

**State Actions 1973:  
Toward  
Full  
Partnership**

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**ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS**  
Washington, D.C. • January 1974 • M-82





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# Preface

From its first years, the Advisory Commission on Intergovernmental Relations has studied the actions of States as they try to deal with the problems of our complex and increasingly urbanized society. The essential balance in the American federal system can only be achieved if there is a continuing process of adjustment in relationships and responsibilities among the levels of government as new intergovernmental problems emerge.

This information report provides a selective summary of State constitutional, legislative, and executive actions during 1973 with emphasis on those with strong intergovernmental

implications. The State actions are summarized in five major categories: government accountability, government efficiency, government capabilities to provide services, local government freedom of action, and government self sufficiency.

For the most part, the report concentrates on areas where the Commission has long-standing recommendations for strengthening the performance of the States, but it contains no new suggestions of a policy nature. It is issued strictly as an information and reference document.

Robert E. Merriam  
Chairman



# Acknowledgements

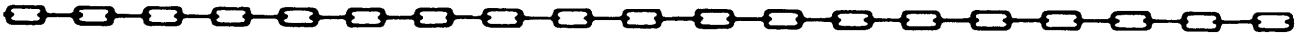
While this edition of *State Action* relied heavily on the Commission's own direct information sources, the job of assembling and verifying the information contained herein still could not have been done without the assistance of many other organizations and individuals.

The ACIR staff drew freely upon the excellent legislative summaries and other information provided by State legislative service agencies throughout the country. We also gratefully acknowledge the information provided by municipal and county league journals, publications of the Council of State Governments, the *National Civic Review*, Commerce Clearing House, and the *Journal of Housing*, and by staff members of a number of Federal and State agencies, the various State and local government associations, and the American Judicature Society. Nevertheless, the Commission readily concedes that some important 1973 State actions may inadvertently have been omitted.

This report was researched by staff member Margaret R. Carvan and written by her in conjunction with Lawrence D. Gilson, Director of Policy Implementation, and Rochelle L. Stanfield, Information Officer. John D. Gambill wrote the chapter on "Government Self-Sufficiency."

William R. MacDougall  
Executive Director





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# Introduction

In a year of growing national political frustration and increasing public skepticism over the performance of all governments, the States, demonstrated their independent vitality in 1973.

States have the constitutional obligation to deal with the issues that most directly affect citizens. States have broad jurisdiction and sufficient power to respond to domestic governmental needs and find enough focus to tailor solutions to regional and local differences. In 1973 the States moved aggressively toward increased responsiveness and concern with domestic political issues. A major reason enabling the States to act independently was the relatively comfortable fiscal position in which they found themselves at the beginning of the year — the result of strengthening their tax bases through politically excruciating tax raises and new taxes throughout the previous decade.

The States often are the first to translate national feelings and desires into concrete legislation or executive action. In response to the challenges for public action in 1973 the States reacted swiftly to the energy crisis without flagging on environmental priorities; adopted ethics codes, disclosure laws, campaign finance measures and open meeting requirements, and improved the equity of their fiscal systems by granting property tax relief and moving toward equalization of school financing.

Each year, ACIR prepares a summary of selected State constitutional, statutory and executive actions. Following are some of the general trends which could be observed during 1973.

The dominant fiscal fact of 1973 was optimism about State budget surpluses made possible by both strong State revenue systems and by Federal revenue sharing programs. By the end of the year the favorable State fiscal outlook gave way to fiscal uncertainty caused by the energy crisis and a slowed economy. But the impact on expected State revenues,

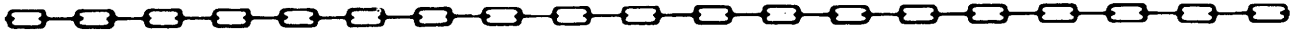
probably will not be fully felt until 1974. In the blush of expected fiscal security many States adopted measures to make their State-local tax programs less regressive.

- Over half of the States took some action on local property tax relief;
- Nine States enacted new circuit-breaker legislation in 1973;
- Ten more States expanded the coverage of existing circuit-breakers during the year.

In a closely connected development, ten States adopted policies designed to equalize school financing despite the “reprieve” from mandatory action on school finance in the *Rodriguez* decision. The expected improvement in fiscal posture also permitted the States to expand their public service delivery/social program obligations during the year.

Nearly every State could point to a major action in 1973 in one or more program areas — health care, housing, transportation, and the like.

As a result of dramatic news about government corruption at the national level and parallel disclosures in **Maryland** and elsewhere, the impetus was strong in 1973 for substantial reform of State laws on public accountability. Over half the States took some serious steps to make government more open and more accountable. In general, reform efforts took one of two forms. Taking the omnibus approach three States dealt in a single bill with the public disclosure aspect of a range of government accountability questions. **Alabama** and **Texas** enacted comprehensive new legislation affecting office holders, candidates and lobbyists. **Washington** State experienced the first significant court tests of a voter approved 1972 disclosure referendum similar to the Alabama and Texas laws.



Most States took the more compartmentalized approach to legislation designed to promote public accountability. Campaign finance received the greatest attention in the press and in the States.

- Thirteen States enacted or amended their campaign finance or disclosure laws.
- Four States, **Iowa, Maine, Rhode Island** and **Utah** established a dollar-check-off procedure on income tax forms as a means of financing a partial subsidy of State election campaigns.

In other related matters

- Six States strengthened lobbying laws to assure that lobbyists register with the State legislature and that the nature of their activities be publicly disclosed.
- Five States enacted codes of ethics for executive and legislative employees.
- Nine States modified their open meeting statutes to help assure the public and the press access to information and meetings bearing on State policy.
- Six States were added to the list of those with some form of judicial qualifications review.

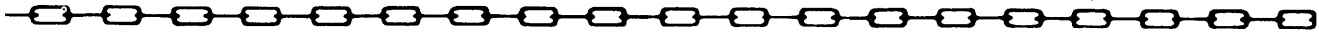
Momentum continues to build for reform of government accountability laws in the States. Numerous States ended 1973 with pending legislation, studies in progress, or citizen action for further State action along these lines. The strong indication is that 1974 will see further substantial reforms of government accountability laws in the States.

States also continued to respond with legislation to another area of major citizen concern. Nearly all States enacted some environmental legislation during the year. Ranging over such topics as protection of the coastline, strip mining and land use, the new legislation places increasing emphasis on planning and, in many cases, on regional approaches to solving environmental problems.

Questions of allocating scarce resources, planning energy conservation, and land use shape up as major concerns of the States in 1974 and the years ahead.

**Ohio** officially created a system of substate regions bringing the total number of States with such systems to 44. **Florida, Louisiana,** and **Maine** made major improvements in the substate district systems during the year.

This summary highlights State actions to increase governmental accountability, efficiency, self-sufficiency and freedom to act. The results of these actions will determine how well the States, counties and cities will be equipped to provide the services citizens need.



# Government Accountability

Public confidence in the integrity of leaders at every level of government plunged in 1973, in part because of the widespread revelations of misdeeds, misconducts, violations of trust and criminal actions. One major reaction by the States was legislation to open government meetings to the people and facilitate public access to public documents, strengthen financial disclosure requirements, upgrade ethics codes and conflict of interest laws, and tighten campaign finance measures. At least 25 State legislatures passed significant laws in one or more of these fields in 1973.

## Regaining Public Trust

**Omnibus Disclosure Laws.** The **Alabama** legislature enacted a far-reaching ethics law (Act 1056, SB1) with stringent financial disclosure provisions for elected and appointed State officials, State employees earning more than \$12,000, candidate-for-office lobbyists and persons doing business with the State. It requires anyone lobbying for a fee to register; forbids former officials from lobbying for a period of five years after they leave office; and excludes former members of the House and Senate from the floor in a lobbying capacity.

An innovative provision subjects State agency heads to "disciplinary action and penalties provided by this act" if they "knowingly have one or more employees on the payroll who are not rendering service for which they are being paid." The offending employee is also penalized. The act provides penalties of \$10,000 in fines and ten years in prison. A provision requiring financial disclosure of newspaper reporters was declared unconstitutional.

The 1973 **Texas** legislature enacted a package of reform measures including ethics, financial disclosure, election campaign financing and reporting, lobby regulations, open meetings, access to public information, and corruption and abuse of office.

The omnibus legislation (HB 6) requires of-



ficials, candidates and lobbyists to file financial disclosure statements. It expands the lobby regulations to apply year-round instead of covering lobbying activities just while the legislature is in session. Lobbyists are required to report the names of any associations they represent.

The campaign finance measure (HB 4) establishes separate State and county election commissions. Under it, any person who makes an unlawful campaign contribution is civilly liable to the State for three times the amount of the contribution. It bars publication of any political advertisement unless signed by the person contracting for the publication. And it makes it unlawful for a corporation or labor union to make campaign contributions directly to a candidate, political committee or campaign manager.

4 The open meeting measure (HB 3) extends the provisions of a previous law to the legislature and its committee, and to additional officials within the executive branch. Another bill (HB 6) simplifies public access to government information.

A major disclosure law went into effect in the State of **Washington** in 1973 (Initiative #276). It had been adopted through the initiative procedure in which citizens draft the bill and petition for a place on the ballot. The electorate voted on the measures at the November 1972 elections.

The measure requires financial disclosure by candidates for office, elected and appointed officials, and lobbyists. It limits the amounts to be spent on campaigns to whichever figure is larger: \$5,000 or 10 cents times the number of votes cast in the constituency in the previous general election or the annual salary of the office sought.

The law also places restrictions on accepting campaign contributions. It requires the registration of lobbyists, and sets a variety of penalties up to a \$10,000 fine. And it simplifies

public access to public records and documents. A Public Disclosure Commission administers the law.

**Open Meetings.** States took action to open government meetings to the public during 1973 in so-called "sunshine laws."

In **Oregon**, one law (SB 15) requires meetings of State executive agencies and departments to be open to the public, unless they deal with personnel matters or judicial proceedings. No final action is to be taken at an executive session. The law further requires advance public notice of the time and place of all regular and special meetings and mandates that minutes be taken and be available to the public. Another new **Oregon** measure guarantees access to public records (HB 2157). The State legislature also proposed a constitutional amendment that would open the deliberations of the legislature itself to the public. It will be placed on the ballot at the next general election (SUR 36).


