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SAN DIEGO AEROSPACE, DEFENSE AND MANUFACTURING---

CAN WE KEEP IT?

CONFERENCE REPORT

CONGRESSMAN DUNCAN HUNTER
CONFERENCE CHAIRMAN

1991

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STATEMENT OF
CONGRESSMAN DUNCAN HUNTER

Our conference, "San Diego Aerospace, Defense and Manufacturing: Can We Keep It?", held recently in San Diego, identified the causes of our recession and suggested positive steps to restore the vitality of America. In short, the recession is caused by over-regulation by our government at all levels...city, county, state and federal. We have created a maze of regulations and built a massive regulatory bureaucracy that is strangling our country. In our relations abroad, we are following the outmoded notion, erroneously labeled "free trade," which says that we have to open our markets to the imported products of any nation that has a lower standard of living and can produce manufactured items for less than American workers.

In our zeal to carry out the admonitions of those who correctly state that we need to protect the environment, we have gone to ridiculous lengths. This involves having subdivisions approved by a series of agencies, so that it today takes four to five years to move the paperwork from one floor of the San Diego city hall to another. These excessive delays, coupled with tremendous fees necessary to support the vast bureaucracy in the city hall and county administration buildings, have pushed housing prices beyond the reach of most Californians. The result is that some manufacturing companies are moving out of state simply because the cost of housing for their workers is impossible to justify.

If our goal is to create a San Diego in which only rich people can afford houses then we are well on our way to fulfillment. If they had to buy homes today, 82% of our citizens could not afford the average San Diego house.

Business expansion is another area where big government has conspired to kill jobs. It often takes years for a San Diego employer to negotiate the maze of bureaucrats who must pass on a simple facility expansion. Thus our companies are easily wooed by communities in Texas, Florida and Alabama where the people and the government are "business friendly". Additionally, overlapping requirements stemming from environmental mandates force our employers to devote more and more workers to environmental record keeping, leaving fewer workers to actually manufacture products.

In short, San Diego leaders are slow in learning the truth that even the Soviets now acknowledge...big government suffocates people and their dreams. The following are recommendations that will be made in the next several weeks to local, state and federal governmental agencies:

- Reduce from four years to eight months maximum the amount of time it takes to process a subdivision of land in San Diego County.

- Cut the time expended in moving a building/expansion permit through the process to final approval to four months.

- Cut all other average permit approval times at the city, county, state and federal levels to one-half of the present duration.

- Reduce the time required to process EPA/U.S. Fish and Wildlife permits and signoffs.

- Change state law to mandate that Port Authority cut its rates to a level necessary to attract and retain waterfront manufacturing industries.

- Oppose APCD proposed Regulation 14 and offer alternative incentive-based pollution reduction measures.

- Reduce the required man-hours to compile records for federal, state, local and regional agencies by 50% (refers to industry personnel dedicated to record keeping pursuant to government's requirements).

- Revise MWD provisions to give incentive to water owners including golf courses, farmers and ranchers to convert to reclaimed sewage effluent for irrigation purposes and sell their potable water to MWD and its members.

- Enact a capital gains tax reduction and restore passive loss provisions in the U.S. Tax Code.

- No penalties on IRA withdrawals for first time home buyers.

The choice facing San Diego County citizens in as simple as it appalling...if we do not move fast to enact these and similar recommendations, San Diego's greatest export will be our children.

STATEMENT OF JOHN KENNEDY
PRESIDENT/BUSINESS REPRESENTATIVE
CARPENTERS LOCAL UNION 547

San Diego County has long been considered the Mecca for those seeking a better quality of life. Blessed with a mild year round climate, San Diego has enjoyed a positive image, both nationally and internationally. Drawn by both climate and reputation, San Diego has for years been able to attract the best and the brightest to its shores. The resulting mix has produced sustained economic growth that is unrivaled by other communities. Now, however, San Diego's reputation is threatened.

Forces affecting the rest of the nation are impacting San Diego. Affordable housing, traffic and environmental concerns are issues that communities across the nation must learn to deal with. The difference is one of expectations. Because this is San Diego, many believe that it won't be affected. Current events have shown that reasoning to be faulty. Increasingly, attention is being drawn to the issues of crime, drugs, homelessness and community services and how to deal with them. The long sustained economic prosperity that has been the linchpin of San Diego's success is now being challenged as communities across the nation try to woo employers and employees with the promises of a better life elsewhere. No longer can community leaders count on the San Diego mystique to attract new talent. No longer can current residents be relied upon to stay simply because "this is San Diego."

We must begin actively developing our greatest resource, to meet these challenges - we must involve ourselves. Because what is the greatest resource of any community, if not the people of that community? And who better to solve the challenges than the members of that community? San Diego is home to a diverse cultural, racial and ethnic population. We must begin mobilizing that diversity to meet the challenges facing San Diego. The broadest possible cross section must be brought to bear on the problems. We must utilize the abilities of that population and begin putting back into the community. We must rebuild our infrastructure of roads and sewers to avoid gridlock and pollution. We must invest in better schools and education to guarantee a better future. We must see that current industry is retained and new industry is encouraged to bring jobs to San Diego. We must put San Diegans to work.

Meeting the challenge of a "Quality of Life" will not be an easy or quick task. But it is a challenge that can be met by building coalitions that represent a cross section of San Diegans. Hopefully this report will identify specific issues that can be addressed by those San Diego coalitions.

ACTION AGENDA

Congressional Delegation meets with:

- San Diego County Board of Supervisors
- SANDAG
- San Diego City Council
- All other City Councils within San Diego County
- EPA, U.S. Fish and Wildlife
- Democrat/Republican leadership of the State legislature
- Relevant officials of the Wilson Administration
- Air pollution Control District and Regional Offices
- Metropolitan Water District and San Diego Water Authority

Purpose:

- To enact legislation/rules correcting problems cited by conference report.

Chairman's Priorities:

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