

SENATOR ROBERT MORGAN -- SPEECH BEFORE THE UTILITIES
DIVISION, CAROLINAS BRANCH, ASSOCIATED GENERAL
CONTRACTORS OF AMERICA

SATURDAY, MARCH 19, 1977

IT IS A PLEASURE FOR ME TO BE HERE WITH YOU AT YOUR UTILITIES DIVISION MEETING. I APPRECIATE THE INVITATION AND THE OPPORTUNITY TO DISCUSS FOR A FEW MINUTES THE WATER POLLUTION CONTROL PROGRAM AND THE PUBLIC WORKS "JOBS BILL". MY TIME IS LIMITED TODAY, BUT I DO WANT TO TOUCH BRIEFLY ON SEVERAL OF THE MAJOR PLANS AND CONCEPTS WHICH I SEE AHEAD FOR US IN THESE TWO AREAS.

AS YOU PROBABLY KNOW, I WAS A MEMBER OF THE SENATE PUBLIC WORKS COMMITTEE DURING THE LAST CONGRESS. DURING THAT TIME, THE COMMITTEE WAS MOST INVOLVED WITH THE CLEAN AIR ACT AMENDMENTS OF 1976, AND REALLY VERY LITTLE WORK WAS DONE BY THE FULL COMMITTEE ON THE FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS. BUT THE HOUSE OF REPRESENTATIVES, AS YOU KNOW, WAS ABLE TO DRAFT A COMPREHENSIVE PIECE OF LEGISLATION DEALING WITH WATER POLLUTION CONTROL LAST YEAR.

AS IT STANDS NOW, TWO DIFFERENT COMMITTEES IN THE HOUSE HAVE JURISDICTION OVER WATER AND AIR POLLUTION POLICIES. IN THE SENATE, HOWEVER, THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE HAS JURISDICTION OVER BOTH -- AND AN IN-DEPTH, LONG-RANGE TREATMENT OF BOTH AIR AND WATER POLICY WAS IMPOSSIBLE.

INSTEAD, THE COMMITTEE ATTEMPTED TO DEAL WITH THOSE ISSUES WITHIN THE WATER POLLUTION CONTROL ACT WHICH SEEMINGLY HAD TO BE ADDRESSED IN THE 94TH CONGRESS ... AND LEAVE THE REMAINDER UNTIL THERE WAS AMPLE TIME TO SURVEY ALL THE OPTIONS AND HEAR FROM THE LOCAL LEVELS OF GOVERNMENT AND PUBLIC CONCERN.

NOW, IN THE PRESENT CONGRESS, I HAVE ACCEPTED AN ASSIGNMENT ON THE SENATE ARMED SERVICES COMMITTEE, AND HAD TO DROP MY MEMBERSHIP ON ENVIRONMENT AND PUBLIC WORKS. BUT MY LONG-STANDING INTEREST IN THE CONSTRUCTION INDUSTRY, AND MY CONCERN WITH POLLUTION CONTROL, CULTIVATED WHILE I WAS A MEMBER OF THE COMMITTEE, WILL BOTH CONTINUE. AS A MEMBER OF THE BANKING, HOUSING, AND URBAN AFFAIRS COMMITTEE, I AM STILL WORKING CLOSELY WITH YOUR ASSOCIATION. AND AS THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE CONTINUES ITS WORK ON THE WATER PROGRAMS

AND OTHER MAJOR LEGISLATION, YOU CAN BE SURE THAT I SHALL KEEP A CLOSE WATCH ON THE ACTIONS AND PROPOSALS INITIATED THERE.

I WOULD LIKE TO MENTION SEVERAL OF THE PRIMARY, CONTROVERSIAL PROPOSALS WHICH WILL BE FACING THE CONGRESS AS IT WORKS OUT THE FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS.

FIRST, AND PROBABLY FOREMOST IN MANY PEOPLES' MINDS, IS THE QUESTION OF HOW THE CORPS OF ENGINEERS PLANS TO IMPLEMENT THE PERMIT PROGRAM FOR DISPOSAL OF DREDGE SPOIL AND FILL MATERIAL. THE CONTROVERSY REACHED ITS PEAK IN THE FINAL DAYS OF THE HOUSE COMMITTEE'S CONSIDERATION OF ITS AMENDMENTS. AN AMENDMENT WAS INTRODUCED WHICH GREATLY LIMITED THE DEFINITION OF "NAVIGABLE WATERS" IN SECTION 404. THE AMENDMENT WAS ADOPTED, BUT THE CONTROVERSY CONTINUED ON THE FLOOR OF THE HOUSE ... AND AN AMENDMENT OFFERED BY JIM WRIGHT OF TEXAS WAS SUBSTITUTED AND ADOPTED.

