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*National Governors' Conference*

Summary

*of the*

Mid-Year Meeting

*on*

Federal-State Relations

*February 28-March 1, 1968*

*Washington, D. C.*

*National Governors' Conference*

SUMMARY  
of the  
MID-YEAR MEETING  
on  
FEDERAL-STATE RELATIONS

*February 28 - March 1, 1968  
Washington Hilton Hotel  
Washington, D. C.*

Office of Federal-State Relations  
1735 DeSales Street, N.W.  
Washington, D. C. 20036

Headquarters  
1313 East 60th Street  
Chicago, Illinois 60637

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## INTRODUCTION

The National Governors' Conference determined at its 59th Annual Meeting in October 1967 to hold a Mid-Year Meeting in Washington early in the Congressional session to consider pending federal legislation that has impact upon the states.

The decision was a natural next step in the recent series of National Governors' Conference actions aimed at strengthening the states in the federal system. This began with the 58th Annual Meeting in 1966 when the Governors decided upon a special Interim Meeting to discuss Conference purposes, structure and staffing. It was at the special Interim Meeting that the decision was made to establish an Office of Federal-State Relations to provide the Governor with full and current information on Washington developments.

The Washington Office opened in March 1967. It began to gather information and relay it to the Governors via timely periodicals and special letters on individual subjects. At the 59th Annual Meeting, the Governors decided to expand and further activate the federal-state mission.

On the recommendation of the Advisory Committee on Federal-State Relations, the Conference decided to restructure the committee system to establish eleven subject-matter committees. In addition to its other duties, each of the eleven committees was assigned responsibility for specific aspects of federal-state relations. The Committee on Federal-State Relations was re-structured to be composed of the chairmen of the subject matter committees.

At the same time, the Governors decided on the Mid-Year Meeting in Washington to enable the Committees to discuss major federal proposals with Administration and Congressional leaders early enough in the Congressional session to develop policies. The Executive Committee set the meeting for February 28-March 1.

The bulk of the Mid-Year Meeting, therefore, was taken up with Executive Session Committee meetings. A summary of the Committee recommendations is included as Appendix A and the Committee Reports are reprinted as Appendix B.

GOVERNORS IN ATTENDANCE

Alaska

The Honorable Walter J. Hickel

Arizona

The Honorable Jack Williams

Arkansas

The Honorable Winthrop Rockefeller

Colorado

The Honorable John A. Love

Connecticut

The Honorable John Dempsey

Delaware

The Honorable Charles L. Terry, Jr.

Florida

The Honorable Claude R. Kirk, Jr.

Hawaii

The Honorable John A. Burns

Idaho

The Honorable Don Samuelson

Illinois

The Honorable Otto Kerner

Indiana

The Honorable Roger D. Branigin

Iowa

The Honorable Harold E. Hughes

Kansas

The Honorable Robert Docking

Louisiana

The Honorable John J. McKeithen

Maine

The Honorable Kenneth M. Curtis

Maryland

The Honorable Spiro T. Agnew

Massachusetts

The Honorable John A. Volpe

Michigan

The Honorable George Romney

Minnesota

The Honorable Harold LeVander

Mississippi

The Honorable John Bell Williams

Missouri

The Honorable Warren E. Hearnes

Montana

The Honorable Tim Babcock

Nebraska

The Honorable Norbert T. Tiemann

New Hampshire

The Honorable John W. King

New Jersey

The Honorable Richard J. Hughes

New Mexico

The Honorable David F. Cargo

New York

The Honorable Nelson A. Rockefeller

North Carolina

The Honorable Dan K. Moore

North Dakota

The Honorable William L. Guy

Oklahoma

The Honorable Dewey F. Bartlett

Oregon

The Honorable Tom McCall

Pennsylvania

The Honorable Raymond P. Shafer

Rhode Island

The Honorable John H. Chafee

South Carolina

The Honorable Robert E. McNair

South Dakota

The Honorable Nils A. Boe

Tennessee

The Honorable Buford Ellington

Texas

The Honorable John Connally

Utah

The Honorable Calvin L. Rampton

Vermont

The Honorable Philip H. Hoff

Virginia

The Honorable Mills E. Godwin, Jr.

Washington

The Honorable Daniel J. Evans

West Virginia

The Honorable Hulett C. Smith

Wisconsin

The Honorable Warren P. Knowles



Wyoming

The Honorable Stanley K. Hathaway

American Samoa

The Honorable Owen S. Aspinall

Guam

The Honorable Manuel Flores Leon Guerrero

Puerto Rico

The Honorable Roberto Sanchez-Vilella

Virgin Islands

The Honorable Ralph M. Paiewonsky

MID-YEAR MEETING PROGRAM

Wednesday, February 28

6:30 p.m.  
to  
8:00 p.m. GOVERNORS' RECEPTION FOR MEMBERS OF CONGRESS

Thursday, February 29

7:30 a.m. BREAKFAST MEETING OF COMMITTEE ON FEDERAL-STATE RELATIONS

9:00 a.m.  
to  
12:00 Noon PRESIDENT'S CONFERENCE WITH THE GOVERNORS

Presiding: Governor Price Daniel, Director, Office of  
Emergency Planning and President's Liaison with Governors

Address by the President

Introduction of the Cabinet by the Vice President

Response by Chairman of the Governors' Conference,  
Governor John A. Volpe of Massachusetts

Law Enforcement Panel: Attorney General Ramsey Clark  
F.B.I. Director, J. Edgar Hoover

Panel on State of the Economy:

Presiding: Secretary of the Treasury, Henry H. Fowler

Secretary of Commerce, Alexander B. Trowbridge  
Budget Director, Charles J. Zwick  
Council of Economic Advisers Chairman, Arthur N. Okun

12:30 p.m. LUNCHEON AND BRIEFING AT DEPARTMENT OF STATE:

Secretary of State, Dean Rusk  
Secretary of Defense, Clark Clifford  
Chairman of the Joint Chiefs of Staff, General Earle G. Wheeler

2:30 p.m. OPENING PLENARY SESSION

Presiding: Governor John A. Volpe, Massachusetts

Remarks: Governor John Dempsey, Connecticut

3:00 p.m.  
to  
5:00 p.m.

CONCURRENT MEETINGS OF THE FOLLOWING NGC COMMITTEES:

COMMITTEE ON CONSTITUTIONAL REVISION AND GENERAL GOVERNMENT ORGANIZATION

COMMITTEE ON EDUCATION

COMMITTEE ON HEALTH AND WELFARE

COMMITTEE ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

COMMITTEE ON MANPOWER AND LABOR RELATIONS

COMMITTEE ON THE NATIONAL GUARD, CIVIL DEFENSE, AND NATURAL DISASTERS

COMMITTEE ON REGIONAL AND INTERSTATE COOPERATION

COMMITTEE ON REVENUE AND TAXATION

COMMITTEE ON STATE PLANNING

COMMITTEE ON STATE-URBAN RELATIONS

COMMITTEE ON TRANSPORTATION

8:00 p.m. WHITE HOUSE DINNER

Friday, March 1

7:30 a.m. BREAKFAST MEETING OF THE EXECUTIVE COMMITTEE

9:00 a.m.  
to  
12:00 Noon CONCURRENT COMMITTEE MEETINGS -- Continued from Thursday  
Afternoon

12:00 Noon LUNCHEON

Remarks:

Senator Russell Long  
Congressman Gerald Ford  
Congressman Carl Albert  
Congressman Melvin Laird

2:00 p.m. CLOSING PLENARY SESSION

## Summary of the Meeting

February 28 - March 1

Washington, D. C.

### February 29 - Morning

The Governors spent the morning at the White House for executive briefings with the President. Former Governor Price Daniel, the President's Ambassador to the Governors' presided. The President addressed the group followed by the introduction of Cabinet Officials, and then a responding statement from Governor John Volpe of Massachusetts, Chairman of the National Governors' Conference.

Attorney General Ramsey Clark and F.B.I. Director J. Edgar Hoover spoke with the Governors about law enforcement and criminal justice. They were followed by a panel on the state of the economy composed of Treasury Secretary Henry H. Fowler, Commerce Secretary Alexander B. Trowbridge, Budget Director Charles J. Zwick, and Chairman of the Council of Economic Advisors Arthur N. Okun.

The Governors then went to the State Department for luncheon. President Johnson introduced Secretary of State Dean Rusk who briefed the Governors on Vietnam. He was followed by the Chairman of the Joint Chiefs of Staff, General Earle G. Wheeler. Clark Clifford, who assumed the office of Secretary of Defense the next day, also spoke.

### February 29 - Afternoon

The Mid-Year Meeting on Federal-State Relations convened Thursday afternoon. Governor Volpe opened the meeting with an address on the challenges facing America.

To solve the crisis of the cities, he urged Governors to develop programs definitive enough to have concrete directional impact on the goal-seeking process, flexible enough to meet changing conditions and sufficiently funded to insure continuity.

The Conference Chairman said there can be no neutrality in the war on poverty, the battle against social injustice. And he emphasized the Governor's responsibility to bring the message directly to the citizens. The role of the state in urban development has become one of the most important problems in today's society. He pointed out critical needs of our cities can only be met effectively by the joint and cooperative effort of all levels of government and with the extensive assistance of private enterprise.

Governor Volpe called on the states to:

- establish mandatory standards of excellence and provide financial support to implement them;

- engage in comprehensive statewide and regional planning;
- provide technical assistance to cities and metropolitan areas.

The Governor noted the response to crime has been fragmented, overlapping and underfinanced. He said the Administration's Anticrime bill would perpetuate competition and fragment efforts rather than encourage collaborative and joint planning. He called for the requirement of a single state agency to coordinate the war on crime -- and noted that more than half the states have already established criminal justice planning agencies.

He called on his colleagues to convert comprehensive planning into coordinated action -- and said that it is to that end that the Mid-Year Meeting was convened.

Governor Volpe introduced Governor John Dempsey of Connecticut, the Chairman of the Federal-State Relations Committee.

Governor Dempsey explained the basic purpose of the Mid-Year Meeting was to do everything possible to enable the Governors to participate significantly and effectively in the federal-state partnership. He noted that it was the direct result of a recommendation last year by the Federal-State Relations Committee.

The Governor praised the Office of Federal-State Relations -- soon to be one year old -- as "our eyes and ears" in Washington which closely follows developments at the federal level. He also noted the approaching first anniversary of a new era in federal-state relations, inaugurated last March 17 by President Johnson in his message to Congress on the Quality of American Government. Governor Dempsey cited examples of significant steps in federal-state cooperation, including the Partnership for Health Act, Intergovernmental Manpower Act, proposed Intergovernmental Cooperation Act, and Bureau of the Budget Directive A-85 for prior consultation with the Governors before federal programs are implemented.

He called for increased action in the future. The states must act to influence federal-state programs at the time they are being developed, he said. And the Governors have the obligation to present constructive ideas and programs on issues which affect the states. The Governor called on each of his colleagues to seize the opportunity presented by the meeting to make significant improvement in the services people expect from both federal and state government.

Governor Dempsey then introduced the Chairmen and Vice Chairmen of the eleven Conference Committees. Following this, the various committee sessions met during the remainder of the afternoon and on Friday morning.

#### March 1 - Luncheon

Governor Volpe introduced the luncheon speakers, who were Senator Russell Long of Louisiana, and Representatives Gerald Ford of Michigan, Carl Albert of Oklahoma, and Melvin Laird of Wisconsin.

