	0.4	
Synthetic Fuel Commercialization	0.3	
Auto Efficiency Standards	1.0	
Continuation of Taxes	2.1	
Appliance Efficiency Goals	0.1	
Insulation Tax Credit	0.3	
Thermal Standards	0.3	
Total Import Savings by Actions		8.0
Remaining Imports		4.7
Less:		
Emergency Storage	3.0	
Standby Authorities	1.7	
NET IMPORT VULNERABILITY		0

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INTERNATIONAL ENERGY POLICY AND FINANCING ARRANGEMENTSBACKGROUND

The cartel created by the Organization of Petroleum Exporting Countries (OPEC) has successfully increased their governments' price for exports of oil from approximately \$2 per barrel in mid-1973 to \$10 per barrel today. Even after paying for their own increased imports, OPEC nations will report a surplus of over \$60 billion in 1974, which must be invested. Oil price increases have created serious problems for the world economy. Inflation pressures have been intensified. Domestic economies have been disrupted. Consuming nations have been reluctant to borrow to finance their oil purchases because of current balance of payments risks and the burden of future interest costs and the repayment of massive debts. International economic relations have been distorted by the large flows of capital and uncertainties about the future.

U.S. POSITION

The United States believes that the increased price of oil is the major international economic problem and has proposed a comprehensive program for reducing the current exorbitant price. Oil importing nations must cooperate to reduce consumption and accelerate the development of new sources of energy in order to create the economic conditions for a lower oil price. However, until the price of oil does decline, international stability must be protected by financing facilities to assure oil importing nations that financing will be available on reasonable terms to pay for their oil imports. The United States is active in developing these financing programs. Once a cooperative program for energy conservation and resource development and the interim financing arrangements are agreed upon, it will be possible to have constructive meetings with the oil producers.

ACTIONS TAKEN BY OIL CONSUMING NATIONS

The oil consuming nations have already created the International Energy Agency to coordinate conservation and resource development programs and policies for reacting to any future interruption of oil exports by producing nations. The four major elements of this cooperative program are:

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An emergency sharing arrangement to immediately reduce member vulnerability to actual or threatened embargoes by producers;

A long-term cooperative program to reduce member-nation dependence on imported oil;

A comprehensive information system designed to improve our knowledge about the world oil market and to provide a basis for consultations among members and individual companies; and

A framework for coordinating relations with producing nations and other less developed consuming countries.

The International Energy Agency has been established as an autonomous organization under the OECD. It is open to all OECD nations willing and able to meet the obligations created by the program. This international agreement establishes a number of conservation and energy resources development goals but each member is left free to determine what domestic measures to use in achieving the targets. This flexibility enables the United States to coordinate our national and international energy goals.

OTHER U.S. ACTIONS AND PROPOSALS

The United States has also supported programs for protecting international stability against distorting financial flows created by the sudden increase of oil prices. Although the massive surplus of export earnings accumulated by the producing nations will have to be invested in the oil consuming nations, it is unlikely that these investments will be distributed so as to match exactly the financing needs of individual importing nations. Fortunately the existing complex of private and official financial institutions has, in the case of the industrialized countries, been effective in redistributing the massive oil export earnings to date. However, there is concern that some individual industrialized nations may not be able to continue to obtain needed funds at reasonable interest rates and terms during the transition period until supplies are increased, conservation efforts reduce oil imports and the price of oil declines. Therefore, the United States has supported various proposals for "reshuffling" the recycled funds among oil consuming nations, including:

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Modification of International Monetary Fund (IMF) rules to permit more extensive use of existing IMF resources without further delay;

Creation of a financial solidarity facility as a "safety net" for participating OECD countries that are prepared to cooperate in an effort to increase conservation and energy resource development actions to create pressure to reduce the present price of oil;

Establishment of a special trust fund managed by the IMF which would extend balance of payments assistance to the most seriously affected developing nations on a concessional basis not now possible under IMF rules. The United States hopes that oil exporting nations might contribute a major share of the trust fund and that additional resources might be provided through the sale of a small portion of the IMF's gold holdings in which the differential between the original cost of the gold and the current market price would be added to the trust fund; and

An increase in IMF quotas which would make more resources available in 1976.

These proposals will be discussed at ministerial level meetings of the Group of Ten, the IMF Interim Committee and the International Monetary Fund/International Bank for Reconstruction and Development Committee in Washington, D.C. January 14 to 17.

In these meetings, the United States will continue to press its views concerning the fundamental importance of international cooperation to achieve necessary conservation and energy resources development goals as a basis for protecting our national security and underlying economic strength.

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United States Travel Service
U.S. Department of Commerce
Washington, D.C. 20230



FACT SHEET

Tourism: The 4.7 Billion "Inside-Out" Export

International tourism is one of the largest single factors in world trade. Despite recession, inflation and energy-problem influences, travel to the United States from other nations increased during 1974. It now appears that the U.S. tourism deficit may actually decline, for the second successive year, possibly dropping to \$2.95 Billion. Here are the facts and figures behind this encouraging development.

TOURISM: THE \$4.7 BILLION "INSIDE-OUT" EXPORT . . . THE FACTS

A QUICK OVERVIEW

OF TOURISM'S ECONOMIC IMPORTANCE* . . .

- + 313,000 American jobs were created or supported through *international tourism alone* last year. Four million Americans work at tourism-related jobs . . .
- + \$4.7 billion was the total contribution to the U.S. economy by international tourists in 1974 -- a hefty 17% rise over 1973's receipts . . .
- + Every visitor arriving in the U.S. from *overseas* last year was a "living \$487 export" . . .
- + 14,123,047 tourists visited the United States in 1974, representing a "temporary population" larger than 48 of the 50 states . . .
- + Visitors coming to this nation last year left about \$340-million in local, state and federal taxes to help support roadways, schools, welfare, etc. -- a legacy left behind for their American hosts . . . *taxes those hosts won't have to pay* . . .
- + Tourism within the U.S.A. is exceeded *only by grocery purchases* in terms of dollar expenditures. It is a \$61 billion industry in this nation . . .
- + Inflation, recession and energy obstacles notwithstanding, last year's increased foreign exchange earnings from incoming tourism represents the second highest increase in more than a decade . . .
- + Tourism is the No. 1 income producer in three states -- Florida, Hawaii and Nevada . . . and among the three top industries in 43 other states . . .
- + More than 30 million international visitors are expected to join Americans in celebrating their Bicentennial during 1975-6.

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*All data contained in this and all following material are provided by the Office of Research and Analysis, United States Travel Service, and all are based on conservative estimates where final statistics are not available.

TOURISM: THE \$4.7 BILLION "INSIDE-OUT" EXPORT . . . THE FACTS

U.S. EFFORTS TO INCREASE

INTERNATIONAL TOURISM TO THIS COUNTRY . . .

UNITED STATES

TRAVEL SERVICE

USTS is the national government tourism promotion and development office, created by the International Travel Act of 1961. It is an agency of the U.S. Department of Commerce, and is located in Washington, D.C.

USTS ABROAD

Six nations -- Canada, Mexico, Japan, United Kingdom, West Germany and France -- are the top six tourism-generating nations to the U.S. (86% of all incoming tourists; 74% of all travel dollar earnings.) To provide maximum support for U.S. tourism promotion efforts in those markets, USTS maintains a field office in each. Those offices serve the travel industries in those nations, assisting them to become more effective and energetic "salesmen" for travel to the United States.

USTS PROGRAMS

Working with travel producers abroad, USTS creates (and helps support financially) tour packages to the U.S.A., which are sold through tour wholesalers and/or retailers. Further, USTS has an intensive advertising program, as well as a major public relations effort designed to sell this nation and individual destinations to potential travelers abroad. A steadily enlarged thrust to attract conventions and incentive-travel programs to the U.S.A. is a primary USTS endeavor, as is the continuing campaign to enlarge the trade-show and exposition business to this nation. USTS also provides extensive research on travel for foreign and domestic needs, and conducts an extensive visitor facilitation program, designed to assist the nation in becoming a better host for international visitors.

. . . continued

TOURISM PROMOTION
BUDGET

For the current fiscal year, the USTS budget is \$11.2 million, placing the United States *thirteenth* among the nations of the world in terms of funds spent to promote tourism to those nations.

ASSISTANT
SECRETARY
OF COMMERCE
FOR TOURISM

The Hon. C. Langhorne Washburn is the first person to hold this position, created by Congress in 1970. His reappointment to this post in 1973 made him the first Assistant Secretary of Commerce to serve two terms. As his major responsibility, USTS has moved up from an agency with a \$4.5 million budget in 1969 to its present \$11.2 million level. At a meeting of state travel directors in Washington in February, Mr. Washburn was hailed by members of the Congress attending the event as "Mr. Tourism" in recognition of his extraordinary contributions to the U.S. travel industry.

DEPUTY
ASSISTANTS

Members of the Assistant Secretary's staff are the Hon. David N. Parker, Deputy Assistant Secretary of Commerce for Tourism, who joined the Department in September, 1974, formerly having been Appointments Secretary for the President of the United States; and the Hon. Peter J. Malatesta, Deputy Assistant Secretary of Commerce for Bicentennial Affairs, a member of the Department since January, 1974. Mr. Malatesta was formerly Administrative Assistant to the Vice President of the United States.

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TOURISM: THE \$4.7 BILLION "INSIDE-OUT" EXPORT . . . THE FACTS

GENERAL INFORMATION CAPSULES

ON U.S. AND WORLD TOURISM . . .

WORLD ON THE MOVE

Global tourism receipts totaled \$29 billion in 1974, up 5.1% over the \$27.6 billion recorded the previous year. International political, economic and energy problems were among the influences that caused a drop in world tourism-arrival figures. There were 209 million visits to major tourism nations in 1974, a reduction of 2.7% from the 215 million recorded a year earlier.

DESTINATION USA

Again in 1974, the U.S.A. was one of the largest tourism-receiving and -generating nations in the world. The United States had a 6.7% share of the total world arrivals in 1974, compared to a 6.5% share in 1973, and 16.1% of the total receipts, which registered 14.3% the previous year.

TRAVEL-\$ DEFICIT

Indications are that, in spite of unsettling economic and political changes in 1974, the United States travel-dollar deficit in 1974 may be under \$3 billion for the first time since 1971. The "travel deficit" is the difference in expenditures by Americans abroad vs. the expenditures by international visitors to the U.S.A. For 1974, the dollar-lag could be as low as \$2.95 billion, 3% less than the \$3.080 billion recorded in 1973.

AMERICANS ABROAD

Expenditures by Americans traveling abroad in 1974 were about \$7.7 billion, an increase of 8% over 1973 -- about the same percentage of growth from 1972 to 1973. Final tallies are expected to show that the number of American tourists abroad will drop 2% in 1974 -- from 24.8 million the previous year to 24.1 million last year.

continued . . .

PRESIDENT FORD
ON TOURISM

In a message to a recent conference of state travel officials, sponsored by USTS, President Gerald R. Ford said . . . "Never before has tourism had such an impact on so many of our national interests. It is a vital aspect of our nation's economy and, more than ever, an important factor in our relations with other countries. Tourism has growing value as a source of foreign currency. It can appreciably strengthen the vitality of our economy at a time when this is our primary national task."

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Several legislative and regulatory measures to achieve gasoline conservation are now under spirited public discussion and scrutiny. From the extreme of gas rationing to less harsh measures, there is little agreement on which program might be best to help meet the absolutely necessary goal of reducing gasoline consumption and our dependence on foreign oil supplies -- to reverse our nation's energy/economy problems.

Yet, all alternative programs being proposed boil down to the need for the individual motorist to use less gasoline in daily driving. Public attitudes and personal driving habits need to be changed.

And that is what GAS WATCHERS, a grassroots program to promote widespread conservation on a voluntary basis, is designed to accomplish. It is compatible with all legislative alternatives being discussed and clearly apolitical. It can be (and is being) implemented immediately by motorists throughout the country. There is no need for discussion and further delay.

PROGRAM OBJECTIVES

One objective of the GAS WATCHERS Program is to convince the public of the gravity of the immediate problem and of the need to conserve gasoline to overcome the nation's energy/economy problems.

Second, the program shows the public how to conserve. By use of a GAS WATCHERS' Guide and a personal consumption scorecard as the core of the program, motorists are shown the most effective steps to take to use less gas in daily driving. Several public service projects and communications media are also part of the overall program.

Another objective of the GAS WATCHERS Program is to measure results of conservation efforts. Individual motorists can be shown how much less gas they are using. On a state, regional and national basis, AAA will monitor and report on consumption trends.

The specific goal of the GAS WATCHERS Program is to get every licensed driver in the U. S. to become a GAS WATCHER, with a commitment to make 5 gallons of gasoline do the work of 6.

The goal was selected because it represents the national goal of reducing oil imports by one million barrels a day from the present import rate of about 6 million barrels per day. This million-barrel-per-day reduction, the national goal, would be far surpassed if motorists meet the challenge of 5-for-6.

(over)

COMMUNICATIONS MEDIA

In conducting the program, several communications media will be utilized by AAA, its local clubs and other organizations which tie-in with the program. They include news services, television and radio spots, newspaper advertisements, AAA club publications and travel materials, publicity materials, speaking appearances, mailing inserts, postage meter slugs, bumper stickers, etc.

PUBLIC SERVICE PROJECTS

The GAS WATCHERS' Guide, a 16-page pamphlet which explains in some detail what steps are necessary to save gas, is the backbone of the educational process for actually accomplishing conservation on the scale required. It belongs in every car.

Other projects urge compliance with the 55-mile-per-hour speed limit, promote renewed interest in carpooling, provide for local traffic flow auditing, encourage adoption of "here-and-now" technology to save gas and provide for classroom projects for students.

JOINT PARTICIPATION

AAA welcomes participation by individuals or groups interested in combining resources to effectively reach target audiences and achieve GAS WATCHERS objectives. Such participation, AAA feels, is clearly in the best interest of the U. S. economy.

These people would include representatives of:

- *Businesses and associations
- *Professional societies with member expertise that can help meet the program's goal
- *Civic clubs and neighborhood groups who want to help spread the word
- *Students in schools and colleges who want to participate in this public service project
- *Churches and ministerial alliances

AAA will willingly serve as a rallying point for cooperative action and joint participation with anyone who desires to make a contribution in the conduct of this program.

THE AMERICAN AUTOMOBILE ASSOCIATION

AAA is a federation of 226 local motor clubs throughout the U. S. and Canada that serves over 16.5 million members. Its 832 offices in the U. S. provide specialized services to members and engage in public service activities in the best interests of motorists and travelers in general.

Address for AAA's national headquarters is 8111 Gatehouse Road, Falls Church, Virginia 22042. Telephone number is 703/AAA-6000.

FACT SHEET

U.S. DEPARTMENT OF TRANSPORTATION

The U.S. Department of Transportation was established by the Transportation Act of October 15, 1966 (80 Stat. 931; 49 U.S.C. 1651) and became operational in April 1967. It was comprised of elements transferred from eight other major Departments or Agencies and presently consists of the Office of the Secretary, and seven operating administrations whose heads report directly to the Secretary and who have highly decentralized authority. The National Transportation Safety Board attached to the DOT for support services becomes an independent Federal Agency April 1, 1975.

The seven operating administrations of the DOT are:

- The U.S. Coast Guard is a branch of the Armed Forces of the U.S. and is a service within the DOT except when operating as a part of the Navy in time or war or when the President directs. It has 37,486 military personnel, and 6,385 civilian positions. Its budget authority for FY 1975 (estimate) is \$937 million.
- The Federal Aviation Administration (FAA), formerly the Federal Aviation Agency, is charged with regulating air commerce to foster aviation safety, promote civil aviation and a national system of airports, achieve efficient use of navigable airspace, and development and operation of a common system of air traffic control and navigation for both civilian and military aircraft. The FAA has approximately 57,000 personnel and FY 1975 budget (estimate) of \$1.7 billion.
- The Federal Highway Administration (FHWA) encompasses highway transportation in its broadest scope, seeking to coordinate highways with other modes of transportation. It is concerned with the total operation and environment of the highway systems, with particular emphasis on improvement of highway-oriented aspects of highway safety. It has approximately 5,000 personnel and a FY 1975 budget (estimate) of approximately \$7.5 billion.
- The Federal Railroad Administration (FRA) consolidates Government support of rail transportation, provides a unified and unifying national policy, administers and enforces rail safety, administers financial assistance programs for certain railroads, conducts research and development in support of intercity ground transportation, and operates the Alaska Railroad. It has approximately 1,400 personnel and a FY 1975 budget (estimate) of \$180 million.
- The Urban Mass Transportation Administration (UMTA) assists in the development of improved mass transportation facilities, equipment, techniques, and methods, and encourages the planning and establishment of areawide urban mass transportation systems. It also provides assistance to state and local governments in financing such systems. The UMTA has approximately 405 personnel and a FY 1975 program level of \$1.4 billion.