HEARING THE OUTCRY FROM THE HOUSE ACTION, THE SENATE REALIZED THAT IT MUST DEVOTE TIME TO THE SECTION 404 ISSUES.

IN ADDITION, THE ALLOTMENT FORMULA FOR WATER CONSTRUCTION

GRANT MONIES HAD TO BE WORKED OUT.

THE USE OF VARIOUS FORMULAE CAN CREATE SIGNIFICANT DIFFERENCES IN EFFECTS UPON STATE CONSTRUCTION GRANT PROGRAMS -- AS WELL AS IMPLEMENTATION OF THE PROGRAM AT THE FEDERAL LEVEL. SEVERAL ALTERNATIVES FOR ALLOTMENT HAVE BEEN PROPOSED. ONE, BASED ON BOTH NEEDS AND POPULATION, HAD BEEN SUGGESTED BY THE E.P.A. LAST YEAR. THIS METHOD WOULD USE THE STATE-SUBMITTED NEEDS ESTIMATES AND BALANCE THOSE WITH A POPULATION FACTOR.

A VARIATION OF THIS APPROACH WAS USED BY THE HOUSE IN THEIR AMENDMENTS. THE HOUSE HAD SPECIFIED THE USE OF 1990 POPULATION DATA, RATHER THAN 1975 FIGURES, SO AS TO TAKE FUTURE GROWTH INTO ACCOUNT. THE SENATE DECIDED TO ACCEPT THE HOUSE FORMULA, WITH 1975 POPULATION FIGURES, FOR ONE YEAR. IT WAS THE INTENT OF THE SENATE COMMITTEE TO COME BACK TO THE FORMULA ISSUES AND MAKE A DECISION ON A LONG-RANGE APPROACH WHEN MORE TIME COULD BE DEVOTED TO THE MANY POTENTIAL ALTERNATIVES.

ANOTHER OF THE ITEMS WHICH THE SENATE HAD TO ADDRESS IN THE LAST CONGRESS WAS THAT OF THE SO-CALLED "MUNICIPAL EXTENSIONS".

APPROXIMATELY 50% OF THE NATION'S MUNICIPALITIES WILL NOT BE ABLE TO COMPLY WITH THE REQUIREMENTS OF SECONDARY TREATMENT BY THE DEADLINES ESTABLISHED IN THE LAW. THE HOUSE-PASSED BILL AUTHORIZED THE ADMINISTRATOR OF EPA TO PROVIDE EXTENSIONS OF THE DEADLINE FOR MUNICIPALITIES FOR ACHIEVING THE REQUIREMENTS FOR SECONDARY TREATMENT. IN ADDITION, THE HOUSE PROVISIONS WOULD HAVE ALLOWED THE ADMINISTRATOR TO GIVE RELIEF TO INDUSTRIAL SOURCES WHICH DISCHARGE INTO MUNICIPAL SYSTEMS WHICH RECEIVE EXTENSIONS.

THE SENATE'S APPROACH WAS AGAIN BASED ON THE DESIRE TO COME BACK TO THE LEGISLATION THIS YEAR FOR A CONCENTRATED LOOK AT ALL THE ISSUES. THE COMMITTEE PROPOSED THAT THE ADMINISTRATOR BE AUTHORIZED TO GRANT CASE-BY-CASE EXTENSIONS TO MUNICIPALITIES BASED UPON THE LACK OF AVAILABILITY OF FEDERAL FINANCIAL ASSISTANCE.

SO, LAST YEAR, THERE WERE GENERALLY THREE MAJOR PROVISIONS WHICH THE SENATE COMMITTEE FELT REQUIRED LEGISLATIVE ATTENTION DURING THE LAST CONGRESS: SECTION 404 AND THE CORPS OF ENGINEERS' PERMITTING AUTHORITY, ALLOTMENT OF CONSTRUCTION FUNDS, AND MUNICIPAL EXTENSIONS. I GENERALLY SUPPORTED THE MAJORITY OF THE COMMITTEE AND THE STAFF RECOMMENDATIONS EXCEPT ON THE MATTER OF SECTION 404.

