

## Resources

### Solar Guide

Those interested in passing local ordinances to encourage solar energy may find helpful a new publication of the Connecticut Citizen's Action Group, *How To Pass A Solar Property Tax Exemption*. Write Marta Cohen, Connecticut Citizen's Action Group, Box G, Hartford, CT 06106.

### Anti-Corporate Farming

The Council of State Governments' research brief, "Corporate Farming and the Family Farm," is an excellent survey of state initiatives to protect family farmers by enacting corporate farm legislation.

The report shows why agribusiness threatens the family farm, describes the pros and cons of corporate farm entities, and details attempts by state legislatures to regulate and limit corporate farming.

For copies at \$1.50 write James Jarrett, CSG, PO Box 11910, Iron Works Pike, Lexington, KY 40501.

### Public Power

In Ithaca, the city-appointed Municipal Power Task Force has released a study of the effects of public power. For use by both organizers and municipalities, it is available for \$4 from the Peoples Power Coalition, 260 Lark St., Albany, NY 12210.

The first periodical devoted to covering efforts to replace private electric companies with local public power began publication in March. *New Municipal Power* will monitor the activities of communities that are attempting to convert. Write Capitol City Communications, 986 National Press Bldg., Washington, DC 20045.

### Ways & Means

Conference on Alternative State and Local Public Policies  
1901 Que St., NW  
Washington, DC 20009

### Bicycle Planning

*Cyclateral Thinking: An Atlas of Ideas for Bicycle Planning* shows how bikes can be incorporated into any transportation network. Specifically, it assesses three bikeway experiments—in Tempe, Arizona; Martha's Vineyard, Massachusetts; and Palo Alto, California—and suggests modifications and revisions for future construction.

*Bikeway Design Atlas* is a compendium of design ideas for combatting a variety of bike traffic problems, including accidents, lights and signals, right-of-way acquisitions, and zoning.

For copies, write the Urban Bike-way Design Collaborative, MIT, Cambridge, MA 02139.

### Credit Insurance

Consumers spent more than \$1 billion on credit insurance last year. Not all of it was well-spent. *Credit Insurance: A Handbook for Consumers* details state programs to halt abuses and to regulate insurance rates. It also examines a number of state consumer credit codes. For copies, write National Community Consumer Education Project, 1012 14th St., NW, Rm. 901, Washington, DC 20005.

### Energy and Economics

Appropriate Technology Action Coalition (ATAC), a New York-based neighborhood group, has proposed legislation to establish a city-wide federation of non-profit fuel-purchasing and distribution cooperatives; a non-profit community boiler maintenance and repair cooperative;

a city capital grant program to develop neighborhood-based alternative energy-related enterprises; and a neighborhood energy cooperative.

ATAC was formed to develop specific policy recommendations to meet the needs of low-income people and to organize for such new policies through political action and outreach. It is one of the first organizations that combines both a commitment to alternative energy and to the needs of the poor.

Contact Michael Freedberg, ATAC, Rm. 823, Fifth Ave., New York, NY 10010.

### Connecticut Strategists

Labor unions and citizen groups in Connecticut may look for help in public policy research and lobbying from the recently organized Research Associates for Policy Action (RAPA).

Yet another example of the growing interest of progressives in state and local policy questions, RAPA has already published its first research report, "The Crisis in School Finance," and the first issue of its bimonthly newsletter. Write Richard D. Wolff, RAPA, 42 Livingston St., New Haven, CT 06511.

### Promoting Initiative Referenda

Initiative America is an information and lobbying organization formed to promote initiative referenda. Plans are to assist with development of provisions for citizen-initiated, issue-oriented referenda at the national as well as state level. Write Bill Harrington, Legislative Coordinator, Initiative America, 1019 East Capitol St., Washington, DC 20003.

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Washington, D.C.

## Conference on Alternative State and Local Public Policies

# Ways & Means

May-June 1978

## THIS ISSUE . . .

. . . marks the premier of Ways & Means, the new bimonthly publication of the Conference on Alternative State and Local Public Policies. Subscription details, p. 3

**Fourth Annual National Conference Set For St. Paul-Minneapolis. Agenda and Registration Form, pp. 7-10**

**Using Electronic Media To Push Progressive People and Ideas, p. 5**

**Fund Managers Pressed on South Africa, p. 6**

**Hartford Unveils Food Plan, p. 11**

**New Law Forces Local Loans, p. 11**

**Three States Ban Insurance Redlining, p. 13**



Minnesota State Capitol in St. Paul. St. Paul is site for Fourth Annual National Conference. Details, pp. 7-10.

Cover Photo: Mark M. Nelson

## Legislative Initiatives

### Gerrymandering Undermined

The Florida Constitution Revision Commission has voted to submit to the voters, in a November referendum, a plan that will combat gerrymandering by taking districting out of the hands of the incumbent politicians.

The proposed constitutional amendment provides for a reapportionment commission of seven members, three from each of the two parties, with a chairperson selected by the six.

The proposal, approved by a 28-1 vote, was based on a model presented by Bruce Adams, of Common Cause, in the *Harvard Journal on Legislation* (Vol. 14, No. 4). Common Cause, which promoted the Florida plan, says only Colorado, Montana, and Hawaii have standards that are as tough.

For more information, contact Bruce Adams, Director of Issue Development, Common Cause, 2030 M St., NW, Washington, DC 20036.

### Unique Positions Created

A "small business ombudsman" has been hired by Oregon's Department of Economic Development to help strip red tape and thereby improve

the image of state and local government in the business community.

Allan Mann, whose official title is Special Assistant to the Director for Business/Government Relations, will not only "bird-dog" businesspeople's complaints against government agencies, but will also help explain government's needs and concerns to the private sector.

A Bicycle Coordinator has been named to the Delaware Highway Department. As a result of the appointment of Raymond Harbeson, both bicyclists and pedestrians will now be accommodated when new roads and highways are built.

### High Court Upholds Multistate Tax Compact

States may continue coordinated tax enforcement and deter tax avoidance by corporations because of a Supreme Court decision establishing the constitutionality of the Multistate Tax Commission and its parent, the Multistate Tax Compact.

Jonathan Rowe, Deputy Director of the Commission, said, "We can now begin to make large multistate corporations just as accountable at tax

time as are individuals and small businesses. The states now have a valuable tool both to help make sure these corporations pay their share, and to prevent harassment of such taxpayers through inconsistent state tax policies."

The 7-2 decision in *U.S. Steel et al v. Multistate Tax Commission* ended a five-year effort by 19 major corporations, including International Harvester, Procter and Gamble, and Union Carbide to block state cooperation in tax enforcement.

### Operation Bootstraps

A bill that would require Maryland to purchase 10 percent of its goods and services from minority-controlled businesses has been introduced by State Senator Robert L. Douglass (D-Baltimore).

"People are saying that minorities should pull themselves up by their bootstraps," Douglass said. "Well, this gives them the straps to pull up with."

For more information, contact Senator Douglass at the State House, State Circle, Annapolis, MD 21401.

### Conference on Alternative State and Local Public Policies

1901 Que St., NW  
Washington, DC 20009  
(202) 234-9382

Lee Webb  
Executive Director  
Jeanne Schinto  
Editor, *Ways & Means*

*Ways & Means* is a publication of the Conference on Alternative State and Local Public Policies. Since the Conference was founded in June 1975, it has provided a major meeting place and forum for ideas of progressive elected officials, community organizations, political activists, and technically trained experts interested

in alternative policies and programs at the state and local level. In addition to holding an annual national meeting, the organization holds frequent regional, statewide, and issue conferences which focus on the increasingly complex problems facing state and local government today.

### Internships

The Conference is now accepting applications for fall internships. Applicants should include academic and work experience as well as a letter about why they are interested. Interns may be involved in research and organizing around tax issues, energy, agriculture and food policy, community credit needs, or women's issues. Send applications to Cynthia Guyer at the Conference.

### Letters

*Ways & Means* welcomes letters, especially those fostering a clear and concise exchange of information and views on issues and questions raised in these pages. We reserve the right to edit, include, name, address, and phone number.

### Articles

The Conference welcomes information about model legislation in the form of short articles. Submissions should focus on innovative and progressive state and local public policies, and should be accompanied by a stamped, self-addressed envelope.

## We're not publishing the old newsletter anymore . . .

That's because we're replacing it with *Ways & Means*. This is the first issue. Every other month *Ways & Means* will focus on major issues facing state and local government—tax reform, energy, economic development, agriculture and food, women's issues, and housing.

*Ways & Means* is for the fast growing number of political activists with ideas that make progressive public policy work. Activists at the state and local level are becoming more and more successful. *Ways & Means* regularly tells you about what's new and what's being tried. *Ways & Means* gives you information you can't get anywhere else.

*Ways & Means* will be coming out six times a year. Upcoming issues will feature information about new alternative legislation, political reform movements, conferences, new publications, and news about progressives at the state and local level around the nation. Our price is only \$10 a year (\$20 for institutions).

And, remember, we want to keep you with us. We'd like to make sure you stay a part of this activist network. Just use the enclosed reply envelope before June 1. We hope to hear from you soon.

Lee Webb  
Executive Director  
P.S. Current paid subscriptions to the Newsletter will, of course, continue to be honored.

Subscribe to *Ways & Means*.

# Legislative Initiatives

## Restriction on Gas Station Ownership Challenged

Legislation restricting gas station ownership to firms or individuals with no capacity to produce or refine crude oil is pending or in force in 32 states. The idea behind the restriction is to ensure that all filling stations have equal access to whatever gas is available, thus promoting free competition and, hopefully, lower prices.

In Maryland, however, five major oil companies have told the State Supreme Court that the legislation has the opposite effect. Exxon, Shell, Continental, Gulf, and Ashland say their capacity to control things from the oil well to the gas pump enables them to provide fuel at the lowest possible prices. To forbid them to sell gas at retail, they claim, is an unlawful restriction on interstate commerce. But the Maryland Court of Appeals upheld the state law early last year on grounds that there was no such restriction; and on this round, Maryland Attorney General Francis B. Burch delivered this reply: "Since Maryland has no crude oil or refineries, all gas entering the state is controlled by the major oil firms, who sell it wholesale to retailers in addition to marketing it themselves. As a result, one of the giants can supply fuel to its own stations while withholding it from independents. (This actually occurred during the 1973-74 Arab oil embargo.) Because it will likely be sold in competition with the big firm's own stations, Burch said, "an independent who drops his prices may find he gets no gas."

It is the absence of the restriction on gas station ownership, then, that impedes fair competition.

## Alcohol Fuels Idea Boosted

The Iowa House has voted to spend \$52,000 for research on the potential production of alcohol for fuel by Iowa farmers. The money would go to Iowa State University to develop a pilot program on farm-scale production of ethanol from grain and waste products such as corn stalks.

A resolution has been submitted to the Madison, Wisconsin, City Council to mandate the city's energy conservation committee and public works department to study the feasibility of utilizing a gasoline/alcohol fuel mixture for the city's motor vehicle fleet. For a copy, write Ronny L. Sorenson, Madison City Council, Madison, WI 53703.

## Public Control of Solar Power

A package of new legislation to encourage solar energy while preventing oil companies and utilities from winning control of the technology is being prepared by California Assemblyman Tom Bates.

One bill would prohibit public utilities from owning, manufacturing, leasing, or marketing solar energy equipment without permission from the Public Utilities Commission.

Another bill would create a Solar Energy Warranty Insurance Authority that would provide financial protection for consumers who purchase defective solar energy systems. The bill would also create minimum standards for manufacturers and distributors of solar energy equipment.

For more information, contact Lenny Goldberg, Assemblyman Tom Bates' Office, State Capitol, Rm. 2167, Sacramento, CA 95814.

## Energy Education

Maine has submitted to the Department of Energy a supplemental energy conservation plan for energy education. The proposed plan would (1) initiate the development of energy curricula for the state's entire school system and (2) provide mini-grants of up to \$500 to teachers for development of energy-related classroom projects. For details, write Vincent DiCarra, Office of Energy Resources, 55 Capitol St., Augusta, ME 04300.

## Lifting Impediments to Solar Development

*Legal and Institutional Perspectives on Solar Energy in Colorado* uses the Rocky Mountain State as a model to assess institutional and regulatory

impediments to solar development. Building codes, tax laws, safety standards, consumer protection measures, and economic policies are among the variables considered. Proposals for legislation are included. Write Environmental Law Institute, 1346 Connecticut Ave., NW, Washington, DC 20036.

## Ban on Winter

Ohio State Representative John Galbraith has the solution to the energy crisis. He proposes that winter be abolished. Galbraith has introduced a bill eliminating January and February, starting next year. The extra days would be distributed among June, July, and August.

## Plans for World's Largest Nuclear Power Plant Quashed

Southern California's Kern County, a conservative, predominantly Republican rural farming area, has voted by a margin of more than two-to-one against construction of what might have been the world's largest nuclear power plant.

The final tally was 47,282 to 20,591, and represented a significant 50.8 percent voter turnout.

The advisory referendum, solicited by the County Board of Supervisors, will almost assuredly quash the multi-billion-dollar project.

Activists reported spending \$65,000 opposing the project. Large out-of-state corporations with nuclear interests, such as General Electric and Westinghouse, reported spending almost three times that amount on their losing campaign for the project.

## No Deposit

A bill that would prohibit the deposit of radioactive materials in the state has passed the Michigan Senate and is under consideration by the House. For more information, contact Jonathan Cain, Governor's Special Assistant for Environmental and Energy Affairs, Rm. 1, Capitol, Lansing, MI 48909.

*Continued, p. 12*

# Using Electronic Media To Push Progressive People and Ideas

## By Bill Zimmerman

Sooner or later progressives must confront a troubling fact of life—if we don't find ways of getting on radio and television, we will be cut off from the people we must reach to succeed, the American public.

The use of electronic media is now the most glaring gap in our political strategy. While the development of "alternative public policies" is indeed crucial, if we lack the means of communicating those policies to the public, we are academic at best, irrelevant at worst.

Let's begin by dispelling a few myths. Compared to other paid advertising, radio and TV are the cheapest ways of communicating. For every dollar spent on radio or TV, you will make approximately 1,000 impressions. That is, your spot will reach 1,000 people one time, or 500 people two times, or 250 four times, etc., depending on the broadcast schedule.

Compare that to print media. A large newspaper ad will usually deliver 100-200 reader impressions per dollar (5-10 times as expensive as radio or TV). A very inexpensive leaflet, say, one that cost 2 cents apiece, gets you 50 impressions per dollar (20 times as expensive as radio or TV).

The price of radio or TV broadcast time is proportional to the number of people listening. Two major factors determine that number: (1) the time of day and (2) the size of the media market. The media market is the geographic area reached by the cluster of radio and TV stations in a particular city.

Thus, a political campaign should first ask itself: does the electorate, or the target audience, correspond to the media market? For example, consider State Assembly races in Los Angeles and Fresno. Both are independent media markets. But in LA a single Assembly District is only a small fraction of the entire media market, whereas in Fresno the two are almost the same size. While the cost per im-

pression within the entire LA media market is small, the cost per impression within the relevant Assembly District will be very high. Not so in Fresno. Thus, the campaign manager in Fresno would be foolish not to devote the biggest part of the campaign budget to electronic media.

The next question is which to use—radio or TV. Each has distinct advantages. Television reaches more people and is a more effective persuader. But radio is much cheaper to produce. A high quality 60-second radio spot can usually be made for \$50-\$300. A well-made 30-second TV spot will cost \$1,500-\$8,000. Even the cheapest TV, a 10-second spot using stills instead of moving pictures, requires \$300-\$1,000 to attain professional quality.

Audience targeting is easier on radio than TV. With radio, people tend to listen to stations, not programs. The opposite is true of TV. Certain radio station formats (all-news, soft rock, classical music, all-talk, etc.) select for certain demographic categories (middle-class, young-adult, etc.). Prime-time TV, which is where most viewers can be found, casts a much broader net.

Another question is whether or not to employ an advertising agency. The disadvantages are obvious, but the technically precise work involved requires professional expertise. Three kinds of pros are needed.