- National Highway Traffic Safety Administration (NHTSA) carries out programs relating to the safe performance of motor vehicles and related equipment, and motor vehicle drivers. The NHTSA has 881 employees and a FY 1975 budget of \$269 million.
- St. Lawrence Seaway Development Corporation is a wholly-owned Government enterprise and is responsible for the development, operation, and maintenance of that part of the Seaway between Montreal and Lake Erie within the territorial limits of the United States. It has approximately 190 employees and is financially self-supporting.

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WHITE HOUSE CONFERENCE
on
Domestic
and
Economic Affairs

DIPLOMAT HOTEL
CONVENTION CENTER

HOLLYWOOD, FLORIDA

FEBRUARY 25, 1975

9:00 a.m. - 5:00 p.m.

PROGRAM

- 9:00 A.M. **Introductory Remarks**
 David R. Keating, Mayor, Hollywood, Florida
 Sid Levin, President, Miami Chamber of Commerce
 William J. Baroody, Jr.
 Fernando E. C. DeBaca
- 9:20 A.M. **Transportation**
 Remarks/Questions & Answers
 John W. Barnum
- 10:30 A.M. **Intermission**
- 10:45 A.M. **The Housing Situation**
 Remarks/Questions & Answers
 H. R. Crawford
- 11:45 A.M. **Reception (Regency Room - North)**
- 12:15 P.M. **Luncheon Banquet (Regency Room - South)**
 Master of Ceremonies J. P. Taravella, Chairman
 Florida Council of 100
 Invocation Father J. Kenneth Major
 Address "The State of the Economy"
 L. William Seidman
- 1:45 P.M. **Intermission (Reconvene Convention Hall)**
- 2:00 P.M. **The Economy and Tourism**
 C. Langhorne Washburn
- 2:10 P.M. **The State of the Economy**
 Remarks/Questions & Answers
 L. William Seidman
 C. Langhorne Washburn
- 2:55 P.M. **Intermission**
- 3:10 P.M. **Energy and the Environment**
 Remarks/Questions & Answers
 Rogers C. B. Morton
 Michael Raoul-Duval
- 4:30 P.M. **ADDRESS BY THE PRESIDENT OF THE UNITED STATES**

Program Moderator and Conference Chairman — William J. Baroody, Jr.



GERALD R. FORD
 PRESIDENT OF
 THE UNITED STATES
 OF AMERICA



Rogers C. B. Morton
 Secretary of the Interior,



John W. Barnum
 Acting Secretary of
 the Department of
 Transportation



L. William Seidman
 Assistant to the President
 for Economic Affairs



William J. Baroody, Jr.
 Assistant to the President
 for Public Liaison



C. Langhorne Washburn
 Assistant Secretary
 for Tourism,
 Department of Commerce



H. R. Crawford
 Assistant Secretary of the
 Department of Housing
 and Urban Development



Michael Raoul-Duval
 Associate Director of
 the Domestic Council



Fernando E. C. DeBaca
 Special Assistant to
 the President for
 Hispanic Affairs

The South Florida White House Conference on Domestic and Economic Affairs is one in a continuing series of White House conferences held in different cities across the country. These conferences are jointly sponsored by the White House Office of Public Liaison and local, state and regional organizations representing the different sectors of economic society — business, labor, consumers, etc. The purpose of these meetings is to focus on the major issues of the day as they affect the country and the people of the conference location and to facilitate genuine two-way dialogue in a spirit of cooperation in the hope that these endeavors will help the government become more responsive to the needs of America and her citizens.

SPONSORING ORGANIZATIONS

American Association of Retired Persons and the
National Retired Teachers Association

Florida Council of 100

Greater Ft. Lauderdale Chamber of Commerce

Greater Hollywood Chamber of Commerce

Greater Miami Chamber of Commerce

Latin American Chamber of Commerce of Hialeah

Latin Chamber of Commerce

League of Women Voters of Metropolitan Dade County

Miami Beach Chamber of Commerce

United Way of Dade County

Urban League of Greater Miami

White House Office of Public Liaison

THE WHITE HOUSE
WASHINGTON

February 25, 1975

TO THE SOUTH FLORIDA CONFERENCE PARTICIPANTS:

The enclosed information includes a copy of the President's State of the Union Message and an accompanying Fact Sheet delivered to the Congress on January 15.

We thought this information might be helpful to you and your organization.

If we can be of additional assistance after the Conference please let me know.

Sincerely,



William J. Baroody, Jr.

Assistant to the President for Public Liaison

A New Communications Link with Government

*White House sets up Office
of Public Liaison to work
with private organizations*

An interview with William J. Baroody, Jr., Assistant to the President

WILLIAM J. BAROODY, JR., is the new Assistant to the President in charge of the Office of Public Liaison.

His mission: to set up a smoothly functioning two-way interchange between the White House and organizations in the nation's private sector.

Mr. Baroody accepted the assignment from President Gerald R. Ford in mid-September. When he did, he knew that his role was not unlike that of a reserve quarterback who enters a game late in the second half with his team trailing. He is going to have to play a lot of catch-up ball.

"In the last days of President Nixon's administration, communications with the public were not very good," says the 36-year-old Mr. Baroody in a quiet, diplomatic understatement. "Now we are going to change that."

If the effort succeeds—and Mr. Baroody is determined to see that it does—the decisive element could

be the degree of support that he receives from President Ford, Vice President-designate Nelson A. Rock-



efeller, and the various members of the President's Cabinet. He has been assured by Mr. Ford that he will get complete cooperation, and

results to date indicate that the President means what he said.

Using the twin tools of meetings at the White House and meetings in cities around the country, Mr. Baroody already has made significant progress toward his goal of tapping the views of leaders of business, farm, labor, veterans, consumer, youth, and other groups. President Ford has participated personally in some of the meetings. In others, Mr. Rockefeller will take part, after his confirmation by Congress, along with key members of the Ford Cabinet.

Trade and professional association leaders have attended some of the sessions; others will be receiving invitations to represent their members at a score of conferences to be held over the next 12 months.

For Mr. Baroody, the job is the most challenging to date in a career that has included high-level posts at the Department of Defense and on Capitol Hill. He joined the White House staff early in 1973 after a

"The Office of Public Liaison covers the whole range of private organizations—any group that is not part of the government."



stint at the Pentagon that included responsibility for long-range planning and net assessment functions of the Secretary of Defense. His work earned for him the highest civilian honor—the Defense Distinguished Civilian Public Service Award—that can be given by the Secretary of Defense.

A native of Manchester, New Hampshire, Mr. Baroody is the son of William J. Baroody, Sr., head of Washington's prestigious American Enterprise Institute for Public Policy Research. He holds a bachelor's degree from Holy Cross College and did graduate work in political science at Georgetown University. He and his wife, Mary Margaret, have nine children, seven boys and two girls, ranging in age from 12 to two.

In the following interview with ASSOCIATION MANAGEMENT, Mr. Baroody explains the role of his office in the new administration.

Mr. Baroody, how would you describe the objective of the Office of Public Liaison?

Well, stated simply, we hope to open up a dialogue between the administration and all of the major nongovernmental organizations in the country.

What specific organizations does this include?

The dialogue we are trying to set up will be with trade associations

and professional societies; farm, labor, and veterans groups; civic organizations and consumer groups; academic and ethnic groups; young people and senior citizens. The Office of Public Liaison covers the whole range of private organizations—any group that is not part of the government.

Why has this job been given a high order of priority by the President?

He believes in it, for one thing. Back in 1969, when the President was Minority Leader of the House of Representatives, he urged then-President Nixon to create an office along the lines of the one I now head. President Ford made the recommendation because he is a strong advocate of open and free communications. That's why he submitted the idea, and it explains his decision to follow through on it once he became President.

In point of historic fact, however, Bryce Harlow (Washington representative for Procter & Gamble and a frequent Presidential consultant) deserves some credit for the "liaison" function. He suggested it in 1958, during President Eisenhower's last term.

How do you plan to make the dialogue a reality?

We're employing a number of methods. At the top of the list are meetings—sit-down sessions with spokesmen for specific segments of

the population. We are holding some of the meetings in the White House, and others are being conducted in cities throughout the United States. They are one-day or half-day gatherings. When a session is held in the Cabinet Room or Roosevelt Room at the White House, my office makes up the invitation list. But when we meet in the field, we get the cosponsorship of local organizations and let them do the inviting.

Aren't some people going to say that your meetings are simply a propaganda forum for the President's program?

Some may see it like that, and there is no question but that we will be trying to explain his program to the public in a persuasive way. But we're also going out there to listen and to seek compromise solutions to national problems. So, it is not a question of badgering a captive audience.

How many association executives have taken part in these meetings?

I can't give you an exact count offhand, but there have been quite a few. A lot depends upon the theme of a particular conference, which groups are cosponsoring it, and so forth. One of our earliest meetings dealt with the new pension law, and insurance association people took part in that. On an even earlier occasion, in Los An-

geles, the local Merchants and Manufacturers Association and the Los Angeles Chamber of Commerce provided a forum. I expect we'll be doing more of that as we go along, especially in post-summit meetings on inflation and then next year, when President Ford takes his legislative program to the people.

You mean you will be contacting associations and asking them to let you be a part of their meetings?

Exactly. We think that both associations and the administration have something to gain from the arrangement.

What is the specific advantage to an association executive or to his members?

Take the meetings that are being held every other Wednesday at the White House. If an association official is invited to attend, the chances are very good that he will have an opportunity to make a facile input—to speak frankly to the President, the Vice President, the Secretary of the Treasury, or other leaders of the administration.

It's a channel, an opportunity for give and take, an informal, off-the-record exchange of views on major issues. Of course, meetings held outside of the White House are open to press coverage, but even in that setting we believe that the method does a lot to improve communications between the White House and the public.

What happens after you hold a meeting, say, in New Orleans? Is an attempt made to go beyond what is said at the meeting itself?

After each meeting, whether it is held here in Washington or out in the field, I prepare a memo for the President, summarizing the thinking and recommendations that the meeting has produced. This goes to the Oval Office within a day or so. Later, I pass along a more detailed report of what has been covered, what major points of disagreement or agreement have been uncovered, and so on.

These reports also circulate to top members of the President's administration. They give us an early-

warning system—~~to~~ **key** to what people are thinking at the grass roots. This is valuable in shaping executive actions and decisions and in determining the form and substance of our legislative proposals.

Does President Ford read each of these reports?

Definitely. You may recall that he pledged that his would be an open-door administration. Well, he meant exactly that. He looks closely at what comes through his door and he listens carefully to those who contact him. At our White House sessions, we try to keep the groups rather small—no more than 40 persons. In the field, we shoot for several hundred people. No more. If attendance at an individual meeting gets too large, then you defeat the purpose of productive communications.

Are you handling this assignment on your own?

No. I have four staff assistants and clerical back-up, too.

One of my assistants, Dr. Theodore C. Marrs, deals primarily with veterans, military groups, medical associations, and the like. He has a background as a former Deputy Assistant Secretary of Defense, and he served in the Air Force as a pediatrician.

Another person on my staff, Don Webster, is an economist. He was



formerly with the Joint Economic Committee of Congress, and his work brings him into contact with other economists, business groups, agricultural organizations, and people in the investment field.

Jeffrey P. Eves was with the National Association of Manufacturers at one time and served for a while under Dr. Jackson Grayson at the Price Commission. He is interacting with associations, businessmen—and he also serves as our advance man in helping to set up meetings around the country.

The fourth professional on my staff is Wayne Valis, a researcher and speech writer. We lured him over from my father's organization—the American Enterprise Institute. He is especially valuable on legislative matters.

Miss Loraine Hodkinson is my Administrative Assistant.

Are the field meetings usually limited to one group? Business, for example?

No, we make every effort to have a mixed audience. In a September meeting, for example, representatives of business, the Urban Coalition, the labor movement, consumer organizations, and others were in attendance. The broader the dialogue, the better. One of our aims is not only a you-us relationship, but a you-us and you-you bridge. We're hoping that the dialogue approach will spread, with business

“Associations and their members . . . have an opportunity to be heard before the final decisions are made.”

Reprinted from the November, 1974 issue of *Association Management* copyright 1974 by the American Society of Association Executives.

"We are going out there to listen and to seek compromise solutions to national problems."



associations and others broadening the mix and number of those with whom they discuss prime issues.

You mentioned the value of "early warning"—

That is awfully important. Too frequently in the past, what developed here in Washington was put together without sufficient airing beforehand. We think the liaison project can prevent that by giving both the citizen and government a handle ahead of the power curve—advance warning of potential crises that can arise because of the actions that government takes or proposes to take.

Do you see yourself as a kind of ombudsman for the public?

No, we don't have the resources for that, and it's really not why we are here. We want to make government audible to the people and the people audible to government. Nothing more, really. If we got into the business of handling day-to-day complaints, requests for information, and such, we would quickly bog down. I am not sure that such an effort would be appropriate in any event. It could raise legal questions as well as eyebrows. President Ford believes in decen-

tralizing power, not pulling more of it to Washington or more of it from the Cabinet departments and agencies to the White House.

It seems that you are biting off a lot, even without playing the role of ombudsman. Do you really think you can make this system work well without becoming trapped in a babble of opinions and excessive demands upon the President's time?

The answer to that is yes, we think this program will work. In a time of swift change, clear communications are essential. The President is convinced of this. Moreover, he sees the need for restoring people's faith in government, our system of legislation, the presidency. The meetings we are holding are designed to restore that credibility. Without communications you can't have credibility in any society. Our country is one that is uniquely meeting-oriented. So, we are using the medium of conferences to develop deeper public understanding of the complex linkage between problems related to energy, inflation, trade, and so forth.

We desperately need more mutual understanding in America. Too many times when our organiza-

tions meet, share views, they operate within a very narrow band. The kind of effort we are making, we feel, offers at least the possibility of widening the scope of our perception as a people.

I think it is significant that the charter given me by President Ford places this office on an equal footing with his press office and his congressional office. He hopes through all three to reach the largest constituency possible—the people.

With a mixing of special interest groups, you are going to get some pretty heated exchanges, aren't you?

Sure. But that's good. Better to be talking, even if heatedly, than to be glowering in suspicion. The President's economic summit meeting showed that Americans can take the risk of disagreeing in public without disintegrating into factions. We hope to continue in that spirit in the months to come.

Won't the President inevitably have to withdraw from active participation in your programs?

I can tell you that he intends to do just the opposite—to stay involved and to keep the door open. And his ears open too. You see, Mr. Ford has a very special view of his role, one that has put its mark on what we are doing through this new office. He sees the President's job as one of listening, guiding, and setting a moral and intellectual example.

He believes that, to govern justly and well, a President must stay in touch with the people who look to him for direction. He is looking for idea input—information that can help him, and others in his administration, in decision-making and problem-solving. Associations and their members—in fact, every element of our population—have an opportunity now to be heard before the final decisions are made. They can share in the process.

In the last analysis, I guess you could say that we would rather run the risk of over-communicating than under-communicating. There are more than 200 million people out there. They deserve to be heard.

USE

A graphic of a gas gauge with an arrow pointing towards the 'F' (Full) mark.

**Gas Watchers'
GUIDE**

*how to make 5 gallons of
gasoline do the work of 6—
to revive the economy
and prevent tough controls
on driving*



***if you drive a car, you can
help brake inflation/
recession and save
yourself some money.***

***become a GAS WATCHER.
make 5 gallons of gasoline
do the work of 6.***

The United States energy problem is more of a crisis today than it was during the oil embargo of 1973-74.