A **Missouri** sunshine law (SB 1) ordered open meetings, open votes and open records for every State, county, municipal, school, special district or other constitutional or statutory governmental body. A **Minnesota** law (SF 1480) requires open meetings for all State agencies, departments, commissions, other public bodies and each of these committees and subcommittees except when they perform quasi-judicial functions or consider personnel matters.

A **New Hampshire** innovation (HB 323) makes any governmental body that refuses to provide access to public documents liable for court costs and attorneys' fees spent to gain access to the information.

The voters of **North Dakota** will decide on an open meeting constitutional amendment at the September 1974 primary election.

Both Houses of the **Arkansas** legislature modified their rules to require open meetings of all their committees.

**Lobbying Disclosure.** The **Massachusetts**



legislature passed a law (Ch. 981, H 7383) requiring lobbyists to register and report their expenses. Anyone employing a legislative agent is required to register with the Secretary of State. The agent must submit written authorization from the employer and an itemized list of expenses, which are open to public inspection. The law provides that those failing to comply may be prohibited from acting as a lobbyist for the period of three general elections, and fined from \$100 to \$5,000.

Similar **Maine** legislation (Ch. 340) requires that any person who accepts payment to promote or oppose legislation register and report to the Secretary of State on his expenses.

**Nevada** required registration of any person representing any other person for the purpose of influencing legislation; violating the act is a misdemeanor (SB 153).

**Oregon** law (HB 2530) requires registration of lobbyists with the Secretary of State and designates the categories of information about their activities which lobbyists must report.

**Conflict of Interest.** Stiffer conflict of interest provisions were promulgated both legislatively and by executive order during 1973.

The Governor of **Illinois** ordered all executive branch officials and personnel with salaries of \$20,000 or more to file detailed disclosure statements with a three-member Board of Ethics. The statement must disclose: economic interests; State and Federal income tax returns; gifts of \$50 or more except from family; and economic associations with business or professional entities.

An **Ohio** act (HB 55) required public office holders and employees to disclose financial interests and sources of income and holdings; prohibited unethical conduct; and established a six-member Ethics Commission and two legislative Ethics Committees to investigate violations. Exempted are such office holders as school board members and precinct, ward and district committeemen.


A **California** act mandated that candidates and elected State and local officials disclose investments, income, gifts and loans over a specified amount.

The **Michigan** legislature gave statutory authority to an executive order extending the State Code of Ethics to the executive branch. It forbids the public officials or employees from releasing confidential State information that could result in any personal financial benefit; prohibits their acceptance of gifts; and bans special treatment of individuals beyond that available to the public. It also prohibits State officials from representing private interest in State transactions or accepting other employment that would represent a conflict of interest. It establishes a seven-member Board of Ethics to administer these regulations.

The **Maryland** legislature extended the applicability of conflict of interest provisions for legislators to be effective year-round. Another measure directed legislators to report their own and other legislators' conflicts of interests. Financial disclosure provisions were extended to additional appointed State officials.

**Campaign Finance.** More than a quarter of the States took action on campaign financing in 1973. The measures included reporting requirements for candidates themselves, for campaign contributions and expenditures. Six States set up commissions to supervise campaign financing laws. Four States enacted public financing through "dollar-check-off" on State income tax returns (**Iowa** SF 583; **Maine** HB 321; **Rhode Island** HB 6099A; and **Utah** SB 225). Only the **Iowa** law permits specifying party preference.

**Florida** (HB 466) adopted a far-reaching measure, setting limits on both the amount a candidate can spend on a campaign and the amounts of contributions. It requires detailed reporting both of campaign contributions and expenditures, and it set up an independent Elections Commission to enforce the act.



Other States that set limits on the amount candidates could spend on their campaigns included **Iowa** (SF 583), **Nevada** (SB 162), **New Jersey** (SB 1124), and **Wyoming** (Ch. 251). **Massachusetts** called for a study on limiting both expenditures and contributions (HB 1683).

**Hawaii** and **Indiana** required candidates to file campaign financial disclosure statements. Additional States required reports on campaign expenditures (**Maryland** HB 15x; **Nebraska**, LB277; **Nevada**; **New Jersey**; **Virginia**, SB 662; and **Wyoming**) and contributions (**Massachusetts**, HB 1683; **New Jersey**; and **Virginia**). An **Oregon** law (HB 3077) redefined "contributions and expenditures" and provided for accepting out-of-State contributions.

**Florida**, (HB 466); **Hawaii**, (HB 22); **Iowa**; **Maryland**; **New Jersey**, (SB 1124); and **Texas**, each created some form of election commission. The **Hawaii** and **Iowa** boards are empowered to promulgate rules. In general, these commissions are designed to insulate election supervisors from political pressure.

## Direct Democracy

Direct Democracy — the people deciding on their own charters and laws through the referendum process — is another means of assuring government accountability.

No States voted on new or substantially revised basic constitutional documents in 1973. Two States held constitutional conventions, **Rhode Island** and **Louisiana**. Rhode Islanders voted on amendments proposed during a constitutional convention in November, adopting five of seven proposed amendments; the results of the Louisiana convention were submitted to the governor, who is to set a date for a statewide referendum. One **Rhode Island** amendment which would have required a popular referendum at least once a decade on holding a constitutional convention was defeated.

Constitutional commissions in **Alabama**, **California**, **Minnesota**, **Ohio**, **South Dakota** and **Utah** continued to be active in 1973. New commissions convened in **New Hampshire** and **Texas**. The commissions in **Alabama**, **Minnesota** and **Texas** submitted their final reports during the year; **California's** is due in 1974.


In anticipation of an upcoming 1974 **Texas** constitutional convention (convened to revise Texas' 1876 constitution) 97 amendments were proposed in the state legislature. Of these, nine were passed by both houses and submitted to the voters. Six were approved by the voters. This wide range of amendments was intended to serve as preliminary guidance in the 1974 convention.

Twenty-two States took some action to revise their constitutions in 1973. The electorates of 11 States voted on proposed constitutional revisions. They approved 43 of 66 proposals, a 64 percent rate of adoption.

## Consumer Protection

Major State initiatives on consumer protection tapered off in 1973, partly because of steps taken in previous years. However, several important acts were adopted.

At the same time, **Kansas**, **Missouri** and **Wyoming** shielded consumers from high-pressure home-solicitation schemes by providing a three-day "cooling off" period during which a buyer may cancel a home-solicited contract without penalty. The **Kansas** law was part of an omnibus measure, the Consumer Protection Act, (SB 17) that prohibited certain deceptive practices and most disclaimers of warranties, and included enforcement authority. In addition, the State enacted the Uniform Consumer Credit Code (SB 18) which limits abusive credit practices, establishes maximum interest rates, regulates credit life insurance, and provides for consumer credit reporting. The **Wyoming** measure (Ch. 178, HB 217) also shields buyers from false representations



and treats unsolicited merchandise as a "gift." **Missouri's** statute regulates home solicitations sales providing a three-day cooling off period and a procedure for cancellation of sources.

**Connecticut** acted to protect the consumer from "pyramid" sales, in which the buyer is obliged to procure additional customers (SB 2051). **Maryland** (HB 282) strengthened the Attorney General's enforcement powers over consumer protection. A **Texas** (HB 417) Deceptive Trade Practices-Consumer Protection Act enables the consumer to sue and recover treble damages plus attorneys' fees. The **Utah** Consumer Sales Practice Act (HB 186) designates the State Trade Commission as the enforcement authority and established procedures for class action suits.

Meanwhile, several additional States acted on product safety. Electrical consumer products were prohibited from sale in **Maryland** unless marked as tested and safe for use (HB 897). And the Consumer Services Section of the **Minnesota** Department of Commerce was empowered by HF 588 to inspect childrens' toys and articles before they may be put on sale.

**Iowa** acted on land speculation (HF 647) regulating the sale, offer for sale, attempt to sell or lease of land in another State. Finally, **Tennessee** (HB 547) established a Division of Consumer Affairs in the Department of Agriculture and **Rhode Island** (S 484A) set up a legislative commission to study consumer credit financing.

## Equal Rights

Nine States ratified the Equal Rights

Amendment to the U.S. Constitution, (**Connecticut, New Mexico, Oregon, South Dakota, Wyoming, Vermont, Washington, Minnesota, and Nebraska**) bringing the total to 29 or 30, depending on the legality of a recent Nebraska move to rescind its 1973 ratification act. To become part of the constitution eight more States must act before March 1979.

State action on equal rights focused on the rights of women in 1973, primarily alleviating discrimination in credit and financial matters.

**Connecticut** prohibited discrimination in credit transactions on the basis of sex or marital status (HB 8229). In addition, the legislature created a permanent Commission on the Status of Women and strengthened the purview in this area of the Human Rights and Opportunities Commission (HB 8266).

The **Maryland** legislature also prohibited discrimination because of sex or marital status in financial relationships and enumerated the contractual rights of women. **Minnesota** (HF 11) and **Wisconsin** (SB 198) laws prohibited discrimination in obtaining credit on the basis of sex or marital status. While an **Ohio** measure (SUB HB 96) banned discrimination in wages on the basis of sex.

**New Mexico** passed a Community Property Act to define separate and community debt in marriage.

**Utah** (HB 311) spelled out women's rights to equal treatment and service at all business enterprises and State facilities. In addition, **Utah** and **South Dakota** established commissions on the Status of Women.







# Government Efficiency

Our federal system depends heavily upon the performance of State legislative, executive, judicial and administrative functions.

States account for about one-third of all money spent by all governments in the United States. They provide the majority of social services to needy Americans; they write and administer the largest body of laws governing our society; and it is to the States that cities and counties must look for the legal authority to perform their needed functions.

## State Legislative Reform

**Annual Sessions.** Clearly, the pace of public business requires annual meetings of the State legislature both to attend to the State's own governmental agenda and to function as a member of the Federal-State-local partnership. ACIR has been on record in favor of annual sessions since 1967.<sup>1</sup> In 1973, every State except Kentucky held a regular legislative session. Forty-one States now hold annual regular sessions. Of these 34 are required by constitutional provision. Ten years ago only 19 State constitutions had such requirements.

**Ohio** voters approved a constitutional amendment in 1973 that requires annual legislative sessions, providing constitutional backing to a practice that has become custom in the past few years. Another **Ohio** amendment authorized the Speaker of the House or the President of the Senate to call special legislative sessions, in addition to the Governor's prerogative in that area.