Senator Long called on all Governors to communicate their views directly to him and his Senate Finance Committee. He urged Governors to become as knowledgeable as possible about Congress and the views of individual Congressmen on any given committee. And he urged direct two-way communication on the issues. He suggested major issues before his committee this year would be limitation of the medicare program and revenue sharing.

Representative Ford urged cooperation between the Governors and Congress. He noted that -- with the aid of some Governors -- the House of Representatives passed versions of the Law Enforcement and Criminal Justice Act and the Juvenile Delinquency Act that incorporate the block grant approach. He called on the Governors to exert their influence on the Senate to adopt measures similar to the House-passed versions. He also called attention to the Occupational Health and Safety bills. He noted the preemptive aspects of the proposals and called for gubernatorial help in getting those provisions revised. He praised gubernatorial action in federal-state relations and called for its strengthening.

Representative Albert also praised the work of Governors in enhancing federal-state relations. He called for close cooperation among all levels of government to meet the challenge of the cities. He suggested that Congress will probably not take many major, new departures this session. It will devote attention to the Housing bills, he said.

Congressman Laird represented Senator Everett Dirksen, who was unable to be present. He referred to the newly released report of Governor Kerner's National Advisory Commission on Civil Disorders as focusing the attention of this nation on one of the most important problems it faces, "and that is the question of riots." Representative Laird noted the proliferation of grant-in-aid programs and said the central problems will not be solved by project-by-project grants from the federal government. Instead he called for revenue sharing programs as the only way to meet the problems individually and creatively.

#### March 1 - Afternoon

Following the luncheon session, Special Ambassador Averell Harriman spoke to the Governors on Human Rights Year. Ambassador Harriman urged the Governors to join with the President in celebrating 1968 as Human Rights Year. He suggested issuing proclamations, establishing citizens' committees and other activities to emphasize our own bill of rights and the United Nations declarations and treaties on human rights.

The Governors then met in a final plenary session to hear the reports of the Committees and to take appropriate action on them. A Summary of Committee Recommendations and the texts of Committee Reports are reprinted as Appendix A and B.

APPENDIX A

SUMMARY OF RECOMMENDATIONS

The National Governors' Conference -- at its first Mid-Year Meeting on Federal-State Relations, February 28-March 1 in Washington, D. C. -- adopted recommendations:

On The Cities

- \* Calling for new and expanded job and job-training programs;
- \* Supporting the proposed Housing and Urban Development Act of 1968 with amendments to provide incentive grants to states for state housing programs; to allow full state participation through grants to states for planning, programming and supplemental assistance to Model City applicants; state coordination of multi-county planning grants; removal of 100,000 population ceiling on state information and technical assistance to localities;
- \* Backing the National Insurance Development Corporation to provide statewide riot insurance programs;
- \* Urging states to correct local and regional zoning abuses and develop model building and housing codes;
- \* Calling on the Council of State Governments to provide research and other services to State Directors of Community Affairs.

On Crime

- \* Urging immediate action on the proposed Safe Streets and Crime Control Act, amended to avoid by-passing the states in dealing with localities;
- \* Insuring that the Safe Streets bill be a comprehensive and coordinated package covering programs to control organized crime, riots, electronic devises and juvenile delinquency, as well as others;
- \* Requesting that state officials be given the discretion of dividing Safe Streets funds between police activities and court and correction activities.

On Health and Welfare

- \* Calling for removal -- or at least postponement -- of the freeze on AFDC children;
- \* Urging Congressional action to include women heads of household in the Unemployed Parents Program; to liberalize the definition of unemployment for eligibility for training; and include non-AFDC recipients in work incentive programs;

- \* Seeking the development of incentives to cut rising hospital costs;
- \* Requesting extension of the time limit for states to buy into Part B of Medicare;
- \* Urging more grant consolidation in health and mental health programs;
- \* Recommending renewal and expansion of expiring health manpower and facility programs;
- \* Calling for better federal planning to avoid sudden cutbacks in welfare funding;
- \* Urging state cooperation with the President's Commission to Study Income Maintenance.

#### On Education

- \* Commending the Administration and Congress for the advanced funding provisions of the 1967 Elementary and Secondary Education Amendments;
- \* Urging increased funds for the proposed Partnership for Learning and Earning Act of 1968 (vocational education act), Titles I and II Elementary and Secondary Education Act and Title III of NDEA;
- \* Supporting the proposed Higher Education Amendments of 1968;
- \* Directing the Education Commission of the States to study the feasibility of federal aid programs for teacher salaries as well as the problem of teacher strikes;
- \* Calling for adequate federal funding of the Higher Education Facilities Act to prevent a shortage of classroom space.

#### On Manpower and Labor Relations

- \* Urging revision of the proposed Occupational Health and Safety Act to remove preemptive provisions and to incorporate the philosophy of federal-state relations reflected in recently adopted legislation such as the Clean Air Act and the Meat Inspection Act of 1967;
- \* Reaffirming support for the proposed Intergovernmental Manpower Act, as amended by the Senate;
- \* Calling for additional Congressional funding for new temporary and permanent job and training programs;
- \* Calling on Governors to explore possibilities for more effective state employment services and statewide cooperative area manpower planning.

#### On Transportation

- \* Recommending full state cooperation with the U.S. Department of Transportation in its proposed Auto Insurance Study;



\* Calling for studies of vital issues such as federal highway trust funds, highway safety and beautification, urban mass transit, national airways trust fund, pipeline safety, small boat safety.

#### On Natural Resources

\* Reaffirming Resolution 2 of the 59th Annual Meeting in 1967 urging that fish and resident wildlife should remain under the jurisdiction of the state.

#### On the National Guard

\* Calling for a retirement program and other fringe benefits for full-time technical Guard personnel.

#### On Planning

\* Calling on Governors to take the final responsibility for establishing effective statewide planning;

\* Urging provision of 701 funds for grants to establish planning-programming-budgeting systems at state and local levels;

\* Requesting basic sustaining grants to assure adequate staff for all state and multi-county regional planning agencies;

\* Urging steps to allow direct state involvement in all federally-aided sub-state planning activities including state coordination of all multi-county and regional planning grants;

\* Requesting a more aggressive federal implementation of Circular A-80 which requests that State Planning Agencies be informed before federally-assisted sub-state districts are formed.

#### On Fiscal Federalism

\* Calling for a survey on block grants to determine, from the state point of view, which grants should be consolidated.

\* Requesting a survey on financing of state planning, to determine the need for federal support of state planning under the 701 program, and to determine how such grants should be set up to provide discretionary authority to the Governors in their administration;

\* Suggesting continuing study of proposals for federal revenue sharing;

\* Calling for study of state-local fiscal relations to determine ways in which states can redistribute total revenue sources to lessen disparities created by unequal distribution of wealth and unequal burdens of required services;

\* Urging the U.S. Treasury Department to seek the participation of interested state and local organizations in the formulation of any ruling to remove the tax exempt status of industrial development bonds;

\* Urging Governors of all states which have not adopted the Multistate Tax Compact to give serious consideration to this interstate agreement relating to the taxation of interstate business;

\* Urging revision of 701 program to provide administrative and management procedures to coordinate the federal aid system;

\* Reaffirming support for Congressional action to allow for joint funding, beginning with the proposed Joint Funding Simplification Act;

\* Urging Congress to adopt the Intergovernmental Cooperation Act;

\* Seeking extension of Federal Telecommunications Service to Governors (H.R. 14744);

\* Calling for passage of Mid-Decade Census, emphasising the need for comparability of data with the decennial census.

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APPENDIX B

REPORT OF  
COMMITTEE ON TRANSPORTATION  
NATIONAL GOVERNORS' CONFERENCE\*

The Transportation Committee wishes to extend its appreciation to Secretary of Transportation Alan Boyd, Assistant Secretary of Transportation for Public Affairs John Sweeney, and Federal Highway Administrator Lowell Bridwell and their staffs for appearing before the Committee and presenting a very fine and informative briefing.

Their briefing covered the Highway Trust Fund Cutback, the Urban Design Team Approach for Urban Freeways, Highway Safety, Small Boat Safety, Natural Gas Pipeline Safety, and the proposed Auto Insurance Study.

The Committee recommends further study of the following items by its staff:

1. Federal Highway Trust Funds
2. Highway Beautification
3. Highway Safety
4. Urban Mass Transit
5. National Airways Trust Fund
6. Pipeline Safety
7. Urban Design Team Approach
8. Research and Development of New Modes of Transportation
9. Small Boat Safety

The Committee recommends that states offer their full cooperation to the Department of Transportation in its proposed Auto Insurance Study.

The Committee will receive reports on these and other subjects, with comments by its members, at the National Governors' Conference Annual Meeting in July.

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\*Report accepted by the National Governors' Conference at its Mid-Year Meeting on Federal-State Relations, Washington, D. C., March 1, 1968.

REPORT OF  
COMMITTEE ON HEALTH AND WELFARE  
NATIONAL GOVERNORS' CONFERENCE\*

The Health and Welfare Committee considered problems relating to health, welfare and poverty.

In its meetings, the Committee discussed in particular certain immediate problems confronting the states.

The Committee met with and had the benefit of discussion with HEW Acting Secretary Wilbur Cohen, Social and Rehabilitation Services Administrator Mary Switzer, HEW Assistant Secretary Philip Lee and two of his associates, and Chairman Wilbur Mills of the House Ways and Means Committee.

The Committee is concerned that Congress has taken action in connection with certain federal programs, such as in the field of welfare, which did not increase or expand the programs, but which altered the provisions under which they were adopted or entered into by the states. Such actions compel the states to choose between substantially increasing their own expenditures without commensurate federal financial participation, or cutting back on the scope of the original program. The Committee also takes exception to new provisions pertaining to federal programs which penalize the states under the terms of the original program if they fail to implement new provisions which change the nature of the initial legislation.

The Committee urgently requests, in the event it is necessary to make alterations in the original program, that effective dates of such provisions be established at a sufficient point in the future to assure states adequate time to adjust and take appropriate action.

The Health and Welfare Committee recommends that the following actions be taken:

1. That the Executive Branch and the Congress provide for more adequate planning of fiscal resources to avoid sudden cutbacks in federal funds for health, welfare and antipoverty programs.

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\*Report accepted by the National Governors' Conference at its Mid-Year Meeting on Federal-State Relations, Washington, D. C., March 1, 1968.

2. That the Committee on Health and Welfare cooperate with the President's Commission to study Income Maintenance Programs, and that the Commission seek and consider the views of all Governors.

3. That the "freeze" on the AFDC (Aid to Families of Dependent Children) program be removed, or at a minimum that the effective date be postponed to July 1, 1970, when more data is available to assess the effectiveness of other programs to assist public assistance recipients.

4. That provisions relating to the program, formerly the Unemployed Parents Program and now the Unemployed Fathers Program, be amended so that unemployed mothers who are heads of households can, as in the past, participate in the program; and, that there be a relaxation in the severely restricted definition of unemployment which, if maintained, will result in some children becoming ineligible for assistance.

5. That the federal government match the state share of the individual's premium for those states which choose to "buy in" for the Aged Medically Needy under Part B of Medicare; and that, in any case, the date of January 1, 1968, which the legislation sets as the time when the federal government no longer participates in providing Medicaid payments for those aged individuals not covered by Part B of Medicare, be extended to allow States adequate time to "buy in."