That's because we've fallen dangerously dependent on foreign nations for our oil needs. And they're demanding whatever price the market will bear.

As a result, soaring energy costs are pushing inflation upward and creating recession. As the cost of energy climbs the cost of everything goes up—from a pair of shoes to the cost of a newspaper to the cost of gasoline.

Our oil import situation is forcing businesses out of business and people out of jobs.

As a driver, you can make a major contribution to solving the problems feeding on the energy emergency. And you can do it in the best, fairest, most American way. As a volunteer.

If you have the willpower to make a personal commitment to conserve gasoline—to make 5 gallons do the work of 6—together we can reduce oil imports by one million barrels a day, the national goal, from the present import rate of about six million barrels a day.

And we can avoid some really tough mandatory conservation measures that would cut us back a lot more. Where it would hurt the most.

Making 5 gallons do the work of 6 is easy when you know how. In these pages you'll find a tankful of suggestions. Select from the many options those that will benefit you most and inconvenience you least. You'll save money for yourself in the process.

Please. Take a few minutes to act on one of the severest threats our nation has ever faced. Become a GAS WATCHER.

Starting right now.

We've compiled our suggestions under six categories:

- To-and-from work trips.
- Daily family business trips.
- Family education, civic and religious activities trips.
- Social and recreational activities trips.
- Keeping your car in tip-top shape.
- Good driving techniques.

The rest is up to you.

After you've sorted through the fuel conservation tips listed in this pamphlet you may find it helpful to use the "Mileage Minder" in the centerfold to help budget your driving. After logging each trip taken in your car for a week or two you'll get a quick picture of your particular driving patterns and learn where you can place the most emphasis on reducing unnecessary trips.

Become a GAS WATCHER yourself and tell your Congressman you're doing your part to conserve gasoline.

If all motorists make 5 gallons of gasoline do the work of 6, we can revive the economy and prevent tough controls on driving.

Here's how:

To-and-From Work

Every day 58 million American workers use the automobile to get to and from work. Forty million of them drive alone. Those 40 million workers drive an average of 94 miles and consume 290 million gallons of gasoline each week.

Since commuting is the largest single category of automobile use, it is the obvious place for a family to start looking for ways to cut weekly driving mileage.

Two methods stand out—carpooling and increased use of public transportation, if available.

Starting a carpool is a lot easier than you think—perhaps as easy as talking to two or three of your neighbors who go to work at approximately the same time and work in the same vicinity. If you can't do that, try posting a notice on your company bulletin board asking for riders who live near you.

Your company may already have a carpooling

program—if not, ask about getting one started. If the company is too small, try to arrange to join the program of a nearby firm. Or get your company to enlist the cooperation of several others nearby in setting up a joint carpool program.

A computer isn't necessary to the success of a large carpool program, although it might help in matching riders. A large locator map—with grids or zones marked off will suffice. Index cards for potential riders and potential drivers can be filled out with all the necessary information and then matched, either individually or by company personnel.

If your company or a group of companies can't get together on their own, investigate the possibility of establishing a community-wide program. Many communities have already started this—some with the help of local AAA clubs.

In any carpool arrangement there are some basic pointers to keep in mind:

- Set a schedule of who will drive and when.
- If only one person will be driving, have the cost-sharing arrangement firmly settled before starting.
- Get your pick-up routes set well in advance, at individual homes or at a central point. Do the same for the return trip from work to home.
- Agree on how long the pool will wait for tardy passengers.
- Determine whether smoking, radio playing, or eating will be permitted in the car.
- If you'll be a driver, check with your insurance company to determine if your policy will cover any liability or if you will have to change or add insurance provisions. It's even possible that as a carpool driver you may qualify for reduced premiums.

You probably will want to try out the carpool for a week to iron out any kinks. Be prepared to make any necessary changes after this trial period.

Another alternative to driving alone to work in your car is to switch to public transportation. If a bus or rail line doesn't run near your home, consider carpooling to a point where you can board the transit service.

For communities with no available public transportation, you might consider establishing a charter bus commuting service. Several communities, particularly in the Washington, D.C., area have utilized this

approach very successfully. Your local citizens or homeowners association is a good place to get such a program going. AAA can give you details on how to proceed.

Businesses also can consider setting up buspool programs—even using small vans or other multi-passenger vehicles.

A final possibility—if you're not too far from work—is to either walk or bicycle.

Family Business

Family business trips—such as shopping, taking children to school, dental and medical appointments—consume 225 million gallons of gasoline per week.

The average car-owning family makes five such trips weekly, each 11 miles long. Here is an obvious area for some painless cutbacks:

Start by combining shopping trips.

- Make careful lists before starting out and combine other errands—such as trips to the beauty parlor, cleaners, and drug store.

If possible, handle all of these errands at one shopping center to eliminate driving from one location to another. Comparison shopping can be done by phone or through newspaper ads.

- Try to arrange dental and medical appointments so more than one member of the family can go at the same time.

- Strive to schedule shopping and other family business trips during non rush-hours. This will help to reduce traffic congestion and alleviate stop-and-go driving which uses additional gasoline.

- Carpooling is an excellent idea for family business as well as for commuting. Share shopping trips with neighbors. Enlist other parents to form carpools for transporting children to and from school, extra-curricular school activities, and other group events if public transportation is not available.

- Cut down on trips to see friends in other parts of the community. Call instead, it uses less energy.

- If you're planning a night out at the theater or for dinner invite another couple, similarly inclined, to

join you. Encourage your teenagers to do more double-dating, too.

Family Education, Civic and Religious Activities

This is the category of driving which accounts for the least amount of fuel consumption and since each car-owning household takes an average of only 1.5 such trips per week, it may be the most difficult to cut back.

Still, there are ways to cut down driving even in this category.

- Again, start by carpooling to evening classes, meetings and church activities with other participants.

- Arrange to have schedules coordinated to require a minimal amount of travel on the part of participants. For example, arrange choir practice on Sunday after church services rather than on a week night.

- If you belong to committees of various groups, try to arrange your committee membership and meeting place and schedule to require the least travel for participants. Perhaps you could meet at a home or other spot within walking distance of most members.

- Re-think your organization's meeting schedule. Are frequent meetings—weekly or monthly—really necessary? Why not once a month instead of weekly? Or bi-monthly rather than monthly?

- If you're planning on taking courses of some kind, try to find those offered at a facility close to home—preferably within walking distance. Certainly you should try to arrange a carpooling program with other participants in the class.

- Suggest that your local government arrange its meeting schedule so as many government agencies as possible are meeting on the same night at the same place. That way, citizens with business before the city council and the planning commission could make only one trip to appear before both groups.

- Local government units might also consider holding more public meetings in various neighborhoods rather than at the central government location. This might help cut down on the number of miles citizens have to drive to attend these meetings.

MILEAGE—MINDER

Week one: miles beginning _____, miles ending _____, total _____

Car Use	MONDAY			TUESDAY			WEDNESDAY			THURSDAY			FRIDAY			SATURDAY			SUNDAY					
	MILES	1-5	6-10	11-20	1-5	6-10	11-20	1-5	6-10	11-20	1-5	6-10	11-20	1-5	6-10	11-20	1-5	6-10	11-20	1-5	6-10	11-20		
Trips to and from work (School for students)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Family business (Shopping, doctors, errands)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Educational, civic and religious functions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Social and recreational trips (Friends, movies, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vacation																								

An important first step in conserving fuel is to become aware of how you use your car and how far you drive during the week. This chart can help "profile" your driving habits.

First, record the actual mileage on your car odometer under "miles beginning."

Now you are ready to record HOW you use your car in each category of driving. After you make your first trip place an "X" in the box under the column corresponding to the day of the week you begin which best describes the type of trip and total ROUND TRIP miles traveled (1-5, 6-10, etc.). If you travel over 20 miles round trip, write this figure in the appropriate box rather than making an "X."

Continue this recording process for each round trip made in your car during the entire week. And if you take a vacation by car, be sure to record your mileage in the "Car Use Profile" box below.

At the end of the week, record the mileage on the odometer under "miles ending." Subtract the beginning mileage figure from final figure and record the total.

Now you can "profile" how you used your car. Reading

across the chart horizontally, count the number of boxes you have checked in each "Car Use" category and enter the total trips in the "Car Usage Profile." Then add and record the number of miles you drove in each category to get a graphic picture of where you are best able to focus your conservation efforts.

Car Use Profile

Category	Number of trips	Weekly mileage total
Work trips		
Family business		
Educational, etc.		
Social, etc.		
Vacation		

Social and Recreational Activities

Pleasure rides, visits to friends and relatives and other social and recreational trips—together with vacations—consume 382 million gallons of gasoline each week. The average family takes 3.5 such trips each week, with the majority being taken on weekends and holidays.

Trips of this kind are not luxuries—but they are of a nature which allows for some easy savings in fuel consumption without depriving anyone of the leisure activities so important to physical and psychological well-being. Equally important is the fact that tourism employs four million persons and it means some \$60 billion to the U.S. economy.

Start off by taking a serious look at your vacation planning. This would be a good year to vacation in an area where you won't need your car as much to get around at your destination, a large metropolitan area, for example, or a beach or mountain resort. If you will be driving to your vacation destination, look into sight-seeing services offered locally for your transportation needs while there.

This also could be your opportunity to advance in another travel direction—any direction—utilizing what AAA refers to as the radius travel concept. It means systematically investigating all the recreational possibilities within a geographical circle, the size of which is determined by the mileage you're budgeting for pleasure travel.

Your mileage budget can be adjusted upward to include longer trips if you're able to decrease use of gasoline proportionately for other uses, such as commuting to work.

Qualified travel counselors can assist you in matching your personally-budgeted fuel supply with your travel interests.

Other suggestions:

- If you know some friends who are planning a motoring vacation at the same time, why not try to combine your trips? You also might consider taking a plane, train or bus to your destination and rent a car for any local driving you need to do.

- Think twice before setting out on those spur-of-the-moment local pleasure rides or visits to friends and relatives. Do they really need that kind of surprise?

- Why not try a nature walk or bike trip? Or even a bus ride downtown to the local museum or to see a local sports or artistic presentation? You'll probably find the spirit of family adventure and togetherness will more than make up for any slight inconvenience.

AAA club travel counselors offer members detailed planning advice on such things as selecting vacation destinations, travel routes and tie-in transportation arrangements, all designed with fuel savings in mind.

Keeping Your Car In Tip-Top Shape

Proper care and maintenance of your car can mean significant reductions in fuel consumption.

Start out by having your car's engine thoroughly tuned. AAA motor club tests show that even minor tune-ups can improve mileage by 10 percent. Other tests have shown that tune-ups can result in an immediate 9 to 15% improvement in gasoline mileage.

- Check spark plugs. Make sure yours are clean and all firing properly.

- Next check distributor points.

- Replace clogged and dirty air and oil filters.

- Check for proper functioning of the automatic choke—a sticking one will waste gas.

- Be sure the air-fuel mixture of the carburetor is precisely adjusted.

- An oil change should be part of every tune-up. Use the correct weight oil as recommended in your car-owner's manual. A heavier weight oil will force the engine to use more fuel to overcome the heavier oil's resistance, while an oil too thin may not provide enough protection to prevent engine damage.

- While you're getting your car tuned, check to see that the tires are properly balanced and wheels properly aligned. If they're not, they can create drag, forcing the engine to use more power—thus more gasoline—while shortening tire life drastically. A bent frame could have the same effect.

- Check tire pressure on your car frequently. Under-inflated tires increase rolling resistance and cut fuel economy. But don't over-inflate by more than two or three pounds. This could cause rapid wear and cut tire contact with the road, causing a safety hazard. Follow the manufacturer's recommendations.

- An often overlooked item of car care is the radiator thermostat. A defective one can increase fuel consumption by increasing engine warm-up time in cold weather. Automatic brake adjusters also should be checked for improper operation which can create brake drag and increase fuel consumption.

- Once you've had your car tuned, don't forget about it. Keeping a car operating at peak performance and at peak fuel economy requires constant care. A car needs to be tuned at least twice a year, spring and fall, or as recommended in your car-owner's manual.

- When you fill up with fuel, choose the correct octane for your particular car. Using the wrong octane might cause engine problems, spark plug fouling and reduced gasoline mileage. Avoid a higher octane fuel than required. You'll be wasting money. Ask the attendant not to fill your tank to the brim. This can cause overflow if the car is parked on an incline, and fuel expansion in hot weather can lead to overflow even when the car is parked on level ground. Make sure your gas tank cap is on tight—a loose one can allow gas to leak out.

- During this period of fuel uncertainties, many car-owners are buying lock-type gas caps. AAA advises buyers to be sure that the cap selected is designed for the specific make, model and year of the vehicle on which it is to be used. Different models of autos use various gas tank or cap venting systems. Use of an improper cap can create a vacuum as fuel is drawn from the tank by the fuel pump. This could result in the serious consequence of a collapsed gas tank. Just because a gas cap fits doesn't mean that it will function properly on your car. Buy only one designed for your car.

Keep an accurate record of the amount of gas used and the cost. Over a period of time you'll be able to check on fuel economy and perhaps discover ways to improve performance even further. A drop in gas mileage also will help you determine that it's time for another tuneup.

Good Driving Techniques

One of the major causes of poor fuel mileage for many drivers is poor driving technique and poor planning. Studies conducted by one AAA club showed gasoline efficiency could be increased by as much as 44% if driving habits were improved over a typical stop-and-go commuter route.

Good planning is the best introduction to good driving techniques:

- If you own more than one car, use the more economical one for as much of your driving as possible, particularly for commuting to and from work, or local stop-and-go driving.

- Plan your driving routes to avoid local bottlenecks such as extra-long lights and congested streets. Use less-traveled roads and free-flowing highways whenever possible, relying on traffic reports over your car radio for assistance. This will help you avoid fuel-robbing stop-and-go traffic. Avoid rush hours and other peak traffic times whenever possible.

- On long trips, start early in the morning to avoid heavy traffic and—in hot weather—minimize the need for use of your air conditioner. Time your driving to avoid rush hour traffic in urban areas, or plan your meal stops to coincide with these peak traffic periods.

- Unnecessary extra weight in your trunk will cut fuel economy. So keep baggage to a minimum when taking a trip. Packing baggage on a roof rack also creates fuel-robbing air resistance.

- Never carry spare cans of gasoline in your car trunk—that's extra weight you can definitely do without. This practice can be extremely hazardous since a spark or a lighted cigarette meeting an accumulation of vapors, or a collision, could set off an explosion. *One gallon of gasoline has the heat energy force (BTU's) of 50 pounds of dynamite.* Instead, buy an inexpensive hand-operated pump for possible siphoning requirements. Do not attempt to use a siphon hose by mouth. Inhaled fumes or possible fuel ingestion can be dangerous.

After good driving planning comes good driving execution:

- Begin the minute you fasten your safety belts and turn on your engine.

- Avoid extended warm-ups when starting a cold engine. It may be necessary, on cold mornings, to depress the accelerator once to set the automatic choke—any added pumping of the accelerator will only waste gas. Check the owner's manual for proper procedure.

- As soon as your car is drivable, accelerate gently and drive slowly for a mile or so—your engine will warm up faster and you'll save fuel. If your car is equipped with a manual choke, push it part way in as soon as the engine is running, then push it all the way in as soon as the car is safely drivable.

- Avoid unnecessary idling—which can consume gas at the rate of a half gallon per hour. Idling more than one minute will waste more gas than it takes to re-start the engine.

- Don't rev up the engine and then quickly shut it off, thinking you've primed it to re-start. Actually, you've dumped raw gasoline into the cylinder walls where it may wash away the protective oil film and increase engine wear when you re-start. It's also a waste of fuel.

- Even while you're driving you should still be planning. Look well ahead to spot slowdowns and red lights. Pace yourself to reach them when they turn green. A car uses much fuel when accelerating quickly from a complete stop. Keep a good space in front of you so you can adjust your speed gradually without closing the gap on the car ahead. If stops are necessary, release the accelerator early and brake gradually.