The **Washington** constitution provides for a 60-day legislative session in odd-numbered years, with a two-thirds vote of each house required to extend the meeting period. In 1973, the Washington legislature established itself as a continuing body — at least through 1974.

The **North Carolina** legislature scheduled a one-time only "annual" session in 1974 to experiment with an annual budget and other procedures as an alternative to the constitutionally mandated biennial approach (JR 58).



Running counter to the trend, however, the voters of **Kentucky** and **Texas** rejected constitutional amendments for annual sessions.

**Legislative Improvement and Modernization.** To keep pace with the growing complexity of issues facing government, State legislatures are reassessing their committee structures, operating procedures, even the sources and kinds of information on which they base legislative decisions.

As legislatures turn themselves into full-time, professional bodies they need to equip themselves to play an active informal role in fiscal and administrative matters.

**Maine** went to "zero-based budgeting" in which every program comes equally before the legislature at square one. Previously, established programs tended to be given priority treatment. Under the new system, every department head must list each budget item with its priority and budget justification.

The **Oklahoma** legislature created a Subcommittee on Fiscal Operations to work year-round in examining budgets, expenditures and State programs, and set up a system for post-auditing performance. The Fiscal Service Division of the Legislative Council was granted oversight functions to insure that agency programs are carried out according to legislative intent.

The **Mississippi** legislature created a Joint Legislative Committee on Performance Evaluation and Expenditure Review to investigate the expenditures of State agencies to determine how well the agencies are administering their programs. The **Virginia** legislature created a Joint Legislative Audit and Review Commission and **Rhode Island** established the post of Auditor General to report to the legislature and to audit the accounts of all agencies of government outside the legislative branch.

The **Maryland** legislature required legislative committee review of all new State agency rules and regulations that fall within the State

Administrative Procedures Act.

In an attempt to increase efficiency by streamlining its committee structure, the **Arkansas** Senate in 1973 consolidated 25 standing committees to ten, bringing the Senate structure into line with the House of Representatives which accomplished a similar reorganization a year earlier. The standing committees also were designated interim committees and empowered to act between legislative sessions.


The **Washington** legislature modified its procedures so that now the same committee that studies a bill as an interim committee between sessions will be given the assignment to act upon the bill during the legislative session. Proponents believe the new system will not only provide the legislature with time to more carefully study the matter, but also allow the public great opportunity for input into the legislative process.

The two houses of the **Texas** legislature adopted joint rules for the functioning of the 1973 legislature and created a joint committee to study the feasibility of joint house-keeping functions (HB 127).

The **Louisiana** legislature held the first of what is expected to be an annual series of pre-session conferences to acquaint all legislators with the issues before the session and to introduce new legislators to the rules and procedures of the bodies. The topics covered at the 1973 session included fiscal operations, legislative improvement and revenue sharing.

Six States and the District of Columbia have used Intergovernmental Personnel Act grants to finance automated information systems for coordinating legislative activities, modernizing State personnel and manpower information, and processing staff recruitment (**Connecticut, Illinois, Kansas, New York, North Carolina, Tennessee**).

**Legislator Compensation.** As more and more States move to regular annual legislative



sessions and as the demands on legislators' time both in committee and on the floor become greater, it is increasingly important that State legislators be paid a salary sufficient to make outside income unnecessary. It is also important that salary not be a disincentive to prospective candidates.

In 1973, five States both raised legislators' salaries and increased their expense allowances for official duties (**Georgia, Illinois, New York, Wisconsin** and **Wyoming**) while **California, Ohio** and **Washington** increased salaries and **Montana, North Dakota** and **Pennsylvania** hiked expense allowances. In November 1973, **Washington** State voters approved an initiative which limits increases in salaries elected State officials to 5.5 percent. This voided a 1973 law passed by the legislature which raised legislators' pay from its 1965 level of \$3,600 per year to \$10,560.

The voters of **Texas** and **Rhode Island** rejected proposed legislative pay increases.

### **State Executive Reform**

Pursuant to a new Constitutional Executive Reorganization Article 1, the **Kansas** legislature provided for the joint nomination and election of the Governor and Lieutenant Governor, and for four-year terms for the Governor, Lieutenant Governor, Secretary of State and Attorney General. By Executive Order, the Governor reorganized the **Kansas** Department of Social Welfare into a new Department of Social and Rehabilitation Services, headed by a Secretary to be appointed by the Governor with Senate approval. The Department will have three divisions—Social Services, Vocational Rehabilitation and Mental Health and Retardation Services.

**Kentucky's** Governor continued his State government reorganization plan during 1973 with the creation of a new Department of Justice and Education, an Arts Cabinet, and a Development Cabinet. A new Department of Human Resources headed by a Cabinet Secre-

tary will now oversee the State's Health and Welfare Departments. Additionally, a new office of Ombudsman to investigate citizen complaints was created to make the Department of Human Resources more responsive to the public.

To further his efficiency drive, **Michigan's** Governor reduced the size of his office from 300 to 55 employees by transferring most of them to the Department of Administration. Certain functions of the Secretary of State's office were also transferred to the Department of Administration.

The **North Carolina** legislature set up four principal departments — Human Resources, Cultural Resources, Revenue, and Military and Veterans' Affairs — as a first step and model for implementing a complete executive department overhaul called for in constitutional amendments and the Executive Organization Act of 1971.


Governors of at least 13 States had either a statutory or constitutional authority to reorganize their executive branches subject to legislative veto.

### **State Judicial Reform**

**Court Reorganization.** ACIR recommends that the States establish simplified, unified court systems.<sup>2</sup>

By the end of 1973, 13 States had created a simple unified court system with either two or three tiers — one appellate and one or two trial court levels. Seventeen additional States have some elements of a unified system. Three States, **Kansas, South Carolina** and **Wyoming**, have adopted unified plans but await implementing legislation. Unified systems are under study in eight States.

**Utah** overhauled its judiciary. SB 37 established a uniform central administrative system for district, city and justices' courts; provided for an administrative officer to execute all non-judicial court activities; established a Judicial Council to develop uniform administrative



policies; and named the district court chief judge as chairman of the council and supervisor of the system.

**Alabama** legislators passed an amendment to the State Constitution (S 214) which, if approved by the voters, would reform the State's judicial branch. **South Dakota** also created a unified judicial system (HB 907) in accordance with the Judicial Article of 1972.

**Court Administration.** ACIR recommends that all States provide for an administrative office of the State courts, headed by professional administrators in order to remove many administrative burdens from the judges while seeking to expedite the flow of cases through the courts. It further calls for administrative offices for general trial courts in large urban areas.<sup>3</sup>

**New Jersey** passed legislation to streamline and modernize the Administrative Office of the Courts through an automated statewide information system which contemplates integrated information centers in the trial courts with computers assisting in case scheduling, identification of defendant status, and jury management at State, and eventually, local levels. This system is called the Judicial Management Information System (JMIS). An automated data center in the Administrative Office of the Courts will assist the State Supreme Court in resource needs projections, research, planning and general management of the courts.

The **Kansas** legislature mandated with SJR2 a comprehensive study of the State court system to be conducted by the Supreme Court with the cooperation of the Kansas Judicial Council. The omnibus study will include unification and restructuring of the courts; administrative supervision of the courts; selection, tenure, compensation, and retirement of judges and court personnel; appellate review procedures; and financing of the courts. The Kansas legislature also abolished the office

of Justice of the Peace.

**Prosecution.** The **Connecticut** legislature created a new Division of Criminal Justice in the Justice Department to investigate and prosecute all criminal matters in the State courts (HB 8247). The new division is headed by the Chief State's Attorney to be appointed by the Chief Justice of the Supreme Court for a four-year term. The Chief State's Attorney also supervises the district State's attorneys, the officials responsible for coordinating a broad range of criminal justice activities.

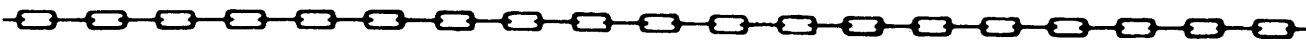
**Easing Court Loads.** Chief Justices in five States issued State of the Judiciary messages in 1973. Each called for some form of judicial reform. In **Kansas** and **Mississippi** the call was for the legislature to create intermediate courts of appeals. The **Michigan, Connecticut** and **New Mexico** Chief Justices requested more appeals and trial court justices.

**Texas** (SB 52) created 14 new district courts to reduce the caseload in the existing courts, and established additional county courts, criminal courts, and domestic relations courts. It also augmented the number of court personnel and increased compensation for judges and other court employees in several judicial districts.

**New Hampshire** law (HB 377) enabled justices of the peace to sit as special justices in order to fill temporary vacancies caused by absence, inability or disqualification of regular justices of the district courts.

The **Iowa** legislature acted (HF 585) to reduce the caseload of district courts by removing indictable misdemeanors from the jurisdiction of full-time judicial magistrates for the year beginning July 1, 1973. Beginning in July, 1974, full-time judicial magistrates will have the authority of district associate judges.

The Governor of **New York** by Executive Order, created 100 temporary Supreme Court Justice positions (not the State's highest court) to deal with the increased case load anticipated



after the enactment of tough new drug laws.

Last year **Hawaii** became the first State to expand the pool from which jurors are drawn to include lists of registered voters, taxpayers or automobile licensees (HB 990). Previously jurors were drawn only from lists of registered voters.

#### **Judicial Qualifications and Discipline.**

ACIR believes that State and local governments should use the merit plan, known as the **Missouri** plan, to select judges and should create commissions on judicial qualifications to investigate charges of misconduct and to recommend censure or even removal of judges.<sup>4</sup> Six States made some changes in their judicial oversight procedures during 1973, bringing to 41 the States that now provide special procedures for dealing with this problem.

**South Carolina** (S 141) provided for a single system for selection of justices and judges and created a procedure for the removal of judges in cases involving misconduct.

**Connecticut** passed legislation creating a Judicial Review Council which is empowered to review complaints against judges with the aid of the State police, county detectives, or State's attorney's investigators when necessary.

**Indiana's** judicial article provides for a Judicial Qualifications and Discipline Commission for appellate court judges. The 1973 laws extended the plan to all State statutory courts including the superior, criminal, juvenile and probate courts, but exempted circuit courts. The original constitutional article was unique in that the same Commission on Judicial Qualifications which reviews judges for purposes of possible discipline and removal also fills vacancies in the appellate courts.