*Creative* people translate a political strategy into understandable campaign themes and then conceive and write the actual spots. *Production* people, who are experienced in the 10- to 60-second format, film and record the spots. *Media time-buyers* select the times and stations where your spots will run from among the staggering array of possibilities. The way to avoid complete dependence on an agency is to find professionals willing to perform any of these three services on a fee-for-service basis, either for minimal pay or as volunteers.

To summarize, progressives must

think much more aggressively about using radio and TV. And not just for electoral campaigns. Radio announcements are a far more cost-effective means of getting people to attend conferences, rallies, or public hearings than leaflets or posters. Electronic media can be used effectively for membership or fund-raising drives. And any organizations working to affect public opinion in any area, from school integration to labor issues to foreign policy, would do well to consider putting their messages out where they can actually be seen and heard by the public—on radio and television.

*Bill Zimmerman holds a Ph.D. in psychology and was both campaign manager and media coordinator for Tom Hagler's U.S. Senate race. He is currently director of a group of media specialists, political strategists, and organizers who have formed an association called LOUDSPEAKER to provide expert but inexpensive radio and TV services to progressive candidates and organizations. For more information, write LOUDSPEAKER, 6606 Sunset Blvd., Los Angeles, CA 90028.*

For further reading: *Handbook on Free Access to the Media for Public Service Advertising* is available for \$1 from the Public Media Center, 2751 Hyde St., San Francisco, CA 94109. *Getting Into Print and Breaking Into Broadcasting* (tips on getting media coverage for citizen groups) is available for 25¢ from the League of Women Voters, 1730 M St., NW, Washington, DC 20036.

*National Citizens Committee Director* is a compilation of media reform groups who can help with media problems) is available for \$5 from the National Citizens Committee for Broadcasting, 1346 Connecticut Ave., NW, Washington, DC 20036.

# Fund Managers Pressed On South Africa

By Desaix B. Myers III

Public officials are taking a new look at the implications of investing public funds in companies doing business in South Africa. They are responding to public pressures stemming from concerns with the South African government's discriminatory apartheid policies and the possibility that by doing business in South Africa, American companies are contributing to—and profiting from—a system that denies rights to the black majority population.

In the last year, public fund managers have supported resolutions by activist shareholders urging corporations to halt or scale down their operations in South Africa. Some public officials have questioned corporate representatives—through letters or in person—about the implications of operating in South Africa. And a few have sold stock in corporations that do business in South Africa or have said that future contracts will be reviewed in light of corporate activities there.

For example:

- Last year, the State of Connecticut Pension Funds voted for shareholder resolutions asking three major U.S. banks to stop making loans in South Africa. It also voted for four resolutions asking companies to leave South Africa or to abandon plans to expand operations there.
- The California Retirement Systems sent letters to all companies in its portfolio that do business in South Africa, asking specific questions about that business.
- The New York State Assembly had hearings last May on a bill to establish a Job Retention and Anti-Apartheid Board to examine the possible involvement any potential contractor might have in South Africa. The city council of Gary, Indiana, and Washington, DC, adopted resolutions in 1976 to limit their cities' dealings with four corporations that sell equipment to the South African government.

More recently, the city of Madison, Wisconsin, agreed that it would give preference in the bidding process to companies that do no business in South Africa; and citizens of Davis, California, voted in March 1978 to support a referendum requiring city officials to investigate alternatives to investments in banks making loans to South Africa.

• The University of Minnesota this year became the first university ever to propose a shareholder resolution. It proposed resolutions to 16 major corporations asking them to sign the "Sullivan principles" setting forth standards for their employment practices in South Africa.

• The University of Wisconsin voted in February 1978 to sell all its stock in companies that discriminated on the basis of race, religion, color, creed or sex. The university will begin by selling \$8 million worth of stock that it holds in seven companies doing business in South Africa.

The University of Massachusetts decided last summer to sell \$500,000 worth of stock in 20 companies operating in South Africa.

• The San Francisco City and County Employees' Retirement System supported resolutions last year calling for withdrawal of operations from South Africa. It cited two grounds: "The continued presence of the corporation(s) in South Africa (serve) as a support for the government. Withdrawal from South Africa would not materially harm the companies' over-all operations." The San Francisco System also voted in favor of a resolution to end lending to South Africa by a U.S. bank, "in the belief that loans to South Africa do provide support for the present government and the cessation of this activity would not prove detrimental."

• The University of California at Berkeley and the University of Maryland have written letters to all companies in which they hold stock asking for information on their operations in South Africa and their efforts to improve employment conditions there. The University of Pennsylvania has voted to write letters to all its portfolio companies asking them to adopt equal employment practices in South Africa.

South Africa is only one of many issues that have aroused the concern of public officials. One or more public pension funds or universities supported shareholder resolutions last year on other issues such as marketing of infant formula in developing countries, disclosure of corporate policy toward the Arab boycott of Israel, sale of pesticides in developing countries, conduct of political activity by corporations, bank loans to Chile, representation of employees on the board of directors, and ownership of corporations and voting powers over corporations' stock.

Desaix B. Myers III is Associate Director of the Investor Responsibility Research Center, Washington, DC.

A good source of more information on issues raised by corporate involvement in South Africa is the Investor Responsibility Research Center. IIRC was founded in 1972 by a small group of universities and foundations to provide information on the public policy and investment issues raised in shareholder resolutions proposed to major corporations, i.e., corporate social responsibilities, accountability, and governance. Since then, the founding institutions have been joined by other universities and foundations as well as banks and trust companies, church groups, pension funds, insurance companies, and investment firms.

In 1976, IIRC published *Labor Practices of U.S. Corporations in South Africa*. Last year, it published *Corporate Activities in South Africa* with 14 supplements on specific multinationals.

Their address: 1522 K St., NW, Washington, DC 20005.



## Fourth Annual National Conference on Alternative State and Local Public Policies

13/14/15/16 July • St. Paul-Minneapolis, Minnesota

We invite you to join with 600 other state and local public officials and community leaders at the Fourth Annual National Conference to be held in St. Paul-Minneapolis, Minnesota, on July 13-16, 1978.

Our annual National Conference has emerged as the key meeting for the growing number of progressives active in state and local public policy issues. The wide range of specific workshops provides for the exchange of innovative ideas and legislative proposals. The nationally prominent speakers offer more general perspectives on the problems and opportunities we face.

This year's National Conference will also reflect the ever increasing interest of progressives, community leaders, and public officials in using state and local government as levers

for social change in America.

Americans can no longer afford to see state and local governments as mere passive providers of schools and highways. State and local governments are daily facing crucial issues such as energy costs, plant closings, property tax reform, and the redistribution of income. These issues have created exciting challenges for the new generation of innovative state and local leaders. We hope you will be able to join us at the National Conference to shape agendas for the future.

Lee Webb  
Executive Director  
Conference on Alternative  
State and Local Public Policies

### Partial List of Sponsors\*

- |  |  |
|--|--|
| Linda Berglin, State Representative  | Koryne Horbal, Democratic Farm Labor Party                 |
| Earl Craig, Director, Urban Coalition of Minneapolis                                       | Feminist Caucus  |
| Mark Dayton, Director, Department of Economic Development                                  | Phyllis Kahn, State Representative                         |
| Nat Forbes, International Representative, Brotherhood of Railway and Airline Clerks        | George Latimer, Mayor, St. Paul, Minnesota                 |
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\*Partial list

# National Conference on Alternative State and Local Public Policies

13/14/15/16 July 1978

St. Paul-Minneapolis, Minnesota

THURSDAY, 13 JULY 1978

6:00 P.M. REGISTRATION OPENS  
Concordia College, Fine Arts Building, Corner  
Hamline and Marshall, St. Paul  
Reception

8:00 P.M. OPENING SESSION

Welcoming Remarks  
Linda Berglin, State Representative, Minneapolis, Conference Host Committee  
Marion Barry, City Council, District of  
Columbia

8:30 P.M. PLENARY

"The Progressive View of Government: An Alternative to the Politics of Austerity"  
Barney Frank, State Representative, Boston, Massachusetts

FRIDAY, 14 JULY 1978

9:00 A.M. PLENARY SESSION

"State and Local Politics: Basis for a New Progressive Movement"  
Lee Webb, Executive Director, National Conference  
Koryne Horbail, Democratic Farm Labor Party  
Feminist Caucus

10:30 A.M. WORKSHOPS

Becoming Literate on Energy Policy: An Introduction  
Community Organizing in the 70's: Basis for a New Strategy?  
Public Access to Cable TV: Opportunities for Local Government  
Natural Resource Development and Land Use Planning  
Neighborhood Capacity Building: Self-Help and Revitalization Strategies  
Organized Labor: Maximizing the Progressive Impact on State and Local Politics  
Regional and Metropolitan Political Structures  
Introduction to the Economics of Community Development  
Affirmative Action Strategies for State and Local Governments  
Public Use of Public Pension Funds

12:00 LUNCH

1:30 P.M. PLENARY SESSION

"Towards A New Energy Politics for States and Cities"

Anthony Mazzochi, Vice-President, Oil, Chemical and Atomic Workers International Union

Earl Craig, Director, Urban Coalition of Minneapolis, Democratic National Committee  
Black Caucus  
Pat Roach, City Council, Dayton, Ohio  
Roger Kahn, Director, Colorado Coalition for Full Employment

3:00 P.M. WORKSHOPS

Jobs and Energy: New Programs and Strategies  
County Governments: Possibilities for Progressive Change  
Senior Power: Progressive Impact on Public Policies  
Downtown vs. the Neighborhoods: Priorities for Local Economic Development  
Democratic Management of Public Agencies  
Counting the City: Public Control of Land  
The Public Balance Sheet: Criteria for Evaluation  
Introduction to State Tax Reform  
How to Run a Political Campaign  
Rural Community Development Strategies

7:30 P.M. PLENARY SESSION

John Alschuler, Assistant City Manager, Hartford, Connecticut, Chair, National Conference Steering Committee  
"A Progressive Agenda for America"  
Carol Belamy, President, City Council, New York City  
Bill Wimpfing, President, International Association of Machinists and Aerospace Workers

9:00 P.M. ENTERTAINMENT

SATURDAY, 15 JULY 1978

9:00 A.M. PLENARY SESSION

"Towards A Full Employment Economy: Developing Cities and States"  
Nicholas Carbone, City Council, Hartford, Connecticut  
Michael Harrington, National Chair, Democratic Socialist Organizing Committee  
Fred Brantman, Director, California Public Policy Center  
David Smith, Professor, University of Massachusetts, Boston

10:30 A.M. WORKSHOPS

Constituent Service in Progressive Politics  
Energy Alternatives for Cities: Meeting the Needs of Low and Moderate Income People  
Community and Job Stabilization: Preventing Future Youngstown

State-Wide Political Organizations  
History of Municipal Reform Movements  
CETA, UDAG, and Block Grants: Alternative Strategies for Local Control of Federal Resources  
Consumer and Urban Food Policies  
Urban Displacement: Strategies for Change  
Affirmative Action in the Private Sector: Innovative Uses of State and Local Agencies  
Political Campaigns: Getting Re-elected

12:00 LUNCH

PLENARY SESSION

Ann Beaudry, Associate Director, National  
Introductions  
Conference  
"Minnesota Populist Tradition"  
Allan Spear, State Senator, Minneapolis  
Elmer A. Benson, former U.S. Senator and Governor of Minnesota

1:30 P.M. WORKSHOPS

Energy Development: Impact on Communities  
Industrial Exodus: Toward a National Strategy to Control Runaway Plants  
National Consumer Co-op Bank: Opportunities for Community Development  
Grassroots Political Organizing: The Minnesota Experience  
Organizing the Unorganized: Fulfilling the Promise of the American Labor Movement  
The State Role in Planning for Urban and Neighborhood Reinvestment  
Local Tax Reform: Alternatives to the Property Tax  
Pension Funds and Endowments: Disinvesting from South Africa  
The Defense Budget: Impact on State and Local Governments  
Meeting the Conservative Attack on Human Rights

3:30 P.M. WORKSHOPS

Positive State Energy Policies  
Appropriate Technology: Implementation at the State and Local Level  
How to Work as a Progressive Minority in a Legislative Body

New Directions for the Democratic Party: Mid-Term Convention and 1980

Sources of Non-Governmental Funding for Public Projects  
Affirmative Action: Strategies to Win Labor Support  
Democratic Management of Political and Community Organizations  
Carter's Urban Program: Progressive Options for Communities  
New Roles for State Departments of Agriculture and Land Grant Colleges  
Taxation of Natural Resources

6:00 P.M. RECEPTION

7:00 P.M. BUFFET DINNER

8:15 P.M. PLENARY SESSION

"Economic Democracy: Towards New Programs and Policies"  
Tom Hayden, California Campaign for Economic Democracy  
Gar Alperovitz, Co-Director, National Center for Economic Alternatives

10:00 P.M. PARTY

SUNDAY, 16 JULY 1978

9:00 A.M. WORKSHOPS

Building Coalitions to Change Energy Policies  
The Use of Media in Political Campaigns  
How to Use the Community Reinvestment Act to Encourage Neighborhood Development  
Political Tactics for Referenda and Initiatives  
New Public Policies Toward the Handicapped  
Whistleblowing: Increasing Government Accountability  
Strategies to Limit Real Estate Speculation  
State Strategies to Protect the Family Farm  
Understanding the Budget Process: Opportunities for Affecting Public Policy  
Progressive Coalitions: Focus on Economic Issues

11:00 A.M. PLENARY SESSION

Introductions  
Byron Dorgan, State Tax Commissioner, North Dakota  
"Strategies for Progressive Change: New Conditions and Alliances"  
Ken Cockrel, City Council, Detroit, Michigan  
Ruth Messinger, City Council, New York City  
Midge Miller, State Representative, Madison, Wisconsin

# REGISTRATION INFORMATION

## FOURTH ANNUAL NATIONAL CONFERENCE

Concordia College  
St. Paul, Minnesota  
13/14/15/16 July 1978

### REGISTRATION

Pre-registration fee (for those pre-registered by July 1) \$25  
Registration Fee (for those who register at the Conference) \$30

Fee includes a copy of the Conference reader, *Public Policies for the Future: Initiatives and Resources for State and Local Government*, and participation in all Conference sessions, workshops, and entertainment.

### ACCOMMODATIONS

Double rooms are available in dormitories on campus. Rates include breakfast, lunch, and dinner each day, served in the college dining room. Price is \$18 per night. In addition, there are a limited number of single rooms available with meals at \$28 per night.

If you will be unable to attend the Conference, but would like a copy of the Conference reader, please indicate on the form below. *Public Policies for the Future: Initiatives and Resources for State and Local Government* provides detailed descriptions of major new public policy initiatives, lengthy bibliographies on current public policy problems, and an extensive resource section describing useful organizations and publications. This new reader will be invaluable for understanding and taking action on public policy innovations in state and local government.

Partial registration fee scholarships are available. Please make arrangements with Ann Beaudry at the Conference, 1901 Que St., NW, Washington, DC 20009.

### REGISTRATION FORM

Return to: National Conference, 1901 Q St., NW, Washington, DC 20009.

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10

## New Law Forces Local Loans

The Community Reinvestment Act of 1977 could become an important organizing tool for forcing accountability in local lending institutions. The legislation requires financial institutions to meet the credit needs of the communities in which they are chartered.

Although it came into being with little fanfare as Title VIII of last year's Housing and Community Development Act, the law is now attracting much attention and concern from both community groups and the financial industry.

Financial institutions have always been required to "serve the convenience and needs" of communities in which they were chartered to do business. Traditionally, this has referred only to deposit needs of local residents. The Community Reinvestment Act insists that "convenience and needs" includes the need for credit services as well. The law stipulates that regulated financial institutions (banks, savings and loan associations, and mutual savings banks) have a

"continuing and affirmative obligation to help meet local credit needs." It further specifies that lenders must serve "the entire community, including low- and moderate-income neighborhoods." Such services could include: loans to moderate income housing cooperatives; low-interest second mortgages for home rehabilitation; availability of bilingual loan officers; and budget counseling for moderate income homebuyers.

linging, ACORN contended the merger should not be approved until the bank meets its "affirmative obligation" to its community. ACORN was granted a public hearing in St. Louis by the Federal Reserve Board which has yet to rule on the challenge. The precedent for the St. Louis challenge was an agreement worked out between the Perpetual Federal Savings and Loan Association and community groups in Washington, D.C.'s Adams-Morgan neighborhood. Community groups in other cities, such as Boston, New York City, and Gary, Indiana, are now preparing bank challenges under the new law.