6. That the federal government revise its present reimbursement formula to hospitals under Medicare, which is also mandated on the states for Medicaid hospital payments, so that the formula will provide incentives for efficient management and appropriate utilization of health care facilities with the objective of helping to hold down rapidly rising hospital costs.

7. That Congress take steps to assure: (1) that people needing work-training who are not AFDC recipients can participate in work incentive programs, and (2) that those living in counties with relatively few AFDC recipients are offered an opportunity to participate in the "work incentive" program administered by the Department of Labor.

8. That existing federal health manpower programs due to expire in 1968 or 1969 be renewed and expanded:

a. to provide financial assistance to encourage students to enter the medical, nursing and allied health professions including public health;

b. to provide for in-service training for those in the nursing and allied health professions; and

c. to provide funds to significantly improve the output and improve the quality of programs for those in the medical, nursing and allied health fields.

9. That existing federal health facility programs due to expire in 1968 or 1969 be renewed and expanded:

a. to provide grants to assist in the development of new or improved types of medical facilities and construction and modernization of community medical facilities;

b. to provide grants to assist in the construction of health research facilities; and

c. to provide grants to assist in the development of programs and facilities for narcotic addicts and alcoholics.

10. That Congress enact legislation to further consolidate separate federal health and mental health programs. The Committee also recommends general support for the consolidation of federal welfare assistance programs.

11. That steps be taken to make it possible for the states to effectively coordinate all resources that can be devoted to efforts to alleviate poverty.

The Committee also wishes to submit an interim report [attached] which would result in studying other possible courses of action relating to health manpower, health facilities, hospital costs, the consolidation of federal grants, and the Economic Opportunity Program.

REPORT OF  
COMMITTEE ON EDUCATION  
NATIONAL GOVERNORS' CONFERENCE\*

Your Education Committee met in a brief joint session with the Health and Welfare Committee and in two sessions alone, with the following agenda:

With the Health and Welfare Committee, we met with Acting Secretary Wilbur Cohen of the Department of Health, Education, and Welfare and other officials of that agency.

Immediately following that joint session we met with Representative Edith Green of Oregon, Chairman of the House Special Education Subcommittee, and Grant Venn, Associate Commissioner of Education, to discuss the Administration's program.

On Friday, March 1, we met with Under Secretary Cohen and Education Commissioner Harold Howe II, to continue that discussion.

1. The Committee recommends that the National Governors' Conference commend the Congress and the Administration for providing for advance funding of educational aid programs under the Elementary and Secondary Education Amendments of 1967 and for requesting advance funding for fiscal year 1970 under Title I of the Elementary and Secondary Education Act, and the proposed vocational and technical education legislation and higher education legislation of 1968.

However, in the firm belief that late funding has been one of the most severe problems for the states and local education authorities under all federal aid programs for education, the Committee recommends that the National Governors' Conference call upon the Administration and the Congress to extend the principle of advance funding to all such programs, beginning with fiscal year 1970.

2. We commend the Administration for its efforts to consolidate and simplify programs of aid for vocational and technical education under the Partnership for Learning and Earning Act of 1968 and to remove the ceiling on appropriations for those programs, and we call on the Congress to accept the President's proposal in that regard.

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\*Report accepted by the National Governors' Conference at its Mid-Year Meeting on Federal-State Relations, Washington, D. C., March 1, 1968.

However, in the face of mounting evidence that vocational and technical education may well be the field of our greatest unmet educational needs, given the high unemployment and unrest among our urban youth and the necessity for continual retraining among the labor force, we further recommend that the Conference call upon the Administration and the Congress to increase substantially the funding to be provided under the Partnership for Learning and Earning Act of 1968.

3. We find that the proposed funding of Title I of the Elementary and Secondary Education Act, which provides for the education of disadvantaged children for the two fiscal years ahead at the same level as for the current fiscal year actually constitutes a reduction, given the increasing number of children needing this assistance, rising costs, and the special costs involved in meeting the educational needs of these children. Further, we recognize the budget strictures operating during the coming year. But we question the advisability of budget cuts which have the effect of denying educational opportunity, and we therefore recommend substantially increased funding of Title I of ESEA and restoration of funds for library resources and textbooks under Title II of ESEA and funds for equipment and remodeling under Title III of the National Defense Education Act to at least the levels of fiscal 1968.

4. The Committee on Education and the Education Commission of the States, taking cognizance of the problem of teacher strikes, will devote the annual meeting of the Commission in June to this problem and will follow up with proposals to the July meeting of the National Governors' Conference.

5. The Committee requests the Education Commission of the States to conduct a study on the feasibility of federal aid programs for teacher salaries in an effort to alleviate the problem of teacher strikes and low salaries.

6. We urge the Congress to appropriate adequate funds under the higher education facilities act so as to prevent a serious shortage in classroom space and provide a continuing high-level program of meeting the space needs in our burgeoning institutions.

7. We urge the Congress to support the provisions of the Higher Education Amendments of 1968 which provide for improvement of graduate programs, special services for disadvantaged students, networks for knowledge, education for the public service and consolidation and expansion of student loan programs.

In support of these recommendations, the Education Commission of the States has prepared and distributed to all Governors a special "Review of Federal Educational Programs."\*

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\*"The 1968 Federal Educational Program (A Review)" is available in limited supply from the National Governors' Conference, 1735 De Sales Street, NW, Washington,



REPORT OF  
COMMITTEE ON CONSTITUTIONAL REVISION  
NATIONAL GOVERNORS' CONFERENCE\*

At the 1967 National Governors' Conference, following the presentation of the report on Constitutional Revision and Governmental Reorganization, the Committee was directed to "study a model state constitutional executive article and model state executive department organization for both large and small states and the most effective means for accomplishing these ends." The Committee is pleased to report that funds have been made available for this study, and a report is being prepared under the staff direction of Dr. George Condon of Washington State University.

At its meeting, the Committee heard statements from representatives of the Advisory Commission on Intergovernmental Relations, the U. S. Chamber of Commerce, the National Municipal League and the Committee for Economic Development on the subject of constitutional revision and intergovernmental relations. These representatives urged the Committee to extend its scope to consider both judicial and local government reform. The Committee believes these may be appropriate subjects for study following completion of the current report on the model executive article.

The Committee recommends the passage by Congress of the "Intergovernmental Cooperation Act of 1968." This legislation, which has been under consideration for several years, would be extremely helpful in promoting the cooperation and coordination of activities among all levels of government. In addition to establishing procedures for coordinated intergovernmental policy and administration of grants for urban development, this bill would allow more flexibility by the states in the administration of federal grants.

Two further pieces of federal legislation which the Committee urges Congress to pass are the extension of federal telecommunications service to Governors (H.R. 14744) and the Mid-Decade Census (H.R. 7659). The Mid-Decade Census has passed the House, and the Committee has directed the Chairman to write the Chairman of the Senate Post Office and Civil Service Committee urging favorable consideration of this bill.

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\*Report accepted by the National Governors' Conference at its Mid-Year Meeting on Federal-State Relations, Washington, D. C., March 1, 1968.

REPORT OF  
COMMITTEE ON MANPOWER AND LABOR RELATIONS  
NATIONAL GOVERNORS' CONFERENCE\*

The Committee on Manpower and Labor Relations met primarily to consider its Task Force Report on State and Local Government Labor Relations, the Intergovernmental Personnel Act, the Occupational Health and Safety bill, and programs and organizational realignments in the manpower field.

The Committee found most rewarding an exchange of views on these matters with Labor Secretary W. Willard Wirtz; and Chairman John W. Macy, Jr., Civil Service Commission; and Manpower Administrator Stanley J. Ruttenberg, U. S. Department of Labor.

It is proposed that the Conference accept the following action statement: Each Governor is urged to review carefully the Report on State and local Government Labor Relations, and to keep the Committee informed of any developments in this field in his state. Also, the Committee urges that a full discussion of the subject be scheduled for the 1968 Annual Meeting.

The Intergovernmental Personnel Act, passed by the Senate and now under consideration in the House, incorporates many changes sought by state and local governments. The Committee suggests that the Governors, in preparing testimony for the House committee hearings, consider reaffirming support for such changes, and for a restoration of the three-fourths federal share originally proposed for personnel administration and training grants.

In the Committee's consideration of the Occupational Safety and Health proposals, it was suggested, during conversations with Secretary Wirtz, that the philosophy of federal-state relations developed with the assistance of the Governors and reflected in air pollution, highway safety, meat inspection and other legislation, would be preferable to the approach used in the pending bill. The Committee finds indications of doubt that federal preemption is either necessary or the best approach to the problem.

The Committee reemphasized the importance of each state presenting promptly to appropriate federal authorities its own views and needs on this bill and other proposed legislation affecting the states.

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\*Report accepted by the National Governors' Conference at its Mid-Year Meeting on Federal-State Relations, Washington, D. C., March 1, 1968.

This Committee joins with the Committee on State-Urban Relations to encourage increased efforts to place the unemployed in permanent instead of temporary jobs. It is suggested that every precaution be taken to provide for the needy not on welfare in the realignment of manpower programs.

It is strongly recommended that the Congress allow the states more lead time in consideration of proposed legislation, and that the various federal agencies make every effort to maintain realistic schedules in the cooperative development and implementation of regulations in connection with new manpower legislation and other programs affecting the states.

The Committee is also of the view that the Governors should explore possibilities for more effective state employment services and statewide cooperative area manpower planning.

REPORT OF  
COMMITTEE ON REVENUE AND TAXATION  
NATIONAL GOVERNORS' CONFERENCE\*

The Committee on Revenue and Taxation notes that there are a number of areas affecting state and local revenues in which action can be taken by the states in the near future with the possibility of relatively quick results. The Committee has decided that between now and the July, 1968 Annual Meeting it will undertake projects having prospects of short-term benefit. One major long-range proposal, the "Heller Plan" type of tax sharing, although having little possibility of quick enactment, also will remain under continuous study.

The Committee first reviewed the six proposals adopted by the Conference in October, 1967, mostly related to simplifying the federal grant-in-aid structure, and finds that little progress has been made. The Committee urges the implementation of all steps necessary to carry out those recommendations.

The Committee has agreed that it will meet approximately once a month between now and July to carry out short-range studies. Each member Governor will appoint a staff representative to be responsible for the work and to attend meetings with power to act. Each Governor will be responsible for undertaking a study, utilizing his own staff resources. In addition, Dr. Selma Mushkin, Director of the George Washington University State-Local Finances Project, has volunteered to assist the Committee, as has John Shannon, Assistant Director of the Advisory Commission on Intergovernmental Relations. Staff assistance of the National Governors' Conference and the Council of State Governments also will be available.

In the next month, each Governor on the Committee will be asked to designate problem areas requiring study and action. A Committee meeting will be held the last week in March to make final decisions on study areas for this year. In addition to the Governors, their staff aides, and the resource people mentioned above, academicians and other advisors will be asked to attend the meeting and contribute ideas.

We hope by this procedure that a series of short studies will be available for the National Conference in July. Studies definitely to be undertaken are:

1. Survey on block grants, to determine from the state point of view which grants should be consolidated.

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2. Survey on financing of state planning, to determine the need for federal support of state planning under the 701 program, and to determine how such grants should be set up to provide discretionary authority to the Governors in their administration.
3. Continued study of proposals for federal revenue sharing.
4. Study of state-local fiscal relations, to determine ways in which the states can redistribute total revenue sources to lessen the disparities created by the unequal distribution of wealth and unequal burdens of required services.