**Wisconsin** (Ch. 256) adopted a Code of Judicial Ethics and set up a Judicial Commission.

**Oklahoma** (SB 83) extended the procedures and criteria for removal, which previously

applied only to State judges, to judges of all State and local courts. Further, it provides that a judge holding office by appointment to a non-elective judgeship must not become a candidate for any judicial office unless he first resigned the appointive position.

**New York** appointed a panel to screen candidates to fill the 100 temporary court judgeships created because of the new drug laws.

**Corrections Reform.** The corrections segment of the criminal justice system has been sharply criticized for the high rate of recidivism. Former prison inmates represent a significant part of the population in the criminal justice process, straining law enforcement, the courts, and the prisons. To break this vicious cycle, many States continued to place a high priority on corrections reform in 1973. ACIR has urged greater emphasis on correctional improvement and rehabilitation since 1971.<sup>5</sup>

Several States dealt with the administrative aspect of corrections reform. **Illinois** adopted a unified corrections system and enunciated rehabilitation goals (SB 72). It also transferred to the Secretary of Corrections, the responsibility for supervision of probationers and parolees; this had previously been under the authority of the Board of Probation and Parole.

**Minnesota's** session provided State aid for joint county efforts at corrections planning and operations (SF 672). And **Maryland** transferred Community Corrections Centers to the State Division of Corrections (SB 562).

Other State actions were directed toward facilities and personnel. **Arkansas** (SB 10) established a Criminal Detention Facilities Board to set minimum jail standards and enforce them with the power to close facilities which do not meet the standards. The **California** legislature established an 11-member Commission on Correctional Manpower Development in the Human Resources Agency to set stand-



ards for recruiting and training correctional personnel and help local law enforcement agencies develop personnel enrichment programs.

Actions in other States were aimed directly at improving the status of inmates. **Maryland** (SB 562) strengthened provisions for handling inmate grievances and **Kansas** established a system of progressive reclassification of inmates' security status. An **Oregon** measure sharply limited medical, psychiatric and psychological experimentation and research on inmates.

**Kansas** (SB 72) and **Minnesota** (SF 672) each established an Ombudsman for their prison systems.

**Oregon** (SB 867) created a State Corrections Education Commission to oversee the academic, vocational, counseling and employment needs of both inmates and employees. **New Hampshire** (HB 847) permitted inmates of county jails and houses of correction to work at municipally owned recreational facilities or on conservation projects. Tennessee extended work-release programs to second-term inmates and **Virginia** authorized furloughs for inmates as well as work-release and outside educational programs. **Arkansas** (SB 75) provides for schools at State penal institutions.

The **North Carolina** legislature established a State policy for juvenile cases which encourages use of community based educational, probational and social services as an alternative to State institutions.

## **Labor-Management Relations**

In the recent years, States have grappled with the dilemma of assuring the performance of needed services while recognizing the needs and rights of public employees. As of 1973, 19 States had enacted legislation covering all State and local employees; 15 States covered only some and 16 had no laws covering collec-

tive bargaining. Twenty States and the District of Columbia have established boards or commissions to administer the laws.

ACIR has called on all States to enact comprehensive public labor-management laws which provide public employers a framework for dealing with their employees.<sup>6</sup>


In 1973, at least nine States adopted or substantially amended public employer-employee relations acts.

A comprehensive **Oregon** law (HB 2263) mandates collective bargaining for State, county municipal and school employees and eliminates the prohibition against strikes except for policemen, firemen and guards at correctional and mental institutions. It also creates an independent Public Employee Relations Board set up to identify unfair labor practices.

The **Vermont** legislature enacted a new bargaining law (H 239) covering police, fire, and other municipal workers and continuing a limited strike right. The legislation provides for mediation, fact finding and voluntary arbitration of impasses, among other provisions.

In **Washington** the legislature enacted two bills. One provides for compulsory arbitration of bargaining deadlocks involving cities over 15,000 population and the larger counties and their uniformed fire and police forces. The second bill makes agency shops mandatory where a majority of employees in a unit so vote.

**Montana** extended the right of collective bargaining to all public employees except teachers and nurses — who were covered under previous laws. **Texas** extended the collective bargaining law to cover firemen and policemen and ordered that collective bargaining sessions of public employees conform to the State's open meeting law (HB 185). A special interim committee was established to study the State's relationship to its employees.



**Rhode Island's** legislature authorized negotiation of agency shop agreements covering State employees.

**South Dakota** legislative amendments add an unfair labor practice section to an existing law and make seeking an injunction against a strike optional whereas previously it was mandatory.

Going against the trend, the Governor of **New Hampshire** "pocket-vetoed" a collective bargaining bill (HB 889) passed by the legislature which would have covered nearly all permanent public employees of the State or any of its political subdivisions. Exempted were elected and appointed officials.

## Regionalism

Many governmental needs can best be met at the substate regional level, smaller than the State but bigger than cities and most counties. Over the last few decades, the Federal government, the States and the localities have established thousands of organizations to plan or administer regional programs. The result has been a hodgepodge of narrow-scope planning agencies, special districts and public ties with little coordination.

In recent years 45 States have organized coordinated substate districts. After a two-year study, ACIR has developed a strategy for substate regionalism that calls for "umbrella multi-jurisdictional organizations" (UMJOs) and sets out some guidelines for local structure reform.<sup>7</sup>

In 1973, at least three States moved into this new area with potentially significant adoptions along these lines.

Pursuant to previous State legislation, the **Florida** Department of Administration established Multi-County Planning Commissions (MCPCs) for each of the State's ten regional planning districts. Each MCPC is to prepare a comprehensive plan for its district by July 1, 1975. The act grants the MCPCs the important

power to review the annual budgets and plans of the special districts in their areas. Further, the MCPCs have broad responsibilities to administer planning programs in such areas as health, public works, manpower, economic opportunity, transportation and pollution abatement. Safeguards for assuring review by local governments and for public hearings are built into the act.

By Executive Order, the Governor of **Ohio** established two types of regional coordinating devices: 11 Service Districts and 15 Planning Regions, to be locally constituted, multi-functional bodies. This two-tier system is designed to cut through 366 overlapping State service districts.

The **Maine** legislature voted to permit the establishment of a Regional Planning Commission by vote of the municipal officers in a region (Ch. 543). It takes at least seven municipalities to form a commission, which has the power to prepare a comprehensive regional plan, coordinate with State and Federal planning and development programs, and provide planning assistance to municipalities.

In addition, **California** established by initiative six new regional commissions for land-use regulation in the coastal zone. **Oregon** (SB 769) provided for UMJOs in metropolitan regions. **Arkansas** and **South Carolina** adopted the Southern Growth Policies Act. And many States acted on regional aspects of individual State or local service delivery issues, such as energy or handicapped children.

<sup>1</sup>See ACIR publication, A-31, *Fiscal Balance in the American Federal System*, October 1967.

<sup>2</sup>See ACIR publication, A-38, *State-Local Relations in the Criminal Justice System*, August 1971.



<sup>3</sup>See ACIR publications A-38 and M-63, *Court Reform*, July 1971.

<sup>4</sup>See ACIR publication A-38.

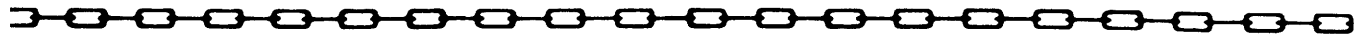
<sup>5</sup>See ACIR publication A-38.

<sup>6</sup>See ACIR publication A-35, *Labor-Manage-*

*ment Policies for State and Local Govern-*  
*ment*, September 1969.

<sup>7</sup>See ACIR publication A-43, *Substate Re-*  
*gionalism and the Federal System*, October  
1973.





# Government Capabilities to Provide Services

The provision of services, from long-range planning to day-to-day garbage collection, is the heart of State government. And it is in the functional areas that many States have begun to demonstrate renewed responsibility and leadership through assumption of new programs and assistance to localities. Much of the burden still falls on local government, but a definite trend toward greater State aid is noticeable.

## Energy


Long before it made national headlines, an impending energy crisis became apparent at the State and local levels. In early 1973, Governors and legislators began to act.

**Minnesota** legislation (SF 615) empowered the Governor to require any supplier or energy producer to provide information concerning the supply or distribution of energy sources within the State. Every six months, each energy supplier in the State must file a statement indicating any changes anticipated during the upcoming six-month period.

SF 2115 authorized the **Minnesota** Environmental Quality Council to select power plant sites and transmission line corridors. Each major utility within the State was required to make 15-year forecasts of power needs and to prepare five-year development plans to aid insite selections.

**New Jersey** (S 2075) created a 12-member Energy Crisis Study Commission to study thoroughly and recommend energy conservation legislation to the Governor and the legislature. The law directs the Commission to ascertain increased energy demands for the State, evaluate the efficiency of energy producing facilities, investigate rate structures, make environmental impact studies, and minimize increases in rates to smaller residential users.

**Oklahoma** (SB 386) created a 30-member Oklahoma Energy Advisory Council to assist in the formulation of a State energy policy giv-



ing equal priority to the development and conservation of the State's energy and water resources, and to the maintenance and improvement of the natural environment.

In **Oregon**, SB 424 ordered the Public Utility Commissioner to study the energy problem and report to the legislature by January 1, 1975.

## Environment

State action to protect the environment did not wane significantly in 1973, despite the heavy activity in this area in previous years and notwithstanding the energy crisis. At least half the States took steps to strengthen their environmental laws in 1973.

A new trend emerging at the State level was the requirement that proposals for projects that could endanger the environment be accompanied by "impact statements," an existing requirement for Federal projects. At least five States mandated these statements, **Connecticut** (SB 2069), **Delaware** (S 218), **Maryland** (SB 689), **Minnesota** (SF 1160) and **Virginia** (H 1541). The legislation generally includes authorization for the State agency receiving the statement to issue or withhold permits for the project.

**Maine** law (Ch. 428) gathered the State's various environmental and recreation agencies into a Department of Conservation to be headed by a commissioner with substantial coordinative and supervisory powers. In other efforts to consolidate and coordinate the administration of environmental quality: **Minnesota** legislation (SF 1160) established an Environmental Quality Council composed of seven agency heads and four private citizens; **Wyoming** action (SF 135) created a Department of Environmental Quality with divisions of air, water and land; and **Arkansas** created an environmental Preservation Commission (HB 76).