Even as the fight over the regulations is still going on, several community groups have begun to use the legislation as the basis for bank branch challenges. In St. Louis, Missouri, ACORN (Association of Community Organizations for Reform Now) has challenged a bank merger involving a bank that had been red-

For more information about mounting a bank challenge or about a monitoring program for branch or merger applications from unresponsive financial institutions contact: Jeff Zinsmeyer, Center for Community Change, 1000 Wisconsin Ave., NW, Washington, DC 20007. (202) 338-8920; or Jon Brown, Public Interest Research Group, 1346 Connecticut Ave. NW, Suite 419a, Washington, DC 20036. (202) 833-3931.

## Hartford Unveils Food Plan

Hartford, Connecticut, recently unveiled a food plan aimed at reducing the cost of food to Hartford consumers, improving the quality of food available, and increasing the amount of food produced in the region.

The plan was presented in a report prepared by Catherine Lerza of the Public Resource Center, Washington, DC, and an "ad hoc" food planning group, which included representatives of local community groups, Connecticut's Department of Agriculture, Cooperative Extension Service, Connecticut Public Interest Research Group, and the Hartford Board of Education.

The major elements of the proposed strategy include:  
• Doubling the number of community garden plots and increasing the outreach/technical assistance available to community gardeners.  
• Constructing solar-heated green-

houses, built with the help of CETA-funded workers and operated to provide vegetable starts to gardeners and ornamental plants and herbs for sale to local people.

• Establishing a community canner and food processing/nutrition center.  
• Developing a network of food-buying clubs and, eventually, store-front food co-ops.

• Establishing a regional vocational/agricultural high school.  
• Using local school lunch programs to provide a guaranteed market for local produce. (Since free and reduced-cost school lunches are subsidized by the federal government, some of this money could be "re-cycled" into the region if the school district purchases locally-produced food to the largest extent possible.) The plan will be implemented over the next five years and CETA funds may provide much of the necessary

funding through worker salaries. Community groups will work with the city in preparing funding proposals to the federal government and private foundations to obtain the rest of the capital necessary to set up the food system.

City planners estimate that first-year savings from the program to Hartford residents participating in it could amount to \$400,000. Capital investment would be only \$38,000 plus worker salaries funded through CETA and other federal programs. In five years, the fully developed system could save consumers over \$1 million a year—with a capital investment of about \$120,000 over that five-year period. (The investment figure, again, does not include labor costs.)  
For a copy of the report, write Kip Bergstrom, Special Projects Coordinator, Office of the Assistant City Manager, City Hall, 550 Main St., Hartford, CT 06103.

11

## Legislative Initiatives

### Corporate Farm Irrigation Restricted

Washington State voters have passed a referendum which sharply restricts expansion of irrigation of corporate lands. The Family Farm Water Act limits the permits which may be granted for irrigation with publicly regulated water to 2000 acres per individual or corporation.

The Act acknowledges that state resources such as water should be used for the maximum benefit of the greatest number of citizens. Accordingly, the Act directs that irrigated water be made primarily available to family-sized farms.

Because there is approximately four times more potentially irrigable land currently irrigated land, the Act will have a profound impact on the character of Washington farm development in years to come.

For copies of the legislation, write Senate Research Center, 105 Senate Office Bldg., Olympia, WA 98504.

### Loans For Pennsylvania Farmers

A bill to create an Agricultural Development Authority has been introduced into the Pennsylvania Legislature. It was modeled after Minnesota's Family Farm Security Act. (See Conference Newsletter No. 6, May 1977.) The Authority would assist farmers by guaranteeing loans for the purchase of land, equipment, and livestock. Its objective would be to support farmers otherwise unable to finance the initial capital costs required in agriculture today.

For copies of the bill, write Warren Lamm, Director, House Agricultural Committee, Rm. 145, Main Capitol Bldg., Harrisburg, PA 17120.

### Forced Overtime Prohibition

Legislation introduced in a number of states would prohibit forced work overtime. At present, employers can force employees to work overtime with the threat of dismissal or other penalties.

The effort has made the most progress in California where a bill prohibiting an employer from disciplining a worker who refuses to work overtime has been passed by the Assembly and is being considered by the Senate.

Similar legislation has been proposed in Michigan, Oregon, Pennsylvania, Rhode Island, and Washington. In Colorado, the Communications Workers are circulating a petition to place on the November ballot an amendment to the state constitution that would ban forced overtime. The Teamsters and Auto Workers are supporting the petition drive.

For more information, contact the California bills author, Assemblyman Tom Bates, State Capitol, Rm. 2167, Sacramento, CA 95814.

### Co-Op Idea May Save Mill

Workers at a dying lumber mill in Westfir, Oregon, hope to save their jobs and, consequently, their town, by buying the mill and turning it into a worker cooperative. The real-estate firm that owns the mill intends to sell it off in small parcels.

Past and present employees have formed the Westfir Workers Association and hope to buy the mill through federal loans and sale of stock. The mill, which accounts for 18 percent of the jobs in the area, would be run by a board of directors selected from among the workers.

### Federal Support For Worker-Owned Plants

Workers faced with the threatened shutdown of their plant would have a chance to buy out the owners and manage the plant themselves if a new piece of legislation introduced in the U.S. Congress were passed.

The Voluntary Job Preservation and Community Stabilization Act, introduced by Congressman Peter H. Kostmayer (D-PA), Stanley Lundine (D-NY), and Matthew McDuff (D-NY) would authorize a \$100 million program by the Department of Commerce to finance feasibility studies on the possible purchase of threatened plants by their employees, and to provide loans to help the new worker-owned companies to operate.

For more information, contact Congressman Kostmayer, U.S. House of Representatives, Washington, DC 20515.

### California Moves To Control Toxins

California is moving to protect workers in chemical companies from the hazards of toxic substances. The Department of Industrial Relations and Governor Jerry Brown have requested \$3 million from the legislature in 1978. The funds would establish a registry to deal with the effects of the numerous state-produced chemicals. The funding would also provide for increasing the research and training capabilities of the University of California in the field of industrial health and safety.

The effort was initiated after it was found that over 90 people are now sterile due to working in plants that produce the pesticide DBCP.

For more information, contact Bill Becker, Department of Industrial Relations, Rm. 3200, 455 Golden Gate Ave., San Francisco, CA 94102.

### Preventing Farm Worker Displacement

The United Farm Workers Union is working with California Assemblyman Art Torres to introduce a bill requiring a "social-impact statement" as a precondition for using machines which would displace farm workers. The UFW estimates that 120,000 farm worker jobs will be lost to mechanization over the next ten years. For more information, write Sal Alvarez, UFW, 1014 Ninth St., Sacramento, CA 95814.

### Setting Sludge Policy

Under federal law states must develop a comprehensive sludge policy as part of an overall solid-waste management plan. The Solid Waste Project of Environmental Action, Washington,

### By Kevin Johnson

Illinois, Michigan, and Missouri have passed legislation to prohibit homeowner insurance redlining.

Determination of risk for homeowner insurance policies, like mortgage credit, is often based on subjective criteria. Risk often reflects the insurance company's perceptions of the neighborhood, not specific properties. Redlining by insurance companies, then, is the practice of refusing to write or renew insurance on a building on the basis of the owner's race, age, or occupation, or the location or condition of the building.

In Illinois, for example, the Fireman Insurance Fund had a policy of refusing to write insurance on a Chicago dwelling constructed before 1940. Other insurance companies have policies that effectively prevent insurance underwriting in "blighted" or "deteriorated" neighborhoods. Still others refuse to renew policies in racially diverse and working-class areas.

The practice of insurance redlining has a negative impact on many older, urban neighborhoods with a diversity of people and property uses. It discourages many homeowners from making basic improvements on, or

## Three States Ban Insurance Redlining

even maintaining, their property and contributes to neighborhood deterioration.

Last fall, Illinois became the latest state to enact legislation banning such practices. The Illinois legislation requires disclosure, provides for compilation of data about policy distribution and renewals, and prohibits refusal based solely on geographical factors. One bill in the package also requires written notice and explanation for termination of policies.

The Michigan law defines "unfair practices" as refusal to write policies in specific areas. The law prohibits differential rates without substantial evidence that the differences are based on loss expectations.

The Missouri law prohibits refusal, non-renewal, or cancellation, of policies based on location. The law allows cancellation, a rapidly increasing phenomenon in inner-city areas, only if the premium is not paid, if fraud is involved, or if the insured property is altered and affects the hazard originally insured.

Suggestions for additional anti-insurance redlining legislation include: provisions to enable community groups and public officials access to data necessary to document insurance redlining; criteria spelling out acceptable

DC, suggests that state planners set policy that would do the following:

- Put primary emphasis on applying sludge to devastated areas such as stripmines and gravel pits, and provide that the land will not be used for food chain crops if large quantities of sludge are applied.
- Encourage the use of sludge on ornamental lands such as golf courses, rights-of-way, flower gardens, and parks, although there should be limits on the amount of sludge applied so as to avoid water contamination.
- Encourage establishing "sludge farms" for careful disposal of the maximum amount of sludge the environment can safely tolerate. This land would have to be legally designated for sludge disposal to ensure that food chain crops are not grown.

For further reading, Environmental Action suggests "Municipal Sludge: What Shall We Do With It?" published by the League of Women Voters (50¢), 1730 M St., NW, Washington, DC 20036.

Also, Environmental Action has detailed fact sheets on specific sludge problems and promises: "Write them at 724 Dupont Circle Bldg., Washington, DC 20036."

able and unacceptable underwriting practices; and prohibition of unfair rate-setting.

The packet of Illinois insurance redlining bills is available from: Index Department, Secretary of State, Capitol Bldg., Springfield, IL 62756. Copies of the Missouri legislation are available from the Committee on Legislative Research, Rm. 117A, State Capitol Bldg., Jefferson City, MO 65101. Copies of the Michigan legislation are available from the Legislative Service Bureau, PO Box 30036, Lansing, MI 48909.

For more information about insurance redlining write: Jerry Keenan, Metropolitan Area Housing Alliance, 1123 W. Washington Blvd., Chicago, IL 60607; Missouri ACORN, 2335 S. Grand, St. Louis, MO 63104; MASS Fair Share, 364 Boylston St., Boston, MA 02116; Karen Kollas, Neighborhoods Voluntary Associations and Consumer Protection, HUD, Rm. 4214, 451 7th St., SW, Washington, DC 20410. (HUD is now preparing a handbook for public officials and community groups on insurance redlining to be published this summer.) Also Harold Wilde, Office of the Commissioner of Insurance, State of Wisconsin, 123 Washington Ave., Madison, WI 53702. (Wilde is chairman of the National Association of Insurance Commissioners' Task Force on Redlining. The Task Force will have preliminary reports on its hearings and meetings by June and additional research findings and a model statute available by the end of the year.)

Kevin Johnson is on the staff of the National Conference.

Chicago Aldermen Dick Simpson, Martin Oberman, Ross Lathrop and others have introduced a bill to prohibit city business with insurance companies that redline. For copies, write Dick Simpson, 1045 W. Belmont, Chicago, IL 60657.



# What's a good idea worth?

## The Progressive Land Tax: A Tax Incentive for the Family Farm

Property tax incentives can slow the decline of the family farm. This report by North Dakota State Tax Commissioner Byron Dorgan reviews progressive land tax concepts, how they work, and how they have been used around the world. It offers an explanation of how the economy of an agricultural state suffers when family-size farms decrease in number.

"Some people argue that the concentration of farmland in fewer and fewer hands is an irreversible trend. I don't agree." —Byron Dorgan, \$1.50, \$3 for institutions.

## Jobs From the Sun

By Fred Brantman and Steve LaMar. One of the first studies to examine in detail the industrial and employment potential for solar energy. Provides basic data and methodology for calculating the economic impact of solar energy for any state or region. Fully documented with more than 28 tables and 47 references. \$6.50, \$10 for institutions.

## New Directions in State & Local Public Policy

Looks at complex questions facing city and state governments, including: energy, public capital, tax revenues, agricultural land use, controlling corporations, disclosure and reinvestment, and women's economic issues. Progressive analyses and programs by expert practitioners. 300 pp. \$7.50, \$15 for institutions.

## Industrial Exodus

By Ed Kelly. What can be done about runaway plants? This monograph makes realistic proposals about what

each level of government could do to save jobs and protect communities from plant shutdowns. \$5, \$7.50 for institutions.

## Public Policy Reader

The issues of the 70s facing cities and states, including programs and legislative proposals for energy, public enterprise, political organization, economic development, tax reform, health, education, criminal justice, and food, land, and growth issues. \$5, \$10 for institutions.

## The Cities' Wealth

Programs for community economic control in Berkeley, California, compiled by the Community Ownership Organizing Project (COOP). Details the programs and organizing strategies of the Berkeley Coalition with the Berkeley City Council over a seven-year period. \$3.50, \$5 for institutions.

## The Davis Experiment: One City's Plan to Save Energy

A special report on the Davis, California, energy conservation program tells how it works and how Davis put it together. Planning drawings, photos, ordinances, and other basic documents. 72 pp. Edited by The Elements. \$2.50, \$5 for institutions.

## Taxing Coal: The Coal Industry Meets Its Match

By Byron Dorgan. Outlines the history and justification for coal severance taxes most Great Plains states have considered and North Dakota and Montana have adopted. The pamphlet explains why western states need severance taxes and why the coal industry can afford to pay them. \$1.50, \$3 for institutions.

## Alternative Legislation Series

- **SolarCal.** A model proposal for a public solar energy authority designed to encourage use of solar energy on every building feasible and to speed commercialization of solar electricity. \$1.00.
- **Anti-Speculation Tax.** Proposed 1978 District of Columbia tax on real-estate speculation and Vermont law on land speculation. DC bill would regulate real-estate dealers and proposes taxes from five to 97 percent according to percentage of gain and holding time when selling property. \$1.00.
- **Massachusetts Community Development Finance Corporation.** Massachusetts legislation creating a public corporation to invest in not-for-profit community development businesses. \$1.00.
- **Insurance Redlining.** Proposed 1978 Chicago ordinance to stop insurance redlining. It provides that insurance companies doing business in the city must agree not to discriminate and to disclose insurance policy renewals, cancellations and rejections by Zip Code zone. \$1.00.
- **Runaway Plants Acts.** Ohio and Michigan bills requiring notice to affected employees and communities before any industry shutdown, relocation or reduction in operation. \$1.00.

(Use business reply envelope to order publications. If the envelope is missing, mail list of publications along with payment/land 75c postage/handling) to the Conference. "Institutions" prices apply to business and government.

14

## Housing, Land, Equal Rights

## Legislative Initiatives

### Rental Relations Board Established in Madison

After eight months of public hearings and debates, the Madison, Wisconsin, City Council has passed a controversial ordinance creating a Rental Relations Board. Its nine members—three each of landlords, tenants, and homeowners—will hear complaints, mediate grievances, and conduct binding arbitration when both parties to a grievance request it.

What distinguishes the ordinance from similar landlord-tenant legislation is a provision that makes it unlawful for a landlord to "refuse to bargain with a tenant union freely chosen by a majority of the tenants." The practice is punishable by a \$50-\$100/day fine.

Coupled with Madison's financial support of the Madison Tenant Union, this ordinance should increase the number of tenant organizations and bolster existing ones. Such groups have successfully beaten back rent increases and discouraged speculation.

The original proposal called for city certification of tenant unions that meet minimum standards. Once certified, a tenant union would have been able to initiate mandatory bargaining. Landlords successfully lobbied out the measure, but its proponents factually accepted defeat in exchange for council support of language that assumes a tenant union is legitimate (or, in effect, certified) until proven otherwise by a landlord.