The Committee has been informed that the U. S. Treasury Department may soon promulgate regulations eliminating the tax exempt feature of industrial development bonds. The Committee recognizes that there have been abuses associated with industrial development bonds, now authorized in forty-one states. We urge that Treasury officials seek the participation of interested state and local government groups in the formulation of any departure from the present policy of tax exemption.

We also wish to report that Congressional action on the Willis bill, which would have limited state jurisdiction related to the taxation of interstate business, has been delayed. Many states have attempted to obviate the need of federal action by developing the Multistate Tax Compact. Eleven states enacted this Compact when first made available for adoption in 1967, an excellent record for an interstate agreement on such a complex issue. We urge Governors in the remaining thirty-nine states to give serious consideration to this Compact.

REPORT OF  
COMMITTEE ON REGIONAL AND INTERSTATE COOPERATION  
NATIONAL GOVERNORS' CONFERENCE\*

At its meeting, the Committee agreed to update the very thorough and comprehensive report which had been prepared by Governor Breathitt's Committee on Regional and Interstate Cooperation in 1967. That Committee last year divided its substantive workload into ten broad areas: water resources, quality and development; air pollution control; mineral resources; forest resources; agriculture; tourism and outdoor recreation; transportation; regional economic development; welfare and correction; and education.

By virtue of the creation of new committees during the current year, the areas of transportation, education and welfare have been transferred to other standing committees of the Conference.

In its updated report to the Cincinnati meeting, the Committee will include reference to those areas, among others, in which federal legislation and action have been of significance. The following topic assignments have been made:

Governor Maddox, Georgia - Forest Resources

Governor Branigin, Indiana - Agriculture

Governor McKeithen, Louisiana - Water Resources

Governor Tiemann, Nebraska - Regional Economic Development  
and Corrections and Law Enforcement

Governor Sanchez, Puerto Rico - Tourism and Outdoor Recreation

Governor Boe, South Dakota - Mineral Resources

Governor Chafee, Rhode Island - Air Pollution Control

In addition to the above, the Committee has agreed to emphasize some new aspects and opportunities for regional and interstate cooperation, including, but not necessarily limited to: Oceanographic Research and Development and Land Use Management.

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A final section of the report, as agreed upon by the Committee, will include a review of existing compacts that deserve special mention, with emphasis on full implementation by the states.

The staff representatives of each Governor on the Committee will meet on May 1 to review preliminary drafts of all portions of the final report.

During the course of its meeting, representatives of the International Association of Game, Fish and Wildlife Commissioners appeared before the Committee to urge that Governors lend their full support to Resolution II adopted by the 1967 National Governors' Conference. In effect, the resolution urges that fish and resident species of wildlife are and should remain state resources under the direct jurisdiction and responsibility of the individual states.

REPORT OF  
COMMITTEE ON THE NATIONAL GUARD,  
CIVIL DEFENSE, AND NATURAL DISASTERS  
NATIONAL GOVERNORS' CONFERENCE\*

In its last report to the National Governors' Conference, October 1967, this Committee called attention to a number of difficult problems confronting the National Guard for which solutions had not yet been found.

Points of difference between federal and state viewpoints added to the difficulty in finding acceptable solutions, in many cases. In virtually all cases, progress was dependent on the cooperation and support of the federal military establishment and this was not being given, in the Committee's opinion.

Chief among the problems that had not been resolved at that time were:

- (1) An Army National Guard troop structure that would fulfill both the federal and state requirements.
- (2) Better preparation for coping with urban disorders, to include:
  - a - more equipment, particularly radio communications.
  - b - Updated training doctrines and methods, oriented to current trends in civil disturbances.
  - c - More time devoted to riot control training.
  - d - Closer coordination between civil and military authorities in planning for civil disturbance operations.

With a glance at the past history of federal-state relations in respect to the state military forces, the Committee at that time felt constrained to state in its report that "the thorniest problems relating to the National Guard arise from the reluctance of the federal military establishment to recognize and consider state needs in the structuring, equipping, training and manning of the National Guard."

In regard to the National Guard's dual responsibility and dual role, the Committee went on to say that "with good planning, goodwill, and adequate

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\*Report accepted by the National Governors' Conference at its Mid-Year Meeting on Federal-State Relations, Washington, D. C., March 1, 1968.



support from every level of government, there need be no significant conflicts between the two missions."

Since federal-state relations are the primary consideration of this special mid-year session, it seems appropriate to report that a better rapport has developed between the states and the federal military authorities in the months since the Committee made the comments quoted above. All points of difference have not been erased but the Department of Army has demonstrated a greater willingness to recognize state needs, particularly in respect to the state and National Guard role in suppressing urban violence.

As a result, mutually acceptable solutions have been found to many of the problems that loomed large last October.

Reorganization of the Army National Guard will be completed by May 31, 1968. While the structural composition allotted to the National Guard is not regarded, by many states, as ideal, its most serious shortcomings were eliminated by the Army's addition of a number of Emergency Operations Headquarters, and certain support-type units, to the troop lists.

Considerable progress has been made in the field of civil disturbance planning, coordination and training, although serious shortages still prevail in some types of equipment.

The Army has produced a revised training curriculum for civil disturbance operations which recognizes the changed nature of today's disorders. This curriculum provides the subject matter for 36 hours of instruction and training for the military forces, and 12 hours of specialized training for staffs. In consideration of the extensive riot control training given Army and National Guard units last Fall, the Army decided not to issue a mandatory directive that the entire 48-hour program be completed by all units and staffs within a specified time frame. Instead, it prescribed eight hours of refresher training for all units, to be completed by May 1, and encouraged the State Adjutants General to complete as many additional hours of the 48-hour program as they consider advisable on the basis of local conditions.

It appears probable that the content of the training program will be further altered, from time to time, as better methods are developed through continuing study. Severe equipment shortages still exist, particularly in the field of radio communications, but the Army has provided a stopgap solution that provides a partial easing of the problem. It has established stockpiles of certain equipment, in central locations across the country, from which National Guard units can draw supplementary stocks of certain items to meet emergency needs.

In the field of coordination and joint planning, substantial progress has been made. Representatives of the Army, the National Guard, state civil authorities, and appropriate non-military agencies of the federal government have held conferences and planning sessions in all sections of the country to develop coordinated plans for responding to disorders in specific cities and regions. These sessions have produced a growing spirit of cooperation, along with more closely coordinated plans for halting future disorders.

### Air National Guard Mobilization

The most dramatic development of recent weeks was the mobilization, by Executive Order, of a small but potent force of Air National Guardsmen and Air Force Reservists.

The Air National Guard provided 9,178 officers and men, 63 percent of the total of 14,787 ordered to duty, and 254 first-line jet aircraft, 68 percent of the overall fleet of 372 which the callup brought into federal service.

The most striking features of the mobilization in the military context was the speed and smooth perfection of the mobilization itself, and the outstanding level of combat readiness of the units ordered to duty, as compared with previous callups of reserve military forces. If there still was any doubt that effective military forces could be produced through joint federal-state efforts, it must have been dispelled by the recent performance of the 11 Air National Guard Groups involved in the callup.

The Executive Order gave the Air Guardsmen 36 hours to drop their civilian activities and report to their units for active duty. When the deadline arrived, at midnight January 26, an unprecedented 99.6 percent of the members of the mobilized units were present for duty, and the remaining .4 percent -- 34 individuals -- either were in hospitals or were airline pilots winging their way back to their duty stations from overseas points.

Moreover, the force that assembled so rapidly was fully trained and fully combat ready. It was fully prepared for immediate deployment to an overseas area and fully prepared to operate and fight effectively when it arrived, if required.

The superb performance of the mobilized units is one in which the states concerned can take a great deal of pride. Those States are Arkansas, Colorado, District of Columbia, Iowa, Kansas, Kentucky, Nevada, New Jersey, New Mexico, New York, and Ohio.

### Career Benefits for Technicians

One complex problem remains unresolved, and it is one which wields a direct and important influence on the continued effectiveness of all National Guard units, even though its full importance frequently is not recognized.

This is the necessity of providing a retirement program, and related fringe benefits enjoyed as a matter of course by other government employees, for the force of approximately 40,000 officers and men who serve the Guard on a fulltime basis as civilian employees.

This force of skilled employees -- "technicians," as they are officially termed -- are the hard core which has enabled the Guard to produce its present, unparalleled level of operational effectiveness.

They are employed by the states, and are supervised by state military authorities. Since most of their labor is directed toward accomplishment of the National Guard's federal mission, however, their salaries are paid by the federal government. All but a handful of clerical employees are required to be members of their units as a condition of their employment.

Yet through all the decades that this critically important work force has existed, no system has been devised by which these fulltime Guardsmen can enjoy the career benefits habitually granted to other government employees.

Legislation to grant the technicians full status in the Federal Civil Service retirement system, and other federal benefits, ran aground last Fall in the Senate Armed Services Committee, even though it previously had been strongly endorsed by the Department of Defense, the Bureau of the Budget, the National Guard Bureau, and numerous other federal agencies. It likewise had been passed twice, with heavy margins, by the House of Representatives of the Congress.

Due to the long delay in providing the traditional career benefits of government service, many highly-skilled, hard-to-replace technicians already have terminated their service to accept employment elsewhere. There are indications that the losses will grow progressively greater, and will adversely affect the Guard's high level of effectiveness, unless an acceptable retirement program is provided soon.

Objections raised in the Senate Armed Services Committee to the legislative solution now under consideration center around two issues: (1) The possible loss of state control over the technicians if they are granted Federal Civil Service status; (2) The fear that some provisions of the proposed legislation would increase the unfunded liability of the Civil Service retirement system by an unacceptable amount.

The Senate Committee is seeking additional information, from each of the Governors and from other sources, before giving additional consideration to the problem.

It is the position of your Advisory Committee that:

(1) Each month of delay in providing adequate career benefits for National Guard technicians constitutes not just a degrading influence on National Guard effectiveness, but an unwarranted injustice to thousands of dedicated, capable men.

(2) That a solution acceptable to all elements, including the Congress, can and must be found with a minimum of delay.

To that end, this Committee recommends that the National Governors' Conference adopt a formal position based on the two points defined above,

and convey this position to both Houses of the U. S. Congress as well as to the other agencies and groups involved.

REPORT OF  
COMMITTEE ON LAW ENFORCEMENT AND CRIMINAL JUSTICE  
NATIONAL GOVERNORS' CONFERENCE\*

The Committee recommends that the United States Senate proceed on a timely basis with its consideration of S. 917 as reported to the Senate Judiciary Committee by the Subcommittee on Criminal Laws and Procedures. The following principles are advocated:

1. That the federal government should not bypass the state in dealing with local governments in urban areas, but rather deal with small and large local governments in the same manner, through an appropriate state agency designated by the Governor.

