THE CITY OF SAN DIEGO [ms-0348.027.010.025]

WASHINGTON, D. C. OFFICE

OFFICE OF THE MAYOR

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MEMORANDUM

DATE: March 12, 1976

TO: Rules, Legislation and Intergovernmental Relations

FROM: Bill Harrington B.

SUBJECT: Pending Legislation

I would like to bring two items to your attention, which may have been reported in your newspaper today.

First, the Intergovernmental Relations Subcommittee of the House Government Operation Committee yesterday started to markup a General Revenue Sharing reenactment bill. The subcommittee, by a 7-6 vote, agreed to extend the Act for an additional 3-3/4 years. The extension was a compromise among subcommittee Democrats who wanted the program extended only 1-3/4 years and those who supported the Administration's request for a 5-3/4 year extension. Spending was held at about current levels, but with the proviso that no unit of State or local government would get less than it now receives. The Administration had proposed that spending remain at present levels but that $150 million be added annually for inflation. It appears that the subcommittee's "hold harmless" provision will ultimately cost as much as the Administration's inflation bonus, which the subcommittee rejected.

The next subcommittee markup session has been scheduled for March 16. At that time the subcommittee will review citizen participation, non-discrimination, spending categories and formula. Coincidentally on March 16, city officials from throughout the nation will be in Washington attending the annual National League of Cities - U. S. Conference of Mayors Congressional-Cities Conference. Delegates to the conference will spend that day on Capitol Hill lobbying for the reenactment of General Revenue Sharing.

Secondly, the Senate Public Works Committee yesterday approved a bill authorizing up to $2 billion in grants for job creating public works construction through September 30, 1977. This amount would be available only if the national unemployment rate was 9%, or higher, of the labor force. Under this formula the current national jobless rate of 7.6% would trigger only $1 billion in projects. The bill also authorizes $375 million in job generating local activities financed through EDA. There is an additional $125 million for loans to small business.

The bill approved yesterday is a substitute for the $6 billion public works/countercyclical bill recently vetoed by the President. This bill does not carry a countercyclical provision, or funds for pollution abatement, as did the vetoed bill. It has been reported however, that Senator Muskie will attempt to add these provisions on the Senate floor.

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