Council member Phil Ball initiated the ordinance. For copies, write him at the Mayor's Office, 210 Monona Ave., Madison, WI 53703.

### Protection for Chicago Tenants

Three important landlord-tenant bills are under consideration in the Illinois legislature. H.B. 420 provides for public disclosure of the identities of owners of buildings with code violations. Present laws allow beneficiaries of secret land trusts to remain anonymous.

H.B. 1985 makes it unlawful for landlords to refuse to rent to families with children (provided the number

of persons seeking to live in a residence is in compliance with the number permitted by law). Illinois presently has laws to prevent landlord discrimination against families with children, but they are rife with loopholes, which this bill would tighten and close.

H.B. 1914 prevents landlords from taking retaliatory action (eviction, rent hikes, etc.) against a tenant who complains of building code violations, joins a tenant organization, requests repairs, or exercises any other rights or remedies provided to tenants by law. Present laws outlaw evictions only when tenants complain to government authorities about code violations.

Representative Arthur Telser sponsored the public disclosure bill. Representative Woods Bowman sponsored the others. For copies, write them at the State Capitol Complex, Springfield, IL 62706.

### Model For Tenant Centers

The Center for the Study of Responsive Law has developed a model statute to establish tenant resource and advocacy centers which would provide new strength to tenants in their fight for decent housing at reasonable rates.

The statute features a novel method of providing secure, adequate funding for an organization to serve tenants. The city would use the existing rental payment system to collect a small annual fee (\$6) from each rental household and would pass on those funds to the center. The center would provide a range of services, e.g., representation before the city council and state legislature, information about tenant rights, and legal assistance.

For a copy, write Center for Study of Responsive Law, PO Box 19367, Washington, DC 20036. Price is \$5. (\$2.50 for tenant and other public-interest groups.)

### Secession in Teton

A Wyoming town is trying to secede from Grand Teton National

Park in order to save itself. Kelly, a town of 100 situated inside park boundaries, is fighting a federal policy of buying or condemning all private lands within national parks. Its citizens have presented the government with a petition asking that the town be cut out of the park.

Government officials are unsympathetic. They note that it would take an act of Congress to alter park boundaries and that Congress always intended to acquire private lands within its parks. Over the years, the U.S. has absorbed four other towns within park borders.

### Toward Logical Development and Low-Cost Preservation

New York State has passed a bill which allows localities to set up a system of transferable development rights. The provision, along with planning safeguards, provides tools for logical and economical development in suitable areas as well as low-cost preservation of others.

Under this bill, localities could allow the private sale and purchase of development rights separately from the land itself. By providing for regulated private transfer of development rights, the plan provides a mechanism for paying the costs of land preservation. It also allows planning goals to be accomplished with less public expense.

For copies of the bill, write to its sponsor, Assemblyman Alexander Granits, Legislative Office Bldg., Albany, NY 12248.

### Gay Rights Ordinance

The San Francisco Board of Supervisors has approved a homosexual rights ordinance that many consider the most stringent and encompassing in the nation. It bans discrimination in employment, housing, and public accommodations based on sexual preference, and was opposed by only one of the 11 supervisors. For copies write Supervisor Harvey Milk, San Francisco Board of Supervisors, San Francisco, CA 94103.

15



# Resources

## Study Finds Rent Control Has No Negative Impact

"The Impact of Moderate Rent Control in the United States: A Review and Critique of Existing Literature" examines 15 studies, both pro and con, on rent control and concludes there are no short-term negative effects of moderate rent control.

Moderate rent controls are designed to regulate increases and prevent rent gouging, unlike restrictive rent control which is designed to keep rent levels relatively constant.

The report finds there is no evidence that short-term rent control has led to a reduction of multi-family housing construction, to a decline in housing maintenance, to erosion of the tax base (relative to non-controlled cities), or to an increase in abandonments or demolitions.

Copies of the report, written by John Glieberman for the California Department of Housing and Community Development, are available from the Department at 921 10th St., Sacramento, CA 95814.

## State Bank Has Best Year Ever

The Bank of North Dakota, the nation's only state-owned bank, highlights in its 1977 annual report the "best year in the Bank's fifty-year history." The Bank's resources for 1977 peaked at more than \$534 million. Net income was \$11 million, up 13 per cent from 1976, and the Bank transferred \$8 million of that to the state's general fund.

Progressive legislators from

around the nation have used the North Dakota model as a base for other state bank proposals. Copies of the annual report are available from Herb Thormid, President, Bank of North Dakota, Lock Drawer 1667, Bismark, ND 58501.

## Legal Marijuana: High Yield For Small Farmers

The Kentucky Marijuana Feasibility Study, Inc., has found that state-controlled legal production of marijuana could allow one million small-scale U.S. farmers to produce a crop valued annually at more than \$2.5 billion—or \$2,500 per farmer. Reporting its findings in a new publication, the Kentucky research group concludes that the effects of recycling funds from a commodity which is chiefly imported at present would have a profound impact not only on local economies but on the U.S. trade deficit as well.

For copies of *The Kentucky Study*, write the Kentucky Marijuana Feasibility Study, Inc., PO Box 1438, Lexington, KY 40501.

## Economic Status of Homemakers

A series of publications by the National Commission on the Observance of International Women's Year outlines the legal status of homemakers in each state. The publications examine state law in relation to the valuation of the economic contributions of a homemaker, division of property upon divorce, inheritance, control of property, pensions and annuities, and child support. Available from the Superintendent of Documents, U.S. Government Printing Office,

Washington, DC 20402. Cost: \$1.15 for each state booklet.

## Parks Pay Their Way

Kentucky has completed a study of the costs and benefits of its state park system and has concluded that it gets more money out of the parks than it puts into them.

For more information on the park study, contact Wayne Gregory, Department of Public Information, Commonwealth of Kentucky, Frankfort, KY 40601.

## School Closings

In many communities across the country, an unexpected and serious problem is the declining enrollments in local schools and the school closings they bring about. This has enormous implications for teachers, school systems, neighborhood organizations, and property values. School closings are also beginning to have a major impact on local politics.

An important resource for public officials and others concerned with this problem is *Declining Enrollments: The Challenge of the Coming Decade*, edited by Susan Abramowitz and Stuart Rosenfield of the National Institute of Education. The 450-pg. publication both outlines the problem and offers specific policy recommendations on what can be done in response to the dilemma.

For a free copy, write National Institute of Education, 1200-19th St. NW, Washington, DC 20208. See also a future issue of *Ways & Means* for an article by Rosenfield on the subject.

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# Conference on Alternative State and Local Public Policies

July-August 1978

# Ways & Means

## In This Issue...

Looking Abroad for Innovative Policy Ideas, p. 3

Tax Reformers Go After Land Speculation, p. 5

Urban Revitalization: Ways To Avoid Displacement, p. 6

Local Governments Push To Regulate Cable TV, p. 10

Graduated Land Tax: An Aid To Family Farms, p. 13

County Government: Progressives Should Use It, p. 14



The Community for Creative Non-Violence in Washington, D.C. is renovating the building for use as a temporary shelter for evicted families. The effects of rampant land speculation and rising city officials work together to change this? See stories, pp. 5, 6, 7.

Photo by Shih

# Legislative Initiatives

## Detroit Studies Municipal Utility

The Detroit City Council has approved and sent to Mayor Coleman A. Young an annual budget proposal that includes \$100,000 to finance a preliminary engineering study on the feasibility of acquiring investor-owned electric facilities in the city. Electric service is now provided by the Detroit Edison Co. The Detroit Public Lighting Commission has operated a publicly owned system serving municipal loads (including street lighting and service to public buildings) for 75 years.

## Teaching Clients Law

From both a need to serve many with limited resources and a commitment to bring law to the people, the students and legal staff at the University of Maine have developed a unique prepaid group plan to provide legal aid. Student Legal Services (SLS) is part of the student government. Two attorneys and 14 paralegals contract to provide legal services to 10,000 undergraduates on

the Orono campus.

SLS also provides clients with an opportunity to participate and to learn. SLS uses cases to analyze the role of the law in our society, to demystify law and the legal system, and to enable clients to handle as much of their case as possible.

For details, write Student Legal Services of Student Government, University of Maine, 30 Cornum Hall, Orono, ME 04473.

## Breaking the Seal

NYPIRG has drafted a bill to make the Educational Testing Service's financial records and operating procedures more open and its test evaluation methods more accountable to the public. ETS develops and administers the SAT, GRE, LSAT, and over 130 other standardized tests.

The bill would require that prospective test-takers be provided in advance with information concerning exactly what the test is measuring, what margin of error is involved in scoring the tests, and in what manner test scores will be distributed to third

parties. It also insures that students taking the tests will have the right to review exam contents.

New York State Senator Kenneth Lavella has sponsored it—the "Truth in Testing" bill.

For more information, write NYPIRG, 5 Beekman St., New York, NY 10038.

## Union Pushes For Public Participation in School Issues

The Citizens Union for Public Schools is organizing to implement the section of New Jersey's Public Schools Education Act (also referred to as the "Thorough and Efficient" education law) which mandates parent/citizen participation in local questions affecting schools before local school districts can obtain financing. The statute spells out areas for citizen involvement, such as development of school curricula, establishment of district education budgets, and the hiring and dismissal of personnel.

For copies of the statute, write the Commissioner of Education, State of New Jersey, State St., Trenton, NJ 08601.

## Best Anti-Redlining Bill

More than a dozen anti-redlining bills have been filed in the Massachusetts Legislature, but the best written is S 25, according to Citizens for Participation in Political Action (CPPAX), a state-wide group. The bill, filed jointly by Senators Joseph F. Timilty and Alan D. Statistics, would ban all forms of geographic discrimination in housing mortgage and rehabilitation loans, and in the housing loan application process.

For copies of S 25, write Documents Room, State House, Boston, MA 02133. For more information from CPPAX, write them at 35 Kingston St., Boston, MA 02111.

# Looking Abroad For Innovative Policy Ideas

## By James Rowen

In 1976, activists trying to reform state and local politics organized themselves by creating the Conference on Alternative State and Local Public Policies as a method of exchanging program ideas. Rather than reinventing the wheel, they sought to transfer program ideas from state to state and city to city in an attempt to spread progressive public policy across the United States. It is becoming increasingly clear, however, that public policy advocates can look abroad for innovative programs, profiting from the experience that foreign countries and municipalities have had in many fields.

For example, the Victoria, Australia Housing Commission has undertaken a novel housing program which simultaneously meets a number of public policy goals. The Victoria "Granny Flats" project uses state funds to construct small, efficient living units for elderly residents on the property of the older citizens' children. The Housing Commission overcame several zoning difficulties, and also provided rent subsidies to the elderly occupants, thereby minimizing the financial burden on both the older residents and their immediate families.

The project's goals are to provide high-quality housing for the elderly and to ease many of the older citizens' social and emotional traumas by keeping families close together. To date, 117 housing units have been constructed under the "Granny Flats" project, and a long waiting list exists for those wanting to participate. Additional State funding will be needed to expand the program, and recycling the units following the death of the elderly occupants will extend the unit's usefulness.

Other public policy initiatives in foreign countries that are worth study by American public officials:

- A public garden plot program for the handicapped in Ottawa.

- A special playground for blind children in Hamburg.

- A system of special audible traffic signals for the visually handicapped in Tokyo (currently being studied in a one-intersection demonstration in downtown Washington, DC).

- Severe traffic restrictions in Singapore.

- Mobile parks for children in high-rise neighborhoods in many German cities.

- Home renovation subsidies for both homeowners and renters in Austria.

All are examples of program initiatives worth replicating in American cities.

One Maryland city, Rockville, a Washington, DC, suburb, has already participated in a program exchange arranged through the Council for International Urban Liaison. (For more information about the Council, see below.) The Rockville mayor, in 1977, sponsored a physical fitness instruction program for the elderly developed in Grenoble. A French instructor taught Rockville residents 65-80 years old jogging, bicycling, tennis, and gymnastics.

In the area of housing, two European countries have instituted innovative mortgage concepts. In France, workers are able to get low-interest, long-term loans from a fund supported by a payroll tax. In England, a major city has designed a program to increase home ownership by lower-income families through a unique leasing program.

The French loan fund provides nearly \$40 million a year at interest rates of less than three percent, and sometimes the 20-year loans carry no rate.

In Birmingham, England, the city has a program to buy half-interest in homes purchased by lower-income families who would not normally qualify for conven-

tional mortgages. The buyer takes out a mortgage for half and pays the city rent for the city's half. The combined package results in lower costs for residents—sometimes by more than 40 percent. The resident owner has a 99-year lease on the city's half and can purchase it at any time from the city.

In short, U.S. public policy innovators would do well to more carefully study the experience of overseas cities and states in their search for new and practical solutions to American social and urban problems.

*James Rowen is the Assistant to the Mayor of Madison, Wisconsin, and a co-founder of the Conference.*

Public planners and community activists will now be able to look abroad for innovative policy ideas through the information services of the Council for International Urban Liaison, based in Washington, DC. The Council publishes a meaty newsletter entitled "Urban Innovation Abroad" and longer booklets detailing many creative public policy programs underway in countries the world over. For example, there is a new book on rent control in the U.S. and four Western European countries. In addition, the Council is seeking to match local American communities with specific policy initiatives undertaken in a foreign country to transfer that program to an American setting.

The concept of program transferability between American and foreign cities is targeted in five key public policy areas: urban conservation, urban transportation, urban finance, metropolitan area arrangements, and waste management/resource recovery.

For further information, contact the Council for International Urban Liaison, 818-18th St., NW, Washington, DC 20006.

## Conference on Alternative State and Local Public Policies Institute for Policy Studies

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*Ways & Means is a publication of the Conference on Alternative State and Local Public Policies. Since the Conference was founded in June 1975, it has provided a major meeting place and forum for ideas of progressive elected officials, community organizers, political activists, and technically trained experts interested in alternative policies and programs at the state and local level. In addition to holding an annual national meeting, the organization holds frequent regional, statewide, and issue conferences which focus on the increasingly complex problems facing state and local government today.*

*Subscription prices: \$10, \$20 for individuals. To order, see center fold.*

# Legislative Initiatives

## Rights of Pregnant Workers

In a December 1976 decision (*General Electric v. Gilbert* 97 S.Ct. 401), the U.S. Supreme Court held that working women disabled by pregnancy are not protected by Federal law under Title VII of the Civil Rights Act of 1964 from sex discrimination in disability plans. Only 23 states at present have enacted specific legislation protecting the rights of pregnant women in those states, making them eligible on the same basis as other workers for disability benefits.

A national coalition of women's organizations, civil rights groups, and unions—called the Campaign to End Discrimination Against Pregnant Workers—has been formed to support a uniform federal law to prohibit sex discrimination based on pregnancy, childbirth, and related medical conditions.

For more information, contact Kathleen Miller, American Civil Liberties Union, Suite 301, 600 Pennsylvania Ave., SE, Washington, DC 20003, (202) 544-1681.

## Equal Pay For Work of Equal Value

Legislators and women's rights advocates are concerned about the efficacy of laws that mandate equal employment compensation for equal work. They maintain that judgments often strictly construe the law to mean work which is exactly comparable and not merely comparable in worth.

A proposal brought in June before the Michigan Legislature, if passed, would strengthen the rights such laws are intended to safeguard. The legislation would prohibit maintaining differences in pay for work of equal value and would stipulate that value be determined by a composite consideration of skill, effort, and respon-

sibility required in the work performed.

For more information, contact Virginia Dean, Michigan Legal Services, 900 Michigan Bldg., 220 Bagley Ave., Detroit, MI 48226.

## Double-Header

Under current Illinois law, only a husband may be the Head of the Household. A bill before the Illinois House Judiciary Committee, however, would change the law to allow both husband and wife to act as joint Heads of Household. The proposed legislation would allow the couple to decide which member should represent them in each individual legal transaction. For further information, write the Illinois Women's Agenda c/o Midwest Women's Center, 53 West Jackson Blvd., Rm. 623, Chicago, IL 60604.