2. That state officials be given discretion in the division of funds between police activities and court and correction activities. The major advantages of channeling crime control legislation through the states would be as follows:

a. It would be more likely to encourage continuing and integrated planning in the crime control field which, in turn, increases chances for the development of innovative law enforcement programs.

b. It would be better geared toward increasing the meaningful integration and coordination of law enforcement action programs by encouraging the expansion of certain law enforcement services on the state level.

c. It would encourage more meaningful research on law enforcement through the establishment of specialized regional institutes closely linked with other state programs and geared to the development of local expertise in the criminal justice field.

d. It would encourage the states and localities to take a broad view of the country's criminal justice system and encourage state and local action on a wide front, along the lines usually recommended by those concerned with improving criminal justice in the United States.

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e. Such an approach is in keeping with the whole history of federal-state grant relationships through which federal funds have been used to stimulate state activity in new areas and, in that way, improve local action programs by raising their sights, standards, and resources. This is particularly meaningful in the criminal justice field because when the scope of their activities is actually examined, it becomes apparent that the states have had considerable experience with law enforcement problems through the Office of Attorney General which functions at the highest constitutional level. Moreover, most states now have operating law enforcement agencies and/or commissions and there would be no "long delays" in the creation of state planning agencies.

f. It would avoid the disadvantage of centralizing power over projects, programs and policies in Washington that could lead to the kind of administrative inefficiencies and political manipulation frequently encountered in existing programs similarly structured.

g. Finally, by capitalizing on the greater energy of the states in the North and West and greater moderation of the states in the South in civil rights matters, such an approach would be more effective in dealing with the problem of racial discrimination.

Generally then, the use of the states as instrumentalities to obtain integration and coordination of law enforcement activities would assure the development of more innovative changes in the criminal justice system. According to the recommendations of the President's Commission on Law Enforcement and the Administration of Justice, these changes would represent the two most important developments that could occur. On the other hand, should the states be bypassed, there is the very real possibility that federal resources would be dissipated among many local law enforcement agencies without meaningful change being made in the system.

3. That the crime control legislation be a comprehensive and coordinated package of programs covering, but not limited to, the control of organized crime, riots, electronic devices and juvenile delinquency.

REPORT OF  
COMMITTEE ON STATE PLANNING  
NATIONAL GOVERNORS' CONFERENCE\*

Part A

In response to the recommendations made in the Committee's 1967 report entitled "A Strategy for Planning," an action program focusing on two major fronts has been developed. This program is based on the statement that "state planning is an important mechanism for coordinating interstate activities and for insuring that needs expressed through local, regional and metropolitan planning are encompassed in a state's overall program." It places emphasis on overcoming the obstacles or weaknesses in state planning.

Among the activities the Committee is initiating are: (1) an effort to show how state planning can benefit from the experiences of corporate planning; (2) a program to establish a federal-state planning partnership; (3) a series of symposiums to discuss in detail some of the important aspects of state planning and the tools and methods available for use in its operation; (4) a series of state or regional workshops to shed light on some of the new challenges which are descending upon the states; and (5) an internship program designed to interest some of the better qualified students of planning to seek positions in state government.

These projects are being undertaken with the cooperation of the Institute on State Programming for the 70's, which is chaired by the Honorable Jack M. Campbell (former Governor of New Mexico) and financed by the Carnegie Corporation.

One of the things pointed out in the 1967 report is that corporate planning uses some of the most modern and advanced tools and methods of planning presently known. In its report to the Annual Meeting of the National Governors' Conference, this July, the Committee will point out ways in which state planning operations can learn from and make use of the type of planning used by private industry.

Federal grants have been recognized as being a major factor in creating the existence of state planning operations, yet, on the other hand, they are often the greatest deterrent to successful state planning. The Committee is embarking on an effort to create a "Federal-State Planning Partnership," and this also will receive emphasis in the July report.

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State planning, as practiced today, can and often does encompass a number of facets over which there is considerable and usually heated debate: where and how a planning, programming, and budgeting system (PPBS) would operate; what constitutes comprehensive health planning; to what degree should state planning involve itself in urban affairs? In addition, there are those things which are about to become matters of concern: the question of balanced urbanization, and interstate coordination and cooperation. The symposium project would be designed to bring together interested Governors and their staffs, university personnel, and various other experts to help provide the opportunity to properly delve into these questions. Hopefully, the symposiums would result in broadening the understanding of the process of state planning and provide some initial recommendations designed to improve it.

The state or regional workshop project would be oriented to those states interested in in-depth discussions of some factors of regional interest, such as interstate activities, transportation, the quality of life, and communication and information systems. Although designed to provide budget people and other state agency heads with the opportunity to thrash out their relationships to state planning, the workshops would not be limited to just state personnel. Individuals from private corporations and a variety of organizations would also be invited to participate.

The summer internship project would match outstanding doctoral candidates who are interested in an intensive exposure to the state planning process with states interested in making outstanding efforts in state planning. It has long been recognized that one of the greatest obstacles to the full development of the potential of state planning is the past failure of state government to attract some of the brilliant young minds being produced by our colleges and universities. This project is aimed directly at this problem. Hopefully, if the internship project is continued by others in future years, more familiarity with state planning and state government in general would soon be in evidence in the classroom. In addition, such exposure might assist in breaking down the historic binds of teaching planning solely from the physical viewpoint, and thus make it more immediately responsive and oriented to the decision-maker.

The Committee urges the various regional Governors' conferences to provide the Institute on State Programming for the 70's with an opportunity to present the results of the "Survey of the Present Status, Acceptance, and Effectiveness of State Planning" at their meetings this Spring. A large volume of information about state planning has been collected, digested and analyzed. Presentation of this information at the regional Governors' conferences would provide a greater opportunity for discussion than would be the case at a national meeting.



Through the course of these efforts, the Committee intends to prepare further recommendations speaking directly to how state planning can "strengthen the management hand of the Governor" at the Annual Meeting of the National Governors' Conference in July.

### Part B

Recognizing the increasing complexity of federal aids, and the impact that federal grants have on the conduct of state government, the Committee recommends the following specific actions that will work toward more responsible coordination of federal aids through the state planning process.

1. Congress should begin immediately to study a complete revision of the current program of federal assistance to state comprehensive planning as administered under Section 701 of the Housing Act by the Department of Housing and Urban Development. The Committee endorses some of the concepts contained in S. 799 (introduced by Senator Scott on February 2, 1967 and six Congressmen on both sides of the aisle). Specifically, these concepts are:

- A. Increased assistance to state comprehensive planning.
- B. Recognition that the Governor is the state's chief planner, and that grants are made to his designated state planning agency.
- C. Review by the state planning agency of all applications for federal planning assistance to substate regions.
- D. Use of grants to begin planning-programming-budgeting systems at the state and local levels to assure that planning is meaningful and tied to budgetary decision by elected officials.
- E. Basic sustaining grants to all state and multi-county regional planning agencies on a continuing basis to assure adequate minimal professional staff.
- F. Use of the Governor's planning staff as the primary vehicle for coordination of planning requirements attached to federal aids.

These principles rest upon the assumption that state governments have positioned themselves to provide meaningful coordination with other levels of government. It is apparent that all of the states do not now have this capacity. The Committee therefore urges the Governors to immediately develop and implement an effective state planning program in their states.

2. The Committee recommends more aggressive implementation by the Bureau of the Budget of the President's Memorandum of September 2, 1966, on "Coordination for Development Planning," and the followup Budget Bureau Circular A-80, which provide that Governors' state planning staffs are to be informed of pending formation of sub-state districts assisted with federal funds prior to formation, and that there is to be common staff and boundaries with state-designated districts.

The Committee also recognizes that Governors themselves have a major responsibility in assuring coordination within sub-state planning regions. The Governor's office should assure direct state involvement in any federally-assisted sub-state district planning effort. A preliminary list might include:

1. Comprehensive health planning (HEW)
2. Community action programs (OEO)
3. Metropolitan planning agencies (HUD)
4. Economic development districts (Commerce)
5. Water pollution control districts (Interior)
6. Air pollution control districts (HEW)
7. Sewer and water districts (Agriculture, HUD, Interior, Commerce)
8. Highway planning (Transportation)
9. Airport planning (Transportation)

Federal agencies also have a responsibility. The Committee recommends positive action by each federal agency to allow more joint funding between federal programs, and more flexible use of planning funds by Governors' planning and coordination staffs.

Each federal agency should undertake conscious review of each existing and proposed federal grant-in-aid program by appropriate Cabinet-level officials to assure consistency with Budget Bureau Circulars A-80 and A-85.

Finally, the Committee urges review by each Governor of his own administrative organization to assure that his state planning agency is directly involved in coordination of federal grants and federal planning requirements.

With these specific actions -- to be carried out through testimony before congressional committees and through representations to federal agencies -- the Committee feels a beginning will be made on better federal-state relations.

REPORT OF  
COMMITTEE ON STATE-URBAN RELATIONS  
NATIONAL GOVERNORS' CONFERENCE\*

The Committee on State-Urban Relations met on February 29. It had as guests Stanley Ruttenberg, Assistant Secretary of Labor, and Dr. Robert C. Weaver, Secretary of Housing and Urban Development.

The Committee emphasizes the importance of job programs not only for summer employment, but even more importantly, permanent job programs with appropriate prior training. We urge that the necessary funding be made available for this critical urban necessity.

The Committee is aware of and commends efforts being made in the private sector and urges universal support and encouragement of these efforts. It is obvious that additional congressional action and the private effort are both necessary to meet the critical need for employment opportunities.

In as much as crime affects the urban growth of America, particularly our inner-city areas, this Committee recommends the most careful attention to recommendations of other National Governors' Conference committees which would support expanded law enforcement efforts to meet the problem of crime, so dangerous, that it threatens to engulf the Nation.

However, since the increased incidence of serious crime not only affects urban America but every community and strikes at every level of affluence and poverty, the fight against crime must be pursued at every level of government. The Congress must realize that recognizing the social problems of urban America by legislation is a useless exercise unless adequate funds are supplied to meet these programs.

The Committee urges all states to develop model building and housing codes, recognizing the need for variations between codes applicable to urban areas and those for non-urban areas. The Committee recommends correction of abuses of zoning that prevent more rational regional land use planning and development.

Recognizing the recent growth in the creation of Departments of Community Affairs, the Committee recommends that the Council of State Governments provide appropriate research and other needed services to state Directors of Community Affairs and other appropriate state officials dealing with state-urban relations.

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\* Report accepted by the National Governors' Conference at its Mid-Year Meeting on Federal-State Relations, Washington, D. C., March 1, 1968.

The Committee supports generally the provisions of the proposed Housing and Urban Development Act of 1968, and specifically urges Congress to take early action with regard to the following sections:

1. Public-private housing development aid programs;
2. Risk insurance;
3. New communities; and
4. Advance acquisition of land.

However, the Committee urges that the legislation be amended to:

1. Recognize the vital importance of state action and programs as part of a meaningful national housing policy by providing for a new system of program grants to the states to encourage a wide variety of state housing programs;
2. Permit the Secretary of HUD to make grants to states for the provision of planning, programming, and supplemental assistance to model city applicants;
3. Remove the 100,000 population ceiling contained in Title IX on local governments served by state information and technical assistance agencies; and
4. Require that all multi-county, district, or regional planning grants be made through an appropriate state planning agency designated by the Governor.

Finally, the Committee recommends early congressional consideration of the proposed "National Insurance Development Corporation Act of 1968," designed to assist state insurance authorities and the private insurance industry in the development of statewide programs to increase the availability of necessary property insurance coverage against fire and crime, and to provide federal reinsurance for extraordinary property insurance losses resulting from riots.