The **Idaho** legislature empowered the State Environmental Protection Agency to issue per-


mits and administer Federal pollution control programs (HB 1585). An **Oregon** measure (SB 77) strengthens existing laws controlling air, water and noise pollution and solid waste disposal. And **South Carolina** legislation (H 707) extended the purview of the Pollution Control Authority to all aspects of the environment.

Several States strengthened their strip mining laws. A new **North Dakota** act requires submission of a reclamation plan to the Public Service Commission which is authorized to issue permits — or to deny them for various ecological reasons. S 244 in **South Carolina** requires submission of reclamation plans and plans to protect the surrounding environment before a permit to strip mine is issued. **West Virginia** extended its strip mining prohibitions to areas not previously mined (H 1055). And **Maryland** entered into the Interstate Mining Compact (HB 304).

Additional States acted on solid waste disposal. HB 8849 in **Connecticut** established the Connecticut Resources Recovery Authority to implement a statewide program of solid waste management services; the authority is authorized to foster interlocal cooperation in this field. **Maine** law (Ch. 387) requires each municipality to provide a solid waste disposal facility. And **Kansas** (SB 467) enabled cities of any size to do so. House Bills 150 and 151 in **New Hampshire** set up a commission to develop a solid waste disposal and resource recovery approach for the State.

Preserving coastal and wetland areas received some attention from coastal States in 1973. **Delaware** now requires impact statements before permits can be issued for projects affecting the State's wetlands (S 217). **Alabama** legislators adopted S 311 which creates a board to prepare and oversee a coastal area preservation and enhancement program.

In other developments: **Iowa** substantially increased the penalties for non-compliance with Federal water pollution control regula-



tions (HF 405); **Alabama** levied a forest products severance tax (H 860) and exempted air and water pollution control devices from the ad valorem tax (H 1214); **Texas** (HB 1502) mandated a thorough review of all existing State environmental laws to lead to new legislation in 1974; and Missouri ordered the use of recycled paper in all government offices (HB 384). **Minnesota** enacted an "environmental bill of rights" (HF 1001) which makes a general State commitment to protect the environment. Meanwhile, the Governor of **New Hampshire** vetoed a bill which would have facilitated citizen suits to protect the environment.

### **Land Use and Long-Range Planning**

ACIR sees effective planning for growth as a shared responsibility of all levels of government. The Federal government should develop a national urbanization policy to assure that Federal programs do not operate contrary to National goals. States should develop their own growth policies to complement the National policy; as well as do comprehensive planning for the State and encourage and oversee planning at regional and local levels. Detailed planning in most cases should be done at the regional and local levels.<sup>1</sup>

Intelligent land-use planning is essential to achieve both the conservation of the environment and the enhancement of the quality of life. ACIR has recognized this and called for strengthened land-use planning at the State and local levels. Over the past five years, many States have taken initial steps — and a few States have gotten to the implementation stage.

In 1973, **Vermont** advanced along a path begun in 1970 with its ground-breaking Act 250, the Land Use and Development Act. That law established a State Environmental Board and eight District Commissions to regulate

commercial and industrial development. It also calls for a series of actions looking toward comprehensive land-use planning. In 1973, the legislature took one of these steps in Act 85, the Capability and Development Plan Act (C&D), by setting out specific criteria and guidelines for "the proper use of lands in the State whether for forestry, recreation, agriculture or urban purposes." The next step — expected in 1974 — is adoption of the actual land-use plan to implement the C&D plan. Decentralization is basic to the **Vermont** concept of land-use planning. The eventual land-use plan is to be implemented primarily at the local level through subdivision and zoning regulations. The State will only act in cases involving areas of ten acres or more unless the local governments fail to act.

**Oregon** (Ch. 80) created a Land Conservation and Development Commission to develop and implement statewide planning goals and guidelines — with which State agencies, planning districts, cities, counties and special districts must comply within one year after adoption. It lodged responsibility for local planning at the county level except for cities of over 300,000 population but authorized State action in localities that do not participate. Interlocal cooperation for planning was encouraged. The law authorized the State commission to issue and enforce permits required for projects of statewide significance. The law also established a Department of Land Conservation and a Joint Legislative Committee on Land Use to advise and assist the work of the department.

In other measures, **New Hampshire** legislation strengthened control over subdivision development (HB 73); centralized land acquisition procedures for the State (HB 508); and created an open space and study commission (HB 504). **Utah** also adopted legislation to control subdivision development (SB 105). and **South Dakota** and **Wyoming** mandated studies of land-use planning.



Meanwhile, **Arkansas** (HB 76), **Illinois** (HB 966), **Iowa** and **Oregon** acted to preserve open spaces by establishing "natural areas" systems within the State or providing funds to purchase land.

Two **West Virginia** enactments strengthened planning at the local level: H 920 authorized cities to set up development departments and transfer the planning functions of independent municipal agencies to them; H 1120 required that all proposed structures conform to the relevant municipal or county comprehensive plan in order to receive a building permit.

**North Carolina** enabled counties to establish planning authorities singly or in combination with other jurisdictions — a power formerly provided only to cities, (H 329).

An **Idaho** law (S 1047) redrew park and recreation district boundaries to conform with uniform State planning and development regions.

The **Hawaii** legislature created a permanent State Commission on Population and Planning to study population movement and distribution, State agriculture capacity, regeneration of natural resources, and recycling wastes (SB 37). **Minnesota** established a 40-member Commission on Minnesota's Future and charged it with preparing a State growth and development strategy (Ch. 741, HF 1000).

## Housing

Over the years, ACIR has urged Federal, State and local actions to rehabilitate and renew urban areas; assure equitable relocation programs; increase the diversity of types of houses and prices; improve building technology, standardize building codes and strengthen building inspection programs.<sup>2</sup>

In 1973, the **Minnesota** legislature adopted a broad package of 22 housing acts. Several measures broaden the powers of the State Housing Finance Agency to enable it to use conventional mortgaging procedures and to re-

move the requirement that all mortgages be Federally insured (HR 1581, 1388). SF 1930 broadened State authority to make rehabilitation loans and HF 1557 authorized \$45.4-million in urban renewal bonds. HR 606 required all public and private bodies to provide for relocation assistance similar to the 1970 Federal Uniform Relocation Assistance Act.

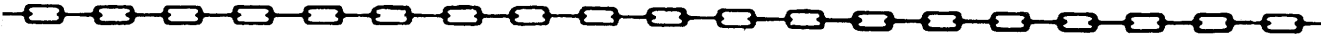
Additional **Minnesota** legislation went far to improve tenants' rights, requiring landlords to return security deposits with 5 percent interest within two weeks of the termination of residence, or state in writing the reason for withholding it (SF 965). HF 1059 increased tenant power to remedy substandard housing. And HF 586 required notification before automatic lease renewal clauses could take effect.

Finally, two **Minnesota** measures established incentives for private construction (HF 1681, SF 2113).

The **Colorado** legislature created an independent Housing Finance Authority to review and approve all housing development proposals to be financed by revenue bonds. **Oregon, Rhode Island, South Dakota** and **Tennessee** took similar action. Thirty-one States now have Housing Finance Agencies. Three States, **Alabama, California** and **Texas** considered and rejected Housing Finance Agencies in 1973.

A **South Dakota** measure, SB 162, created a State Housing Development Authority to supervise housing construction throughout the State. And **Oregon** legislation (HB 2909, C 672) allows the governing bodies of city and county housing authorities to consolidate.

A number of States dealt with the problem of building codes. A **Rhode Island** act set up a 17-member committee to formulate and administer a State Building Code (S 389A). **Oregon** legislation (C 834, SB 73) authorized the Director of Commerce to adopt, publish and administer building code regulations. Permissive **South Dakota** legislation (SB 113) en-



abled municipalities to adopt a uniform building code. HB 1081 in **Colorado** authorized county governments to adopt building codes for unincorporated areas. And **Kansas** and **Tennessee** ordered studies of building codes, looking toward a State code. **New Hampshire** (SB 235) and **Oklahoma** (HB 261) set construction standards for certain public buildings.

Eleven States adopted some form of relocation assistance during 1973. They were **Arkansas** (HB 18), **Kansas** (SB 63), **Maine** (Ch. 22), **Maryland** (HB 891), **Minnesota** (Ch. 604), **New Hampshire** (HB 338), **Oregon** (SB 395), **South Carolina** (S 467), **Texas** (HB 606), **West Virginia** (S 221), and **Wyoming** (SB 169).

## Transportation

ACIR has called on States to develop mass transportation plans and to assist in areawide transportation planning and development. It has urged States to permit the flexible use of highway-user revenue, to achieve balance among transportation modes, especially in large urban areas.<sup>3</sup>

The 1973 **Oregon** legislature adopted a comprehensive package of transportation measures. HB 3166 established the Oregon Transportation Commission to supervise and control the Department of Transportation and consolidated several agencies under the Director of Transportation. The legislature proposed a constitutional amendment to free highway trust funds for use in public transportation, subject to referendum in May 1974. In HB 2276, **Oregon** provided financial aid to cities, counties and transit districts for public transportation and directed the Department of Transportation to prepare an omnibus public transportation program. HB 2170 authorized mass transit districts to provide services to local governments. The same bill calls for cooperation with the State of **Washington** where appropriate. Finally, SB 209 established coun-

ty service districts to finance the development and enforcement of public transportation plans.

**Connecticut** also increased the flexibility of transportation funding by merging all transportation money into a single State Transportation Fund (SHB 8064). The act requires that a minimum of 10 percent of the fund be used for mass transportation in fiscal 1976-77; at least 15 percent in fiscal 1977-78 and 20 percent thereafter. Another **Connecticut** consolidation measure, SSB 1847, combined all long-range highway and master transportation plans into one single master plan.

**New York** updated its Statewide Master Plan for Transportation, recommending high speed rail passenger service, airport and bus service improvement of existing highways rather than development of new routes.

In **Utah**, HJR 25 authorized a comprehensive study of all modes of transportation and various approaches to coordinate them.

Several States strengthened their mass transit provisions. SF 448 in **Iowa** permits cities, towns, counties and school districts to join together to establish an urban mass transit system. **Illinois** legislation (HB 1012) authorizes local mass transit districts to serve municipalities and counties if the policy boards of each agrees. **Illinois** also has a one-year omnibus mass transit and commuter railroad aid program for \$23-million in 1973 (HB 89). **Texas** established a Mass Transit Authority to set up a coordinated mass transit system in the Houston metropolitan area (SB 642). And **New Hampshire** legislation (HB 1028) created a New Hampshire Transportation Authority to promote and provide mass transit.