## State-Funded Information Service For Women

Women in Ohio can keep tabs on recent state legislation through a unique state-funded program: Ohio's Women's Information Center in Columbus. The Center began in 1977 with passage of SB 221, proposed by Senator Vail Quette. To contact the Center, call toll-free (800) 282-3040, or write State of Ohio Women's Information Center, State House, Rm. 10, Columbus, OH 43215.

## Minimum Wage for Household Workers

Women presently comprise 95 percent of all employees in domestic service. In Connecticut, the wages of women domestic workers will be improved as a result of a bill recently passed by the state legislature to extend coverage of the minimum wage law to include household workers. For more information, contact Permanent Commission on the Status of Women, 6 Grand St., Hartford, CT 06110.

In addition, an organization recently formed in New Orleans, the Household Workers Organizing Committee, sponsored "Aid The Maids Day" on May 13 to demand minimum wage for all household workers in that city. For more information, contact Wade Rathke, 628 Bayonne St., New Orleans, LA 70113.

## Impact of Equal Rights Amendment

*Women's Rights and the Law: The Impact of the ERA on State Laws* is an excellent resource guide to the process of conforming state laws to principles of sex equality. The authors trace the theoretical principles underlying the ERA and its legislative history, and examine the experience of states that have added equal rights amendments to their constitutions. A concise yet thorough guide for legislative reform. 432 pp. Available for \$8.95 from Praeger Publishers, 200 Park Ave., New York, NY 10017.

The report from the Women in the Economy Conference (Cleveland, Ohio, May 12-13, 1978), which was sponsored by the Conference on Alternative State and Local Public Policies and Cleveland Women Working, contains the names and addresses of the 200 participants and the texts of the plenary speeches. It is available from the Conference for \$2.50 (\$5 for institutions).

*A Legislative Agenda, the 133rd reader* which was prepared for that conference, is also available. \$5, \$10 for institutions. See centerfold to order.

# Tax Reformers Go After Land Speculation

By Lee Webb

If you have been looking to buy a house in certain neighborhoods of many cities, the house will cost more than your wildest dreams. If you own your house, your assessment and taxes are rising faster than you can count. If you are a renter, part of your rent increase is going to pay the higher tax or your landlord.

Housing prices are rising very rapidly. In many neighborhoods, cities, and even in some states, like California, they are doubling every two years. In any other more "normal" areas, they are "only" rising 25 percent a year. Why the catastrophic increase in price? An important reason is simply that more people are willing to pay high prices to live in those certain areas. Other reasons, but less important, are the rising costs of labor, materials, and other factors that make up the price of a home. But another important source of the escalating prices for homes is speculation.

Speculators are different from most people. Most people buy a house to live in it. A speculator buys a house for the purpose of selling it. A "pure" speculator does not make any investments in his new property to improve or rehabilitate it.

In the past, housing policies both of cities and the federal government have seen speculation as a "positive" development and speculators as willing to "invest" in neighborhoods. Recently, however, housing advocacy groups, community organizations, and some state and city public officials have identified "speculation" not as a solution but a cause of the problem of high housing costs.

The City Council of Washington, DC, for instance, recently passed a tax on profits from short-term housing speculation. Sponsored by councilmember Marion Barry, a member of the Conference Steering

Committee and presently a candidate for Mayor, the DC ordinance would force speculators to pay a high tax on profits from buying and selling housing within a short period, while profits from land or housing held over a long time would not be taxed.

California, however, is the site of the most rapidly rising housing prices, and it is also the site of most of the new anti-speculation measures. The San Francisco City Council is now debating a land speculation tax aimed at slowing down the increase in housing prices. It was prepared by the San Francisco Housing Coalition (944 Market St., Rm. 701, San Francisco, CA 94102). Unlike the Washington, DC, bill, which is primarily a tax on income, the proposed San Francisco ordinance is actually a progressive property transfer tax. The rate of the tax varies according to how much the profit was on the buying and selling and how long the property was held. The City of Los Angeles is considering a similar progressive property transfer tax.

Another California city considering anti-speculation taxes is Santa Cruz. The Santa Cruz Housing Action Committee (1124 North Branciforte Ave., Santa Cruz, CA 95062) has written a bill entitled, "Real Property Documentary Transfer Tax," and has prepared extensive economic analysis of real estate speculation in that city to back up its support for the anti-speculation tax.

Speculators and the housing industry in California are attacking the proposed ordinances in California, claiming that cities lack the power to tax the profits from land speculation. The City of Davis, California, avoided this problem in the ordinance it passed over a year ago to slow down land speculation. It required that any person purchasing a home had to sign an affidavit promising that the purchaser was planning to live in the house

and was not buying it for the purpose of selling.

The idea of using tax policy to slow land speculation comes from a variety of sources. Perhaps the most important is the 1973 Vermont statute, "Tax on Gains From the Sale or Exchange of Land."

In an effort to slow down the rapid increase in the price of rural and agricultural land stimulated by the urban move to the rural areas, the Vermont General Assembly passed the nation's first land speculation tax. Similar bills have been introduced in Montana, Virginia, Oregon, and Washington, but have not passed. Although not joined by other states, Vermont's anti-speculation bill has served as a powerful example to housing and community groups in cities attempting to stop urban land speculation.

In addition, some of the planners and experts advocating land speculation taxes have discovered that Canada, Great Britain, Australia, and New Zealand have taxed the profits from land speculation for decades. Such taxes have been an important source of revenue and helpful in slowing down rising land value.

The California cities' interest in anti-speculation taxes has developed in the past year. Obviously, many other cities and states will consider anti-speculation taxes as a means to slow down the increase in land and housing prices.

The State and Local Tax Reform Project of the Conference has been collecting and analyzing information on anti-speculation taxes proposed across the country. If we can be of assistance, contact Carol Baldwin, Coordinator, State and Local Tax Reform Project, Conference on Alternative State and Local Public Policies, 1901 Que St., NW, Washington, DC, (202) 234-9882.

Lee Webb is executive director of the Conference.

# Urban Revitalization: Ways To Avoid Displacement

By Karen Kollas

Neighborhood groups and public officials are increasingly concerned about displacement resulting from local reinvestment. Displacement, the forced removal of people from a neighborhood, is particularly an issue for minorities and elderly who live in inner-city neighborhoods undergoing revitalization.

The energy crisis, the convenience of living near work, and other factors have made the inner-city attractive, especially to younger, professional people. These previously realigned neighborhoods also have been targeted by city officials and lenders for overall urban revitalization. The "back-to-the-cities" movement and other efforts to finance inner-city development, however, have had the negative impact of forcing current residents out. All too often those displaced are the same people who stayed throughout the years, mostly without options and unable to leave, who attempted to improve their neighborhoods.

Displacement goes through stages. Some neighborhoods are affected more "visibly." Others experience changes in a slower and more subtle manner.

When a neighborhood becomes initially attractive, private developers will acquire properties which either are abandoned or are rental units owned by absentee owners wishing to sell. Therefore, the residents first affected by any development are tenants, as rental units are rehabilitated into luxury apartments, condominiums, or single-family properties.

Once development begins, those who wish to live in the area offer to buy properties from the home-owners. Many accept the offers, unaware that the selling price is much lower than what the property value will become. Many argue that this step is "voluntary." But it is the result of development and would occur neither as quickly

nor as drastically under normal market conditions.

After rehabilitation, property taxes inevitably rise. For many lower-income homeowners, this heralds the next stage of displacement. Long-term homeowners often do not have the income of the newer residents and, as a result, find it difficult to meet higher tax bills.

This stage of displacement seems to indicate that revitalization, without controls, can result in racially and economically segregated neighborhoods. While the importance and necessity of attracting investment back into the inner-city is not denied, there is growing concern that reinvestment be carefully planned and that local organizations play a closer role in neighborhood development. Public officials, with their ability to coordinate local and federal resources, should take a critical look at the long- and short-range impact of their revitalization initiatives.

While local government has been somewhat active in rehabilitation recently, the primary development and speculation activity has been conducted and financed by the private sector. Community groups, aware of this, expect responses and solutions from the public sector. This puts government in a sensitive situation. On one hand, officials in larger cities are in need of the tax revenues which private development and reinvestment promise. On the other hand, they do not want to be linked with activities resulting in displacement.

Models and strategies of how neighborhood groups and city officials can work together to promote revitalization without displacement are needed. Local strategies should be designed according to the current and anticipated neighborhood conditions, so that city officials and neighborhood groups may better determine their strategies.

If private development can be

broadly identified on two different levels, the first would start where little development is taking place, but the potential exists.

An example: a realigned neighborhood with sturdy housing stock contiguous to downtown, or a neighborhood bordered by one currently experiencing reinvestment. For these, a strong community/city role is necessary, particularly in providing ownership strategies for current residents. Once various overall improvement needs are met, community groups and city officials can attract private investment.

The next level would start where private reinvestment is already underway, and middle- and upper-income people are moving in. The public and community roles should then focus on retaining a majority of the neighborhood's original residents. Strategies may include property-tax abatement and low-income rehabilitation programs for homeowners and rental subsidy programs for tenants.

Those currently organizing around the issue of displacement include the National Urban Coalition, National Urban League, National Association of Neighborhoods, and National People's Action. The National Association of Housing and Redevelopment (NAHRO), an arm of Public Technology, Inc., are working directly with city officials on this problem. In addition, there are these local initiatives:

- Seattle is preparing a city-wide plan to prevent displacement while promoting revitalization and rehabilitation initiatives.
- Baltimore has contributed program resources to neighborhood organizations which then designed their strategies for revitalization which avoids displacement.
- Washington, DC, has a "tenant's first right of refusal" under its rent control laws and also has passed anti-speculation legislation.

To maximize use of local resources, a federal commitment is necessary to make accessible those programs that stimulate reinvestment yet minimize displacement. The Department of Housing and Urban Development has a majority of such public resources. These include:

- *Section 312 rehabilitation loans* for low- and moderate-income homeowners, which aid homeowners in neighborhoods undergoing development.
- *The urban homesteading program*, particularly for multifamily units, which extends "ownership" to lower-income people who stay and improve their neighborhoods.
- *Section 8 rental programs* (new construction and substantial rehabilitation) for tenants who

choose to remain in their neighborhoods and continue to rent.

- *Innovative grants programs* by which local governments may develop revitalization strategies that minimize or prevent displacement, and create replicable models for other cities.

• *Neighborhood development programs*, which can create initiatives supporting alternatives to property ownership for low- and moderate-income neighborhoods. It is not enough simply to state that these programs exist, however. City officials and neighborhood groups have been requesting assistance on how to best use these resources comprehensively. To this extent, Community Planning and Development (CPD) is preparing a primer on the HUD pro-

## Dayton To Make Loans To Co-ops

By Barry I. Strum

At the urging of Dayton City Commissioner Patricia M. Roach, the City-Wide Development Corporation, Dayton's quasi-public development office, plans to test the cooperative enterprise idea in the urban setting. To do this, City-Wide is prepared to extend secured installment loans to organize coop groups to finance equipment purchases, and to buy and improve real estate.

By definition, a cooperative enterprise is a corporation or partnership owned and operated by its employees, customers, or both. All "owners" share in decision-making. Coop members also share equally in work, unlike employees in the traditional sense. In this way, incentives are great for high worker output and efficiency.

Is there a place for cooperative enterprise in the urban setting? Economists suggest that coops, if adequately capitalized and managed, may be a way to restore employment and services which cities have lost over the last decade. Where some businesses, such as supermarkets and factories, have abandoned the inner city, restoration of such enterprises may be possible under the coop concept

to minimize displacement. In addition, the Office of Neighborhoods, Voluntary Associations, and Consumer Protection (NYACP) is planning a workshop/forum on city and neighborhood strategies to avoid displacement. Finally, Secretary Patricia Harris convened an Interagency Task Force on Human Displacement to review departmental programs and research which may lead to policy development on displacement. To this extent, a final report with recommendations for HUD's involvement is being prepared.

*Karen Kollas is a neighborhood development specialist in HUD's Office of Neighborhood Development.*

through the use of local finances and people.

Dayton is interested in coops because the concept can be readily applied to the urban neighborhood. For example, there is an overwhelming need to rehabilitate housing and utilize abandoned, but viable, structures—both residential and commercial. Government, for the most part, has neglected the long-term considerations of the problem of decaying neighborhoods, implementing short-range program after program. Coops, by contrast, could help alleviate the immediate housing crisis and at the same time, make an impact on the future of the neighborhood and its residents: While a housing redevelopment coop might address the problem of deficient properties, it could also provide jobs by utilizing local people as trainees.

The principle function of Dayton's City-Wide Development Corporation is to serve as a bridge between the public and private sectors. It participates in projects with private lending institutions leveraging public funds. Where there is no private financial participation, City-Wide can provide the initial financing. For example, when the public

grams that city officials can use to minimize displacement. In addition, the Office of Neighborhoods, Voluntary Associations, and Consumer Protection (NYACP) is planning a workshop/forum on city and neighborhood strategies to avoid displacement. Finally, Secretary Patricia Harris convened an Interagency Task Force on Human Displacement to review departmental programs and research which may lead to policy development on displacement. To this extent, a final report with recommendations for HUD's involvement is being prepared.

expressed interest in restoring homes in Dayton's Oregon Historic District, most lending institutions were closed to the idea. City-Wide extended loans for the purchase and restoration of properties and assumed risks during the critical stages. Later, first mortgage financing by local lenders replaced City-Wide's funds.

City-Wide has a goal of funding at least five coops this year. When considering an application, City-Wide will take each member's credit and management qualifications into account, as each coop member will be required to personally guarantee the loan. In addition, at least 75 percent of a coop's members must live in the city.

The coop program now is still in its formative stages. Potential participants are being contacted and additional public interest is being generated through a variety of promotional themes. For more information, contact Patricia M. Roach, Office of the City Commissioner, Municipal Bldg., 101 W. Third St., PO Box 22, Dayton, OH 45401.

*Barry I. Strum is a staff member of the City-Wide Development Corporation, Dayton's quasi-public development arm.*

# Conference Publications

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### Women in the Economy

#### Women in the Economy: A Legislative Agenda

By Ann Beaudry with Mary Coyne. Contains current model legislation and program proposals for women to achieve economic equality. Includes information on such topics as: displaced homemakers • insurance equity • domestic workers • rights of pregnant workers • economic protection for homemakers • vocational training • alternative work patterns • state labor laws • upward mobility.

In addition, the book includes useful resource lists on specific issues, a general bibliography, and a directory of working women's organizations. \$5, \$10 for institutions.

#### Women in the Economy

#### Conference Report

Contains names and addresses of the 200 participants and texts of the plenary speeches. Conference was held in Cleveland, Ohio, on May 12-13, 1978, and sponsored by the Conference on Alternative State and Local Public Policies and Cleveland Women Working. \$2.50, \$5 for institutions.

### Agriculture

#### Protecting the Family Farm/Preserving Farmland

The report is an introduction to major farm policy questions now being discussed. It features state initiatives designed to limit corporate farming, protect farmland, and increase farm income. Reprinted from *New Directions in State and Local Public Policy*. By Lee Webb. \$1.50, \$3 for institutions.

#### The Progressive Land Tax:

#### A Tax Incentive for the Family Farm

A progressive property tax could slow the decline of family farms. This report by North Dakota State Tax Commissioner Byron Dorgan reviews progressive land tax concepts, how they work and how they have been used around the world. It offers an explanation of how the economy of an agricultural state suffers when family-size farms decrease in number. \$1.50, \$3 for institutions.

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#### The Cities' Wealth

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# Local Governments Push To Regulate Cable TV

## By Tom Borrup

As the cable television industry promises extensive growth in the next 10 years, the Federal Communications Commission is taking steps to relax regulations and remove many of the public service requirements from the highly profitable business. Some optimistic observers say the new federal posture puts the regulatory power where it belongs—on the local level where municipalities negotiate franchises. Without swift action by local governments, however, the industry, which promises to surpass broadcast in influence, will go unchecked.