APPENDIX C

OTHER CONFERENCE PARTICIPANTS

President Lyndon B. Johnson  
Vice President Hubert H. Humphrey

The Cabinet

Honorable Alan S. Boyd, Secretary of Transportation  
Honorable Ramsey Clark, Attorney General  
Honorable Clark Clifford, Secretary Designate of Defense  
Honorable Henry H. Fowler, Secretary of the Treasury  
Honorable Orville L. Freeman, Secretary of Agriculture  
Honorable John W. Gardner, Secretary of Health, Education, and Welfare  
Honorable Robert S. McNamara, Secretary of Defense  
Honorable Lawrence F. O'Brien, Postmaster General  
Honorable Dean Rusk, Secretary of State  
Honorable Alexander B. Trowbridge, Secretary of Commerce  
Honorable Stewart L. Udall, Secretary of the Interior  
Honorable Robert C. Weaver, Secretary of Housing and Urban Development  
Honorable W. Willard Wirtz, Secretary of Labor

The Congress

Honorable Carl Albert, Representative from Oklahoma  
Honorable Gerald R. Ford, Representative from Michigan  
Honorable Edith Green, Representative from Oregon  
Honorable Roman Hruska, Senator from Nebraska  
Honorable Melvin R. Laird, Representative from Wisconsin  
Honorable Russell B. Long, Senator from Louisiana  
Honorable John R. McClellan, Senator from Arkansas  
Honorable Wilbur Mills, Representative from Arkansas

Federal Officials

Lowell K. Bridwell, Federal Highway Administrator  
Ambassador Winthrop G. Brown, Department of State  
Lisle C. Carter, Jr., Assistant Secretary, HEW  
Wilbur Cohen, Under Secretary, HEW  
William G. Colman, Executive Director, Advisory Commission on  
Intergovernmental Relations  
Dean W. Coston, Deputy Under Secretary, HEW  
Price Daniel, Director, Office of Emergency Planning  
Hubert R. Gallagher, Office of Emergency Planning  
Eugene Garfield, Department of Transportation  
Thomas J. Graves, Bureau of the Budget  
Ambassador Averell Harriman, Department of State  
J. Edgar Hoover, Director, Federal Bureau of Investigation

Harold Howe, II, Commissioner of Education, HEW  
Philip R. Lee, Assistant Secretary, HEW  
John W. Macy, Jr., Chairman, Civil Service Commission  
Arthur M. Okun, Chairman, Council of Economic Advisors  
Fred Pelzman, Department of Transportation  
Stanley Ruttenberg, Assistant Secretary, Department of Labor  
John Shannon, Assistant Director, Advisory Commission on  
Intergovernmental Relations  
John R. Sweeney, Assistant Secretary for Public Affairs  
Mary Switzer, Administrator, Social and Rehabilitation Service, HEW  
Grant Venn, Associate Commissioner of Education  
David Walker, Assistant Director, Advisory Commission on  
Intergovernmental Relations  
General Earle G. Wheeler, Chairman, Joint Chiefs of Staff  
Charles J. Zwick, Director, Bureau of the Budget

#### Other Specialists

Jack M. Campbell, Chairman, Institute on State Programming for the 70's  
Daniel Elazar, Professor, Temple University  
David K. Hartley, Council of State Planning Agencies  
George F. Morrison, U.S. Chamber of Commerce  
Selma J. Mushkin, State and Local Finances Project  
Wendell Pierce, Executive Director, Education Commission of the States  
Robert F. Steadman, Committee for Economic Development

## APPENDIX A

### SUMMARY OF RECOMMENDATIONS

The National Governors' Conference -- at its first Mid-Year Meeting on Federal-State Relations, February 28-March 1 in Washington, D. C. -- adopted recommendations:

#### On The Cities

- \* Calling for new and expanded job and job-training programs;
- \* Supporting the proposed Housing and Urban Development Act of 1968 with amendments to provide incentive grants to states for state housing programs; to allow full state participation through grants to states for planning, programming and supplemental assistance to Model City applicants; state coordination of multi-county planning grants; removal of 100,000 population ceiling on state information and technical assistance to localities;
- \* Backing the National Insurance Development Corporation to provide statewide riot insurance programs;
- \* Urging states to correct local and regional zoning abuses and develop model building and housing codes;
- \* Calling on the Council of State Governments to provide research and other services to State Directors of Community Affairs.

#### On Crime

- \* Urging immediate action on the proposed Safe Streets and Crime Control Act, amended to avoid by-passing the states in dealing with localities;
- \* Insuring that the Safe Streets bill be a comprehensive and coordinated package covering programs to control organized crime, riots, electronic devises and juvenile delinquency, as well as others;
- \* Requesting that state officials be given the discretion of dividing Safe Streets funds between police activities and court and correction activities.

#### On Health and Welfare

- \* Calling for removal -- or at least postponement -- of the freeze on AFDC children;
- \* Urging Congressional action to include women heads of household in the Unemployed Parents Program; to liberalize the definition of unemployment for eligibility for training; and include non-AFDC recipients in work incentive programs;



- \* Seeking the development of incentives to cut rising hospital costs;
- \* Requesting extension of the time limit for states to buy into Part B of Medicare;
- \* Urging more grant consolidation in health and mental health programs;
- \* Recommending renewal and expansion of expiring health manpower and facility programs;
- \* Calling for better federal planning to avoid sudden cutbacks in welfare funding;
- \* Urging state cooperation with the President's Commission to Study Income Maintenance.

#### On Education

- \* Commending the Administration and Congress for the advanced funding provisions of the 1967 Elementary and Secondary Education Amendments;
- \* Urging increased funds for the proposed Partnership for Learning and Earning Act of 1968 (vocational education act), Titles I and II Elementary and Secondary Education Act and Title III of NDEA;
- \* Supporting the proposed Higher Education Amendments of 1968;
- \* Directing the Education Commission of the States to study the feasibility of federal aid programs for teacher salaries as well as the problem of teacher strikes;
- \* Calling for adequate federal funding of the Higher Education Facilities Act to prevent a shortage of classroom space.

#### On Manpower and Labor Relations

- \* Urging revision of the proposed Occupational Health and Safety Act to remove preemptive provisions and to incorporate the philosophy of federal-state relations reflected in recently adopted legislation such as the Clean Air Act and the Meat Inspection Act of 1967;
- \* Reaffirming support for the proposed Intergovernmental Manpower Act, as amended by the Senate;
- \* Calling for additional Congressional funding for new temporary and permanent job and training programs;
- \* Calling on Governors to explore possibilities for more effective state employment services and statewide cooperative area manpower planning.

#### On Transportation

- \* Recommending full state cooperation with the U.S. Department of Transportation in its proposed Auto Insurance Study;

\* Calling for studies of vital issues such as federal highway trust funds, highway safety and beautification, urban mass transit, national airways trust fund, pipeline safety, small boat safety.

#### On Natural Resources

\* Reaffirming Resolution 2 of the 59th Annual Meeting in 1967 urging that fish and resident wildlife should remain under the jurisdiction of the state.

#### On the National Guard

\* Calling for a retirement program and other fringe benefits for full-time technical Guard personnel.

#### On Planning

\* Calling on Governors to take the final responsibility for establishing effective statewide planning;

\* Urging provision of 701 funds for grants to establish planning-programming-budgeting systems at state and local levels;

\* Requesting basic sustaining grants to assure adequate staff for all state and multi-county regional planning agencies;

\* Urging steps to allow direct state involvement in all federally-aided sub-state planning activities including state coordination of all multi-county and regional planning grants;

\* Requesting a more aggressive federal implementation of Circular A-80 which requests that State Planning Agencies be informed before federally-assisted sub-state districts are formed.

#### On Fiscal Federalism

\* Calling for a survey on block grants to determine, from the state point of view, which grants should be consolidated.

\* Requesting a survey on financing of state planning, to determine the need for federal support of state planning under the 701 program, and to determine how such grants should be set up to provide discretionary authority to the Governors in their administration;

\* Suggesting continuing study of proposals for federal revenue sharing;

\* Calling for study of state-local fiscal relations to determine ways in which states can redistribute total revenue sources to lessen disparities created by unequal distribution of wealth and unequal burdens of required services;

\* Urging the U.S. Treasury Department to seek the participation of interested state and local organizations in the formulation of any ruling to remove the tax exempt status of industrial development bonds;

\* Urging Governors of all states which have not adopted the Multistate Tax Compact to give serious consideration to this interstate agreement relating to the taxation of interstate business;

\* Urging revision of 701 program to provide administrative and management procedures to coordinate the federal aid system;

\* Reaffirming support for Congressional action to allow for joint funding, beginning with the proposed Joint Funding Simplification Act;

\* Urging Congress to adopt the Intergovernmental Cooperation Act;

\* Seeking extension of Federal Telecommunications Service to Governors (H.R. 14744);

\* Calling for passage of Mid-Decade Census, emphasising the need for comparability of data with the decennial census.

APPENDIX B

THE 90TH CONGRESS, FIRST SESSION

Summary of Completed Congressional Action

APPROPRIATIONS

Agriculture: (HR 10509) President signed PL 90-113 October 24 for \$4.95 billion total appropriation. Items of interest included: Resource Conservation and Development, \$6,129,000; Food Stamp Program, \$185 million; Experimental Station Research, \$63,113,000; Watershed Planning, \$6 million; Rural Water and Waste Disposal Grants, \$30 million; Rural Renewal \$1.6 million; Rural Housing for Domestic Farm Labor, \$3.5 million.

Defense: (HR 10738) President signed PL 90-96 September 29 for \$69.9 billion total appropriation.

Economic Opportunity: (See Supplemental Appropriation for 1968)

Housing and Urban Development and Independent Offices: (HR 9960) President signed PL 90-121 November 3 for \$10.13 billion total appropriation. Items of interest included: Section 701 Urban Planning Grants, \$45 million; Neighborhood Facilities Grants, \$30 million; Model Cities, \$312 million; Title IX Urban Information and Technical Assistance, \$2.2 million; Title VIII Community Development Training Programs, \$3 million; Urban Research and Technology, \$10 million; Rent Supplements, \$10 million. (All funds were deleted for Metropolitan Development Incentive Grants.)

Interior: (HR 9029) President signed PL 90-28 June 24 for \$1.38 billion total appropriation.

Labor and Health, Education and Welfare: (HR 10196) President signed PL 90-132 November 8 for \$13.25 billion total appropriation. Items of interest included: Elementary and Secondary Education, \$1,677,907,000; Public Assistance and Medical Assistance, \$4,124,300,000; Maternal and Child Welfare, \$235,600,000; Community Service and Continuing Education, \$10 million; Comprehensive Health Planning, \$140,676,000; Teacher Corps, \$13.5 million.

Legislative Branch: (HR 10368) President signed PL 90-57 July 8 for \$275 million total appropriation.

Military Construction: (HR 13606) President signed PL 90-180 December 8.

NASA: (HR 12474) President signed PL 90-131 November 8 for \$4.58 billion total appropriation.

Public Works: (HR 11641) President signed PL 90-147 November 20 for \$4.68 billion total appropriation. Items of interest included: Water Supply Research and Water Pollution Control, \$92.8 million; Water Resources Planning, \$1.07 million; Title III Financial Assistance to States for Water Resources Planning, \$2.47 million; Waste Treatment Plants, \$203 million.