- Smooth "footwork" is crucial to good gasoline mileage. You'll get the best fuel economy by smooth, steady accelerator pressure for cruising conditions. Gradual acceleration and braking are also helpful. Hard acceleration pours more fuel into the engine for more power, but the fuel is incompletely burned and mileage suffers.

- You'll get the best fuel economy by traveling at moderate speeds. High speeds require more gasoline to overcome greater air resistance. Each car's engine has a speed at which it operates most efficiently, depending on axle ratios, tire diameter, vehicle size and weight and other factors. Generally, this ideal speed is under 55 miles per hour and cor-

responds with the speed in top gear at which the engine produces peak torque.

- When approaching a hill, build up speed early to avoid fuel-robbing hard acceleration on the upgrade. When accelerating with a manual transmission, shift up as soon as possible without causing the engine to "lug" or stumble. If the engine does "lug," the low carburetor vacuum condition that results will cause increased fuel consumption.

- You might want to consider installing a dash-mounted vacuum gauge calibrated in fuel economy ranges. Such gauges allow the driver to monitor fuel use and engine condition while driving. Cost is generally between \$5 and \$12 at most auto parts stores.

A great deal of fuel economy of your particular car will depend on the optional equipment on the car itself:

- Such options as air conditioning and—to a lesser extent—even electrical accessories such as heaters, defrosters and radios use more gasoline. AAA tests have shown that when air conditioning is not in use fuel economy improves by 5 to 14% or more. Air conditioning also adds weight—about 100 pounds—to a car, increasing fuel consumption even more merely because of the extra weight. If you have it, use it sparingly.

- An automatic transmission can be a gas-using option. Manual transmissions generally use less gas, particularly in small cars, although this may not hold true in situations where frequent shifting is required.

- Power steering also uses a bit more fuel.

Some options can help conserve gasoline:

- If you want air conditioning, for example, a light exterior car color combined with light interior upholstery will reduce heat build-up and keep your air conditioner from having to work so hard. Tinted glass also helps.

- Fuel injection usually saves gasoline by more uniformly and efficiently distributing the fuel than do carburetors. An electronic spark ignition system also is a gas saver since its improved spark means better combustion and less chance for fuel-robbing spark plug fouling.

- Top-quality radial tires usually will result in a 5 to 10% fuel saving because rolling resistance is reduced.

Steel-belted radials generally are even better than fabric-belted radials in this respect.

- If you'll be doing a lot of open-road driving, a cruise control option may be worthwhile since such an accessory can maintain a steady speed, rarely using the carburetor's accelerator pump.

Summary

While some of the gasoline conservation measures we've described will affect only nominal savings individually, their collective impact can be great. Great enough to help revive the economy and prevent tough controls on driving.

They require your serious attention because the energy crisis is a very real problem involving all forms of energy, but most basically petroleum.

Energy problems will continue to face the U.S. for at least several years until the nation gains greater total energy self-sufficiency in a variety of ways—developing new sources and increasing productivity of existing sources.

You can help a great deal by simply using your car more sensibly. When you take it easy on the gas you make it easy on yourself. You save your own precious energy and money. And you put the brakes on inflation and recession.

Be a GAS WATCHER. Make 5 gallons do the work of 6.



American Automobile Association
8111 Gatehouse Road, Falls Church, Va. 22042

Consumer Information

An Index of Selected
Federal Publications of
Consumer Interest

Consumer Information Center

Spring 1975



"As a by-product of tax-funded programs, the Federal Government acquires a vast amount of information on products, services and other subjects of consumer concern. It has an obligation to share this information with the public in a useful form. . . ."

GERALD R. FORD
PRESIDENT OF THE
UNITED STATES
September 4, 1974

It is our pleasure to bring you the latest quarterly edition of the Consumer Information Index, a listing of approximately 250 selected Federal consumer-oriented publications. The Index includes publications that tell how to buy, use, and care for consumer products; others discuss such consumer-interest subjects as child care, financial planning, health, home maintenance, nutrition, energy conservation, and consumer protection.

The Index was compiled by the Consumer Information Center of the General Services Administration. The Center was established by Presidential Order in October 1970 to encourage Federal agencies to develop and release information of interest to consumers. The Center is also responsible for increasing public awareness of this information.

We welcome your comments, recommendations, and suggestions on subjects for future publications.

VIRGINIA H. KNAUER
*Special Assistant to the
President for Consumer Affairs*

ARTHUR F. SAMPSON
*Administrator
General Services Administration*

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AUTOMOBILES

Antifreeze/Coolant. 001C. 35¢. 8 pp. 1972. How antifreeze/coolant solution protects the car radiator in both winter and summer driving; types of antifreeze/coolant, plus selection and proper use.

Automobile Batteries: Their Selection and Care. 002C. 65¢. 20 pp. 1971.

Car Care and Service. 250C. 35¢. 16 pp. 1974. How to recognize the symptoms of common automotive problems; tips on working with your mechanic.

Check the Mileage (Odometer) Before You Buy. 003C. 25¢. 4 pp. 1973. Explains the 1973 federal law prohibiting setting back the mileage on new and used motor vehicles.

Gasoline Is Made To Explode. 004C. Free. 4 pp. 1974. Hazards of storing gasoline in the home and automobile.

Gasoline: More Miles Per Gallon. 005C. 35¢. 12 pp. 1974. How a car engine works; gas selection; maintenance tips; driving techniques to improve car performance and lower costs.

Guide to Octane Ratings. 006C. Free. 1 p. 1974.

The Hazards of "Mixing" Tire Types. 007C. Free. 2 pp. 1972.

Miles Per Gallon Ratings for 1974 Cars. 009C. Free. 16 pp. 1974.

Also explains gas mileage label used by dealers on 1974 foreign and domestic cars.

Miles Per Gallon Ratings for 1975 Cars and Light-Duty Trucks. 236C. Free. 10 pp. 1974. Excludes most California-certified cars.

Miles Per Gallon Ratings for 1975 California-Certified Cars and Light-Duty Trucks. 251C. Free. 11 pp. 1974.

Motor Vehicle Defects Investigations. 010C. Free. 1974. Lists new, pending, and completed federal investigations of motor vehicle safety defects; includes recall notices; revised monthly.

Three Rules for Maximum Tire Life. 013C. 25¢. 9 pp. 1973. Tips on how to get full, safe mileage from your tires.

Why Unleaded Gas? 017C. Free. 2 pp. 1974. Availability of unleaded gas required for anti-pollution devices in 1975 cars.

BUDGET, FINANCE, AND INSURANCE

Budgeting for the Family. 018C. 25¢. 16 pp. 1972. Steps in developing a budget with charts for estimating income, planning family spending, and recording expenses.

Insurance for Renters and Homeowners. 020C. Free. 4 pp. 1974.

Insurance for Your Health, Car, and Life. 021C. Free. 6 pp. 1974.

Mail Order Insurance. 023C. 25¢. 8 pp. 1971. Four common insurance frauds; how to protect yourself.

The National Flood Insurance Program. 252C. Free. 19 pp. 1972. How to obtain federally subsidized insurance in flood-prone areas.

Questions and Answers about No-Fault Auto Insurance. 253C. Free. 4 pp. 1974.

Your Right to Credit. 025C. Free. 6 pp. 1974. Discusses credit for women, young people, retirees, and those with low incomes.

CHILD CARE

Child Development in the Home. 027C. 45¢. 20 pp. 1974. How to build self-confidence and self-discipline in the preschool child.

Children's Books. 028C. 30¢. 16 pp. 1974. A descriptive listing of selected books published in 1973 for preschool through junior high school age. Prepared by the Library of Congress.

Child Safety. 029C. Free. 16 pp. 1974. Purchase, safe use, and care of cribs, tricycles, and playground equipment.

Don't Lead Your Child To Drug Abuse. 031C. 25¢. 13 pp. 1972. Tips for parents of the young child on developing healthy attitudes towards medicine.

Facts about Adolescents. 032C. 30¢. 14 pp. 1972. Discusses their physical and emotional needs and problems; lists organizations providing additional information.

Finding the Best Day Care for Your Children. 033C. 30¢. 14 pp. 1974.

Good Food News for Kids. 034C. Free. 8 pp. 1974. Games and puzzles to teach children about food.

One-Parent Families. 037C. 30¢. 12 pp. 1974. Practical advice on adjusting to problems and relationships.

Safe Toy Tips. 039C. Free. 4 pp. 1974. Selection, care, supervised use, and storage.

So You're Going To Be a New Father. 040C. 55¢. 32 pp. 1973. How to handle money worries, mental stress, and physical fears of prospective parents.

Tax Deductions for Child Care. 254C. Free. 4 pp. 1974. Tax deductions working mothers and/or fathers can take for child care expenses.

Teach Children Fire Will Burn. 041C. 40¢. 24 pp. 1971. Guidelines for acquainting children with the dangers and consequences of fire, electric shocks, and explosions; also tells how to prevent home fires and what to do in case of fire.

Teenagers' Guide to Babysitting. 255C. 70¢. 48 pp. 1974. How to care for and entertain children of all ages with emphasis on handling emergencies.

Toys: Fun in the Making. 042C. 55¢. 32 pp. 1973. Simple instructions for creating toys and games from throw-away materials in the home.

Young Children and Accidents in the Home. 043C. 65¢. 36 pp. 1974. How to protect your child from falls, animal bites, suffocation, poisoning, burns, etc.; includes detachable first aid chart.

Your Child's Emotional Health. 044C. 25¢. 13 pp. 1973. Discusses normal behavior in children and describes symptoms of emotional disturbance.

CLOTHING, FABRICS, AND LAUNDERING

Clothing Repairs. 045C. 60¢. 30 pp. 1970. Twenty-five repairs to prolong the usefulness of garments.

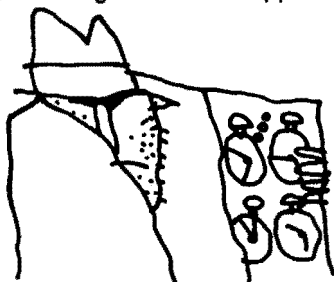
Fibers and Fabrics. 046C. 90¢. 28 pp. 1970. Basic information about the properties, uses, and care of the principal natural and man-made fibers.

Flammable Fabrics. 047C. Free. 6 pp. 1974. Includes purchase, safe use, and proper laundering of flame-retardant fabrics.

Reading the Labels on Apparel and Household Textiles. 048C. Free. 6 pp. 1974.

Removing Stains from Fabrics. 049C. 40¢. 32 pp. 1968. Stain removers and instructions for removing 142 common stains.

Soaps and Detergents for Home Laundering. 050C. 25¢. 8 pp. 1973.



CONSUMER EDUCATION AND PROTECTION

Consumer News. 052C. \$4.00. Annual Subscription. Twice a month newsletter reports federal consumer actions, programs, and new publications. Consumer Register, a regular supplement, lists proposed government rulings and tells consumers how to comment on these proposals. Use subscription blank on page 14 of Index.

Don't Be Gyped. 054C. Free. 4 pp. 1971. Bait and switch advertising; what it is and how to protect yourself.

FDA Consumer. 056C. \$8.55. Annual Subscription (10 issues). Informs consumers of recent developments in the regulation of foods, drugs, and cosmetics by the Food and Drug Administration. Use subscription blank on page 14 of Index.

Get Credit for What You Know. 237C. 25¢. 8 pp. 1974. How to get high school and college credit without formal schooling.

Guide to Choosing a Vocational School. 058C. Free. 6 pp. 1973. Questions to ask before signing the contract; rights of veterans and servicemen in correspondence courses.

How to Cancel Door-to-Door Sales. 060C. Free. 4 pp. 1974. Explains 3-day cooling-off period.

Información para el Consumidor. 061C. Free. 8 pp. 1973. Selected list of federal consumer publications in Spanish. Also available in bulk quantities.

Mail Fraud Laws. 062C. 35¢. 27 pp. 1971. Common mail fraud situations; how to protect yourself.

Quackery. 064C. Free. 2 pp. 1971. Common medical fraud (quackery) situations; how to protect yourself.

Shopper's Guide. 257C. \$5.70. 368 pp. 1974. USDA yearbook for 1974. Illustrated guide to help families use their incomes to best advantage; also discusses food and nutrition, gardening, decorating a home, and recreation.

Shopping for Educational Services. 258C. Free. 4 pp. 1974. Criteria for selecting a junior college or college; discusses accreditation and lists sources for further information.

Truth in Lending. 065C. Free. 6 pp. 1974. Explains consumers' rights under federal law to obtain full information on the terms of credit.

What About Metric. 244C. \$1.10. 18 pp. 1973. Advantages and growing use of the metric system; conversion tables for weight, length, volume, and temperature.

Where You Shop Is as Important as What You Buy. 259C. Free. 6 pp. 1974. Pros and cons of shopping at different types of stores.

ENERGY CONSERVATION AND ENVIRONMENTAL PROTECTION

Checking Your Utility Bills. 260C. Free. 4 pp. 1974. How to read gas and electric meters, calculate your utility costs, and understand the company's billing methods and forms.

Clean Air and Your Car. 067C. Free. 24 pp. 1974. How emission controls affect air pollution and car operation.

Energy and Kids. 068C. Free. 2 pp. 1974. Johnny Horizon's tips for saving energy.

Energy Efficiency in Room Air Conditioners. 069C. Free. 4 pp. 1974.

How to Set Up a Recycling Center. 070C. Free. 14 pp. 1974. What to collect, operating costs and equipment, recruiting volunteers, and publicizing the center.

Johnny Horizon '76 Children's Kit To Improve the Environment. 071C. Free. 1974. Fact sheets on ecology for children and adults; plus a pledge card, bike sticker, and litter bag.

Once There Lived a Wicked Dragon. 073C. Free. 32 pp. 1974. Story book to teach children about ecology; includes pictures to color.

Questions and Answers about Carpools. 074C. Free. 2 pp. 1974. Includes insurance information.

Recycling and the Consumer. 076C. Free. 1974. What and why to recycle, in poster format; includes a bumper sticker.

Tips for Energy Savers. 077C. Free. 10 pp. 1974. Hints for conserving energy in household heating, cooling, appliance use; in the workshop; and in family activities.

Tips for Motorists. 078C. Free. 8 pp. 1974. Car maintenance and driving techniques for improving gas mileage; suggestions for curbing car use.

FOOD

PURCHASE

Antibiotics in the Foods You Eat. 088C. Free. 2 pp. 1972. Use of antibiotics in food-producing animals, potential hazards, steps being taken to prevent unsafe residue levels.

Federal Food Standards. 090C. Free. 4 pp. 1974. Brief summary of voluntary and regulatory standards for quality, identification, and wholesomeness.

Food and Your Money. 091C. Free. 8 pp. 1973. Outlines underlying causes of changes in food prices. Teacher's guide suggests educational activities and projects.

The Food Labeling Revolution. 092C. Free. 4 pp. 1974. Explains new regulations requiring a food label information panel.

Food Shopper Language. 261C. Free. 9 pp. 1974. Layman's guide to product terms used in the grocery store and food ads.

Hot Dog Labels. 093C. Free. 2 pp. 1974. New federal regulations for hot dogs and cooked sausage.

How to Buy Meat for Your Freezer. 094C. 35¢. 28 pp. 1974.

Keys to Quality. 095C. Free. 7 pp. 1973. Pointers for assuring quality and economy in food buying; explains USDA grades; lists 15 booklets with more detailed food buying information.

Questions and Answers about Canned Foods. 096C. Free. 2 pp. 1971.

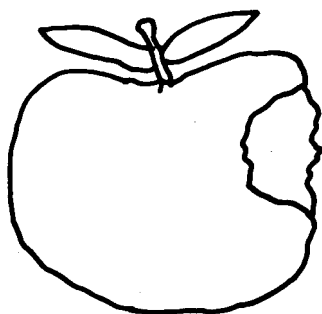
Questions and Answers about Hamburger. 097C. Free. 2 pp. 1974.

Standards for Meat and Poultry Products. 098C. Free. 7 pp. 1973. Minimum meat and poultry content for 232 food products (e.g., chili con carne, frozen dinners, frankfurters, etc.).

What Happened to Mushrooms? 099C. Free. 9 pp. 1974. Discusses the 1973 recall and the prevention of future problems.