The spread of cable originally promised to decentralize and democratize television. Public, educational, and government access channels, required by the FCC and facilitated by community groups and institutions in over 200 communities, have proven innovative local communications media. However, access has irritated the industry. Millions in court fees and lobbying costs have been spent to regain potentially lucrative channels, which the industry feels are private property—unlike broadcast, where the regulatory assumption is that the airwaves belong to the people.

While the FCC's jurisdiction is in question in the courts and new communications legislation is at least two years away in Congress, some state and local governments have taken the initiative to regulate cable.

Madison, Wisconsin, acted early by appointing a Cable TV Officer to the city staff, insuring access and adopting a progressive funding scheme—drawing a third of the costs from the city, a third from the cable company, and a third from community fund-raising. Madison is the site of the first National Convention of the National

Federation of Local Cable Programmers, July 6-9.

San Diego recently adopted an ordinance, picking up where the FCC may leave off, requiring public, educational, and government access channels. San Diego is now being asked to insure the community-based control of public access; it has been challenged by one of its cable operators. Mission Cable TV, Inc., the country's largest system, has informed the Community Video Center (CVC) that it intends to take back control of its access channel. CVC, however, has mustered considerable support for its request that the county assume control of, and set standards for, public access. Meanwhile, CVC is planning a major national communications policy conference August 25-27, focusing on cable regulation and access questions.

Neighboring Del Mar, California, has voted to keep out corporate cable operators, favoring construction of a municipally-owned system. They say it will provide a wide range of entertainment, information, and two-way communication capabilities.

Pittsburgh, potentially a lucrative cable market, has been holding off on granting a franchise. The process of defining service requirements has been opened to the community and construction bids are being reviewed carefully.

In the Midwest, six suburban Ohio towns recently franchised joint construction of an elaborate system. It incorporates conventional TV distribution with a 36-channel, two-way network allowing every institution and municipal service department sophisticated communications and information transmission ability. Five percent of the commercial operator's gross revenues, collected as a franchise fee, will be turned back into de-

velopment and operation of the two-way system. The project has unexpectedly spearheaded unprecedented cooperation and cost-cutting between the six local governments.

The most technologically advanced residential system operates in Columbus, Ohio, as a testing ground for the giant Warner Communications Group. The system, to some, seems closer to "Big Brother," allowing instant viewer response on any chosen question. Computers accurately monitor viewing habits and service uses. In addition to a variety of specialized programming, those who are willing to pay the price are provided with fire and burglar alarms, home banking, and other electronic consumer services.

While preservation of local autonomy is important, comprehensive planning at the state level also deserves attention. Minnesota, New York, and Massachusetts have recognized the significance of cable and have created some what varying cable planning and regulatory commissions. They have acted as a local buffer between local government and large system operators and have stepped in when federal-vs.-local jurisdictional disputes have been used to the advantage of the industry.

In sum, working to firmly establish both the state and local role in the development and regulation of cable is a positive step when regulatory jurisdiction at the federal level is being weakened and challenged altogether.

*Tom Borrup is coordinator of the National Conference of Public Access Cable Television. The conference is a good source of further information on the subject. Write them at 520 E. St., Suite 901, San Diego, CA 92101.*

## Grain Marketing Investigated In Kansas

With the recent passage of HB 2794, Kansas plans to host a multi-state meeting to initiate an investigation into grain marketing practices. Many are concerned about the commercial power held by only a handful of large grain companies.

Issues the meeting will address are expected to include: the grain companies' impact on the agricultural economy; existence of monopoly in the grain trade; and an historical summary of legal actions and violations involving grain companies.

The meeting is seen as a possible "tip of the iceberg" of unified state action to solve certain agricultural problems that the federal government cannot or will not handle. Supporters of the Kansas legislation that established the investigation foresee the possibility of "spinoff" investigations as a result of the original investigation. The Committee on Agricultural Grain Marketing, also established by HB 2794, has the potential for developing alternative marketing plans and pushing for legislation related to such plans.

Grain-trading companies are so large they affect prices paid to farmers and by consumers. Known for the secrecy with which they operate, the grain companies are able to operate relatively freely in the international setting. Wheat, the most widely traded grain on the international market, has been the object of corporate manipulation. (The "Russian wheat deal" is the best known of these.)

For more information on the Kansas Committee on Agricultural Grain Marketing, contact Senator Richard G. Gannon, State House, Topeka, KS 66612.

—John Rowland

## New Directions in State & Local Tax Reform

Second Annual Conference  
15/16/17 September 1978  
Washington, DC

Whatever your specialty, you need to know taxes. They raise the revenues that fund public services, and they can provide a different avenue for regulation at the state and local level. Anti-speculation taxes try to control housing prices. Tax abatements are claimed to attract business to an area. Do your taxes do what they are designed to do? How do you get tax reform? What are the arguments, the techniques, the chances for change?

The State and Local Tax Reform Project of the Conference on Alternative State and Local Public Policies is planning a conference 15/16/17 September 1978 in

Washington, DC, to help you answer your tax questions. Workshops on a variety of subjects allow you to exchange ideas with specialists in areas of your particular interests. Well-known speakers provide an analysis of the basic issues involved in determining, enacting and collecting taxes at the state and local level.

The tax system fuels the programs for progressive change. We hope you can join us in developing the means to go in new directions at the state and local level.

Carol Baldwin  
Coordinator  
State and Local  
Tax Reform Project

Please send me more information on the State and Local Tax Reform Conference.

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Phone: (Work) ..... (Home) .....

What are the issues and problems that particularly interest you?

Return to: Carol Baldwin  
State and Local Tax Reform Project  
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# Legislative Initiatives

## Wisconsin Acts To Protect Farmland

Judging by the rate that Wisconsin farmers are joining the Wisconsin Farmland Preservation Program, the system promises to be one of the most successful of its kind in the country. Begun only last June, it now encompasses more than 994,000 acres.

The program is designed to discourage farmers from developing the land. The incentive is a system of tax credits and agreements. In exchange for signing a contract by which they agree not to develop, farmers receive an annual state income tax credit.

Farmers who do develop after participating in the program must repay to the state the value of the income tax credits plus interest for the 20 years prior to the date of development. This "rollback" tax is the stiffest of any state farmland preservation program.

For more information, contact Wisconsin Department of Agriculture, Trade and Consumer Protection, PO Box 8911, Madison, WI 53708.

## Development Through Self-Sufficiency

The idea of a state "balance of payments" has become an important consideration in several state legislative proposals. For example, New York Assemblyman Maurice Hinchey, sponsor of legislation to establish a commission on institutional consumption of state-grown foods, uses the concept to justify paying possibly higher prices for New York products.

Assemblyman Hinchey argues that 85 percent of the food consumed in New York is imported from out of state. Billions of dollars are lost in potential capital drafted from the state. Redefining farmland and food processing industries, however, would recapture this market and result in new jobs, new tax flows, and lower and more stable food costs—benefits not only

for food producers but all New York consumers.

In Massachusetts, Representative Mel King has sponsored similar legislation—to authorize a commission to investigate the economic impact of the purchase of state-grown foods by state institutions—and cites similar "balance of payments" benefits.

For more information on the New York bill, AB 9078, write Assemblyman Hinchey, State Capitol, Albany, NY 12224. For more information on the Massachusetts bill, HB 701, write Representative King, State House, Boston, MA 02138.

## States Model Family Farm Acts on Minnesota Law

The Minnesota Family Farm Security Act, passed in 1976, has

served as a model for at least two states seeking ways to help non-corporate entities acquire and work the land.

A bill based on the successful Minnesota law was introduced in the Iowa legislature in the 1978 session. Sponsored by House Majority Leader Jerry Fitzgerald, it will be considered again next session. In New York, Assemblyman Maurice Hinchey is drafting a version of the law.

For more information on the Minnesota law, write Minnesota Dept. of Agriculture, 510 B State Office Bldg., St. Paul, MN 55156. On the New York draft bill, write Mark Brandgard, Adm. Asst. to the House Majority Leader, State House, Des Moines, IO 50319.

On the New York draft bill, write Assemblyman Maurice Hinchey, State Capitol, Albany, NY 12224.

## November Conference Planned

### Farm, Land and Food Policy:

#### A Time for State and Local Action

The Agriculture Project is organizing a national conference which will bring together progressive public officials, political activists, and consumer, farm and neighborhood groups. The conference will feature panels and workshops focusing on model bills, innovative legislation, and specific programs for state and local action.

The conference will cover many issues including:

- Model county extension programs
- State Land Grant Colleges: New roles
- Farmers markets
- Food coops
- Community gardens
- Anti-corporate farm acts
- Land banking
- Graduated land taxes
- Farmland preservation
- Marketing alternatives
- Agricultural districts
- Food tax alternatives

Look for the conference agenda, dates, location and registration information in the September issue of *Ways & Means*.

Cynthia Guyer  
Coordinator  
Agriculture Project

# Graduated Land Tax: An Aid To Family Farms

## By Robert E. Sanders

North Dakotans, concerned for the survival of the family farm, are looking to a progressive tax proposal. Many believe a graduated land tax would alleviate the economic pressures felt by their small-scale commercial farms—the political, social, and economic backbone of the state.

The concept of a graduated land tax is not new. The North Dakota Farmers Union has worked for over 40 years to get the measure written into North Dakota law. Some years ago, it was believed that a constitutional amendment was a prerequisite to enactment. Now leaders of the Farmers Union believe the best approach is to enact legislation establishing a graduated land tax and let opponents challenge its constitutionality if they so choose. It is believed that sufficient precedents exist in case law to successfully defend the constitutionality of a variable tax schedule.

Supporters of the proposition see both an economic and a sociological need for a graduated land tax. In the 40 years between the 1935 census of agriculture and the beginning of the 1976 crop year, the number of farms in North Dakota dropped from 84,600 to 40,000. It is probable that less than 39,000 farms will be operating in the state during the current crop year.

From an economic standpoint, the high cost of entry into farming has made it difficult, if not impossible, for a beginning or small farmer who needs to expand to compete with the large, established farmer for parcels of land that become available for purchase or rent. Obviously, a young farmer with an equity of 25 or 30 percent of his investment, who is forced to pay today's interest rates on the remainder, can not compete in the land market with the farmer who has 100 percent equity plus a reserve for working capital, much

of which is earning interest for at least part of the year. Accordingly, a way must be found to discourage both the expansion of the oversized farm and the creation of monopoly situations which foreclose new entry into agriculture. A graduated land tax with a prohibitive top bracket would stem these trends toward the super-sized holdings by the few who happen to have the financial resources to outbid those who need the land to establish an efficient commercial family farm.

The graduated land tax proposal that is being considered by the Farmers Union provides for five gradations. Under the proposal, the local assessor would place an "estimated market value" on each parcel of land. When all parcels of land held by a single owner have been identified and appraised, the assessment would be calculated from the assessment schedule in the box below.

To the extent that there are farms in the second, third, and fourth brackets, the total assessed value of all property within a taxing district would be increased. This would result in a lower mill levy being required to raise the same amount of revenue. It would automatically lower the tax burden on small holdings of agricultural land and increase the tax on larger holdings, thereby introducing the concept of ability to pay into the property tax system—an important secondary objective of the graduated land tax.

While the Farmers Union has supported the idea of a graduated land tax through the last four decades, the current effort to get

such a tax established started at the state convention in December, 1977. Delegates representing some 36,000 member families adopted language directing the organization to "... study the feasibility of a graduated land tax to be presented to the 1979 legislative session." Acting under that directive, the officers and staff have done much exploratory work, a committee of county Farmers Union presidents (one from each of the seven districts in the state) determined the proposed brackets, and a state-wide publicity campaign has been launched. The Farmers Union is now in the process of meeting with other organizations to develop support for the proposition.

Robert E. Sanders is Director of Land Use Planning for the North Dakota Farmers Union.

Copies of the proposed graduated land tax bill will be available in midsummer from the North Dakota Farmers Union, Box 65, Jamestown, ND 58401.

See also *The Progressive Land Tax: A Tax Incentive for the Family Farm* by North Dakota State Tax Commissioner Byron Dorgan. The excellent monograph reviews progressive land tax concepts, how they work, and how they have been used around the world. It also offers an explanation of how the economy of an agricultural state suffers when family-sized farms decrease in number. Copies are available from the Conference at \$1.50 (\$3 for institutions). Use the business-reply envelope in the centerfold.

Estimated Market Value	Assessment
0 to \$200,000	14%
\$200,000 to \$300,000	\$28,000 + 18% of amt. over \$200,000
\$300,000 to \$500,000	\$46,000 + 25% of amt. over \$300,000
\$500,000 to \$1,000,000	\$96,000 + 60% of amt. over \$500,000
\$1,000,000 and over	\$336,000 + 100% amt. over \$1,000,000



# County Government: Progressives Should Use It

## By Dennis Koehler

The nation's 3100 county governments once concerned themselves primarily with building roads. Today County Commissioners—also called supervisors, freeholders, parish judges, etc.—have perhaps the broadest, most direct impact on people's lives of any elected officials.

In addition to remaining the county's chief roadbuilders, the modern county government literally controls future growth through its land development regulations. County Commissioners also administer virtually all federal welfare and job-training programs; plan health-care delivery systems; and run emergency medical services. They also manage solid-waste disposal, build sewer and water supply systems, operate park and recreation facilities, manage airports, rail, and bus systems; and set the tax rates that determine how much will be spent on all of these government programs.

In spite of this tremendous impact on community life, however, everyone from progressives to Jimmy Carter continues to ignore counties as an instrument for progressive change. Why is this? Part of the answer lies in the relatively recent phenomenon of suburban growth. The postwar population explosion has forced county governments to begin providing a great many services previously offered only by municipalities.

The challenge to progressives is to make better use of this largely untapped government resource. To help you meet this challenge, here are some suggestions:

- Accept the fact that to achieve any sort of reform, you must first learn the rules of the game—the mechanics of translating ideas into county government action.
- Become familiar with local news sections of all daily papers, local weekly newspapers, editorial

pages and letters to the editor.

and local television news programs to get a handle on who's in power.

- Develop intelligent, balanced positions on the issues that most concern you and most directly affect your county.

- Talk to reporters who cover County Commission meetings. In small counties, you may be able to learn exactly what the media thinks about each Commissioner after one lengthy conversation over beers!

- Make an appointment with the County Manager or one of his or her Assistant County Administrators, to learn how a progressive idea can become a policy of the County Commission. Determine the staffing routes, committee structures, etc., that must be traveled before a policy option can be presented to the Commission.

- Identify the key players in the county's bureaucracy. For example, if you are interested in consumer services, but don't know the county Consumer Affairs Director and find out what the office does and how it relates to the local Better Business Bureau.

- Always come to your appointments with county officials well prepared. Offer your views simply and directly, supplying the official with all necessary backup information or supporting evidence.

- Offer to be of service to the Commission and individual Commissioners in any way you can.

One of the best ways you can help them is by offering them an alternative, progressive view on controversial matters that will be coming to them for decision.

- Get to know the individual Commissioner's office staff and how these people relate to their Commissioner. How much of the Commissioner's constituent service work do they do? What level of influence do they have over the Commissioner's policy decisions?

14

# Reforming The Political Process

## Fair Elections Ordinance Proposed for Chicago

In an attempt to tighten campaign ethics, give all candidates equal access to the ballot, and assure fair distribution of campaign information to all voters, Chicago Alderman Dick Simpson has drafted the Fair Elections Ordinance to amend the Municipal Code in the following ways:

- Voters would not be required to declare party affiliation to vote in mayoralty primary.
- Ballot positions of political parties in non-partisan races would be rotated by precinct.
- Each polling place would have two Democratic election judges, two Republican judges, and one independent or minor party judge.
- Candidates would file a detailed state of economic interest.
- Campaign contributions would be limited to \$1,000 per individual and \$5,000 per corporation or union.
- Mayoral debates would be conducted.
- Minor parties would also have an easier time placing their candidates on the ballot.

For copies of the ordinance and more information, write Alderman Dick Simpson, 44th Ward Assembly, 1045 West Belmont, Chicago, IL 60657.