State, Justice, Commerce, Judiciary: (HR 10345) President signed PL 90-133 November 8 for \$2.169 billion total appropriation. Items of interest included: Planning, Technical Assistance and Research--Economic Development Administration, \$25 million; Office of State Technical Services, \$6.5 million.

Transportation: (HR 11456) President signed PL 90-112 October 23 for \$1.58 billion total appropriation. Items of interest included: Highway Safety Grants, \$25 million; Highway Beautification, \$1.2 million. (Highway Trust Fund \$3.773 billion).

Treasury, Post Office, etc: (HR 7501) President signed PL 90-47 July 7 for \$7.546 billion total appropriation including \$510,000 for the Advisory Commission on Intergovernmental Relations.

Supplementary Appropriations for Fiscal 1968: (HR 14397) Approved for President's signature December 15, total of \$1.84 billion. Items of interest included \$1.773 billion for the Office of Economic Opportunity. Also removed earmarking of funds for OEO.

#### SUBSTANTIVE LEGISLATION

##### Aging:

Older Americans Act Amendments (HR 10730) signed by President July 1 (PL 90-42). Increases state grants from \$8 million to \$10.5 million for fiscal 1968 and \$16 million for fiscal 1969; raises allotment formula from 10 percent or \$15,000 whichever is larger, to 10 percent or \$25,000 whichever is larger. Raises research, development and training grants from \$3 million to \$6.4 million in fiscal 1968 and \$10 million in fiscal 1969.

##### Consumer Protection

Meat Inspection Act (HR 12144). President signed December 15 (PL 90-201). Compromise provides 50-50 matching grants and two years' time for states to bring inspection programs for intrastate meat "at least up to federal standards." One year extension if states are making progress. Otherwise, federal inspection imposed. Agriculture Secretary may impose federal inspection in cases dangerous to health.

##### Education

Elementary and Secondary Education Amendments (HR 7819). Cleared for President December 15. Amends Elementary and Secondary Education Act of 1965 to extend and increase the program. Title II provides \$50 million for incentive grants to states whose educational effort exceed the national average. Under Title III, Supplementary Education Centers and Services, extends authorization to \$500 million for fiscal 1968, \$512.5 million for fiscal 1969, \$550 million for fiscal 1970. Provides for state plans. Allots 75 percent of grants to states with approved plans in fiscal 1969, 100 percent in fiscal 1970. Title V provides for comprehensive planning. Act paves way for two-year advanced funding.

Teacher Corps (Education Professions Development Act) (HR 10943). Signed by President June 29 (PL 90-35). Provides for expansion of the Teacher Corps program; variety of grants to attract qualified persons to teaching field, improve quality of classroom instructions, improve training of persons associated with higher education.

Public Broadcasting Act (S 1160) President signed November 7 (PL 90-129). Extends educational television; establishes a non-profit corporation for innovative programs.

### Health

Partnership for Health Amendments of 1967 (HR 6418) President signed December 5 (PL 90-174). Authorizes \$589 million for three-year program. Extends comprehensive health planning through fiscal 1970; provides for grants to improve health services techniques, establishes federal program to require clinical laboratories in interstate commerce. Includes unearmarked funds for rat control.

Mental Health Amendments (HR 6431) President signed June 24 (PL 90-31) Extends through fiscal 1970 program of matching grants for construction of community mental health centers; extends for two years program of matching grants for professional and technical personnel in centers; requires state plans to include enforcement of maintenance and operations standards.

Mental Retardation Amendments (HR 6430) President signed December 4 (PL 90-170) Extends program for mental retardation facilities, formula grants to states for construction of community mental retardation facilities. Authorizes \$281.8 million.

### Military Affairs

Veterans Pension and Readjustment Act (S 16). President signed August 30 (PL 90-77). Authorizes \$6.7 billion in veterans' benefits. Increases veterans' pension by 5.4 percent; provides full disability compensation, full widow benefits; expands VA home loans up to \$25,000 until July 1970; increases college and job training benefits.

Reserve Forces Bill of Rights (HR 2). President signed December 1 (PL 90-168). Strengthens the National Guard.

### Pollution

Air Quality Act (S 780). President signed November 21 (PL 90-148). Authorizes \$428 million for three-year program. Secretary of Health, Education, Welfare to set air quality criteria; designates air quality regions; states develop regional air quality standards and enforcement schemes. Secretary could step in in case of emergency.

### Postal

Postal rate increases, federal pay raises (HR 7977). President signed December 16 (PL 90-206). Provides pay raises for federal employees. On Jan. 7, raises first class mail to 6 cents regular, 10 cents airmail, 5 cents postcards; second class regular mail to 3.4 cents a pound; third class mail 3.6 cents. Prohibits all federal officials from recommending or hiring relatives for federal jobs.

### River Basins

River Basin Projects (HR 8363). President signed May 12 (PL 90-17). Authorizes additional \$472 million for existing comprehensive river basin plans for floods control and navigation.

### Transportation

National Highway Safety Advisory Committee (S 1552) President signed November 24 (PL 90-150). Provides for creation of a National Highway Safety Advisory Committee.

Additional Mileage on Interstate System (HR 13933) President signed January 2 (PL 90-238). Authorizes additional 200 miles on Interstate System.

Urban Mass Transit (H J Res 601, 859) President signed June 28 (PL 90-134), December 1 (PL 90-169). To extend emergency provisions of Urban Mass Transit Act.

### Welfare

Social Security Amendments (HR 12080) President signed January 2 (PL 90-248). Raises Social Security benefits 13 percent, wage base to \$7,800. Limits federal matching for Medicaid to persons whose income levels are no higher than 150 percent of the AFDC payment level between July-December 1968; 140 percent during calendar year 1969; and 133 1/3 percent thereafter. Restricts payments of AFDC for absence of the parent from the home to the proportion of children receiving benefits in the state on January 1, 1968. Sets up work-training program for AFDC families -- exempting school children and those under 16, the incapacitated, and persons whose presence in the home is required. Provides the State Welfare Agency to refer eligible persons -- and provide day care for children involved -- to Department of Labor which will find regular employment, train, or provide subsidized public service employment. Requires states to offer family planning services to all appropriate AFDC recipients and increases federal authorizations for family planning.

Economic Opportunity Amendments of 1967 (S 2388) President signed December 23 (PL 90-222). Authorizes \$1.98 billion for fiscal 1968, \$2.18 billion for fiscal 1969 for Office of Economic Opportunity. Enhances the role of the state in establishing and operating Job Corps Centers and Work and Training Programs. Permits states and multi-jurisdictional substate regions to be Community Action Agencies. Increases required participation of state and local officials on Community Action Boards. Includes \$25 million for emergency aid to feed the hungry and care for the sick in poverty areas (incorporating S 2138, passed by Senate August 2; dropped by House Agriculture Committee October 5).

Food Stamp Authorization (S 953) President signed September 27 (PL 90-91). Extends food stamp program for two years with \$425 million authorization. No state contribution required.

CONGRESSIONAL STUDIES AND REPORTS

Auto Insurance: House Antitrust Subcommittee conducted a preliminary study of the auto insurance industry's business practices. It concluded business performance is unsatisfactory and called for a full investigation by the Federal Trade Commission, including a probe into whether states should continue as the sole regulators of the insurance business.

Credit Insurance: Senate Antitrust Subcommittee held hearings on the fairness price to the consumer of credit insurance.

Revenue Sharing: Joint Economic Committee conducted a series of study hearings on revenue sharing. Heard academic and public witnesses on the general principles of revenue sharing.

State Utility Commissions: Senate Government Operations Committee released report on state commissions that regulate utility committees. Includes information from 48 states on staff, organization, budget, jurisdiction, appeal procedures and rate bases.

Toll Roads: Special House Public Works Subcommittee released report of two-year study of toll roads. It called for federal involvement to curtail the proliferation of toll roads.

Urban Highways: Senate Public Works Subcommittee on Roads began hearings on planning highways to meet the needs and goals of urban areas.



## APPENDIX C

### THE 90TH CONGRESS, SECOND SESSION

#### Legislation of Particular Interest to the Governors

##### Agriculture:

Grain Standard and Inspection Act (H.R. 15794-clean bill for H.R. 14261 introduced in the first session). House passed May 29. Senate passed July 11; back to House with Senate amendments. Bill to revise federal grain standards inspection law putting all inspections except on exports on voluntary basis.

Food Stamp Authorization (S. 3068, H.R. 18249). Senate passed May 21. House Agriculture Committee reported July 2. Rule granted July 11. Increases authorization for fiscal year 1969 to \$245 million from \$225 million.

##### Arts and Humanities:

National Foundation of Arts and Humanities Act (H.R. 11308). Signed by President June 18 (P.L. 90-348). Extends funding of the National Foundation on the Arts and Humanities for two years, through fiscal year 1970, with a \$34 million authorization, plus \$13.5 million for two years to match private gifts.

##### Census:

Mid-Decade Census (H.R. 7659). Passed by House during the first session August 10, 1967. Senate Post Office Committee held hearings. Would provide for census in 1975 and every ten years thereafter.

##### Civil Defense:

Civil Defense Act (H.R. 15004). President signed June 10 (P.L. 90-336). Extends the expiration date of certain authorities of the Civil Defense Act of 1950.

##### Civil Rights:

Civil Rights and Open Housing. (H.R. 2516) President signed April 11 (P.L. 90-284). Includes strong open housing provisions, antiriot and an Indian rights provision.

##### Conservation:

Land and Water Conservation Fund (S. 1401) President signed July 15 (P.L. 90-401). Provides for continuation of previous income of Fund; adds \$200 million from general revenues, "insured" by oil and gas receipts from Outer Continental Shelf.

Fish and Wildlife Management. Senate Committee on Commerce hearings on S. 2951 and S. 3212. Bills affirm state control over fish and wildlife in their territorial lands and waters.

Consumer Protection:

Consumer Credit Protection Act. (S. 5) President signed May 29 (P.L. 90-321). Truth-in-Lending measure provides for full disclosure of interest rates in dollars-per-hundred beginning July 1, 1969; in percent beginning January 1, 1971. Also restricts wage garnishment, second-mortgage practices. Requires full disclosure in credit advertising, on credit life insurance.

Poultry Products Inspection Act. House passed June 13, H.R. 16363 (clean bill for H.R. 15146). Senate Subcommittee concluded hearings on S. 2846, 2932, 3383 as well as H.R. 16363. Similar to the Wholesome Meat Act (P.L. 90-201) passed during the first session. Provides assistance to the states in the development, enactment and administration of effective mandatory inspection programs. Gives the states two years, with one year extension if necessary, to bring inspection standards to federal levels.

Wholesome Fish and Fishery Products Act of 1968. Senate Commerce Committee considering S. 2958, 3064, designed to protect consumers against unwholesome fish and at the same time aid the U.S. fishing industry. Administration proposal H.R. 15155, referred to the House Committee on Interstate and Foreign Commerce.

Corrections:

Juvenile Delinquency Prevention (H.R. 12120). Conference compromise provides \$150 million for three year program aimed at curbing juvenile delinquency. Block grants to states that submit approved plan and pay one-half non-federal share.

Omnibus Crime Control and Safe Streets Act (H.R. 5037). Signed by President June 19 (P.L. 90-351). Provides block grants to states for planning, action programs; controls interstate mail order of handguns; overturns three Supreme Court decisions on confessions, and legalizes certain wiretapping.