What's in Your Food Bill? 100C. Free. 5 pp. 1974. Tips for cutting your grocery bill.

Your Money's Worth in Foods. 101C. 50¢. 26 pp. 1974. Guides for budgeting, menu planning, and shopping for best values.



PREPARATION AND STORAGE

Can Your Kitchen Pass the Food Storage Test? 102C. Free. 8 pp. 1974. Checklist of food storage hazards and how to correct them, with emphasis on the proper use of refrigeration.

Feeding a Crowd. 262C. Free. 7 pp. 1974. Safety tips for preparing and serving food for a party.

Food Safety. 103C. Free. 8 pp. 1974. Facts about food-borne illnesses.

Freezing Combination Main Dishes. 104C. 30¢. 22 pp. 1973. Selection of ingredients and packaging materials; recipes and instructions for preparation, packaging, freezing, and reheating.

Let's Cook Fish. 105C. \$1.25. 54 pp. 1972. Nutritional importance, selection, storage, preparation, and recipes.

Seasoning with Herbs and Spices. 106C. Free. 4 pp. 1973.

Soybeans in Family Meals. 107C. 35¢. 26 pp. 1974. Tips for using soybean products in menu planning; includes recipes.

DIET AND NUTRITION

GENERAL

Calories and Weight. 079C. \$1.00. 100 pp. 1974. Pocket guide indicates calories per portion of 536 common foods; discusses planning weight reduction diets.

Eat a Good Breakfast To Start a Good Day. 080C. 25¢. 8 pp. 1972. Ideas for nutritious and economical breakfasts.

Family Fare—A Guide to Good Nutrition. 263C. \$1.00. 91 pp. 1974. Daily nutritional requirements; buying, storing, and preparing food.

Fats in Food and Diet. 264C. 30¢. 10 pp. 1974. Saturated and unsaturated fat content of common foods; includes a cholesterol content chart and discusses the effects of dietary fat on health.

Food Additives. 081C. 25¢. 8 pp. 1973. Describes what they are, why they are necessary, and how they are regulated.

Food and Your Weight. 082C. 50¢. 37 pp. 1973. Suggestions for controlling weight; plans for nutritious weight reduction diets; lists calories per portion of common foods.

Food Is More Than Just Something To Eat. 085C. Free. 32 pp. 1973. Layman's guide to nutrition includes functions of the major nutrients, their importance to good health, and where to find them in today's foods; includes a daily food guide.

Nutrition Labeling—Terms You Should Know. 086C. Free. 4 pp. 1973. Includes chart of U.S. Recommended Daily Allowances for sound nutrition.

Organic and Inorganic Food. 265C. Free. 5 pp. 1974. Describes these terms.

VITAMINS AND MINERALS

Myths about Vitamins. 140C. Free. 8 pp. 1974. Discusses claims made about various vitamins; includes a chart of recommended daily allowances and a list of the best vitamin sources.

A Primer on Dietary Minerals. 266C. Free. 4 pp. 1974. Describes minerals necessary for good health; lists best food sources.

Vitamin E—Miracle or Myth? 145C. Free. 4 pp. 1973. Discusses these claims being made about vitamin E.

Vitamins, Minerals, and FDA. 146C. Free. 2 pp. 1973. Explains new federal regulations to protect consumers against hazards from toxic amounts of nutrients.

What about Vitamin C? 267C. Free. 4 pp. 1974. Discusses the benefits, possible dangers, and claims made for vitamin C; lists natural food sources.

HEALTH

GENERAL

Acupuncture. 108C. 30¢. 7 pp. 1973. History and philosophy of this ancient Chinese treatment of disease; recent medical developments; precautions to take when considering acupuncture.

Adult Physical Fitness. 109C. 70¢. 64 pp. 1972. Graduated fitness program for adults who have not exercised regularly.

Birth Control Methods for Family Planning. 110C. 25¢. 6 pp. 1973.

Breast Self-Examination. 268C. 40¢. 11 pp. 1974. Step-by-step illustrated instructions for self-examination; stresses importance of a regular routine to detect changes in the breast which may or may not be early signs of cancer.

Cancer, What To Know, What To Do About It. 112C. 25¢. 8 pp. 1972.

Cause of Heart Attacks: Hardening of the Arteries. 113C. 30¢. 16 pp. 1972.

Facts about Bottled Water. 115C. Free. 2 pp. 1974.

The Great Feminine Spray Explosion. 117C. Free. 2 pp. 1974. Facts about effectiveness of and reactions to these products; proposed FDA regulations regarding their advertising and labeling.

Headaches. 120C. 25¢. 19 pp. 1971. Types of headaches, their causes, and what you can do to relieve them.

Hearing Aids. 121C. 85¢. 32 pp. 1971. Selection, maintenance, and care; causes of hearing loss.

Hypoallergenic Cosmetics. 123C. Free. 2 pp. 1974. How they differ from regular cosmetics.

If You're Coloring Your Hair. 269C. Free. 8 pp. 1974. How different types of hair colorings work, possible hazards, and tips for safe, effective use.

Patients as Partners in Their Own Health Care. 270C. Free. 8 pp. 1974. Your responsibility as a patient to know about and properly use any medicine prescribed by a physician; warns against excessive or careless use; special section on antibiotics.

Radiation: Benefit vs. Risk. 271C. Free. 3 pp. 1974. Radiation use in medical diagnosis and therapy, research, power sources, and household conveniences; emphasizes safe use of medical x-rays.

Sunlamps. 124C. Free. 2 pp. 1971. Precautions for safe use.

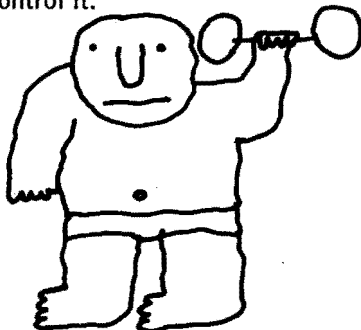
Tooth Care. 125C. 40¢. 24 pp. 1973.

Typical Poisonous Plants. 126C. 70¢. 23 pp. 1973. Includes descriptions, pictures, and antidotes.

Understanding Mental Health. 127C. 30¢. 11 pp. 1973. Recognizing and coping with depression, mood changes, and related mental stress in yourself and others.

VD and You. 129C. 25¢. 5 pp. 1973. Symptoms and dangers of venereal disease.

Watch Your Blood Pressure. 130C. Free. 28 pp. 1974. Hazards of high blood pressure and how to control it.



CIGARETTES AND ALCOHOL

Alcohol: Questions and Answers. 131C. 35¢. 16 pp. 1971.

Smoking Self-Test for Teenagers. 132C. 35¢. 15 pp. 1974. Series of quizzes that explore your views on smoking. Quiz results of nationwide survey given for comparison.

Someone Close to You Drinks Too Much. 133C. 40¢. 15 pp. 1973. Tips on dealing with an alcoholic; includes a list of organizations that can help.

The Surprising News about Women and Smoking. 134C. 25¢. 4 pp. 1974.

Unless You Decide To Quit, Your Problem Isn't Going To Be Smoking; Your Problem's Going To Be Staying Alive. 135C. 30¢. 9 pp. 1973. Includes tips for cutting down on smoking as well as quitting.

MEDICINE AND DRUGS

Aspirin. 137C. Free. 2 pp. 1972. Composition, quality controls, and safe use.

Brand vs. Generic Drugs. 138C. Free. 3 pp. 1973. Discusses new federal standards to assure quality and purity in generic and brand name drugs.

Diet Pills. 139C. Free. 2 pp. 1973. Limits of usefulness and dangers of abuse.

The Pill. 141C. Free. 3 pp. 1973. How birth control pills work; who should not take them; possible side effects.

A Primer on Medicine. 142C. Free. 6 pp. 1973. How to buy, use safely, and store over-the-counter and prescription drugs.

Rubella (German Measles). 143C. 25¢. 8 pp. 1970. Hazards to pregnant women and importance of vaccinating young children.

Vaccines: An Update. 144C. Free. 2 pp. 1973. What vaccines are available, who should get them, and under what circumstances they should be given.

HOUSING

APPLIANCES AND HOUSEHOLD FURNISHINGS

Buying a Sewing Machine. 147C. 25¢. 12 pp. 1973. How to select a machine suited to your sewing needs.

Buying a Used Appliance. 272C. 30¢. 7 pp. 1974. Where to shop for used major appliances, including demonstrator models; terms to know and questions to ask before buying.

Buying Small Appliances. 148C. Free. 7 pp. 1974. Includes hair stylers and dryers, electric manicure sets and toothbrushes, fondue pots, etc.

Carpet and Rugs. 149C. 55¢. 32 pp. 1973. Fibers, textures, regulations for labeling and flame-resistance, selection, installation, care, and cleaning.

Floor Coverings. 273C. Free. 5 pp. 1974. Advantages and disadvantages of wood, linoleum, terra cotta, slate, mosaic tile, etc.

Kitchen Stove Safety. 152C. Free. 3 pp. 1974.

Portable Dehumidifiers. 153C. 25¢. 8 pp. 1974. Selection, features, safe use, and care.

Purchasing Hi-Fi Systems, TV, and Tape Recorders. 155C. Free. 6 pp. 1974.

Room Air Conditioners. 156C. 70¢. 24 pp. 1972. How they work, selection, use, and maintenance.

Safe Use of Microwave Ovens. 157C. Free. 2 pp. 1974. Includes purchasing tips.

Safe Use of Space Heaters. 158C. Free. 4 pp. 1974.

TV Fire and Shock Hazards. 159C. Free. 3 pp. 1974. Precautions and proper maintenance for safe use.

Used Furniture. 160C. 25¢. 8 pp. 1973. How to select serviceable, economical secondhand furniture.

Vacuum Cleaners. 161C. 35¢. 16 pp. 1972. Selection, use, and care.

Washers and Dryers. 162C. 75¢. 24 pp. 1972. Selection, use, and maintenance.

BUILDING, BUYING, AND FINANCING

Adding Carports, Garages, and Storage Space. 274C. Free. 5 pp. 1974. Includes checklist for determining space needs.

Benefits of Soil Surveys. 275C. 25¢. 7 pp. 1974. How soil surveys before building can help you avoid problems of flooding, erosion, uneven settling, high water tables, and surface bedrock.

Buying Lots from Developers. 164C. 45¢. 28 pp. 1973. Questions to ask about a property and the contract before you sign; what information the developer must give you under the law.

Closing Costs. 165C. Free. 4 pp. 1973. What they are, what documents to expect at closing, average closing costs, and shopping for a loan when buying a house.

Construction Guides for Exposed Wood Decks. 166C. \$1.25. 78 pp. 1972.

Designs for Low-Cost Wood Homes. 167C. 50¢. 30 pp. 1969. Sketches and model floor plans; how to select economical, durable materials; includes order forms for working plans.

Exterior and Interior Wall Materials. 276C. Free. 4 pp. 1974. Advantages and disadvantages of aluminum siding, stucco, brick, wet and dry walls, paneling, wallpaper, moldings, etc.

Fireplaces and Chimneys. 169C. 40¢. 23 pp. 1971. Selection of materials, construction, and maintenance.

Firewood for Your Fireplace. 170C. 25¢. 7 pp. 1974. Burning characteristics of various woods, where and how to buy firewood, and tips on safe fireplace use.

Home Buying Veteran. 171C. Free. 29 pp. 1971. Useful home buying information for non-veterans as well as veterans; choosing a neighborhood, a lot, a house; checklist for inspecting a house; financing.

Home Heating. 172C. 40¢. 24 pp. 1968. Installation, operation, maintenance, and costs of the most commonly used heating systems.

Homeowner's Glossary of Building Terms. 173C. Free. 16 pp. 1974.

House Construction: How To Reduce Costs. 174C. 25¢. 16 pp. 1973. Guidelines for savings in location, style, interior arrangements, and in selection of materials and utilities.

Information on Moving Your Household Goods. 175C. 55¢. 17 pp. 1972. Consumers' guide for obtaining estimates and accurate weights of shipments, preparing articles for the movers, filing loss or damage claims with the moving company.

Making Basements Dry. 177C. 25¢. 10 pp. 1970. Selection of building site; selection and care of materials and dehumidifying equipment.

Questions and Answers on Condominiums. 179C. Free. 48 pp. 1974.

Rent or Buy? 245C. 80¢. 32 pp. 1974. How to compare current and long-range costs of renting vs. buying a home.

Wise Home Buying. 180C. Free. 32 pp. 1972. Information on choosing a real estate broker, locating a house, inspecting an old house, and how to finance a home.

Wood-Frame House Construction. 181C. \$2.60. 223 pp. 1970. Comprehensive, illustrated handbook provides detailed instructions and basic principles for building and insulating.

Wood Siding. 182C. 25¢. 13 pp. 1973. Discusses installation, finishes, and maintenance; plus tips on insulation.

HOME MAINTENANCE AND IMPROVEMENTS

Finding and Keeping a Healthy House. 183C. 60¢. 20 pp. 1974. How to identify and protect your home from water damage, wood decay, and destructive insects such as termites, beetles, and carpenter ants.

Household Cleaners. 185C. 30¢. 9 pp. 1974. Selection and safe use.

Imaginative Ways with Bathrooms. 277C. Free. 6 pp. 1974. Accessories, storage areas, and safety features to consider when planning a new or remodeling an old bathroom.

Interior Wiring. 278C. \$1.45. 119 pp. 1974. Step-by-step procedures for installing and repairing home wiring safely; lists necessary tools and equipment.

Paint and Painting. 188C. 85¢. 32 pp. 1971. For both interior and exterior painting, selection of equipment and paint or finish, preparation of surface, and application.

Protecting Your Housing Investment. 296C. Free. 34 pp. 1974. Maintenance of heating systems, plumbing, and building structure; treatment of special problems such as pest control and moisture.

Simple Home Repairs. 190C. 55¢. 14 pp. 1973. Guide to repairing and replacing faucets, electric plugs, screens, tiles, etc.

Simple Plumbing Repairs. 191C. 25¢. 14 pp. 1972. Equipment and methods for repairing faucets, valves, leaks in pipes and tanks, frozen pipes, clogged drains, and toilets.

Tools and Their Uses. 192C. \$1.95. 179 pp. 1971. Comprehensive manual on selecting, using, sharpening, and repairing hand tools and power tools used to work on your home, boat, and car.

HOME SAFETY

Accident Prevention in the Home. 194C. Free. 11 pp. 1974. Fact sheets on non-glass doors, glass door and window injuries, and carbon monoxide.

Designing Kitchens for Safety and Efficiency. 197C. 25¢. 10 pp. 1974.

Fire Extinguishers. 198C. 65¢. 10 pp. 1971. Types of fires; selection, location, and use of various extinguishers; what to do in case of fire.

Fire Safety. 199C. Free. 6 pp. 1974. Prevention tips as well as what to do in case of fire; of particular interest to apartment dwellers.

Protecting Mobile Homes from High Winds. 200C. Free. 16 pp. 1974.

Safety of Cooking Utensils. 202C. Free. 2 pp. 1972. Safety of Teflon and aluminum cooking utensils.

Stair Safety. 203C. Free. 3 pp. 1974.

Vinyl Chloride. 279C. Free. 2 pp. 1974. Potential dangers of products containing vinyl chloride; how to return banned substances for refunds.

LANDSCAPING, GARDENING, AND PEST CONTROL

Better Lawns. 204C. 40¢. 32 pp. 1974. Preparation, selection of grasses, planting, and care.

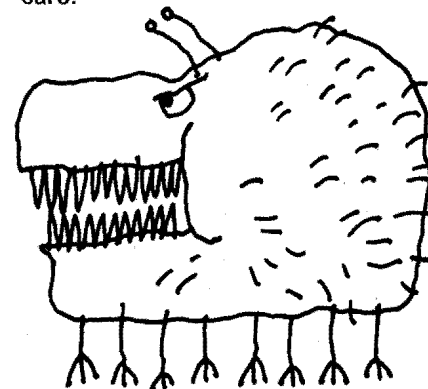
Controlling Household Pests. 205C. 40¢. 32 pp. 1971. Procedures and proper pesticides for controlling rats, cockroaches, termites, clothes moths, carpet beetles, etc.