**Massachusetts** legislation provides for subsidizing mass transit in major urban areas. A **Missouri** act allows major cities and counties to levy an additional sales tax for public transportation. And **Texas** empowered cities to set public transportation rates, based on the need to maintain a certain level of service.



## Health

As part of a reorganization begun in 1970, **California** consolidated the Departments of Public Health, Mental Hygiene and Health Care Services into a single Department of Health, which should eliminate 1,000 middle-management jobs, by attrition, in the next two years.

**Tennessee** required a certification of need before health facilities could be constructed or expanded. The Health Facilities Act of 1973

(HB 782) set up a health facilities commission to monitor the certification process. And **Arkansas** (HB 714) authorized multi-state agreements to provide for mental retardation.

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<sup>1</sup>See ACIR publication A-32, *Urban and Rural America*, April 1968.

<sup>2</sup>See ACIR publication A-32.

<sup>3</sup>See ACIR publication A-4, *Intergovernmental Responsibilities for Mass Transportation Facilities and Services*, April 1961.



# Local Government Freedom of Action

Local governments are the children of the States — but for many years State paternalism — laws restricting local revenue raising authority as well as local ability to act in many functional areas — hampered local initiative and hindered county and city ability to provide needed government services.

Over the past decade, this situation has begun to change as the States have conducted local government studies; granted home rule to cities and counties; permitted the people of a city or county to choose from several optional forms of government; and adopted procedures to strengthen viable local governments and discourage non-viable units. ACIR has been in the forefront recommending this development.<sup>1</sup>

## County Reform

One of the most impressive bootstrap operations of the last dozen years has been the modernization of county governments. More States are permitting counties to expand their role from being mere administrative arms of the State to becoming policy-making governments able to perform urban services.

In **Minnesota**, SF 211 enabled counties to choose among five optional forms of county government: elected county executive, county manager, chairman of the board-at-large, county auditor-administrator and county administrator. Each county contemplating a change must first establish a county government study commission and then hold a public referendum to decide the preferred form.

**Michigan** law (PA 139) enables county governing boards to change to an elected county executive or council-manager form of government. A referendum is optional.

Other legislation strengthened county authority to perform services. HB 1245 in **Colorado** authorizes county boards to establish subordinate taxing areas in unincorporated areas as a means of providing services to just



those sections of the county. Another measure (HB 1078) permits counties to lease and exchange real or personal property. A similar law in **Alabama** (H 1004) empowers counties to enter into contracts and agreements with other levels of government. Additional measures extended county power in a specific functional area: **Kansas** (HB 1342) allows county housing programs; and (HB 1082) allows county sewer districts; **Minnesota** (SF 1353) allows community based correctional services; **South Carolina** (H 1869) allows county hospital facilities; and **Tennessee** (HB 848) allows county medical services for the needy. **Arkansas** (SB 269) granted the authority to counties and municipalities to own, construct or lease pollution control facilities.

On the negative side of the ledger there was no city-county consolidation during 1973. At least four such consolidations were defeated during the year. They involved Wilmington and New Hanover County in **North Carolina**, Albuquerque and Bernalillo County in **New Mexico**, Tallahassee and Leon County in **Florida**, and Savannah and Chatham County in **Georgia**.

### **Municipal Home Rule and Reform**

Home rule legislation was meager in 1973. **Delaware**, **Rhode Island** and **Texas** validated home rule charters for certain of their cities.

**Minnesota** (Ch. 23) enacted a combined city-village code to govern all non-home rule cities, villages and boroughs and limited the status of cities to either home rule charter cities or

statutory cities. And **South Carolina** (S 102) eliminated a population requirement for cities permitted to adopt the council-manager form of government.

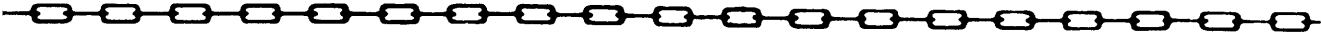
### **Local Government Studies**

State activity on local government study commission was also sparser in 1973. **Georgia's** Governor's Study Committee on State and local government recommended changes in local and State government in 1973. **Tennessee** created a statewide 15-member local government study commission to study reform of local government structure and functions (HB 438). **Illinois** created a temporary commission to study township government (HB 1275). The **Minnesota** legislature created government study commissions for Ramsey County (SF 1797) and a charter commission for St. Louis County (SF 1540). The **California** Local Government Study Commission continued its work toward recommendations in 1974.

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<sup>1</sup>See ACIR publications A-5, *Governmental Structure, Organization and Planning in Metropolitan Areas*, July 1961; A-12, *State Constitutional and Statutory Restrictions Upon the Structural, Functional and Personnel Powers of Local Governments*, October 1962; A-34, *State Aid to Local Government*, September 1969; M-72, *Profile of County Government*, December 1971.





# Government Self- Sufficiency

The ability of a State to respond to local needs is dependent on its own fiscal strength. In 1973, States demonstrated their fiscal strength.

During the 1960s, when the States began to play a larger role in functions that traditionally have been local responsibilities, practically every State found it necessary to raise existing tax rates or enact new taxes year after year. One positive result of the flurry of State taxation was strengthened tax systems. By 1971, 40 States had a full-fledged personal income tax, 45 States had a broadbased general sales tax, and 36 States included both major levies in their tax systems.

Current ACIR research in State revenue indicates that the amount of the increase due to growth in the economy in fiscal 1973 was greater than the total amount of the increase in State revenue from both growth and legislative action in many previous years. With the recent inflation, personal income tax collections grew steadily as a percentage of total tax revenue. Sales tax collections grew slightly as a percentage of total tax collections from all sources excluding personal income (*Table 1*). Actual changes in State income and sales tax rates were few in 1973 (*Table 2*). Economic growth, inflation, and the advent of general revenue sharing enabled all but two States to close their fiscal year with a balanced budget or a surplus.

With the revenue problem solved for the moment, State legislatures in 1973 focused on equity in two related tax and spending areas: property tax relief and school finance equalization. Thirty States took some action on property tax relief in 1973 — with the result that every State now has some form of property tax relief program and the number of States with State-financed “circuit-breaker” type relief rose from 13 to 22. At least ten States took major action on school finance. Wisconsin adopted a major package that restructured State-local fiscal relations.



*Table 1*  
**Individual Income and General Sales Taxes in State Revenue Systems, 1971, 1972, 1973**

	Fiscal Years		
	1971	1972	1973
	<b>Amounts (millions of dollars)</b>		
Total State Tax Collections	\$51,541	\$59,870	\$67,939
Individual Income Tax	10,153	12,996	15,598
General Sales Tax	15,473	17,619	19,709
	<b>As a Percent of Total Collections</b>		
Individual Income	19.7	21.7	23.0
General Sales	30.0	29.4	29.0
Individual Income Plus General Sales	49.7	51.1	52.0
	<b>As a Percent of Total Collections Excluding Individual Income</b>		
General Sales	37.4	37.6	37.7

Source: U.S. Bureau of the Census, *State Tax Collections in 1973*. (G.P.O. 1973) Table 1.

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*Table 2*  
**Rate Changes in Broad-based Personal Income and Sales Taxes**

<b>Income Tax</b>		
California	reduced head of household rates	Ch. 1180; A.B. 6
Delaware	increased rates by about 10% in every bracket	Ch. 152; H.B. 547
Nebraska	legislature set 1973 rate at 13% of Federal income tax rather than the 15% previously set by the State Board of Equalization and Assessment. Board subsequently set 1974 rate at 11%	L.B. 10
New York	suspended 2.5% surcharge for one year	Ch. 345; H.B. 7559
North Dakota	increased rates in the lowest income brackets and decreased rates in the highest	Ch. 465; H.B. 1537
Utah	adopted Federal taxable income as tax base and revised rates accordingly	Ch. 147; S.B. 29
<b>Sales Tax</b>		
California	postponed scheduled increase to 4.75% (from 3.75) for one month (from June 1 to July 1, 1973)	Ch. 67; A.B. 137
	reduced rate to 3.75% for six months (October 1, 1973 to March 31, 1974)	Ch. 296; S.B. 90
Connecticut	reduced rate to 6.5% (from 7.0%)	Act 288; S.B. 2373
Indiana	raised rate to 4% (from 2%), but exempted grocery food	P.L. 47; H.B. 1143
Tennessee	extended 3.5% (rather than 3.0%) rate by one year	Ch. 239; H.B. 60

Source: ACIR compilation from CCH, *State Tax Guide*.



## Wisconsin's Major Fiscal Package

The **Wisconsin** budget bill (Ch. 90: AB 300) dealt with State-local fiscal relations on a broad front. The legislation encompassed issues such as property tax relief, school finance reform, assessment practices, limitation on local tax rate increases, aid to local general governments, and State assumption of most welfare costs.

Wisconsin, which had pioneered with the circuit-breaker in 1964, expanded its coverage and benefits to provide relief to homeowners and renters of all ages with incomes up to \$7,000. People whose total household income is less than \$3,500 will receive a credit against their income tax for eighty percent of their property tax (and a refund for that part of the credit not used to offset income taxes otherwise due). People with higher incomes receive a smaller credit. Renters use 25 percent of rent as the presumed property tax payment in determining relief under this act.

The legislature adopted a major restructuring of the system of financing schools aimed at equalizing fiscal resources between districts. Several forms of State assistance to education that were distributed across-the-board (including flat grants and employer contributions to social security and retirement funds) were eliminated and the funds thereby released, together with new funding, were used to underwrite a program designed to guarantee equal expenditure per student for equal fiscal effort. When fully phased in, this program will provide for a "recapture" from districts with abnormally large fiscal capacity.

The State provided for several improvements in property tax administration, including:

*State Assessment of Manufacturing Property* — Beginning January 1, 1974, all manufacturing property in the State

will be assessed by the State rather than by local assessors;

*County Assessment* — Counties may adopt a system of county assessment by a 60 percent vote, (Assessment is currently the function of the city, village or township.) if such systems are adopted, the State will provide 75 percent of the funding with the counties contributing the remaining 25 percent;

*Certification of Local Assessors* — the State will assume 50 percent of the cost of the local assessment functions in the case of municipalities in which the local assessors have been certified; and

*State Assumption of Local Office Costs* — the State will assume office costs of the Supervisors of Assessments.