Aid to States in Improvement of Correctional System (H.R. 15216). Signed by President July 1 (P.L. 90-371). Authorizes Federal Bureau of Prisons assistance to state correctional institutions.

Gun Control (H.R. 17735, S. 3633,3634). House debate scheduled to open July 17 on measure to restrict interstate mailorder of rifles and other long guns. Senate Judiciary Committee considering several alternatives including bill to ban interstate mailorder of long guns and bill to provide for registration of all gun owners and users.

Disaster:

National Flood Insurance Act (S. 1985) Senate passed September 14, 1967. House passed with amendments November 1, 1967. Delayed in Conference. A version included in S. 3497 Omnibus Housing and Urban Development passed by the Senate May 28. Also incorporated in House version H.R. 17989. Would provide federal subsidies for flood insurance in high-risk areas.

Education:

School Lunch Program (H.R. 15398). Signed by President May 8 (P.L. 90-302). Expands food service programs for children. Authorizes \$96 million for three years to extend school lunch program to children in day care centers and to those in facilities during summer vacation. Also expand school breakfast program.

Vocational Education Amendments (S. 3770, H.R. 18366). House passed version July 15 to provide block grants for Vocational Education Programs, authorize Governor to appoint the State Advisory Council. Senate version before full Senate July 17, deletes gubernatorial authority to appoint advisory councils.

Omnibus Higher Education Amendments of 1968 (H.R. 15067, S. 3769). Senate passed July 15. House Education and Labor Committee reported July 2. Extends for two years and expands higher education aid. Includes Education for the Public Service Act to train young professionals for the public service. Student aid -- passed separately as H.R. 16729 -- reincorporated into omnibus bill.

Vocational Rehabilitation Act (H.R. 16819). Signed by President July 7 (P.L. 90-391). Extends through fiscal 1972 the programs for rehabilitation services, research, development and planning. Increases federal share for approved activities. Establishes a minimum allotment of \$1 million per state.

Elections:

Electoral College Reform (S.J. Res. 2, 3, 6, 7, 12, 21, 25, 55, Amendment 162). Hearings held in Senate Judiciary Subcommittee on Constitutional Amendments. Various concepts included to reform electoral college system through direct election of President, Vice President; direct national primary; proportional voting of electors.

Federal Election Reform (S. 1880). Senate passed September 12, 1967. House Administration Committee considering. Would establish campaign expenditure disclosure procedure for federal election, abolish ceiling on expenditures, but limit single contribution to \$5,000. Set penalties for violation.

Lower Voting Age (S. J. Res. 8). Senate Judiciary Subcommittee on Constitutional Amendments held hearings. Proposed constitutional amendment to lower the voting age to 18.

Liberalize Absentee Voting (S. 2884). Signed by President June 18 (P.L. 90-343). Amends the Federal Voting Assistance Act of 1955 by recommending to the several states that absentee registration and voting procedures be extended to citizens living abroad.

Voting Residency (S.J. Res. 174; S. 1881; H.R. 10949). Senate Committee on Rules and Administration held hearings. House version in Election Subcommittee would require states to permit all absentee residents to vote for President, Vice-President if they live in new state since September 1 preceding the election.

(S.J. Res. 174). Constitutional amendment introduced to eliminate residence requirement to vote for President, Vice President.

Government Operations:

Extend Executive Reorganization Provisions (H.R. 15688). House passed April 29. Referred to Senate Committee on Government Operations. Would extend for an additional 4 years to 1972 provisions of Title 5, U.S. Code to permit the President to issue reorganization plans that go into effect if a house of Congress does not pass a resolution opposing them.

Health:

Child Health Act (S. 3323, H.R. 16616). Introduced in both houses; no hearings set in either. Would establish a national program to provide for comprehensive maternity and infant care, amending the Social Security Act.

Hill-Burton Amendments (S. 2251, H.R. 12233). Introduced in both Houses; no hearings set in either. Would extend Hill-Burton program; increase grants and provide up to 90 percent for loans for hospital modernization under the program.

Radiation Control (S. 2067, H.R. 10790). House passed March 20. Senate Committee on Commerce ordered reported July 11. Establishes an electronic product radiation control program to protect consumers against hazardous radiation from color television sets, lasers, and other electronic products. Senate version authorizes HEW Secretary to set national emission standards. Provides aid to states to develop licensing and training program for x-ray technicians.

Health Manpower Act of 1968 (S. 3059; H.R. 15757). Senate passed S. 3059 June 24. House Committee on Interstate and Foreign Commerce ordered reported July 3. Authorizes funds for three years for health training programs, including loans and scholarships to study medicine.

Highways:

Federal Aid Highway Act of 1968 (S. 3418, H.R. 17134). House and Senate passed different versions. Senate-House Conference meeting July 17. Both provide for major relocation assistance and urban impact amendments; repeal percent penalty on highway safety program; federal bridge inspection. Include allowances for state highway construction in advance of allocation. Incorporate Interstate Free Highway Act (S. 2888; H.R. 14962) to eliminate toll roads on Interstate System.

Amend Motor Vehicle Act (S. 2658). Senate passed April 4. House Committee on Public Works approved July 2. Permits wider, heavier trucks on Interstate System. Increases width limits from 8 feet to 8.5 feet; weight of single axle trucks from 18,000 to 20,000 pounds, tandem axle from 32,000 to 36,000 pounds.

Housing:

Housing and Urban Development Act of 1968 (S. 3497, H.R. 17989). Senate passed May 28. House passed with amendments July 10. To Conference. Authorizes \$5.3 billion for housing programs. Provides block grant to Governors for multi-county rural planning. Incorporates flood insurance (see National Flood Insurance Act) and Urban Insurance and Reinsurance Programs.

Intergovernmental Cooperation:

Intergovernmental Cooperation Act (S. 698, H.R. 16718). Senate Subcommittee on Intergovernmental Relations reported to full committee. House Subcommittee on Executive and Legislative Organization considering H.R. 16718. Would provide for improved administration of grants, special and technical federal services to state and local government, authority for Presidential action to consolidate grant programs; congressional review of existing grant programs, uniform urban policies.

Intergovernmental Manpower Act of 1968 (S. 699, 1485; H.R. 8233, 8234). Senate passed S. 699 November 7, 1967. House Education Subcommittee has not yet held full hearings. Senate version would provide 50-50 matching grants for states and local governments to improve personnel administration, training and fellowships; facilitate interchange of personnel among levels of government. Would distribute funds to states in block grants based on population and number of affected employees. Original bill (House version) would provide 75-25 grants on categorical basis.

Joint Funding Simplification Act of 1968 (S. 2981, H.R. 12631) Senate Subcommittee on Intergovernmental Relations and House Executive and Legislative Organization Subcommittee held hearings. Would provide temporary authority to facilitate procedures for consideration and approval of projects drawing upon more than one federal assistance program and would simplify requirements for the operation of those projects.

Labor:

Occupational Safety and Health Act of 1968 (H.R. 17748, S. 2864). House Committee ordered reported with amendments July 9. Senate Labor Subcommittee marking up. House version amended to provide funds for states to up-grade occupational safety and health standards and enforcement programs; provide for judicial review. Original bill (Senate version) delegates standard setting authority to Secretary of Labor, provides for dual jurisdiction for enforcement.

Manpower Development and Training (H.R. 15045, S. 2938). House Committee on Education and Labor and Senate Committee on Labor and Public Works reported. Extends expiring provisions of the Manpower Development and Training Act.

Emergency Employment and Training Act (S. 3063, H.R. 12280). Senate Subcommittee on Employment and Manpower approved for full committee before the House Committee on Education and Labor. Authorizes the Secretary of Labor to provide financial aid in both urban and rural areas for employment programs for low-income and unemployed persons.

Repeal Fair Labor Standards Amendments provisions (S. 727). No hearings planned. Would overturn Maryland v. Wirtz by repealing extension in 1966 amendments of Fair Labor Standards Act to certain state and local employees.

Mining:

Surface and Strip Mining (S. 3126, 3123; H.R. 15923). Senate Subcommittee on Interior and Insular Affairs held hearings. Regulates surface and strip mining. Provides for 50-50 matching grants to states to develop programs. States would have two years to develop adequate regulations before federal regulation would step in.

Pollution:

Water Quality Improvement Act (S. 3206; H.R. 15907). Senate passed with floor amendments July 10. House Committee on Public Works holding hearings. Provides new funding for construction of waste treatment facilities. Includes new contract authority as alternative to existing reimbursement provisions for state advanced funding of federal share of construction costs. Incorporates S. 2525 to curb pollution from vessels in navigable waters.

Pipelines:

Natural Gas Pipelines Safety Act (S. 1166). Senate passed November 9, 1967. House passed with amendments July 2. In Conference. Would empower the Transportation Secretary to establish design, construction, installation and safety standards for natural gas pipelines within two years.

Revenue:

Industrial Development Bonds. Signed by President June 28 (P.L. 90-364) as part of Excise Tax Bill (H.R. 15414). Eliminates tax exemption on all issues over \$1 million. H.R. 18371 introduced in House July 8 to extend limit on tax exemption on issues to \$5 million, to clarify definition of "industrial development bonds."

Revenue Bond Underwriting (S. 1306). Senate passed November 7, 1967. Before House Banking and Currency Committee. Would permit banks to underwrite certain state and local revenue bonds to give them market advantages similar to general obligation bonds.

Taxation:

Interstate Taxation Act (H.R. 2158). House passed May 22. Referred to Senate Committee on Finance. Would provide three-factor formula for state jurisdiction to tax firms engaged in multi-state business activities and two-factor formula for apportionment of income.

Revenue and Expenditure Control Act (H.R. 15414). Signed by President June 28 (P.L. 90-364). Extends the temporary increase on the excise tax on automobiles and telephones. Also includes other amendments to impose an income tax surcharge, limit federal spending, remove the tax exemption on industrial development bond issues over \$1 million, and modify the 1967 Social Security Amendments.

Air Travel Tax (H.R. 16241). House passed April 4. Senate Finance Committee holding hearings. Among other provisions, would eliminate tax exemption on air travel of state and local government officials and employees.

Assessment of Common Carriers (S. 927). Senate Subcommittee reported to full Commerce Committee. Would forbid assessment of common carrier property at higher rate.

Transportation:

Airport Development (S. 3641, 3645). Senate Subcommittee concluded hearings. Provides for airport development trust fund and user charges. Also includes airport loans, grants, fund advances, increased taxes and user charges.

Automobile Insurance Investigation (S.J. Res. 129). Signed by President May 22 (P.L. 90-313). Authorizes two year, \$2 million comprehensive study of the nation's automobile insurance business.

High Speed Ground Transportation (S. 3237; H.R. 16024). House passed July 12. Senate holding hearings. Would extend for one year high speed ground transportation program.

Water:

Water Resources Planning Act (S. 3058, H.R. 15731). Senate passed June 18. Before House Committee on Interior and Insular Affairs. Increases authorization for water resources planning activities.

Welfare:

Modification of Social Security Amendments of 1967. Provisions to repeal AFDC freeze, liberalize requirements for obtaining unemployment compensation under Unemployed Fathers Program, extend date for states to buy into Part B Medicare. Attached to Revenue and Expenditure Control Act. (H.R. 15414) signed by President June 28 (P.L. 90-364).