Growing Bonsai. 206C. 35¢. 21 pp. 1973. Guide to selecting and growing miniature trees and vines in containers; propagation, care, and display.

Keeping the Bad Bugs Out Naturally. 280C. Free. 2 pp. 1974. How to protect garden plants from harmful insects without using pesticides.

Lawn Weed Control. 281C. 30¢. 24 pp. 1971. Identification of crab grass and other weeds; selection, precautions, and use of herbicides; care of equipment.

Make Your Own Terrarium. 207C. Free. 2 pp. 1974. Lists materials needed, appropriate plants, and care.



Safe Use of Pesticides around the Home. 208C. Free. 10 pp. 1974. Tips on safe storage, application, and disposal of pesticides.

Safe Use of Power Lawn Mowers and Hedge Trimmers. 282C. Free. 5 pp. 1974.

Transplanting Ornamental Trees and Shrubs. 209C. 25¢. 11 pp. 1972.

The following publications are guides to selection, planting, and care:

Growing Flowering Annuals. 283C. 30¢. 16 pp. 1973.

Growing Flowering Perennials. 210C. 50¢. 32 pp. 1970.

Growing Vegetables in the Home Garden. 284C. 80¢. 56 pp. 1973.

Minigardens for Vegetables. 285C. 30¢. 12 pp. 1974.

Selecting and Growing House Plants. 211C. 40¢. 32 pp. 1968.

Selecting and Growing Shade Trees. 212C. 30¢. 22 pp. 1973.

Selecting Shrubs for Shady Areas. 213C. 30¢. 16 pp. 1974.

Summer Flowering Bulbs. 215C. 30¢. 16 pp. 1971.

OLDER AMERICANS

A Brief Explanation of Medicare. 111C. 25¢. 13 pp. 1973.

Budgeting for the Retired Couple. 019C. 25¢. 14 pp. 1973. Considerations in planning a retirement budget; includes cost of living comparison for retired couples living in selected cities.

Choosing a Nursing Home. 114C. 50¢. 32 pp. 1972. Kinds of nursing homes, licensing requirements, and a checklist of what to look for in special services, atmosphere, and safety.

Community Services for Older Americans. 232C. 60¢. 36 pp. 1973. Includes a checklist of community activities.

The Fitness Challenge . . . in the Later Years. 116C. 75¢. 28 pp. 1973. For older persons, illustrated exercise programs for different levels of activity; stresses the value of regular exercise.

Food Guide for Older Folks. 084C. 40¢. 19 pp. 1974. Meal planning, buying, and preparing foods to assure adequate nutrition for persons over 60 years of age.

Protection for the Elderly. 063C. Free. 6 pp. 1971. How to help an elderly person protect himself from common frauds such as extra income schemes, retirement land deals, and referral selling.

You, the Law, and Retirement. 066C. 60¢. 38 pp. 1972. General advice on why, how, and when to see a lawyer; particularly helpful for retirement planning.

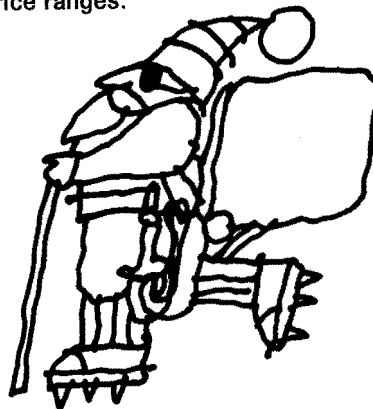
Your Social Security. 026C. 35¢. 26 pp. 1974. Who is eligible; amounts of payments; how to apply for Social Security and Medicare benefits.

RECREATION, TRAVEL, AND LEISURE ACTIVITIES

Air Travelers' Fly-Rights. 216C. Free. 16 pp. 1973. Air passengers' rights and responsibilities; includes information on fares, denied boarding compensation, baggage loss, charter flights, etc.

Attracting and Feeding Birds. 217C. 25¢. 11 pp. 1973.

Backpacking Gear. 286C. Free 6 pp. 1974. Determining your needs, where to shop, and approximate price ranges.



Backpacking in the National Forest. 218C. 40¢. 28 pp. 1974. Pointers for backpacking, necessary equipment, and a list of backpacking areas.

Bicycle Safety. 219C. Free. 3 pp. 1974.

Camping in the National Park System. 287C. 55¢. 28 pp. 1974. Descriptive listing includes information on number of sites, fees, sanitary facilities, recreation, etc.

Documents from America's Past. 220C. Free. 24 pp. 1974. Descriptive catalog lists books and reproductions of historical documents available from the National Archives; includes order blank.

Federal Requirements for Recreational Boats. 221C. Free. 16 pp. 1973. Detailed information on safety requirements and helpful suggestions for safe and pleasurable boating.

Festival U.S.A. 1975. 288C. \$1.50. 74 pp. 1974. Chronological descriptive listing of more than 5,000 annual festivals, fairs, and sporting events.

Fifty Birds of Town and City. 222C. \$1.20. 50 pp. 1974. Description of birds, their habitats, and foods; with color illustrations.

Guide to the National Parks. 289C. 35¢. 6 pp. 1974. Lists seasonal and year-round activities of nearly 300 parks; includes highway map.

In Pursuit of a Summer Tan. 290C. Free. 8 pp. 1974. Precautions for tanning safely; describes different sunblocking and suntan products.

Know Before You Go. 223C. 55¢. 24 pp. 1974. What items the overseas traveler may bring back duty-free and in what quantities; restricted items; shipping pointers.

Selecting Luggage. 224C. Free. 3 pp. 1974. Size, construction, and other features.

Swimming Pools. 291C. Free. 2 pp. 1974. Construction, use, and maintenance, with emphasis on safety.

Tent Flammability. 227C. Free. 2 pp. 1974.

United States Postage Stamps and Postal Stationery. 228C. Free. 20 pp. 1972. History and production of stamps, first day issuances, and postal stationery; plus tips for the beginning stamp collector.

Vacation Planning: Tips for Trips to Save You Gas. 292C. Free. 8 pp. 1974. Dude ranches, farms, and houseboating are among the different vacation options discussed.

You and Your Passport. 230C. 45¢. 18 pp. 1973. Explains how and where to apply for a passport; when visas and immunizations are necessary; plus other tips.

OTHER PUBLICATIONS OF CONSUMER INTEREST

Brand Name Listing. 231C. 60¢. 42 pp. 1974. Annual issue lists by brand name approximately 800 consumer products which were certified by suppliers during 1973 as being identical to those purchased by the government under federal specifications.

Consumer's Guide to Postal Services and Products. 233C. Free. 18 pp. 1973. Includes information on insured, registered, and certified mail; and how to guard against mail fraud.

Dishing Up the Dog Food. 234C. Free. 3 pp. 1973. Nutritional content and purity of pet food and nutrition requirements of pets.

Federal Benefits for Veterans and Servicemen with Military Service since January 31, 1955. 024C. Free. 8 pp. 1972. Emphasis on educational assistance.

Federal Benefits for Veterans with Military Service before February 1, 1955. 128C. Free. 19 pp. 1972.

How To Pack and Wrap Parcels for Mailing. 239C. Free. 13 pp. 1973.

How To Prevent and Remove Mildew. 240C. 25¢. 12 pp. 1971.

Investing in Gold. 187C. Free. 2 pp. 1974. Where it can be purchased and in what units; discusses some of the risks.

Keeping Records—What to Discard. 241C. Free. 5 pp. 1974. Household and family records, and other documents that should be kept; when to use a safe deposit box.

Merchandising Your Job Talents. 242C. 50¢. 28 pp. 1974. Information on preparing a resume, writing a letter of application, interviewing for a job.

Summer Employment. 293C. 25¢. 6 pp. 1974. What types of jobs are available; when and how to apply.

Where to Write for U.S. Birth and Death Records. 294C. 25¢. 9 pp. 1972.

A Working Woman's Guide to Her Job Rights. 295C. 60¢. 38 pp. 1974. Comprehensive manual for the working woman; includes information on wages and wage garnishment, maternity leave, taxes, and protection against sex discrimination; lists sources for further information.

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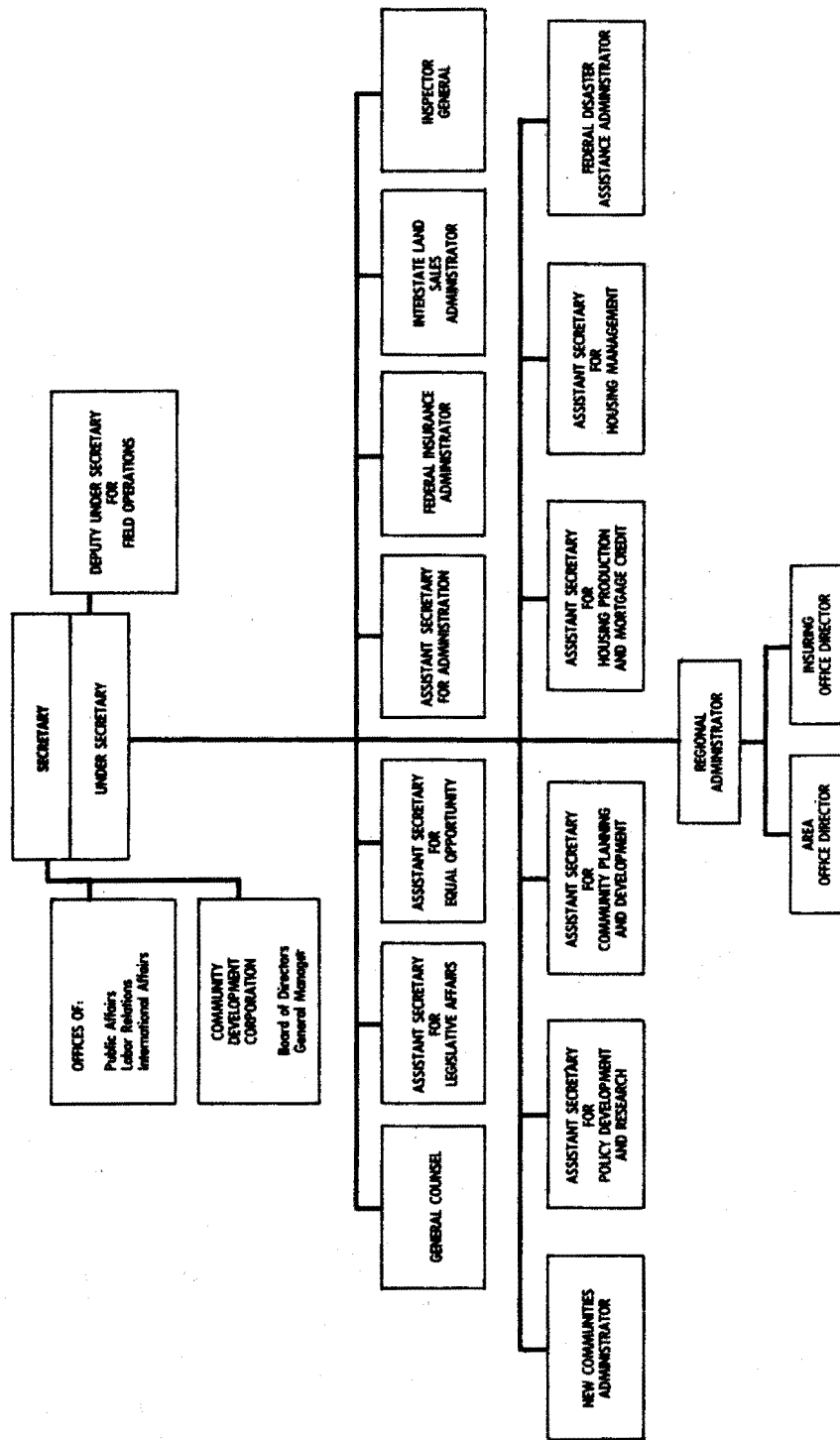
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The overall purpose of the Department of Housing and Urban Development (HUD) is to assist in providing for sound development of the Nation's communities and metropolitan areas.

The Department was created to administer the principal programs which provide assistance for housing and for the development of the Nation's communities; to assist the President in achieving maximum coordination of the various Federal activities which have a major effect upon urban community, suburban, or metropolitan development; to encourage the solution of problems of housing and urban development through State, county, town, village, or other local and private action, including promotion of interstate, regional, and metropolitan cooperation; to encourage the maximum contributions that may be made by vigorous private homebuilding and mortgage lending industries to housing, urban development, and the national economy; and to provide for full and appropriate consideration, at the national level, of the needs and interests of the Nation's communities and of the people who live and work in them.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT



The Department of Housing and Urban Development was established by the Department of Housing and Urban Development Act of September 9, 1965, effective November 9, 1965 (79 Stat. 667; 42 U.S.C. 3531-3537).

Office of the Secretary

SECRETARY

The Department is administered under the supervision and direction of the Secretary, who is responsible for the administration of all programs, functions, and authorities of the Department; for the general regulation of the Federal National Mortgage Association; and for advising the President on Federal policy, programs, and activities relating to housing and urban development. The Secretary also serves as Chairman of the Board of Directors of the Community Development Corporation.

UNDER SECRETARY

The Under Secretary assists the Secretary in the discharge of his duties and responsibilities, and serves as Acting Secretary in the absence of the Secretary.

FIELD OPERATIONS

The Deputy Under Secretary for Field Operations is responsible for overseeing general headquarters-field relationships, for assuring coordination and consistency of the Department's field activities and for assisting in the continual improvement of field office operations.

STAFF

The Secretary is assisted in performing the functions of the Department by Assistant Secretaries and other officials in program and functional areas.

The Office of the Secretary also contains staff offices having Department-wide responsibility in specialized functional areas such as public affairs, labor relations, and international affairs.

EQUAL OPPORTUNITY

The Assistant Secretary for Equal Opportunity is the principal adviser to the

Secretary on all matters relating to civil rights and equal opportunity in housing and related facilities, employment, and business opportunity.

The responsibilities assigned to the Department concerning equal opportunity include administering the fair housing program authorized by the Civil Rights Act of 1968; assuring that the programs and activities of the Department operate affirmatively to further the goals of equal opportunity; coordinating planning, monitoring, and reviewing programs to increase training, employment, and economic opportunities for lower-income and minority-group project area residents in HUD-assisted activities; and developing and monitoring the implementation of standards, procedures, and guidelines under Executive Order 11478 of August 8, 1969, providing for equality of employment opportunity within the Department.

LEGISLATIVE AFFAIRS

The Assistant Secretary for Legislative Affairs is the principal adviser to the Secretary with respect to legislative affairs and is responsible for providing services to the Congress for all programs and activities of the Department.

ADMINISTRATION

The Assistant Secretary for Administration is the principal adviser to the Secretary and other principal staff of the Department and the chief officer of the Department on administrative management. His responsibilities are carried out through the following eight offices, each headed by a Director: Organization and Management Information, Personnel, Budget, Finance and Accounting, General Services, Procurement and Contracts, ADP

Systems Development, and ADP Operations.

GENERAL COUNSEL

The General Counsel is the chief law officer of the Department and is the legal adviser to the Secretary and other principal staff of the Department. He provides legal opinions, advice, and services with respect to all programs and activities of the Department, and he provides counsel and assistance in the development of the Department's programs and policies. The General Counsel supervises all staff assigned to the Office of the General Counsel at

Program Areas

New Communities

The Community Development Corporation (CDC) was established within the Department of Housing and Urban Development to administer the New Communities program. The CDC has a five-man Board of Directors, including the Secretary of Housing and Urban Development, who is Chairman, and a General Manager, who is the Corporation's chief executive officer. The Board sets broad policy and makes final decisions at critical points in the New Communities process, subject to the direction and supervision of the Secretary.

The New Communities Administration (NCA) performs policy, staff, and operational roles in support of the Community Development Corporation. The NCA is headed by an Administrator who is responsible to the General Manager of the CDC, and through it to the Secretary. The NCA implements decisions that the CDC Board has taken.

Under the New Communities program, the Community Development Corporation guarantees the obligations, bonds or debentures, that a developer issues to raise the capital to acquire and develop land for a new

Headquarters. He also supervises staff assigned to the Regional and Area Counsels' Offices on all matters of legal significance and import.