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The State legislature also adopted a local levy limitation under which municipalities and counties are limited by one of the following options:

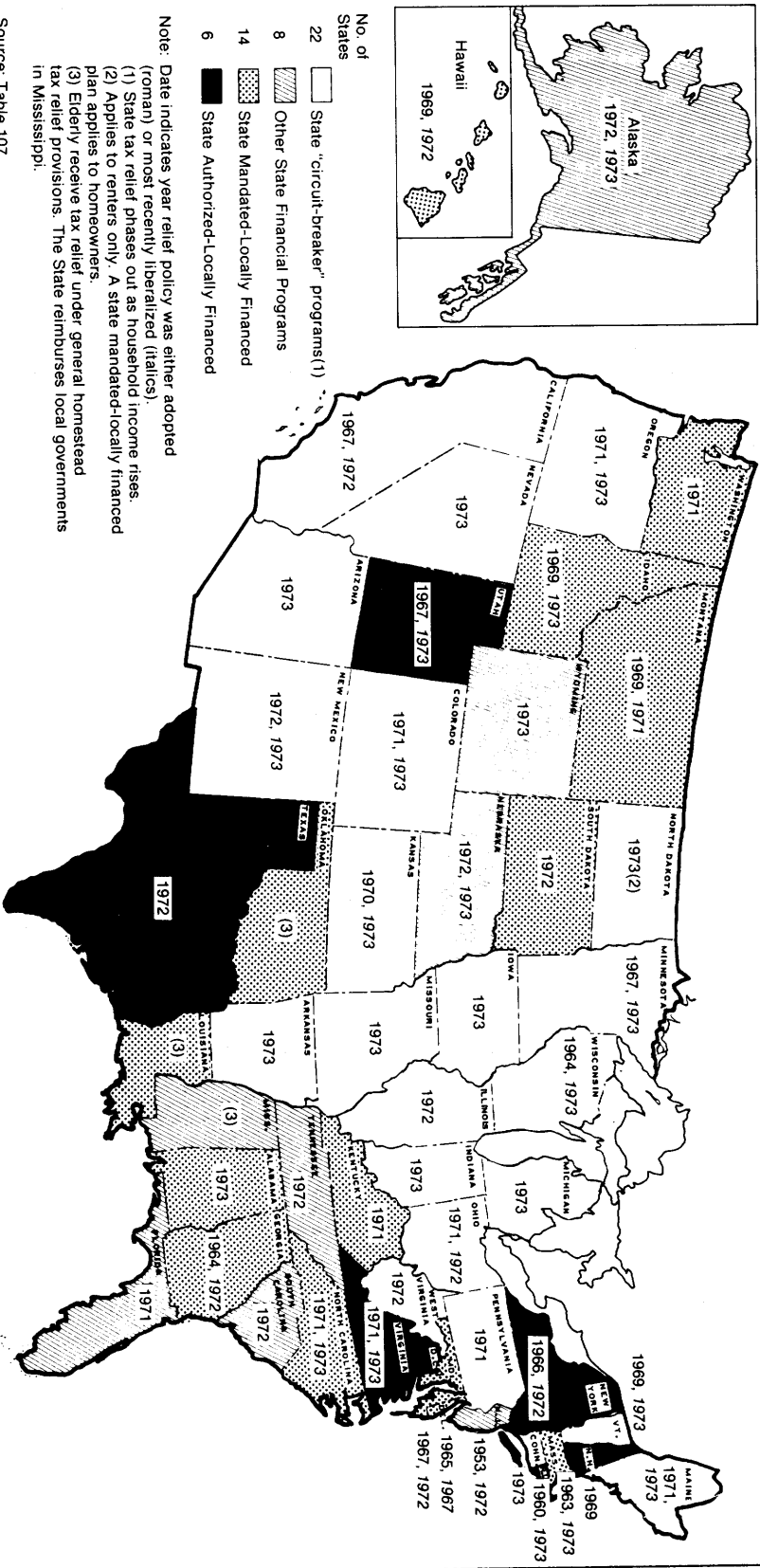
1974 municipal levies cannot grow at a greater percentage than the State's full value has grown between 1972 and 1973 (unless there has been above average population growth).

In the event that the above restriction limits total expenditures in 1974 to less than 106 percent of the 1973 total, expenditures may be further increased until they are at least 106 percent of the 1973 total.

## Tax Equity

ACIR has recommended that States adopt programs to shield basic family income from undue burdens imposed by property and sales

**Figure 1**  
**Principal State Property Tax Relief Policies For**  
**Homeowners and Renters**  
**Growing State Concern**



No. of States

22 State "circuit-breaker" programs(1)

8 Other State Financial Programs

14 State Mandated-Locally Financed

6 State Authorized-Locally Financed

Note: Date indicates year relief policy was either adopted (roman) or most recently liberalized (italics).  
 (1) State tax relief phases out as household income rises.  
 (2) Applies to renters only. A state mandated-locally financed plan applies to homeowners.  
 (3) Elderly receive tax relief under general homestead tax relief provisions. The State reimburses local governments in Mississippi.

Source: Table 107

taxes. In particular, ACIR believes that the cost of the property tax relief be borne by State rather than local governments and has advanced the circuit-breaker technique as the most efficient and effective way of providing relief.<sup>1</sup> Like the electrical device for which it is named, the circuit-breaker prevents a family's property tax from exceeding a percentage of income that the State legislature considers an "overload." The actual relief, generally in the form of a credit against a State personal income tax liability or a rebate administered by State agency, protects those hard-pressed by the property tax without interrupting the flow of local property tax revenue or interfering with proper assessment practices. The two essential characteristics of the property tax circuit-breaker are that it be State-financed and that it phase out as income rises.

Circuit-breaker programs were adopted in nine States in 1973: **Arizona** (Ch. 182; HB 23111), **Arkansas** (Act 63; HB 10), **Indiana** (PL 50; HB 1144), **Connecticut** (Act 650; SB 2432), **Iowa** (Ch. 251; SF 376), **Michigan** (Act 20; HB 4207), **Missouri** (Conference Committee substitute for HB 149; 417, 425, 471, and 47), **Nevada** (Ch. 702; SB 31), and **North Dakota** (Ch. 448, HB 1314). In Arizona,

Arkansas, Missouri and Nevada, this was the first time property tax relief legislation had been enacted. In the other States, the circuit-breaker replaced or supplemented previously existing programs. This brings to 22 the number of States having circuit-breakers (*Table 3*).

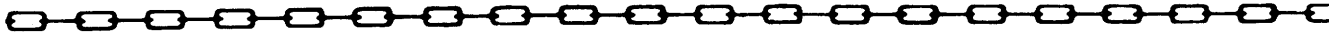
Seven of the new programs extend tax relief to both homeowners and renters. The Arkansas program applies only to homeowners. In North Dakota the circuit-breaker applies only to renters, while homeowners get relief under the more traditional homestead exemption approach. Ten of the 13 States with circuit-breakers at the beginning of the year liberalized them in 1973.

Most circuit-breakers apply only to elderly, low-income families. This year, however, several States expanded the concept by applying it to persons of all ages. Michigan's circuit-breaker provides relief for all homeowners and renters, regardless of age or income, whose property tax exceeds 3.5 percent of total household income. The allowable credit equals 60 percent of that excess (up to a \$500 ceiling). The elderly in Michigan receive circuit-breaker relief under a more generous schedule.

*Table 3*  
**States With Property Tax Relief Plans for the Elderly\***

Kind of Relief	Number of States on January 1		
	1970	1973	1974
State-Financed Circuit-Breaker	4	13	22
State-Financed Other Plans	8	11	8
State-Mandated Locally-Financed	12	15	14
State-Authorized Locally-Financed	4	6	6
<b>TOTAL</b>	28	45	50

\*A State having more than one kind of program is counted in the highest applicable category.



**Vermont** (Ch 81; HB 155) and **Wisconsin** made extensive revisions in their circuit-breakers to extend protection to persons of all ages. **Oregon** (Ch 752; HB 3248), which already provided tax relief to homeowners regardless of age, extended its program to renters and changed its refund formula.

Three States, **Alabama** (Act 1000; HB 388) **West Virginia** (HJR 7, November Constitutional Amendment), and **Wyoming** (Ch. 229; HB 145) adopted homestead exemptions, and other States modified various existing programs of property tax relief.

**Sales Tax Credits and Exemptions.** The States have developed two methods to reduce the regressivity of the sales tax: exempt from the tax base certain items such as groceries and medicines for which lower-income persons spend a greater fraction of their income than higher-income persons; or provide a credit against the income tax or rebate to compensate for the payment of sales tax on such items. The exemption has the advantage of being more direct and more easily explained. The credit treats persons of equal incomes alike regardless of what they choose to purchase, costs less for the same benefit to lower income persons, and avoids the problem of issuing detailed lists of what does or does not constitute food or medicine. This last feature, in turn, reduces the amount of tax evasion.


Three States, **Indiana** (PL 47; HB 1143), **Louisiana** (Act 13; HB 17), and **North Dakota** (Ch. 465; HB 1573) acted to exempt food from the sales tax in 1973. North Dakota previously had exempted a limited range of food items. Louisiana previously had taxed food at a lower rate. Indiana previously had provided an \$8 per capita credit against the income tax to compensate for the inclusion of groceries in the tax base; the credit was repealed when the food exemption was enacted. **Utah** (HB 2 First Special Session), in contrast, enacted a \$6 per capita credit.

**Income Tax Exemptions or Credits.** Seven States increased or created personal income tax exemptions or credits in 1973. **Michigan** (Act 20; HB 4207) increased its personal and dependency exemptions to \$1,500 (from \$1,200). **Mississippi** (Ch. 504; HB 736) increased its personal exemption to \$4,500 (from \$4,000) for single persons and to \$6,500 (from \$6,000) for married persons and heads of families, and provided a new \$750 exemption for other dependents and for aged and blind taxpayers and spouses. **Ohio** voters adopted a constitutional amendment (SJR 9) that removes the limit on the number of personal exemptions per return. **Wisconsin** (Ch. 90; AB 300) increased its personal exemption credits. **Idaho** (Ch. 326; HB 319) provided an additional \$5 per capita credit. **Arkansas** (Act 4; SB 60) acted to exempt low-income persons from the income tax. **California** (Ch. 296; SB 90) created a one-time (1973) credit that reduces income taxes on a sliding scale, eliminating all taxes for individuals with incomes less than \$4,000 and couples with incomes less than \$8,000.

