

## THE ROLE OF CREATIVE FEDERALISM

A Speech given at the dedication of the Metropolitan Water District (Harnett County), at Buies Creek, Campbell University, January 14, 1980.

There have been few times in my career when I have felt closer to my assignment than today as we meet for the dedication of the Northeast Metropolitan Water District in Harnett County. I see my entire career before me as I think of how this project originated and how it was carried through to completion. As you know, I got my start in politics over in Lillington as clerk of court, moved on to the state Senate, the Attorney General's office, and now to the United States Senate. At all of these levels, I have observed both the possibilities of cooperation and the roadblocks that exist between local, state, and federal agencies.

Today we come to bear witness that cooperation is possible as we dedicate this project. It combines the best features of federalism--the cooperation of several different levels of government in a good cause.

Before I talk about the specific development of this project, I would like to review briefly the role of the federal government in aiding local people with their problems. First let me admit that I read from the Federalist Papers at every opportunity, trying to gain more insight into how to make the

present system of government more like what the drafters of our Constitution had in mind. Much of what I say on the floor of the Senate, write in newsletters, or include in speeches comes from a basic belief that our founding fathers meant that state and local governmental units should retain as many powers as possible.

As you know, from the earliest days of our Republic there has been federal encouragement of different projects. Under Alexander Hamilton, our first Secretary of the Treasury, manufacturing and banking received special attention. The government later encouraged the completion of post roads and created a highway system. After the Civil War the government encouraged the construction of the transcontinental railroads by giving them sections of land that paralleled the tracks to subsidize construction.

It was not until the Great Depression of the 1930s, however, that a basic change occurred in our thinking about the role of the federal government and its relation to the states and to the local government. The federal government had never really provided relief for people on the state or local level. Yet the relief approach tried by Herbert Hoover did not really solve the serious problems that arose from the economic emergency.

Under Franklin D. Roosevelt, however, a new spirit of experimentation caught on. Some of us remember how the Works Projects Administration gave jobs to those who had been driven to unemployment by the depression. Many worthwhile projects were completed during those years. The federal government found a way to pump money down to the people who were most affected by the depression.

The beginnings of our present farm program also came from these days--in the Agricultural Adjustment Administration. For the first time, farmers signed agreements to limit their cotton and tobacco acreage. These programs were voluntary, and by and large they were successful in restoring stability.

There were many other governmental programs that originated in the 1930s and later, but the point that I am making is that there is a tradition of successful cooperation with the federal government.

Now, I am sure that some of you are thinking that at times the federal government has gone too far in their control and in their red tape. I couldn't agree more. I spend quite a bit of time trying to figure out how to hold the government accountable for projects and to prevent them from usurping the rights of the states. Finding the balance between constructive federalism and outright control over states is a difficult problem.

I never want to see the pendulum swing to the point where we all meekly turn to the federal government for everything.

We are an independent people, us Americans, us Southerners, and we had rather solve our own problems. That is why our dedication today is such a significant occasion.

In Harnett County we can also be proud of the County Office Building, which was built primarily with Revenue Sharing Funds. And I might add that we are all very interested in keeping Revenue Sharing a viable program.

We are all anxiously awaiting the completion of the Harnett County Airport. This is another example of the cooperation that is so important in our federal system. The bulk of the funds, \$800,000 comes from the FAA, which distributes money collected from airline ticket taxes and plows them back into airport safety and development. The State Department of Transportation has also shared in this by contributing \$100,000 and local government by adding \$50,000.

The project that we dedicate today originated in 1967, as Harnett County began planning for a water system. At that time the county received a \$12,000 grant from the Farmers Home Administration to do a feasibility study. The survey revealed that such a water system would indeed be feasible. After all, we have the Cape Fear River that flows through the heart of the county and the Lower Little River on the southern boundary.

The feasibility study revealed that the best area in the county for the first phase of a water district would be around Angier, Coats, and Lillington.

Meanwhile, the North Carolina General Assembly in 1971 passed the Metropolitan Water District Law, allowing formation of a taxing district (by petitions of 15 percent of the eligible voters outside incorporated areas and by resolution of the Boards of Commissioners of incorporated areas). This would permit larger geographical areas, not just small towns or rural areas, to join together and combine resources.

The project ran into a temporary problem when the county-wide 1975 referendum for \$4.5 million was defeated. The results indicated that the people within the proposed district favored the plan. The new proposal established the present Metropolitan Water District, and a vote within this area approved a \$3.5 million bond issue by a 4 to 1 margin.

This proved to be the first Metropolitan Water District in the state, and I think that the pride and the challenge of being first has pushed this project right along. The pieces of the project began to fall into place rapidly. The Farmers Home Administration increased its commitment by \$1 million. The Coastal Plains Development Commission added \$150,000 and the North Carolina State Department of Human Resources Clean Water Bond grant added \$1.5 million.

Source of Revenue

Farmers Home Administration.....	\$1,920,000
Coastal Plains Commission.....	150,000
State of N.C. Clean Water Bond Grant.....	1,521,000
County of Harnett.....	50,000
General Obligation Bonds.....	<u>3,514,000</u>
Total.....	7,155,000

Thus, what we are dedicating today is not just a physical plant of a certain capacity but rather a project that grew from local ideas and initiative, gained support on the county and state level, and attracted the necessary federal funds for completion. At every level, the federal system worked to assure that this project would be successful-- the community of Buies Creek, the municipalities of Angier, Lillington, and Coats, the county of Harnett, the state of North Carolina, the regional Coastal Plains Commission, and the federal government.

Four years ago when Jimmy Carter was running for President, he observed that there should be creative federalism, that local and state governments should work more in harmony with the federal government. During most of these years, we have been so busy with problems of energy or foreign affairs that we have lost sight of this idea. Recently, Ella Grasso

the Governor of Connecticut, praised the Carter Administration for understanding local and state problems better than any former administration. Mayor Tom Bradley of Los Angeles echoed these thoughts. I think that these two leaders--one on the state and one on the city level--illustrate something that we have learned with our water district project--that there can be constructive federalism, that different levels of government can cooperate in achieving goals.

I hope that the testimony of these leaders and our experiences here are signs of a constructive change in the way that the federal government and state and local governments share responsibility.

In conclusion, let me reiterate that in every way possible I have tried to limit the growth of federal control over our lives. The increasing power of the federal government must be stopped, reversed. Yet we must not throw out all programs that include federal support. There are constructive programs that come from the federal government, and I welcome cooperating with such programs.

This is, as I have mentioned, the first Metropolitan Water District in the state, and I hope that our example of creative federalism will spread and help other counties develop

their resources in this way. It is encouraging to me to see the people of Harnett County take the lead, and I hope that the people here who have worked so hard to see this project completed benefit from it. I must admit that I prefer to make Harnett County attractive to the people who live here more than attracting people to Harnett County.

Life should be better for people in the towns and in the countryside because of this project. I hope that we can continue to grow in ways that preserve the rural and small town heritage of our county, and in ways that bring pride to our state and to the nation.