INSPECTOR GENERAL

The Inspector General is the Department's focal point for independent review of integrity of operations; the central authority concerned with the quality, coverage, and coordination of the audit, investigation, and security services of the Department; and the principal adviser to the Secretary on these matters.

community. This Federal guarantee has the result of allowing developers to obtain financing on more favorable terms.

Eligible for this assistance are public land development agencies, if income from the obligations guaranteed is not exempt from Federal taxation, and private developers. For public land development agencies the guarantee may cover up to 100 percent of the value of the real property acquired for the new community, plus 100 percent of development cost. For private developers the guarantee covers up to 80 percent of the value of the real property before development and 90 percent of the development cost. A single project may be guaranteed up to \$50 million.

There are other provisions of the Housing and Urban Development Act of 1970 (84 Stat. 1770) which provide for additional financial assistance but only the guarantee portion is available at this time.

Community Planning and Development

The Assistant Secretary for Community Planning and Development is re-

sponsible for the following programs and activities: ¹

COMPREHENSIVE PLANNING ASSISTANCE

HUD assists State and local governments and areawide organizations in dealing with community development and growth for urban and rural areas; provides grant assistance to State and local governments and areawide multi-jurisdictional organizations to encourage State, local, and areawide officials to improve executive planning, decisionmaking, and management capability; encourages community planning and management as a continuous process.

Comprehensive planning assistance under this program means a continuing process whereby State and local governments and areawide planning organizations formulate and coordinate community strategies and management decisions. It spans the broad range of governmental activities, services, and investments for which assisted governments are responsible.

Grants may be made to States for statewide planning and assistance to cities with less than 50,000 populations; Indian tribes; counties of all sizes; metropolitan areawide planning organizations; nonmetropolitan areawide planning organizations (including Economic Development Districts and Local Development Districts); and

¹ No new commitments have been made by the Department under the following programs since January 5, 1973: Open Space Land, Water and Sewer Facilities, and Public Facility Loans.

No new commitments have been made by the Department for the following programs since June 30, 1973: Neighborhood Facilities, Community Development Training, and Urban Fellowship Program.

No new commitments are being contemplated for the following programs after June 30, 1974: Model Cities, Urban Renewal, and Rehabilitation Loans and Grants.

There is legislation pending before Congress which will replace the programs that have been or will be discontinued.

cities with populations in excess of 50,000.

HISTORIC PRESERVATION

HUD is responsible for assuring departmental compliance with the National Historic Preservation Act of 1966 and Executive Order 11593 of May 13, 1971, which require that federally assisted undertakings do not adversely affect properties listed on the National Register of Historic Places, and that HUD programs are administered so as to protect and enhance our historical and architectural resources. The Department holds membership on the Advisory Council on Historic Preservation.

COMMUNITY DEVELOPMENT TRAINING PROGRAMS

HUD may make matching grants to States to assist in programs to provide special training in skills needed for economic and efficient community development to persons employed by a governmental or public body or a private nonprofit organization which has responsibility for housing and community development programs; and supporting State and local research needed in connection with housing programs and needs and other similar community development problems.

URBAN STUDIES FELLOWSHIP PROGRAM

HUD provides fellowships to candidates for graduate training in accredited universities in such fields as urban economics, housing and urban renewal, community organization, urban sociology, urban geography, urban engineering and systems design, urban transportation, and new communities.

STATE AND LOCAL MANAGEMENT ASSISTANCE

This program area includes technical assistance to States; areawide agencies, and communities in planning and management through such activities as: aid to City Demonstration Agencies (Model Cities) to assist such agencies in planning, developing, and adminis-

tering comprehensive city demonstration programs; assisting State and local governments, as well as Indian tribal bodies, in comprehensive planning, including transportation planning; encouragement of planning and assistance on a unified regional, district, or metropolitan basis; and management assistance to States and State agencies to aid in comprehensive coordinated planning and planning related activities.

WORKABLE PROGRAM FOR COMMUNITY IMPROVEMENT

Under this program a community designs its own plan of action for disciplining its development and using appropriate private and public resources to eliminate and prevent slums and blight, addressing locally determined needs, goals, and objectives as well as federally determined requirements.

Essential elements of a Workable Program are the adoption of modern codes and their enforcement, comprehensive planning and programming, provisions for housing and relocation, and provisions for citizen involvement, as well as provisions for equal opportunity in housing. Recertification is based on review of progress submitted by the community to HUD every 2 years. The localities' Workable Program must be (re)certified by HUD before the community can become eligible for Federal renewal assistance, for HUD-FHA mortgage insurance for housing to be built or rehabilitated in renewal areas, and for rehabilitation loans and grants in specified areas.

PROJECT REVIEW

Under title II of the Demonstration Cities and Metropolitan Development Act of 1966, applications for Federal loans or grants to assist in carrying out open space land projects or for the planning or construction of hospitals, airports, libraries, water supply and distribution facilities, law enforcement facilities, and water development and land conservation projects within any metropolitan area shall be submitted

for review to an areawide agency designated to perform the metropolitan or regional planning for the area in which the assistance is to be used, and recommendations shall be reviewed by HUD for the purpose of assisting in determining whether the application is in accordance with the provisions of Federal law which govern the making of the loans or grants.

RELOCATION

HUD develops and administers relocation policies and requirements for the fair and equitable treatment of persons who are displaced or have their property taken as a result of activities planned or carried out by local agencies with HUD assistance.

ENVIRONMENT

Enhancement of environmental quality and environmental planning activities are conducted by the Department, in implementation of the National Environmental Policy Act of 1969. These activities include development and implementation of HUD environmental policies and procedures, and the development of environmental assessment criteria, coordination with other Federal departments and agencies and with the Council on Environmental Quality. Other environmental functions of the Department encompass the development of environmental standards, policies and procedures for energy conservation, codes modernization and administration, and strategies for the amelioration of environmental problems such as natural hazards, air and noise pollution. Emphasis is placed on environmental and land use planning and environmental management practices. The Department has a lead responsibility for working with national technical and professional organizations to improve State and local code administration.

URBAN DESIGN

The National Environmental Policy Act directs the utilization of a systematic, interdisciplinary approach to environment, with particular emphasis

on the built environment. HUD develops and promulgates urban design criteria which include among the bases for planning and decisionmaking, the integrated consideration of the natural and social sciences, as well as environmental design arts. The Department works closely with the Department of Transportation in formulating planning approaches to joint development, in recognition of man-environment interrelationships.

SURPLUS LAND FOR COMMUNITY DEVELOPMENT PROGRAM

Surplus Federal real property may be sold for fair market value to a local public agency which certifies that such land is within the area of an urban renewal project being planned by it; or sold or leased to public or private developers at its fair value for use in providing housing for families and individuals of low or moderate income, including necessary related public, commercial, and industrial facilities.

MODEL CITIES

Funding and technical assistance is provided to a selected number of cities throughout the country for a comprehensive program to deal with social, economic, and physical problems in slum and blighted areas. The Model Cities program involves concentration and coordination of Federal, State, and local public and private resources. Residents of designated Model Cities areas as well as other interested citizens are involved in the planning and implementation of local Model Cities programs.

URBAN RENEWAL

Loans and grants are provided for slum clearance and urban renewal including neighborhood development, interim assistance for blighted areas, concentrated code enforcement, demolition projects, general neighborhood renewal plans and feasibility surveys.

REHABILITATION LOANS AND GRANTS

This is a program of loans and grants for rehabilitation of residential and

commercial properties, not including servicing and disposition. Individuals who qualify may receive loans and grants for rehabilitation purposes.

OPEN SPACE LAND AND RELATED PROGRAMS

Grants are available for the acquisition and development of open space land and urban beautification and improvement.

COMMUNITY FACILITIES

Grants are provided for basic water and sewer facilities and neighborhood facilities and loans for public facilities.

Housing Production and Mortgage Credit ¹

The Assistant Secretary for Housing Production and Mortgage Credit, who is also the Federal Housing Commissioner, administers the programs and functions of the Department which assist in the production and financing of housing and in the conservation and rehabilitation of the housing stock.

These programs include the insurance, under the National Housing Act, of mortgages and loans made by private lending institutions for the purchase, construction, rehabilitation, repair, and improvement of single-family and multifamily housing, the low-rent public housing program, and the homeownership assistance, interest-reduction, rent supplement, and college housing programs. With respect to these programs, the functions assigned to the Assistant Secretary for Housing Production and Mortgage Credit are those required from preapplication through construction completion and the execution and closing of the con-

¹The following programs were temporarily suspended, effective January 5, 1973: Assisted Housing (Rent Supplements, sections 235 and 236, and Public Housing), and Nonprofit Sponsor Assistance.

No new commitments have been made by the Department under the following program since January 5, 1973: College Housing.

tract or mortgage or other credit financing instrument, as well as actions which are a direct extension of the construction and production phase which may occur after final endorsement.

APPLICATIONS

All applicants who wish to participate in a mortgage insurance program must submit their applications through the mortgage lender who is financing the home or project. However, in the case of multifamily projects, the applicants submit to the Department a request for feasibility determination prior to formal application for a firm commitment. The Department then determines if the applicant and the project meet certain eligibility criteria, and a study is made to determine the feasibility of the project. The applicant then submits, through the mortgage lender, a formal application.

INSURANCE

Mortgages and loans are insured under the terms of the National Housing Act for the purchase of single-family housing, private residences, rental housing, cooperative housing, condominiums, and mobile homes. Mortgage insurance also is provided for housing for the elderly, nursing homes and intermediate care facilities, nonprofit hospitals, and group practice medical facilities. Special programs are provided for loan and mortgage insurance for land development, mobile home parks, experimental housing, housing in urban renewal areas, armed services housing, and single-family housing for home-ownership subsidized by interest assistance payments and multifamily housing subsidized through interest assistance payments and rent supplements.

LOANS AND ASSISTANCE

The Department is authorized to provide, or contract with public or private organizations to provide advice and technical assistance to nonprofit sponsors of low- and moderate-income hous-

ing. In addition, interest-free loans are authorized to cover up to 80 percent of the preconstruction costs incurred by nonprofit sponsors in planning a federally assisted, low- and moderate-income housing project.

The low-rent public housing program, authorized by the United States Housing Act of 1937, provides Federal loans and annual contributions to assist local housing authorities in providing low-rent housing by construction, by rehabilitation of existing structures, by purchase from private builders or developers (the Turnkey method), and through leasing from private owners. Special provisions allow for purchase of such housing by low-income families.

The College Housing Program provides loans and debt service grants to colleges and eligible hospitals to finance the construction, rehabilitation, or purchase of housing and related facilities. Housing for the elderly is provided by the Rental Housing Assistance Program, the Rent Supplement Program, and the Low-Rent Public Housing Program.

MORTGAGE CREDIT

The Assistant Secretary for Housing Production and Mortgage Credit also directs the administration of the Government National Mortgage Association (GNMA). Under the direct leadership of a president, the Association carries out the following programs of the Department in accordance with the general policies of the Secretary and title III of the National Housing Act: the provision of special assistance in the financing of eligible types of federally underwritten mortgages; the mortgage backed security program; the management and liquidation of the portfolio of mortgages held by GNMA; the management of the Government Mortgage Liquidation Trust, Small Business Obligations Trust, Federal Assets Liquidation Trust, and Federal Assets Financing Trust; and the guaranty of timely payments of principal and interest on such trust certificates or other securities as shall be backed

by trusts or pools composed of mortgages insured by HUD or guaranteed by the Veterans Administration.

Housing Management

The Assistant Secretary for Housing Management directs the administration of departmental programs and activities in the following areas:

Provision of assistance is given the local housing authorities in management and modernization of low-rent public housing projects including support of resident and community services in these projects, and the necessary special family and other operating subsidies.

HUD-insured and Government-held mortgages are managed and serviced for all mortgage insurance programs under the National Housing Act, including nursing homes, intermediate care facilities, mobile homes and mobile home courts, hospitals, group practice facilities, and land development.

Management and administration of assistance is offered for contracts for interest reduction payments and rent supplements, homeownership for low- and middle-income families, operation, and forbearance agreements and assignments of mortgages.

Loans are serviced and managed for housing assisted by Department lending and grant programs; real and related property conveyed to or in the custody of the Secretary is managed, rehabilitated, rented, and disposed.

Direction is given to resident and homeownership counseling to low- and middle-income families; private market financing through the sale of notes and bonds; local financing for urban renewal; defense planning, disaster relief, and economic stabilization activities; and liquidating programs.

Policy Development and Research

The Assistant Secretary for Policy Development and Research performs functions with respect to program formulation and evaluation and makes comprehensive studies and analyses of

developments, trends, and problems relating to national housing and community development goals. The Assistant Secretary is also the principal adviser on scientific and technological matters of concern to the Department. The Office of the Assistant Secretary for Policy Development and Research conducts action research (applied research including experiments, demonstrations, and pilot implementations) to provide a better understanding; improved methods, services, and facilities; improved Federal programs; and solutions to housing and community problems of our growing population.

Operation Breakthrough has as its primary objective breaking through the barriers that have prevented the use of improved methods and design, production, land use, marketing technology, and management in housing. To meet this objective HUD has entered into a cooperative effort with local and State governments, industry, labor, financial institutions, and community groups to improve the entire housing process.

In meeting the goal of providing housing to meet national needs, research and technology programs include projects in the areas of improved operation and management of the existing stock of housing, assisting families to obtain housing through housing allowance subsidies, assembling housing statistics and economics information, encouraging new and improved building technology, and fair housing and equal opportunity practices. In addition, experiments to test the components of the program for preventing the spread of abandonment and neighborhood decay are being developed. Further, research related to practical demonstrations of waste disposal systems, energy systems including the utilization of waste heat, noise abatement methods, advanced communication systems, utility installation and geological problems in community development are supported.

The Municipal Information Systems

program initiated in 1970, as an aid in improving and modernizing the information gathering capabilities of municipalities to assist in their management and decisionmaking processes, is managed within the Office of the Assistant Secretary for Policy Development and Research.

Federal Disaster Assistance

The Federal Disaster Assistance Administration (FDAA) Administrator is responsible for direction, management, and coordination of the Federal disaster assistance program. The Administration provides direction and overall policy coordination for disaster program activities delegated to the Secretary by the President. This involves administration of the President's Disaster Relief Fund; management of programs concerned with disaster research, preparedness, readiness evaluation, disaster relief and recovery; and coordination of other agency disaster assistance activities. The Administrator directs Regional and field office disaster assistance activities through the Regional Directors for Federal Disaster Assistance, as listed in the table following:

Regional Offices—

Federal Disaster Assistance Administration

Region	Address
1.....	JFK Federal Bldg., Boston, Mass. 02203.
2.....	26 Federal Plaza, New York, N.Y. 10007.
3.....	6th and Walnut Sts., Philadelphia, Pa. 19103.
4.....	1375 Peachtree St. NE., Atlanta, Ga. 30309.
5.....	300 S. Wacker Dr., Chicago, Ill. 60606.
6.....	1100 Commerce St., Dallas, Tex. 75202.
7.....	911 Walnut St., Kansas City, Mo. 64106.
8.....	1860 Lincoln St., Denver, Colo. 80203.
9.....	120 Montgomery St., San Francisco, Calif. 94104.
10.....	1319 2d Ave., Seattle, Wash. 98101.

Federal Insurance

The Administrator of the Federal Insurance Administration (FIA) is the principal adviser to the Secretary on insurance matters, particularly on those administered by the FIA. In all insurance programs, the Administration utilizes the cooperation of other Federal agencies, State and local governments, and the private insurance industry. The FIA conducts studies and makes recommendations of alternative programs of insurance and financial assistance in meeting natural and other disasters and similar occurrences.

FLOOD INSURANCE

The National Flood Insurance Program is designed to enable persons to purchase insurance against losses resulting from physical damage to or loss of real or personal property arising from floods or mudslides occurring in the United States. Communities having flood or mudslide hazards put into effect land use and control measures meeting FIA standards and apply for eligibility to the Administrator. After the community has been designated as eligible, insurance policies may be purchased from any licensed insurance agent or broker.