IN WORKING ON THIS CONTROVERSIAL SECTION, THE HOUSE AMENDMENTS CREATED A NEW DEFINITION OF "NAVIGABLE WATERS" TO GOVERN THE SCOPE OF THE CORPS' REGULATION OF THE DISCHARGE OF DREDGED OR FILL MATERIAL. THIS NEW DEFINITION WOULD RESTRICT THE WATERS INTO WHICH THE DISCHARGE OF DREDGED OR FILL POLLUTANTS WOULD BE REGULATED.

CONGRESSMAN WRIGHT'S AMENDMENT REVISED THE DEFINITION OF "NAVIGABLE WATERS". THE TERM WAS RESTRICTED TO THOSE WATERS OF THE UNITED STATES WHICH WERE, IN FACT, USED

IN INTERSTATE COMMERCE, RATHER THAN THE DEFINITION PRESENTLY APPLYING TO ALL WATERS OF THE UNITED STATES. THE HOUSE COMMITTEE REPORT JUSTIFIED THIS RESTRICTION ON THE BASIS OF THE TRADITIONAL INTEREST OF THE CORPS OF ENGINEERS IN THE PROTECTION OF NAVIGATION.

IN ADDITION, THE AMENDMENT SPECIFIED ADJACENT WETLANDS FOR COVERAGE AND DEFINED THEM AS THOSE AREAS ADJACENT TO NAVIGABLE WATERS. FURTHER, ANY ADDITIONAL AREAS COULD BE COVERED BY THE 404 PROGRAM BY A JOINT REQUEST OF THE GOVERNOR OF ANY STATE AND THE CHIEF OF ENGINEERS. DREDGE AND FILL ACTIVITIES IN AREAS OTHER THAN NAVIGABLE WATERS, ADJACENT WETLANDS, AND ADDITIONALLY DESIGNATED AREAS WERE EXEMPTED FROM THE PERMITTING PROCESS.

THE SO-CALLED "WRIGHT AMENDMENT" WAS INTRODUCED BY SENATOR BENTSEN WHEN THE SENATE PUBLIC WORKS COMMITTEE CONSIDERED THIS ISSUE. I SUPPORTED SENATOR BENTSEN, THINKING THAT THIS APPROACH WOULD SIGNIFICANTLY REDUCE THE "RED TAPE" AND UNDUE DEALY WITH WHICH MANY PEOPLE HAVE HAD TO CONTEND DURING THE CORPS' IMPLEMENTING OF SECTION 404. THIS LESS RESTRICTIVE APPROACH WAS DEFEATED AND ANOTHER ONE, INTRODUCED

BY SENATORS RANDOLPH AND BAKER, WAS ADOPTED.

THE BAKER-RANDOLPH PROPOSAL DID NOT CHANGE THE DEFINITION OF "NAVIGABLE WATERS". THE JURISDICTION OF THE CORPS FOR PERMITS FOR DISPOSAL OF DREDGED OR FILL MATERIAL WAS REDUCED TO THE TRADITIONALLY NAVIGABLE WATERS: THAT IS, THE CORPS' PRESENT JURISDICTION UNDER THE RIVERS AND HARBORS ACT OF 1889.

PERMITS FOR OTHER SO-CALLED "POINT SOURCE DISCHARGES" OF MATERIAL INTO ANY OTHER WATERS WOULD BE OBTAINED FROM THE EPA, NOT THE CORPS.

CERTAIN DISCHARGE OF FILL WOULD BE EXEMPT FROM ANY PERMIT REQUIREMENT. NORMAL FARMING, FORESTRY, AND RANCHING PRACTICES, FOR EXAMPLE, AS WELL AS PLACEMENT OF FILL IN CONNECTION WITH ALL FARM OR STOCK PONDS OR IRRIGATION, AND ALL FARM OR LOGGING ROADS WOULD BE EXEMPT FROM THE PERMIT REQUIREMENT.

THIS IS CERTAINLY NOT THE ENTIRE BAKER-RANDOLPH AMENDMENT. BUT IT GIVES YOU SOME IDEA OF THE THINKING OF THE COMMITTEE. THE PROBLEM BECAME ONE OF PHILOSOPHY: "HOW DO YOU EXEMPT THOSE ACTIVITIES WHICH SIMPLY DO NOT NEED TO GO THROUGH THE PERMITTING PROCESS AND PROTECT THE VALUABLE WATERS AND WETLANDS AT THE SAME TIME?"