## Supreme Court Decision and How To Get Around It

New legislation to limit contributions that a campaign committee may receive from individuals or corporations to pass or defeat a general ballot question is now being drafted by Citizens for Participation in Political Action (CPPAX), a Massachusetts state-wide organization. Earlier, the U.S. Supreme Court struck down Massachusetts legislation limiting contributions to ballot campaigns.

The new legislation will not prohibit campaign contributions but will make it more difficult for corporations to make large contributions. CPPAX is also working on a draft of legislation which would require corporations to get a two-thirds stockholder approval for expenditure of funds for political purposes.

For more information on the draft legislation and the impact of the Supreme Court decision on campaign contributions, contact Dick Cauchi, CPPAX, 35 Kingston St., Boston, MA 02111, (617) 426-3040.

## Rules Reform Proposed for Massachusetts House

The Coalition for Legislative Reform of the Massachusetts House of Representatives, in an attempt to balance inequities of power and pull, has written a proposal for rules reform. As the Coalition sees it, the legislative leadership holds total power. The Speaker appoints all committee chairs, all committee members, and hires and distributes all staff and office space. Most representatives, unless they follow the leadership line, find they have little impact on the passage of legislation—even

in their areas of expertise. Positions of real influence—the committee chairs—are reserved for those willing to follow the House leadership.

By contrast, some of the rules changes proposed by the Legislative Reform Coalition would stipulate that:

- Each party caucus would have an elected Chairperson and an elected Clerk.
- The Democratic and Republican nominees for Speakers would be selected by secret ballot by caucus members.
- All Committee Chairpersons would be nominated by the Steering and Policy Committee of the majority party.
- A citizens panel would be created to recommend fair salaries for all members of the House (including leadership and Chairpersons).

For more information about these and other proposed rules changes, contact the Coalition for Legislative Reform, Massachusetts House of Representatives, State House, Boston, MA 02138. Attn.: Rep. Philip Johnston.

## Securing Employee Rights

### Michigan Pushes for Employee-Records Access Bill

The nation's first state legislation to give employees the legal right to view and amend their personnel files is under consideration in Michigan. HB 5381 would provide broad access rights and prohibitions on political spying and other employer abuses. Only two states, Maine and California, have laws covering employee access rights to personnel records.

Specifically, workers would be able to insert statements of rebuttal on controversial items in their files. In an effort to keep records relevant, the law would also prohibit employers from transmitting to a third party disciplinary reports, letters of reprimand, or other records of disciplinary action which

are more than four years old. An employer would also be prohibited from transmitting derogatory information about an employee without prior written notification to the worker involved.

Most importantly, HB 5381 would prohibit an employer from keeping records of a worker's off-the-job exercise of first-amendment rights. This would extend to political surveillance of employees and maintaining files on employees' political activities.

According to State Representative Perry Billard (1-An Arbor), the bill's sponsor, HB 5381 is "a vital step toward the implementation of fair information practices." For more information, contact Representative Perry Billard, House of Representatives, Lansing, MI 48909, (517) 378-2577.

15

## Resources

### Unconscionable Investments, Unjustifiable Returns

The University of California Regents have earned less money from South African-related investments than they would have by investing UC funds in California, according to a new study by the California Public Policy Center. Had they invested their \$1.1 billion of pension funds in federally-backed housing securities, for example, they could have earned an extra \$117 million and created over 40,000 new jobs, financed thousands of new low- and moderate-income housing units, and generated \$45 million in new tax revenues in FY 1976-77. They would have earned more than eight percent on such healthy investments, rather than losing 5.11 percent in the South African-related corporate investments.

For copies of "South African Roulette" at 60 cents (two for \$1), write the California Public Policy Center, 304 S. Broadway, #224, Los Angeles, CA 90013.

### Municipal Fire Insurance Proposed

Fire insurance companies who profit from both tax-supported fire prevention and fire-suppression resources of a city contribute nothing to the general fund of the municipality that protects the company's "interests." The Institute for Local Self Government contends that if fire suppression, fire prevention, and fire insurance were placed under municipal auspices, local government could most cost-effectively coordinate a total fire loss management program. There would also be

a substantial incentive for a city to reduce fire losses because an improved record can be directly translated into larger total of excess premiums.

For a copy of *Municipal Fire Insurance: An Alternative to Private Fire Indemnity*, write the Institute for Local Self Government, Hotel Claremont Bldg., Berkeley, CA 94706.

### Bank Consolidations Threaten Small Farms

Chain banks in Nebraska are consuming independent banks, and are drawing available funds away from rural areas in the process. *Where Have All The Bankers Gone? A Report on the Decline of Independent Banking & Its Impacts on Agricultural Lending* concludes that the trend continues despite new public laws outlawing branch-banking and multi-bank holding companies. It warns about the consequences of greater concentration on access to credit for small farmers, and on general farm-credit stability in drought-sensitive areas, especially in times of depressed farm prices. For copies, send \$5 to Center for Rural Affairs, PO Box 405, Waltham, NE 68076.

### Tax Revenues Down the Tube

Underassessment by the Department of Corporations and Taxation of gas pipelines owned by Tenneco and Algonquin Transmission has resulted in cities and towns losing about \$5 million in property taxes in 1977 alone, according to *Down the Tubes*, a study by Massachusetts Fair Share.

The report also reveals that the Department has consistently undervalued this property since 1963; and that the Department currently lacks the resources to adequately appraise pipeline property.

For a copy of *Down the Tubes*, write Massachusetts Fair Share, 364 Boylston St., 2nd Fl., Boston, MA 02116.

### Half-Fare Will Travel

With more and more US transit systems coming into public ownership, fare reductions have been utilized with increasing frequency. More than 40 networks have introduced fare-free or reduced-fare services in recent years. For those contemplating similar pricing policies, an Urban Institute publication should prove valuable. *Low-Fare Fare-Free Transit: Some Recent Applications by US Transit Systems* is available for \$6 from the National Technical Information Service, Springfield, VA 22161.

### Women Take Charge

Strongforce has recently published a guide for women who want more control over their economic situation. *Women Taking Charge: New Ways to Economic Power* describes feminist business enterprises and credit unions, the National Committee on Household Employment, and clerical workers organizations, such as Nine to Five in Boston. It also contains an extensive resource guide of organizations and publications on women and work. Available for \$4.50 from Strongforce, 2121 Decatur Pl., NW, Washington, DC 20008.

**Ways & Means**  
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September-October 1978

## In This Issue...

Jarvis-Gann: The Progressive Response Should Be a Positive Program, p. 3

National Consumer Coop Bank Bill: The Start of Something Big, p. 5

Boston State Legislator Pushes Urban-Rural Food Coalitions, p. 6

Homesteading: State & Local Initiatives Can Revitalize Communities, p. 12

Arkansas State Prosecutor Champions Consumer Causes, p. 13

Declining Enrollments: School Closure is the Wrong Answer, p. 15



"The passage of Jarvis-Gann could ultimately have two profoundly different consequences. On the one hand, it could lead to passage of similar tax/expenditure limitations in other states and corresponding dramatic cutbacks in social services. On the other, it could signal the beginning of a major campaign for progressive state and local tax relief and reform..." See story, page 3.

# Legislative Initiatives

## Taxing the Corporate Whole

California is considering legislation that would discontinue the use of the unitary apportionment method for determining the tax liability of multinational corporations within the state.

This would allow the state at tax time to look at all of a corporation's assets, not just those within the state.

For more information, contact the bill's sponsor, Assemblywoman Teresa Hughes, State House, Sacramento, CA 95814.

## Vermont Land Use Tax Passed

In order to ease one of the many pressures forcing owners of the state's farmland and forests to cut them up into commercial lots and housing developments, Vermont has passed a new land use tax. The bill allows farmers and forestland owners to apply for a special "use" assessment, which would be lower than the fair market value assessment driven up by speculation.

Only those defined as "bona fide"

farmers or forestland owners by state law are eligible for use assessment. There is also a "change of use" tax of 10 percent of fair market value to discourage owners from later developing their land.

For more information, contact Fair Tax and Equal Education Coalition, 26 State St., Montpelier, VT 05602.

## Labor and Citizen Groups Form Energy Coalition

The Citizen/Labor Energy Coalition, a new alliance, is mobilizing at the grassroots level to fight for a long-term energy policy that reflects the interests of consumers and workers.

Bill Wimpfing, president of the International Association of Machinists and Aerospace Workers, and Bill Hutton, executive director of the National Council of Senior Citizens, head an executive committee composed of representatives

from over 20 organizations, including: Public Citizen, Fair Share, UAW, AFSCME, Mass Energy Action, and Carolina Action.

Four principles must guide national energy decisions, according to the Coalition:

- Energy prices must be just, reasonable, and affordable for consumers.
- Energy policies must promote economic health by the preservation and creation of jobs.
- Concentrated economic power in the energy industry must be broken up.
- Energy must be safe.

The Coalition will hold conferences in six regions of the country this fall, while launching aggressive campaigns at the local, state, and national level to fight for its four principles.

For more information, contact Citizen/Labor Energy Coalition, 600 W. Fullerton, Chicago, IL 60614, (312) 929-9125.

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**Ways & Means** is a bimonthly publication of the *Conference on Alternative State and Local Public Policies*. Since the Conference was founded in June 1976, it has provided a major meeting place and forum for ideas of progressive

electoral officials, community organizers, political activists, and technically trained experts interested in alternative policies and programs at the state and local level. In addition to holding an annual national meeting, the organization holds frequent regional, statewide, and issue conferences which focus on the increasingly complex problems facing state and local government today.

Subscription prices: \$10, \$20 for institutions. To order, see center-fold.

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## Jarvis-Gann:

# The Progressive Response Should Be a Positive Program

By Carol Baldwin and Lee Webb

The passage by California voters of Proposition 13 (Jarvis-Gann) has had an explosive effect on the nation. The news media, for instance, has hardly missed an opportunity to headline the "tax revolt."

Conservatives have been emboldened by the victory in California to press for similar tax limitations in other states as well as in Congress. Progressives, for their part, realize they must address state and local tax issues. Organizations interested in new or expanded state or local initiatives in day care, school construction, social services, economic development, energy alternatives, and protection of agricultural land now understand clearly that to meet their goals they must play an active role in reform of the state and local tax structure.

Some progressives are confused about the causes and meaning of Proposition 13. They are worried that a conservative tide is upon them. Others, perhaps, are jealous because the conservatives, at least in California, have been able to organize and give leadership to angry state and local taxpayers more effectively than the progressives.

The California voters were right on one essential point: property taxes are too high. Progressives for years have been raising this issue, arguing that we rely too much on the local property tax and that too much of its burden falls on middle-, moderate- and low-income families.

The passage of Jarvis-Gann could ultimately have two profoundly different consequences. On the one hand, it could lead to passage of similar tax expenditure limitations in other states and corresponding dramatic cutbacks in social services. On the other, it could signal the beginning of a major campaign for progressive state and local tax relief and reform.

However, what would be required for the latter is a concrete program

for tax reform. That program involves a redistribution of the tax load together with a diversification in the sources of revenue.

State and local taxes can be divided into three general categories: taxes on wealth, income, and sales. A balance of revenue sources requires increasing or relieving taxes in each area, creating new taxes in these classifications, or improving collection of existing taxes. Progressives have provided models of change in every area.

The property tax is a type of wealth tax which can be "targeted." Circuit breakers, classification schemes, homestead exemptions, and tax deferrals all allow the property tax to be levied selectively. The homestead exemption builds in progressivity by forgiving a set amount of assessed value. Classification would tax residential property at a lower rate than commercial and industrial property. Deferrals postpone payment of taxes.

For example, elderly owners can defer tax payments on their home until after death or the sale of the property. Circuit breakers set a property tax load limit. This may also benefit renters because it is based on the percentage of one's income that goes to the state in property taxes.

One way to shift the property tax burden is to collect on tax-exempt property. Nationally, one-third of all real estate is exempt from taxation. In Washington state, Boston, and Hartford, the figure is closer to 50 percent. The estimated loss in revenue is \$15 billion per year. Fees, payments-in-lieu of taxes, state reimbursement to cities for lost revenue, and review of the amount and duration of exemptions are all ways of recouping this lost revenue. If exemptions were completely curtailed, the typical family's property tax bill could be reduced by 25 percent.

Property tax abatements to businesses also result in billions of dol-

lars in lost revenue every year to local communities.

Other ways to diversify the tax and increase revenue include taxation of intangible properties, such as stocks and bonds. Sales taxes can also be progressively extended by applying them to professional and other services.

One of the most important ways to increase revenue is to improve the administration of existing taxes, including collection of delinquencies, and ending corporate tax avoidance. New York City in 1976 had \$570 million in unpaid property taxes and Boston had \$50 million, most of it from large property owners.

Interstate corporations have long avoided paying their share of taxes by clever bookkeeping. Joint auditing by the Multistate Tax Commission can help to stop that revenue loss by revealing hidden profits. These and other alternatives on state and local taxes will be discussed and analyzed in detail at a conference planned in Washington, DC, for 6/7-8 October 1978.

"State and Local Tax Reform: New Directions for Progressive Reform" will be sponsored by the Conference and other organizations. See flyer (inserted in centerfold) for details.

Carol Baldwin is coordinator of the *Conference's State and Local Tax Reform Project*.

Lee Webb is executive director of the *Conference*.

An excellent analysis of Jarvis-Gann and alternatives by Diane Fuchs is available from the Tax Reform Research Project, 133 C St., SE, Washington, DC 20003.

Also, the Conference will be publishing *State and Local Tax Reform: Perspective, Proposals, and Resources*, a 300-page study of the state and local tax problems, and alternatives for reform. For more information, see centerfold.

# Women in the Economy

## Clerical Workers Get Organized

One-third of the female workforce is employed in clerical occupations. This most rapidly expanding sector of the labor force has been called a "job ghetto" for women, characterized by low wages and limited opportunities for upward mobility. Using as their slogan, "Raises, not roses," women office workers in many cities have begun to organize activist groups.

One of the first groups for clerical workers, Nine to Five, was founded in 1973 in Boston. Well-known for its "Bill of Rights for Women Office Workers," Nine to Five has initiated campaigns utilizing the powers of the banking and insurance commissioners to enforce affirmative action practices within those industries.

Women Employed began in 1973 with members from fewer than 11 offices. Now over 1000 women from the downtown Chicago area are involved. The WE Fair Employment Program established seven minimum standards to insure equity for women office workers. Using legal challenges and organizing strategies, they have won higher wages, promotions, and more benefits for many women clericals.

Cleveland Women Working, founded in 1975, has approximately one-third minority representation in its membership, reflecting the increasing percentage of minorities in the clerical workforce. They are currently waging a campaign to bring about fair employment practices in the banking industry in Cleveland.

Karen Nussbaum is the director of the National Working Women's Organizing Project, sponsored by Nine to Five and Cleveland Women Working. It has been instrumental in assisting women workers in many cities to start support groups and organizations. In the last 18 months since it was founded, the project has helped to start 15 new organizations for clerical workers around the country.

Some clerical workers are organizing their own unions. Among

those recently formed are: Seattle United Workers Union-Independent, at the University of Washington, Local 925 in Boston, which grew out of the efforts of Nine to Five, and is an autonomous local of the Service Employees' International Union; and Clerks County, a caucus within the Alameda County, California, public employees union. For more information about the increasing activism among clerical workers, contact:

- Cleveland Women Working, 1258 Euclid Ave., Cleveland, OH 44120.
- Dayton Women Working, YWCA Bldg. #318, 141 W. 3rd St., Dayton, OH 45402.
- National Working Women's Organizing Project, 1258 Euclid Ave., Cleveland, OH 44120.
- Nine to Five, 140 Clarendon

St., Boston, MA 02116.

- Union W.A.G.E., PO Box 462, Berkeley, CA 94701.
- Women Employed, 36 S. Wabash, Chicago, IL 60603.
- Women Office Workers, 680 Lexington Ave., New York, NY 10022.
- Women Organized for Employment, 127 Montgomery St., San Francisco, CA 94140.