The Flood Disaster Protection Act of 1973 requires that Federal assistance (including flood related disaster assistance and mortgage loans from federally-supervised lending institutions and FHA or VA insured loans) for acquisition and construction purposes in areas of special flood hazard in participating communities be protected by flood insurance. After June 30, 1975, flood-prone communities must establish flood insurance program eligibility or be denied such federally-related assistance or projects within special flood hazard areas.

RIOT REINSURANCE

The Riot Reinsurance Program is designed to assist property owners in urban areas to obtain essential insurance

protection, particularly on property located in areas possibly subject to civil disturbances. Federal reinsurance is available for companies participating in Fair Access to Insurance Requirements (FAIR) Plans under the supervision of the State insurance authority. These companies agree to provide coverage based on the insurability of the property regardless of location. Property owners in FAIR Plan jurisdictions who cannot obtain insurance coverage in the private market are referred to the FAIR Plan headquarters, the property is inspected and the rate determined, and the policy is issued.

CRIME INSURANCE

The Federal Crime Insurance Program is designed to enable businessmen and residents of homes and apartments to purchase crime insurance in States where crime insurance is difficult to obtain or excessively costly. The Administrator reviews the market situation in the several States to determine where the Federal program is needed. Citizens of the States so designated may

Field Structure

The field operations of the Department are carried out through a series of regional, area, and insuring offices.

The regional offices of the Department have boundaries and headquarters locations prescribed by the Secretary. Each regional office is headed by a Regional Administrator, who is responsible to the Secretary and the Under Secretary for the execution of the Department's programs assigned

purchase the Federal policy through any licensed insurance agent or broker.

Interstate Land Sales Registration

The Interstate Land Sales Administrator exercises the Department's responsibilities under the Interstate Land Sales Full Disclosure Act. The Administrator heads the Office of Interstate Land Sales Registration which administers and enforces registration and disclosure requirements which apply to developers who sell land through the use of any means of interstate commerce or the mails. Pursuant to the provisions of the act and Department regulations, developers of all non-exempt subdivisions containing 50 or more lots must file a Statement of Record with the Office of Interstate Land Sales Registration and furnish each purchaser with a printed Property Report in advance of the time that they sign the sales contract. Developers who do not comply with the statutory and regulatory requirements may be subject to administrative proceedings, civil proceedings to enjoin the arts or practices, and criminal prosecution.

his region, the overall management of the regional office, and the supervision and direction of regional office staff, and of the area and insuring offices in his region.

Area and insuring offices of the Department are operational in the locations listed below. For information concerning the detailed jurisdiction of an office, the indicated regional office should be consulted.

FIELD OFFICE JURISDICTIONS OF HUD

REGION I

Regional Administrator
Rm. 800, John F. Kennedy
Federal Building
Boston, Massachusetts 02203
Tel. (617) 223-4066

AREA OFFICES

CONNECTICUT, HARTFORD 06105
999 Asylum Avenue
Tel. (203) 244-3638

MASSACHUSETTS, BOSTON 02114
Bulfinch Building
15 New Chardon Street
Tel. (617) 223-4111

NEW HAMPSHIRE, MANCHESTER 03101
Davison Building
1230 Elm Street
Tel. (603) 669-7681

INSURING OFFICES

MAINE, BANGOR 04401
Federal Building and Post Office
202 Harlow Street
Post Office Box 1357
Tel. (207) 942-8271

RHODE ISLAND, PROVIDENCE 02903
330 Post Office Annex
Tel. (401) 528-4351

VERMONT, BURLINGTON 05401
Federal Building
Elmwood Avenue
Post Office Box 989
Tel. (802) 862-6501

REGION II

Regional Administrator
26 Federal Plaza, Room 3541
New York, New York 10007
Tel. (212) 264-8068

AREA OFFICES

NEW JERSEY, CAMDEN 08103
The Parkade Building
519 Federal Street
Tel. (609) 963-2541

NEW JERSEY, NEWARK 07102
Gateway 1 Building
Raymond Plaza
Tel. (201) 645-3010

NEW YORK, BUFFALO 14202
Grant Building
560 Main Street
Tel. (716) 842-3510

NEW YORK, NEW YORK 10019
666 Fifth Avenue
Tel. (212) 974-6800

COMMONWEALTH AREA OFFICE

PUERTO RICO, SAN JUAN 00936
Post Office Box 3869 GPO
255 Ponce de Leon Avenue
Hato Rey, Puerto Rico
Tel. (809) 765-0404

INSURING OFFICES

NEW YORK, ALBANY 12206
Westgate North
30 Russell Road
Tel. (518) 472-3567

REGION III

Regional Administrator
Curtis Building
6th and Walnut Streets
Philadelphia, Pennsylvania 19106
Tel. (215) 597-2560

AREA OFFICES

**DISTRICT OF COLUMBIA,
WASHINGTON 20009**
Universal North Building
1875 Connecticut Ave. N.W.
Tel. (202) 382-4855

MARYLAND, BALTIMORE 21201
Two Hopkins Plaza
Mercantile Bank and Trust Building
Tel. (301) 962-2121

PENNSYLVANIA, PHILADELPHIA 19106
Curtis Building
625 Walnut Street
Tel. (215) 597-2665

PENNSYLVANIA, PITTSBURGH 15212
Two Allegheny Center
Tel. (412) 644-2802

VIRGINIA, RICHMOND 23219
701 East Franklin Street
Tel. (804) 782-2721

INSURING OFFICES

DELAWARE, WILMINGTON 19801
Farmers Bank Building
919 Market Street, 14th Floor
Tel. (302) 571-6330

WEST VIRGINIA, CHARLESTON 25330
New Federal Building
500 Quarrier Street
Post Office Box 2948
Tel. (304) 343-6181

REGION IV

Regional Administrator
Room 211, Pershing Point Plaza
1371 Peachtree Street, N.E.
Atlanta, Georgia 30309
Tel. (404) 526-5585

AREA OFFICES

ALABAMA, BIRMINGHAM 35233
Daniel Building
15 South 20th Street
Tel. (205) 325-3264

FLORIDA, JACKSONVILLE 32204
Peninsular Plaza
661 Riverside Avenue
Tel. (904) 791-2626

GEORGIA, ATLANTA 30303
Peachtree Center Building
230 Peachtree Street, N.W.
Tel. (404) 526-4576

KENTUCKY, LOUISVILLE 40201
Children's Hospital Foundation Bldg.
601 South Floyd Street
Post Office Box 1044
Tel. (502) 582-5251

MISSISSIPPI, JACKSON 39213
101-C Third Floor Jackson Mall
300 Woodrow Wilson Avenue, W.
Tel. (601) 366-2634

**NORTH CAROLINA,
GREENSBORO 27408**
2309 West Cone Boulevard
Northwest Plaza
Tel. (919) 275-9111

SOUTH CAROLINA, COLUMBIA 29202
1801 Main Street
Jefferson Square
Tel. (803) 765-5591

TENNESSEE, KNOXVILLE 37919
One Northshore Building
1111 Northshore Drive
Tel. (615) 584-8527

REGION IV (Cont.)

INSURING OFFICES

FLORIDA, CORAL GABLES 33134
3001 Ponce de Leon Boulevard
Tel. (305) 445-2561

FLORIDA, TAMPA 33679
4224-28 Henderson Boulevard
Post Office Box 18165
Tel. (813) 228-2501

TENNESSEE, MEMPHIS 38103
28th Floor, 100 North Main Street
Tel. (901) 534-3141

TENNESSEE, NASHVILLE 37203
U.S. Courthouse
Federal Building Annex
801 Broadway
Tel. (615) 749-5521

REGION V

Regional Administrator
300 South Wacker Drive
Chicago, Illinois 60606
Tel. (312) 353-5680

AREA OFFICES

ILLINOIS, CHICAGO 60602
17 North Dearborn Street
Tel. (312) 353-7660

INDIANA, INDIANAPOLIS 46205
Willowbrook 5 Building
4720 Kingsway Drive
Tel. (317) 633-7188

MICHIGAN, DETROIT 48226
5th Floor, First National Building
660 Woodward Avenue
Tel. (313) 226-7900

MINNESOTA, MINNEAPOLIS-ST. PAUL
Griggs-Midway Building
1821 University Avenue
St. Paul, Minnesota 55104
Tel. (612) 725-4701

OHIO, COLUMBUS 43215
60 East Main Street
Tel. (614) 469-7345

WISCONSIN, MILWAUKEE 53203
744 North 4th Street
Tel. (414) 224-3221

INSURING OFFICES

ILLINOIS, SPRINGFIELD 62704
Lincoln Tower Plaza
524 South Second Street, Room 600
Tel. (217) 525-4414

MICHIGAN, GRAND RAPIDS 49505
Northbrook Building Number 11
2922 Fuller Avenue, N.E.
Tel. (616) 456-2225

OHIO, CINCINNATI 45202
Federal Office Building
550 Main Street, Room 9009
Tel. (513) 684-2884

OHIO, CLEVELAND 44114
777 Rockwell Ave.
Tel. (216) 522-4065

REGION VI

Regional Administrator
Room 14C2, Earle Cabell Federal Building
U.S. Courthouse
1100 Commerce Street
Dallas, Texas 75202
Tel. (214) 749-7401

AREA OFFICES

ARKANSAS, LITTLE ROCK 72201
Room 1490, One Union National Plaza
Tel. (501) 378-5401

LOUISIANA, NEW ORLEANS 70113
Plaza Tower
1001 Howard Avenue
Tel. (504) 527-2063

OKLAHOMA, OKLAHOMA CITY 73102
301 North Hudson Street
Tel. (405) 231-4181

TEXAS, DALLAS 75201
2001 Bryan Tower, 4th Floor
Tel. (214) 749-1601

TEXAS, SAN ANTONIO 78285
Kallison Building
410 South Main Avenue
Post Office Box 9163
Tel. (512) 225-5511

INSURING OFFICES

LOUISIANA, SHREVEPORT 71120
New Federal Building
500 Fannin, 6th Floor
Tel. (318) 226-5385

NEW MEXICO, ALBUQUERQUE 87110
625 Truman Street, N.E.
Tel. (505) 766-3251

OKLAHOMA, TULSA 74152
1708 Utica Square
Post Office Box 4054
Tel. (918) 581-7435

REGION VI (Cont.)

TEXAS, FORT WORTH 76102
819 Taylor Street
Room 13A01 Federal Building
Tel. (817) 334-3233

TEXAS, HOUSTON 77046
Two Greenway Plaza
East, Suite 200
Tel. (713) 226-4335

TEXAS, LUBBOCK 79408
Courthouse and Federal Office Building
1205 Texas Avenue
Post Office Box 1647
Tel. (806) 747-3711

REGION VII

Regional Administrator
Room 300 Federal Office Building
911 Walnut Street
Kansas City, Missouri 64106
Tel. (816) 374-2661

AREA OFFICES

KANSAS, KANSAS CITY 66107
Two Gateway Center
4th and State Streets
Tel. (816) 374-4355

MISSOURI, ST. LOUIS 63101
210 North 12th Street
Tel. (314) 622-4760

NEBRASKA, OMAHA 68106
Univac Building
7100 West Center Road
Tel. (402) 221-9301

INSURING OFFICES

IOWA, DES MOINES 50309
210 Walnut Street
Room 259 Federal Building
Tel. (515) 284-4512

KANSAS, TOPEKA 66603
700 Kansas Avenue
Tel. (913) 234-8241

REGION VIII

Regional Administrator
Federal Building
1961 Stout Street
Denver, Colorado 80202
Tel. (303) 837-4881

INSURING OFFICES

COLORADO, DENVER 80202
4th Floor, Title Building
909 - 17th Street
Tel. (303) 837-2441

MONTANA, HELENA 59601
616 Helena Avenue
Tel. (406) 442-3237

NORTH DAKOTA, FARGO 58102
Federal Building
653 - 2nd Avenue N.
Post Office Box 2483
Tel. (701) 237-5136

SOUTH DAKOTA, SIOUX FALLS 57102
119 Federal Building U.S. Courthouse
400 S. Phillips Avenue
Tel. (605) 336-2980

UTAH, SALT LAKE CITY 84111
125 South State Street
Post Office Box 11009
Tel. (801) 524-5237

WYOMING, CASPER 82601
Federal Office Building
100 East B Street
Post Office Box 580
Tel. (307) 265-5550

REGION IX

Regional Administrator
450 Golden Gate Avenue
Post Office Box 36003
San Francisco, California 94102
Tel. (415) 556-4752

AREA OFFICES

CALIFORNIA, LOS ANGELES 90057
2500 Wilshire Boulevard
Tel. (213) 688-5973

CALIFORNIA, SAN FRANCISCO 94111
1 Embarcadero Center
Suite 1600
Tel. (415) 556-2238

INSURING OFFICES

ARIZONA, PHOENIX 85002
244 West Osborn Road
Post Office Box 13468
Tel. (602) 261-4441

CALIFORNIA, SACRAMENTO 95809
801 I Street
Post Office Box 1978
Tel. (916) 449-3471

CALIFORNIA, SAN DIEGO 92112
110 West C Street
Post Office Box 2648
Tel. (714) 293-5310

CALIFORNIA, SANTA ANA 92701
1440 East First Street
Tel. (714) 836-2451

HAWAII, HONOLULU 96813
1000 Bishop Street, 10th Floor
Post Office Box 3377
Tel. (808) 546-2136

NEVADA, RENO 89505
1050 Bible Way
Post Office Box 4700
Tel. (702) 784-5356

REGION X

Regional Administrator
Arcade Plaza Building
1321 Second Avenue
Seattle, Washington 98101
Tel. (206) 442-5415

AREA OFFICES

OREGON, PORTLAND 97204
520 Southwest 6th Avenue
Tel. (503) 221-2558

WASHINGTON, SEATTLE 98101
Arcade Plaza Building
1321 Second Avenue
Tel. (206) 442-7456

INSURING OFFICES

ALASKA, ANCHORAGE 99501
334 West 5th Avenue
Tel. (907) 272-5561 Ext. 791

IDAHO, BOISE 83707
331 Idaho Street
Post Office Box 32
Tel. (208) 342-2711

WASHINGTON, SPOKANE 99201
West 920 Riverside Avenue
Tel. (509) 456-4571

Government National Mortgage Association

The field activities of the Government

National Mortgage Association are carried out through the five regional offices of the Federal National Mortgage Association as follows:

Regional Offices—Federal National Mortgage Association

Region	Area	Address
Northeastern	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Puerto Rico, Virgin Islands.	5 Penn Center Plaza, Philadelphia Pa. 19103.
Midwestern	Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin.	150 S. Wacker Dr., Chicago, Ill. 60606.
Southeastern	Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee.	100 Peachtree St. NW., Atlanta, Ga. 30303.
Southwestern	Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, Texas.	2001 Bryan Tower, Dallas, Tex. 75201.
Western	Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming.	3435 Wilshire Blvd., Los Angeles, Calif. 90010.

Sources of Information

Inquiries on the following subjects should be directed to the nearest regional or area office or to the specified Headquarters office, Housing and Urban Development Building, 451 Seventh Street SW., Washington, D.C. 20410.

PROGRAM INFORMATION CENTER

Provides information regarding departmental activities and functions, and publications and other literature to Headquarters visitors. Persons interested in inspecting documents or records under the Freedom of Information Act should contact the Program Information Center, Room 1202. Phone, 202-755-6420.

READING ROOM

Resources and facilities of the HUD library are available to the public in Headquarters Room 8141 and the Regional and Area Office Libraries.

PUBLICATIONS

Written requests sent to Headquarters should be directed to the Publication Service Center, Room B-258.

SPEAKERS AND FILMS

Contact the Office of Public Affairs, Headquarters, Room 10132. Phone, 202-755-6980.

EMPLOYMENT

Inquiries and applications should be directed to the Headquarters Office of Personnel, or the nearest Regional Office Personnel Division.

CONTRACTS

Contact the Headquarters Office of Procurement and Contracts, or the nearest Regional Office General Services Division.

PROGRAM PARTICIPATION

Persons interested in participating in HUD programs should contact the appropriate Area or Insuring Office.

Approved.

JAMES T. LYNN,
*Secretary of Housing
and Urban Development.*



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