OF COURSE, BOTH THE WRIGHT AND BAKER-RANDOLPH AMENDMENTS WILL BE DISCUSSED IN GREATER DEPTH AS THE CONGRESS RENEWS ITS COMMITMENT TO WRITING COMPREHENSIVE AMENDMENTS TO THE WATER ACT -- HOPEFULLY THIS YEAR. I THINK THAT WE WILL SEE A COMPROMISE BETWEEN THE TWO POSITIONS.

THE HOUSE SUGGESTS THAT CERTAIN WATERS SHOULD BE EXEMPT, WHILE THE SENATE PHILOSOPHY MAINTAINS THAT CERTAIN ACTIVITIES SHOULD BE EXEMPT.

I THINK THAT IT IS ACCEPTED THAT THERE SHOULD BE EXEMPTIONS MADE SO THAT THE TIME-CONSUMING PROCESS OF OBTAINING A PERMIT NOT BE FORCED ON THOSE WHO WILL NOT BE SIGNIFICANTLY CONTRIBUTING TO THE POLLUTION PROBLEMS IN OUR

NATION'S WATERS. GIVEN THE ANALYSES OF THOSE ON THE LOCAL LEVELS OF GOVERNMENT AND THOSE IN THE MANY INDUSTRIES AFFECTED BY PRESENT LAW, I BELIEVE THAT THE CONGRESS CAN COME UP WITH SOME WORKABLE SOLUTIONS TO THE SECTION 404 ISSUES.

THERE IS ONE MORE ISSUE WHICH I WOULD LIKE TO DISCUSS BRIEFLY BEFORE I MOVE TO THE RECENTLY PASSED PUBLIC WORKS EMPLOYMENT ACT. IT IS AN ISSUE WHICH I THINK IS GOING TO CONSUME MUCH OF THE SENATE COMMITTEE'S TIME AS THEY WORK ON THE WATER AMENDMENTS.

IT IS THE ISSUE WHICH HAS BEEN CALLED "STATE CERTIFICATION".

ALTHOUGH THE SENATE DID NOT ADDRESS IT IN ANY DEPTH LAST YEAR -- AGAIN SAVING IT FOR CONSIDERATION IN 1977-- I THINK IT MAY BE OF SOME INTEREST TO YOU IN YOUR BUSINESS, AND I AM CERTAIN IT WILL STIR UP MUCH INTEREST WITH THOSE WHO ARE INVOLVED IN STATE AND LOCAL GOVERNMENT, AND THE LOCAL-LEVEL IMPLEMENTATION OF THE WATER ACT.

THE IDEA OF TURNING SOME OF THE MANAGEMENT OF THE CONSTRUCTION GRANT PROGRAM OVER TO THE STATES HAS BEEN UNDER

CONSIDERATION FOR SEVERAL YEARS. IT WAS PROPOSED IN EPA HEARINGS HELD THROUGHOUT THE COUNTRY IN 1975, IN HOUSE HEARINGS IN THE SPRING OF 1974, AND IN RECOMMENDATIONS OF THE WATER QUALITY COMMISSION.

THE HOUSE BILL LAST YEAR PROVIDED FOR A PROCESS BY WHICH A STATE COULD BE CERTIFIED BY THE ADMINISTRATOR OF EPA FOR THE MANAGEMENT OF THE CONSTRUCTION GRANT PROGRAM, AND PROVIDED THAT UP TO 2% OF A STATE'S CONSTRUCTION GRANT ALLOCATION BE UTILIZED FOR THE MANAGEMENT OF THE PROGRAM.

THE "STATE CERTIFICATION" PROVISION HAD BROAD SUPPORT AMONG THE STATES AND RESPONDS TO THE ALLEGATION THAT THE PROGRAM HAS TOO MUCH REDTAPE. ACCORDING TO A SENATE PUBLIC WORKS STAFF MEMORANDUM, THOUGH, "... It does not provide specific guidance to the Administrator in deciding whether or not the state has the capability and willingness to administer the program for the Federal Government."

I THINK IT MAY WELL BE TRUE THAT SOME SORT OF PROCEDURE NEEDS TO BE ADOPTED TO MAKE THAT KIND OF JUDGMENT. I THINK THAT THE STATES SHOULD HAVE DEMONSTRATED A WILLINGNESS

TO MANAGE THOSE PARTS OF THE PROGRAM WHICH ARE CURRENTLY ELIGIBLE FOR STATE MANAGEMENT BEFORE BEING GIVEN FURTHER MANAGEMENT DUTIES. ON THE WHOLE THOUGH, I AM CONFIDENT THAT MOST STATES WOULD WELCOME THE OPPORTUNITY TO ADMINISTER THEIR OWN GRANT PROGRAMS.