## School Finance and Welfare

An upward shifting of the responsibility for the financing of two key functions, welfare and educational costs, is the thrust of several ACIR recommendations. In particular, ACIR has recommended that the Federal government assume the total cost of financing all public assistance including medicaid and general assistance and that the State government assume substantially all responsibility for financing public schools in order to improve equality of educational opportunity and to remove the burden of the local school property tax.<sup>2</sup>

**Hawaii** continues as the only State in which education is entirely State-financed. Ten States made significant modifications in their school aid programs during 1973: **Colorado**



(HB 1562), **Florida** (Ch. 73-345; HB 734), **Illinois** (P.A. 78-215; HB 1484), **Kansas** (Sub SB 92), **Maine** (Ch. 556), **Michigan** (Act 101; SB 110), **Montana** (HB 428), **North Dakota** (SB 2026), **Utah** (Ch. 109; SB 72), and **Wisconsin** (Ch. 90; AB 300).

Although these alterations in school financing systems differed considerably among the various States, several policy thrusts stand out. Nine States made complete or partial use of the power equalization concept, the principle that equal school tax effort should produce equal revenue per student. Four of these States made some provision for recapture of local school revenue in excess of the guaranteed revenue per student. Seven States upped the ratio of State to local support of education. In Colorado, Kansas and Maine, State support rose from less than one-third to approximately half of total elementary and secondary school support. In North Dakota the State proportion of school support rose from 30 percent to 60 percent.

The Florida school aid formula now includes an adjustment in aid to compensate for differences between districts in the cost of providing education. The Colorado and Michigan formulas now have an adjustment for "municipal overburden," which particularly benefits Denver and Detroit. Utah and Florida pioneered pupil "weighting" systems that channel more State aid to high-need districts.

Maine combined its school finance plan with substantial property tax reform, including among other things the consolidation of existing assessing jurisdictions into primary assessing areas by 1977 and the requirement that such assessing areas must be staffed by certified assessors by 1980.

Several other States either made modest revisions in their formulas or increased the amount of State aid. **Arizona** in its spring session, repealed its school finance formula with

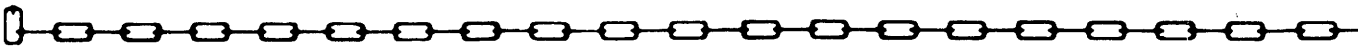
the intention of adopting new programs in a special fall session. The legislature reconvened on October 22 to decide this issue and was still in session as the year ended.

To further assist local governments financially, four States assumed a major part of local welfare costs. These States are **Iowa** (SF 570), **Kansas** (HB 1038), **Minnesota** (Ch. 650; HF 2121), and **Wisconsin** (Ch. 90; AB 300).

### Local Taxing Power

Action on local income taxes occurred in three States. **Indiana** (PL 50; HB 1144) authorized a local income tax to be administered by the State, levied on a countywide basis, and distributed to units of local government on the basis of property tax collections. The tax may be levied at .5, .75, or 1.0 percent of income taxable by the State. Thirty-one of Indiana's 92 counties adopted the tax. **Michigan** (Act 1; SB 159) authorized the Detroit School District to levy a personal and corporate tax of up to 1.0 percent, to be administered by the City of Detroit in connection with the 2.0 percent city tax. The School Board subsequently imposed the tax, effective July 1, 1973, and later repealed it, effective September 30, 1973. **New York** (Ch. 824; AB 8137) extended for one more year the authorization of increased rates for the New York City income tax.

**Missouri** (HB 65) and **Wyoming** (Ch. 183; HB 261) authorized local governments to impose sales taxes. In Wyoming the authorization permits counties to impose the tax at either .5 percent or 1.0 percent. Before the year was over, two counties had imposed the tax at 1.0 percent. In Missouri, the authorization permits many cities and St. Louis County to impose a sales tax of .5 percent for transportation purposes. If St. Louis County imposes the tax than no city in St. Louis County may. St. Louis County and St. Louis City (which is not in St. Louis County) subsequently levied the tax. This tax is separate from a 1.0 percent



sales tax which the cities may also levy.

**California** (Ch. 1060; AB 1727) authorized the Southern California Transit District to levy up to 1.0 percent in general sales taxes. In **Kansas** (Ch. 393; SB 11) the maximum permissible county sales tax rate was reduced to .5 percent (from 1.0 percent) and the authorization for city sales taxes was eliminated, except that the three cities having a local sales tax could continue it until its county chose to levy a sales tax. The revenue from the county levy is distributed to city, county, and junior college districts. Each of these four States provide that the local levy is collected by the State revenue department in connection with the State levy, a procedure recommended by ACIR.<sup>3</sup>

**Connecticut** (Act 2; HB 8382) authorized its local transit districts to impose a 1 cent per gallon gasoline tax, to be collected by the State in connection with its 10 cent tax.

**Illinois** (PA 78-5; SB 27 Third Special Session) authorized the creation of a six-county Chicago area regional transportation authority, subject to referendum, and granted it the power to levy a 5 percent gross receipts tax on the retail sale of motor fuel and a tax on the privilege of parking a motor vehicle at parking facilities in the metropolitan region.

**Georgia** (Act 194; HB 329) provided that municipalities and counties may impose an excise tax on malt beverages, 3.5 cents per 12 ounces, but this act was subsequently declared unconstitutional by the Georgia Supreme Court. **New Jersey** (Ch. 246; AB 2624) renewed Newark's authority to levy a payroll tax, a sales tax, a motor fuel tax, a parking service tax and two other taxes.

### Three Referenda That Failed

In three States voters defeated ballot propositions that would have made major changes in their State and local tax systems.

**Washington** voters rejected a package

(HJR 37 First Special Session, Constitutional Amendment) that would have eliminated the local property tax for operation and maintenance of schools (thus making school finance strictly a State responsibility), levied a graduated State personal income tax with a maximum rate of 8 percent and a corporate tax at a maximum rate of 12 percent, exempted groceries and medicines from the sales tax, and phased out the property tax on business inventories.

The rejected package in **Oregon** (Ch. 326; HB 2314; Constitutional Amendment) would have increased the State personal and corporation income taxes, established a statewide property tax for schools of ten mills, and limited local property taxes for schools to two mills, and guaranteed that such a two mill levy would raise \$300 per pupil.

In **California**, the voters defeated (by 58 percent to 44 percent) Proposition 1 that would have placed a ceiling on the amount of revenue as a percentage of total personal income in California that could be raised from taxation. This percentage would have been 8.75 percent in 1973-74 and would have declined gradually to 7.15 percent in 1989-90.<sup>4</sup>


<sup>1</sup>See ACIR publication A-31, *Fiscal Balance in the American Federal System*, October, 1967 Vol. I.

<sup>2</sup>See ACIR publication A-34, *State Aid to Local Government*, April 1969.

<sup>3</sup>See ACIR publication A-9, *Local Non-Property Taxes and the Coordinating Role of the State*, September, 1961.

<sup>4</sup>Detailed features of State tax systems including rates of sales, income and excise taxes, income tax exemptions, sales tax bases and credits, and provisions for property tax relief are available in a recent ACIR publication M-79, *Federal-State-Local Finances: Significant Features of Fiscal Federalism, 1973-74*.





For citizens and State legislators concerned about property tax reform, ACIR has produced *The Property Tax — Reform and Relief: A Legislator's Guide*. The guide includes recommendations, policy discussions,

and model statutes. Legislative and administrative developments in the property tax over the past decade are the subject of another recent ACIR study M-83, *The Property Tax in a Changing Environment: Selected States*.



# commission members 1973

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**Robert H. Finch**, Los Angeles, California<sup>1</sup>

**Vacancy**<sup>2</sup>

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**Edmund S. Muskie**, Maine

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**B. Mahlon Brown**, Senator, Nevada

**Robert P. Knowles**, Senator, Wisconsin

**Charles F. Kurfess**, Minority Leader, Ohio House of Representatives<sup>8</sup>

## ELECTED COUNTY OFFICIALS

**Conrad M. Fowler**, Shelby County, Alabama

**Edwin G. Michaelian**, Westchester County, New York

**Lawrence K. Roos**, St. Louis County, Missouri

<sup>1</sup> Appointed 5/29/73 to replace Edward C. Banfield, U. of Pennsylvania.

<sup>2</sup> Vacancy created by resignation of Howard H. Callaway, Pine Mountain, Georgia.

<sup>3</sup> Appointed 2/20/73 to replace Senator Sam J. Ervin, North Carolina.

<sup>4</sup> Replaced Congresswoman Florence P. Dwyer, New Jersey.

<sup>5</sup> Replaced George H. Romney, former Secretary of HUD.

<sup>6</sup> Replaced Ronald Reagan, Governor of California.

<sup>7</sup> Replaced Richard B. Ogilvie, former Governor of Illinois.

<sup>8</sup> Replaced Russell W. Arrington, former State Senator, Illinois.

# what is acir?

The Advisory Commission on Intergovernmental Relations (ACIR) was created by Congress in 1959 to monitor the operation of the American federal system and to recommend improvements. ACIR is a permanent national bipartisan body representing the executive and legislative branches of Federal, State and local government and the public.

Of the 26 Commission members, nine represent the Federal government, 14 represent State and local governments and three represent the general public. Twenty members are appointed by the President. He names three private citizens and three Federal executive officials directly and selects four governors, three State legislators, four mayors and three elected county officials from slates nominated, respectively, by the National Governors' Conference, the Council of State Governments, the National League of Cities/U.S. Conference of Mayors, and the National Association of Counties. The other six are Members of Congress—three Senators appointed by the President of the Senate and three Representatives appointed by the Speaker of the House. Commission members serve two-year terms and may be reappointed. The Commission names an Executive Director who heads the small professional staff.

After selecting specific intergovernmental issues for investigation, ACIR follows a multi-step procedure that assures review and comment by representatives of all points of view, all affected levels of government, technical experts and interested groups. The Commission then debates each issue and formulates its policy positions. Commission findings and recommendations are published and draft bills and executive orders are developed to assist in implementing ACIR policies.