THERE IS NO WAY TO COVER THE MANY ASPECTS OF THE FEDERAL WATER POLLUTION ACT IN A DAY OR A WEEK, MUCH LESS IN TEN OR FIFTEEN MINUTES. I DO HOPE, HOWEVER, THAT THIS ROUGH OUTLINE GIVES YOU SOME IDEA OF THE KINDS OF ISSUES THAT ARE BEING GENERATED IN THIS AREA OF NATIONAL POLICY.

ONLY THROUGH A GIVE-AND-TAKE KIND OF COMMUNICATION BETWEEN LOCAL GOVERNMENT, INDUSTRY, ENVIRONMENTAL GROUPS AND THE CONGRESS ARE WE GOING TO BE ABLE TO LEAVE A FIRM, WELL-DEVELOPED WATER POLLUTION CONTROL POLICY TO THE GENERATIONS THAT FOLLOW. A BALANCE BETWEEN PRIORITIES AND TIME TABLES MUST BE STRUCK IF WE ARE TO FORMULATE A POLLUTION CONTROL STRATEGY WHICH IS EFFECTIVE IN ITS PURSUIT OF THE GOAL OF PROTECTING THE PUBLIC HEALTH AND WELFARE AND, AT THE SAME TIME, A STRATEGY WHICH

WILL ENABLE THIS COUNTRY TO REMAIN A STRONG ADVOCATE OF
INDIVIDUAL RIGHTS AND FREE ENTERPRIZE.

I WOULD LIKE TO TURN NOW TO THE LEGISLATION RECENTLY
PASSED BY THE SENATE IN THE PUBLIC WORKS EMPLOYMENT ACT OF 1977.

I WILL SAY AT THE OUTSET THAT I BASICALLY FAVOR PUBLIC
WORKS JOBS PROJECTS. I MEAN BY THIS THAT I FAVOR PROJECTS
WHICH WILL ESTABLISH JOBS AND SKILL TRAINING WHILE AT THE
SAME TIME PRODUCING PUBLIC BUILDINGS AND FACILITIES
WHICH WILL SERVE STATES AND COMMUNITIES OVER A LONG PERIOD
OF TIME.

IT IS MY SINCERE HOPE THAT THE 4 BILLION DOLLARS AUTHORIZED
BY THE SENATE ON MARCH 10TH WILL GO TOWARD THESE KIND OF
TANGIBLE, LONG-LASTING PUBLIC WORKS PROJECTS IN WHICH A
COMMUNITY CAN TAKE PRIDE - PRIDE IN THE WORK AND PRIDE IN THE
PLANNING. A GREAT PERCENTAGE OF THE LIBRARIES, COURT HOUSES,
AND MANY OTHER PUBLIC FACILITIES IN THIS COUNTRY WOULD NOT BE
THERE IF IT HAD NOT BEEN FOR THE WPA PROJECTS YEARS AGO AND
MORE RECENT FEDERALLY-FUNDED PUBLIC WORKS PROJECTS. FEDERAL
FINANCIAL ASSISTANCE IS EXTREMELY IMPORTANT IN THIS AREA OF

CONSTRUCTION.

A TAX BURDEN IS TAKEN OFF THE SHOULDERS OF LOCAL CITIZENS, BUT AT THE SAME TIME THIS KIND OF PUBLIC WORKS FUNDING TURNS THE PROJECTS BACK OVER TO THE PRIVATE SECTOR TO ACCOMPLISH. AND THEN, ON A LOCAL AND MORE PERSONAL LEVEL, THEY PROVIDE THE JOBS, AND THE WORK PRODUCT IS A LONG-LASTING ONE.

THE RECENTLY-PASSED PUBLIC WORKS EMPLOYMENT ACT OF 1977 EXTENDS THE PROGRAM OF GRANTS TO STATE AND LOCAL GOVERNMENTS TO PROVIDE JOBS THROUGH CONSTRUCTION IN PLACES WITH THE MOST DISTRESSING LEVELS OF UNEMPLOYMENT. THE PROGRAM BEGAN IN 1976 WITH AN INITIAL APPROPRIATION OF 2 BILLION DOLLARS. THOSE FUNDS HAVE NOW BEEN OBLIGATED BY THE ECONOMIC DEVELOPMENT ADMINISTRATION.

THE 1976 FIRST ROUND OF THE ACT CULMINATED IN THE SUBMISSION OF APPROXIMATELY 25,000 PROJECT APPLICATIONS FOR A VALUE OF NEARLY 25 BILLION DOLLARS. OF THE 2 BILLION APPROPRIATED, NEARLY 2,000 PROJECTS WERE SELECTED FOR PUBLIC BUILDINGS, SCHOOLS, INDUSTRIAL DEVELOPMENT, RECREATIONAL

BUILDINGS AND PARKS, HOSPITALS, WATER SYSTEMS, SEWERS, STREETS, ROADS, BRIDGES, AND OTHER PUBLIC WORKS.

THERE WERE MANY COMPLAINTS LODGED ABOUT THE WAY IN WHICH PROJECT SELECTIONS WERE MADE. COMMUNITIES WITH LESS SEVERE UNEMPLOYMENT PROBLEMS THAN NEARBY CENTRAL CITIES WERE OFTEN AWARDED PROJECTS.

A CONGRESSIONALLY IMPOSED DIVISION OF FUNDS IN THE STATES -- WITH 70 PERCENT GOING TO AREAS WITH UNEMPLOYMENT ABOVE THE NATIONAL AVERAGE AND 30 PERCENT TO AREAS BETWEEN 6.5 PERCENT UNEMPLOYMENT AND THE NATIONAL AVERAGE -- RESULTED IN SOME AREAS IN DISTRESS BEING BY-PASSED WHILE PROJECTS WERE FUNDED IN COMMUNITIES WITH LOW UNEMPLOYMENT.

THERE WERE ALSO PROBLEMS WITH UNEMPLOYMENT DATA AND WITH THE FLEXIBILITY PERMITTED APPLICANTS IN GERRYMANDERING THE PROJECT AREA IN FAVOR OF LESS-DISTRESS AREAS.

I LOOK FORWARD TO THIS NEW, SECOND ROUND LEGISLATION TO WORK MORE SMOOTHLY. THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE HAS ASKED FOR AN AUTHORIZATION OF 4 BILLION TO BE APPLIED TO THE APPLICATIONS ON FILE NOW AT EDA. THE 1976 AVERAGE

NATIONAL UNEMPLOYMENT RATE WAS 7.69 PERCENT OF THE LABOR FORCE. TERRIBLY COLD TEMPERATURES IN JANUARY AND FEBRUARY MAY INCREASE THAT 12-MONTH RATE, SINCE HUNDREDS OF THOUSANDS OF WORKERS WERE TEMPORARILY LAID OFF DUE TO NATURAL GAS SHORTAGES AND THE BAD WEATHER. THE 22,000 APPLICATIONS SUBMITTED LAST YEAR CAN BE QUICKLY PROCESSED IN ACCORDANCE WITH ANY CHANGES IN THE PROGRAM CONTAINED IN THE RECENT LEGISLATION AND REVISED REGULATIONS. GRANTS CAN BE AWARDED QUICKLY TO TAKE ADVANTAGE OF THE 1977 CONSTRUCTION SEASON.

IN THE EVENT THAT NOT ALL THE AUTHORIZATION IS APPROPRIATED IN 1977, THE LEGISLATION HAS DIRECTED THE EDA TO REPORT TO THE CONGRESS BEFORE UNDERTAKING A THIRD ROUND. THE AGENCY WOULD SUBMIT A REPORT TO THE COMMITTEE ON THE IMPLEMENTATION AND RESULTS OF THE PRESENT PROGRAM BEFORE GOING AHEAD. THIS WILL PROVIDE THE COMMITTEE AN OPPORTUNITY TO REVIEW THE LAW, REGULATIONS AND GUIDELINES AND MAKE CHANGES AS MAY BE NECESSARY. THE LEGISLATION WE HAVE JUST PASSED WOULD ALSO PROVIDE THAT, IF THERE IS TO BE A THIRD ROUND, NEW APPLICATIONS WOULD BE RECIEVED AND PRIVATE, NONPROFIT HEALTH CARE

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AND REHABILITATION ENTITIES WOULD BECOME ELIGIBLE.

NOW, AS I HAVE STATED, I FEEL THAT THIS KIND OF
FEDERAL FUNDING PROGRAM IS ESSENTIALLY A GOOD ONE.

JOBS ARE PRODUCED; THE MOST SEVERLY HIT UNEMPLOYMENT AREAS
OF THE COUNTRY ARE CONSIDERED AS TOP PRIORITY. MONEY AND
MANPOWER WILL BEGIN TO FLOW INTO CONSTRUCTION PROJECTS WHICH
WILL LAST, AND THE JOBS PRODUCED WILL HELP US TO CURB THE
STAGGERING CRISIS WE FACE TODAY WITH THE RANKS OF THE
SKILLED AND WILLING WORKING FORCE WHICH SIMPLY CANNOT GET
GOOD WORK.

I BELIEVE THAT THESE FUNDS FOR WORTHWHILE PUBLIC WORKS
PROJECTS ARE URGENTLY NEEDED. STATES ARE COUNTING ON THEM,
SO THEY WILL NOT HAVE TO STOP THEIR PROGRAMS AND DISCHARGE
WORKERS. MORE IMPORTANT, IF THEY ARE TO CONTINUE WORK ON
PROJECTS THAT WILL EMPLOY EVEN MORE WORKERS, THEY NEED TO KNOW
THAT MONEY WILL BE AVAILABLE.

BUT GENTLEMEN, LET ME TURN FOR A MINUTE TO A PROGRAM CONCEPT WHICH, WHILE THE JOBS BILL WAS IN COMMITTEE, WAS A PART OF THE LEGISLATION, AS TITLE II. I AM REFERRING TO WHAT WAS CALLED THE "YOUTH COMMUNITY IMPROVEMENT PROGRAM" AND I WANT TO SHARE SOME OF MY THOUGHTS ABOUT THAT WITH YOU.

THE PURPOSE OF THE YOUTH EMPLOYMENT SECTION OF THE JOBS BILL WAS, IN THE WORDS OF THE COMMITTEE, "... TO ESTABLISH A PROGRAM OF COMMUNITY IMPROVEMENT PROJECTS TO PROVIDE EMPLOYMENT, WORK EXPERIENCE AND SKILL TRAINING TO YOUTHS IN AREAS OF AGGRAVATED UNEMPLOYMENT.

"NOW, ON THE SURFACE OF IT, THIS KIND OF PROGRAM MIGHT SOUND ROSY, BUT I REALLY DON'T BELIEVE THAT THIS KIND OF PUBLIC SERVICE JOB CREATION DOES ANYBODY ANY GOOD -- ESPECIALLY THE YOUNG PERSON WHO GETS INVOLVED WITH IT.

I HAVE FELT FOR SOME TIME THAT IN LEGISLATION WHICH WE PASS TO PROVIDE JOBS, WE MUST BE CERTAIN IT WILL GIVE THE STATE AND LOCAL GOVERNMENTS THE AUTHORITY TO TAKE A GREATER PART IN THE PROJECTS. IF A NEW SPIRIT OF INVOLVEMENT

IS TO EVOLVE FROM THE PUBLIC WORKS EMPLOYMENT ACT, THE
CITIZENS MUST FEEL THAT THEY ARE CAPABLE OF DIRECT INPUT
AND THAT THE MONEY IS BEING SPENT IN A PRUDENT AND
PRODUCTIVE WAY.

IT SEEMED TO ME, WHEN I SAW THE YOUTH EMPLOYMENT SECTIONS
OF THE JOBS BILL, THAT WE WERE SIMPLY CREATING MAKE-WORK JOBS
FOR THE YOUNGSTERS -- JOBS WHICH INSTILL NO PRIDE IN WORKMANSHIP
OR PRODUCT, BUT RATHER SPEND FEDERAL MONIES TO LET A YOUNG
MAN OR WOMAN WASH WINDOWS OR SWEEP FLOORS FOR A YEAR. THE
YOUNG PEOPLE ARE JUST AS MUCH INTERESTED IN MEANINGFUL EMPLOYMENT
AS ANYONE, AND I JUST DO NOT BELIEVE THAT THE KIND OF PROGRAM
CALLED FOR IN THE COMMITTEE'S RECOMMENDATIONS WOULD SUPPLY
THAT KIND OF WORK. I PERSONALLY FEEL THAT WE DO A YOUNGSTER
MORE HARM BY PUTTING HIM ON A JOB THAT HE KNOWS IS A MAKE-SHIFT
JOB THAN WE DO BY JUST HANDING HIM THE MONEY.

ANOTHER ASPECT OF THE YOUTH PROGRAM REALLY BOTHERED ME,
AND I WAS CONCERNED THAT, IF THE PROGRAM WERE STARTED, THE
FUNDS AUTHORIZED WOULD NOT BE SPENT IN AN EFFECTIVE, EFFICIENT
MANNER.

THE "ELIGIBLE APPLICANT" WAS DEFINED IN THE YOUTH SECTION OF THE BILL AS THE STATE OR LOCAL GOVERNMENT. BUT IN THE PROCESS OF APPLYING FOR FUNDS, THE ELIGIBLE APPLICANT WAS DIRECTED TO "ESTABLISH OR DESIGNATE A LOCAL NONPROFIT CORPORATION" WHICH WOULD CARRY OUT THE ACTIVITIES. THE CORPORATION HAD TO BE COMPOSED OF REPRESENTATIVES FROM LABOR, EDUCATIONAL, BUSINESS AND COMMUNITY-BASED ORGANIZATIONS. I FEARED THAT THE LOCAL ELECTED REPRESENTATIVES' CONTROL OVER PLANNING AND IMPLEMENTATION OF THE PROJECTS WOULD BE SERIOUSLY ERODED.

IN ADDITION, I AM CERTAIN THAT THERE ARE NOW SUPERVISORS ALREADY WITHIN MOST STATE AND LOCAL GOVERNMENTS WHO COULD EFFECTIVELY OVERSEE THE PROGRAMS AND THUS SAVE FUNDS WHICH MIGHT BE SPENT BY THE CORPORATIONS TO HIRE SOMEONE FROM OUTSIDE.

JUST AS DISHEARTENING IN THIS SECTION OF THE BILL WAS THE FACT THAT THE SECRETARY OF COMMERCE WOULD ISSUE THE GUIDELINES AND REGULATIONS WHICH WOULD GOVERN THE CORPORATION'S ACTIVITIES AND RESPONSIBILITIES.

SO, I OPPOSED THE YOUTH PROGRAMS FOR TWO PRIMARY REASONS:

IN ITS IMPLEMENTATION, IT WOULD ALIENATE THE LOCAL PEOPLE FROM THE PLANNING PROCESS TO A GREAT DEGREE; AND IF WE ARE GOING TO MAKE AN EXPENDITURE OF 1.5 BILLION DOLLARS, I BELIEVE THAT WE SHOULD LEAVE THE DECISION-MAKING AND PLANNING PROCESS TO THOSE LOCAL OFFICIALS WHO HAVE BEEN ELECTED BY THE PEOPLE AND WHO ARE ANSWERABLE TO THE PEOPLE.

IT WAS AGREED WHEN THE SENATE DEBATED THE JOBS BILL, THAT THE YOUTH SECTION WOULD BE DELETED AND STUDIED FURTHER; BUT I DID WANT TO SHARE THIS BASIC PHILOSOPHICAL POINT WITH YOU.

IN ESTABLISHMENT OF THOSE "NON-PROFIT CORPORATIONS", I JUST DO NOT BELIEVE THAT THE LOCAL COMMUNITIES WOULD BE GIVEN THE AUTHORITY THEY ARE DUE.

I HAVE TAKEN TOO MUCH TIME ALREADY, BUT LET ME MAKE SEVERAL QUICK POINTS AGAIN REGARDING THE FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS AND THE JOBS BILL:

FIRST, EASY AS IT MAY BE TO SAY, WE MUST WORK TOGETHER IF THESE MAJOR, WIDE-RANGING PROGRAMS ARE TO BE SUCCESSFUL. I WANT TO BE CERTAIN THAT ALL THOSE INTERESTED IN THE WATER PROGRAMS AND PUBLIC WORKS PROJECTS CAN AND WILL BE HEARD ON

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THE ISSUES. THE OPPORTUNITY FOR INPUT MUST BE AVAILABLE TO ANY CONCERNED PERSON OR GROUP WHEN ANY LEGISLATION IS WRITTEN, BUT ESPECIALLY WHEN MEASURES AS FAR-REACHING AS OUR NATIONAL WATER POLLUTION CONTROL STRATEGY AND NATIONAL EMPLOYMENT ARE CONCERNED. LEGISLATORS AND PRIVATE CITIZENS ALIKE MUST BE INVOLVED AND KNOWLEDGEABLE ON THE CRUCIAL SUBJECTS IF THE "FUTURE COURSE" OF THIS NATION IS TO BE AN ORDERED, FORWARD-MOVING AND POSITIVE APPROACH TO THE PROBLEMS FACING ALL OF US.

THANK YOU.