## Extra Points for Homemakers

Legislation is under consideration in Ohio which would benefit homemakers applying for public service employment. SB 304 and HB 965 would grant qualified homemakers an additional 20 percent in bonus points on civil service exams. For more information, contact Ohio Women's Information Service, State House, Columbus, OH 43215.

## Neighborhoods

### Neighborhood People Keep the Peace

Howling dogs, double-parked cars, thefts, and vandalism are among the neighborhood problems being solved through the unique Community Boards Programs (CPBs) in two San Francisco communities—Bernal Heights and Visitation Valley. These are the country's first community-based, non-governmental neighborhood dispute-solving centers.

Everyone involved meets in a neutral forum, not to decide innocence or guilt, but to learn what happened and why, and how to resolve the situation. Staff and community people cooperate to see that resolutions are carried out.

At training sessions, staff learn to ask the kinds of non-judgmental questions and to exercise the patience needed in dispute resolution.

Because of the success of these pioneer programs, California legislation has been proposed which

would provide up to \$1.5 million to establish neighborhood problem-solving centers around the state.

For more information about the CPBs already in action, contact the CPB Central Office, 149 Ninth Ave., San Francisco, CA 94103. For more information about the pending legislation, contact the bill's sponsor, Assemblyman Vic Fazio, State Capitol, Sacramento, CA 95814.

### Neighborhood Enterprises That Work

A guide to information and resources for starting up neighborhood businesses has been published jointly by the National Association of Neighborhoods and the Kettering Foundation. Written by Nell Kotler, it examines 67 examples of viable community-based firms across the country.

For copies, write NAN, 1612 20th St., NW, Washington, DC 20009.

## National Consumer Coop Bank Bill:

# Consumer Cooperatives: The Start of Something Big

By Lee Webb

Consumer cooperatives, a major economic force in Western Europe, may be on the way to a similar status in the US. The long struggling food, housing, and other types of cooperatives in America's rural and urban areas are about to get real financial and technical assistance for the first time from the federal government, permitting major growth and expansion.

A National Consumer Cooperative Bank has been created to provide long-term loans, interest subsidies, and technical assistance to consumer coops of all kinds. Congress passed the legislation establishing the bank, and President Carter signed the bill in August. The creation of the bank represents a major victory for a wide coalition of coops, labor, and minority groups, which have worked together for years to create such a bank.

Consumer cooperatives as well as other groups interested in setting up new coops can expect assistance from the bank. The bank will be providing the following services:

- **Hard loans.** The first year of operation the bank will be authorized to lend approximately \$100 million to consumer coops. At the end of three years, the bank will be authorized to lend \$300 million. The bank is empowered to raise up to \$3 billion by selling bonds on the private market.
- **Development funds.** An office in the bank will be authorized to spend \$10 million the first year, and another \$65 million the next two years. These funds will be used partly for equity grants and interest-rate subsidies to low-income co-ops otherwise unable to make use of the bank.
- **Technical assistance.** The \$10 million the first year, and the \$65 million the next two years, would also be used for technical assistance to low-income coops. Such assistance would include management education and training, feasibility studies, and market research.

The bank and its services were designed to overcome many obstacles which previously restricted the growth of consumer coops, particularly the unavailability of credit and the lack of technical assistance. Consumer coops, it is expected, will find a sympathetic ally in these areas in the bank.

The goal of the drafters and supporters of the bank has been to create institutions which people can directly control themselves. Only through such control can citizens participate actively in social and economic life. Coops are a step towards a third economic sector, which will be in addition to the privately-owned and publicly-owned sectors.

### "Coops are about to get real financial and technical assistance for the first time from the federal government..."

Consumer cooperatives of all types are eligible for loans and assistance, including both existing and yet to be formed coops. The list of those eligible includes food, furniture, auto supplies, legal services, repair services, and housing coops. The board of directors, in addition, is required to use its "best efforts" to insure that 35 percent of its loans are to low-income coops or for coops serving low-income people. Many organizations will be able to take advantage of the bank and its programs. These include:

- **Existing coops.** Bank loan funds and technical assistance could be used to stabilize their financial situation and to plan and finance the expansion of existing operations, or expansion into new fields.
- **Neighborhood and community groups.** The bank could provide

technical assistance, interest subsidies, and long-term loans for these organizations to start consumer coops of all types.

- **State-wide community organizations.** The bank and its various services could be used to start consumer coops to strengthen and complement an organization's activities, provide new services, or reach out to new constituencies.
- **Labor unions.** The bank could provide its various services to enable unions to create consumer co-ops for their members or to assist local community groups to organize coops.

These can assist local organizations that they have traditionally supported to organize consumer coops and to help secure technical assistance, development funds, and long-term loans from the bank.

There are still important, but as yet unresolved, questions about the bank. Although the fight was successful to create the bank, public participation must be secured to make sure the bank will be adequately funded by Congress; that bank regulations fulfill the hopes and dreams the bank's sponsors had; and that progressives are appointed to the board of directors and as officers of the bank.

In addition, although the bank was passed through strong popular support, most community groups, coops, unions, churches, and other organizations know very little about the bank and its potential. As a result, the Conference will be helping organizations to hold small conference/workshops to brief local groups about the bank, its structure, services, and potential. If you are interested in hosting such a conference/workshop in your area, contact Michael Freedberg, at the Conference.

Lee Webb is executive director of the Conference.

## Mel King:

# Boston State Legislator Pushes Urban-Rural Food Coalitions

By Michael Scully and Cynthia Guyer

Why has a state representative from the inner-city district of Roxbury/South End in Boston spearheaded numerous bills and innovative proposals in the areas of farm, land and food policy?

Mel King (D-Boston), who is also a member of the Conference on Alternative State and Local Public Policies steering committee, believes that farmers and consumers must begin to jointly support legislation, programs, and policies that deal effectively with the problems that both constituencies face. King advocates "urban-rural food coalitions"—a concept that is taking hold across the country.

Thirty years ago, 35,000 family farms produced food in Massachusetts. Today, only 6,000 farms remain. Land speculation and development seriously threaten Massachusetts farmland. If the current rate of farmland conversion to residential and commercial uses persists, the state will lose all of its remaining agricultural land by 1985. At the same time, over 80 percent of Massachusetts's food needs are supplied from out-of-state. Current studies show that Massachusetts citizens pay over 12-15 percent more than the national average for food.

King believes that consumers and farmers, working together, can and should rebuild the state's capacity to become more self-sufficient in food production. King believes that strengthening the agricultural economy will encourage local economic development by creating new jobs and farm-related industries.

"Urban folks have a critical stake in building ties with farmers," King has said. "The long-range food security of our cities may well depend upon the redevelopment of regional agriculture as a vital industry." Conversely, it is in the in-

terest of farmers to encourage consumers to support agricultural legislation on issues such as direct marketing, access to credit, and protecting farmland. There are only 2.7 million farmers left in America—just over one percent of the total population. Concerned and organized consumers from every locale are potentially the political base and constituency for more responsive and innovative agricultural and food policies.

Among the bills introduced or supported by King in Massachusetts is a Farmland Development Rights "Pilot" Program, passed in 1977, authorizing the state to spend an initial \$5 million to purchase the development rights of agricultural land from farmers.

A bill passed in 1974 has provided access of vacant publicly-owned lands to individuals and groups for gardens and farm operations. Today, over 50,000 people are cultivating over 100 sites statewide, and in Boston, thousands of people are gardening on some 80 neighborhood garden plots.

A bill to be introduced in the 1979 legislative session would establish a "State Compost Division" to turn Boston's sewage into fertilizer or compost for Massachusetts farmers.

Another legislative proposal King will push in 1979 would establish a state commission to investigate the potential benefits of having state institutions—e.g., hospitals, schools, and universities—purchase a much higher proportion of food from Massachusetts farmers and fishermen. The state currently spends over \$3 billion each year on importing food products. The commission would consider the prospects for lower, more stable food prices for consumers, new jobs, the growth of secondary industries, such as storage and processing facilities, and increased tax revenues.

Finally, King has drafted a bill

creating a State Community Development Finance Corporation, which would offer "seed" capital to local community economic development efforts. This source of capital will undoubtedly provide a boost to forthcoming ventures designed to revitalize the agricultural economy in Massachusetts.

Michael Scully is legislative assistant to Representative Mel King on agricultural, land, and food policy.

Cynthia Guyer is coordinator of the Conference's Agriculture Project.

## Reforming Food Policy

### Junk Food Discouraged in Schools

California SB 1211 would not only establish a state-funded dental prevention program for grades K-6, but would prohibit the sale of junk food in participating schools.

Junk food, according to the Assembly Health Committee, which added the ban to the original dental care bill, includes: carbonated drinks, fruit drinks with less than 50 percent fruit juice, candy, flavored ice bars, snow cones, gum with sugar, and highly sweetened bakery products.

In Ohio, Representative Virginia Aveni has also sponsored a bill to ban junk food in schools and has met with opposition from those who advocate individual rights—even if it means the right to lunch on a Coke and a Milky Way.

Aveni's bill, while allowing county boards to regulate foods served in their schools, would prohibit the sale of carbonated drinks, candy,

flavored ice bars, and gum. Aveni hopes these four items "will be the bottom line on what can be banned." She adds: "We're hoping to set a precedent that they not sell foods with little or no nutritional value. The bill allows the local districts to expand the list of those prohibited foods."

Further, both Aveni and Faith Gravenmeit, Director of Children's Nutritional Services for West Virginia, another state grappling with a bill to ban junk food in the schools, stress that school bake sales are hypocritical in an educational environment. "If nutritional education is taught in the classrooms, you cannot turn around and sell non-nutritional items in the halls," says Gravenmeit.

For more information on the California bill, write Senator Paul Carpenter, State Capitol, Sacramento, CA 95814. On the Ohio bill, write Representative Virginia Aveni, State Office Tower, 3 East Broad, Columbus, OH 43216. On the West Virginia bill, which was vetoed by the governor last year, write its sponsor, Senator Bill Gilligan, State House, Charleston, WV 25305.

For more information, contact the bill's sponsor, Assemblywoman Leona Egeland, State Capitol, Sacramento, CA 95814.

### California Moves on Food Policy Reform

Several California state legislative aides have formed a caucus on food policy and, with the help of activists, developed some excellent bills and proposals during the last legislative session. One of them, SB 1487, would require one-quarter of the membership of Agriculture Market Boards to be private citizens appointed by the governor. Currently, the membership is almost exclusively large growers and processors.

For more information, write Ellen Powell, Department of Consumer Affairs, 1020 N St., Sacramento, CA 95814.

## Agriculture Conference Planned New Directions in Farm, Land, and Food Policy

January 1979  
Nashville, Tennessee

The Agriculture Project of the Conference on Alternative State and Local Public Policies announces a major national conference on farm, land, and food policies. Farm organizations, political activists, citizen and neighborhood groups, farmers and public officials who are behind the extraordinary spirit of encouraging and implementing new approaches and policy alternatives at the state and local level will come together January 1979 in Nashville, Tennessee.

Workshops, publications, films, regional panels, and keynote speakers will focus on model legislation, specific programs, and strategies for state and local action.

### Partial List of Workshops

- Farmer-Consumer Alliances.
- Land Banking
- State Initiatives to Encourage Direct Marketing
- New Sources of Capital and Credit for Family Farmers
- Control Over Water and Irrigation Rights
- Canadian Farm Legislation: Support for the Family Farm
- New Roles for State Departments of Agriculture
- The National Consumer Cooperative Bank
- The Family Farm Development Act/1978
- State Anti-Corporate Farm Acts
- New Priorities for State Land Grant Colleges
- Building State Legislative Coalitions
- New Roles for County Extension Services
- State Legislation to Protect Farmworkers' Rights
- Protecting Farmland from Development: State Strategies
- Conserving Energy in Agriculture
- City Food Plans
- State Agriculture and Food Plans

☐ Please send agenda and registration information on the Farm, Land and Food Conference to be held January 1979

Name \_\_\_\_\_

Organization \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Return to: Cynthia Guyer, Coordinator, Agriculture Project, Conference on Alternative State and Local Public Policies, 1901 Que St., NW, Washington, DC 20009.

# Conference Publications

## New... Forthcoming...

### Public Policies For the 80s

**Public Policies for the 80s: Perspectives and Resources for State and Local Action**

By Lee Webb. Major new publication of the Conference includes: Suggested new policy initiatives on Energy, Tax Reform, Economic Development, and Agriculture • Issue bibliographies on 27 major problems facing state and local government • Key organizations, individuals, and publications for policy-making in the 1980s. Invaluable to public officials and community organizations who hope to take action on crucial public policies at the state and local level. \$9.95, \$14.95 for institutions.

### Ways & Means

Every other month **Ways & Means** will focus on major issues facing state and local government, including tax reform, energy, economic development, agriculture and food, women's issues and housing.

Upcoming issues will feature information about new alternative legislation, political reform movements, conferences, new publications, and news about progressives at the state and local level around the nation. Our price is only \$10 a year (\$20 for institutions). 6 issues/year. Subscribe today!

### Agriculture

**Protecting the Family Farm/Preserving Farmland**

An introduction to major farm policy questions. Features initiatives designed to limit corporate farming, protect farmland, and increase farm income. Reprinted from *New Directions in State and Local Public Policy*. \$1.50, \$3 for institutions.

### The Progressive Land Tax:

**A Tax Incentive for the Family Farm**

A progressive property tax could slow the decline of family farms. This report by North Dakota State Tax Commissioner Byron Dorgan reviews progressive land tax concepts, how they work and how they have been used around the world. It offers an explanation of how the economy of an agricultural state suffers when family-size farms decrease in number. \$1.50, \$3 for institutions.

### Available later this fall...

**State and Local Tax Reform: Perspectives, Proposals and Resources**

Analyzes the current state and local tax revolution and the progressive opportunities it provides. Among the topics considered are: land speculation • business tax abatement • tax exempt property • natural resource taxation • circuit breakers, classification systems, and homestead exemptions for property tax relief • personal and corporate taxes • special assessments • problems in tax administration. Resource section includes people and organizations active in tax reform and their strategies, places to get tax legislation, and bibliographies.

### New Directions in Farm, Land, and Food Policies

A working manual with over 200 pages documenting the diversity of options and policy alternatives on farm, land, and food related issues. Topics ranged from anti-corporate farm acts, graduated land taxes, access to credit, and land for family farmers to farmer's markets, food coops, and food tax repeals.

Each chapter is divided into sections detailing innovative proposals and policy alternatives, resources, and bibliographies. The book is an excellent guide for activists, farmer and citizen's groups, academics, and progressive public officials.

### Taxes

**Revenue Strategies for D.C.**

A unique action-guide to potential tax strategies, using the District of Columbia as a model. \$1.50, \$3 for institutions.

### Taxing Coal:

**The Coal Industry Meets Its Match**

Outlines the history and justification for coal severance taxes most Great Plains states have considered and North Dakota and Montana have adopted. The pamphlet explains why western states need severance taxes and why the coal industry can afford to pay them. By Byron Dorgan. \$1.50, \$3 for institutions.

**A Program for a 33 1/3 Percent Coal Severance Tax**

Summary of a proposal that was prepared by a task force of North Dakota state legislators, Rural Electric Coops, School Boards, labor unions, and others. \$2.50, \$5 for institutions.

### Cities

**The Cities' Wealth**

Programs for community economic control in Berkeley, California, compiled by the Community Ownership Project (COOP). \$3.50, \$5 for institutions.

### Insurance Redlining

A proposed 1978 Chicago ordinance to stop insurance redlining. It provides that insurance companies doing business in the city must agree not to discriminate and to disclose insurance policy renewals, cancellations, and rejections by Zip Code zone. \$1, \$1.50 for institutions.

### Women in the Economy

**Women in the Economy: A Legislative Agenda**

By Ann Beaudry with Mary Coyne. Contains current model legislation and program proposals for women to achieve economic equality. Includes information on such topics as: displaced homemakers • insurance equity • domestic workers • rights of pregnant workers • economic protection for homemakers • vocational training • alternative work patterns • state labor laws • upward mobility.

In addition, the book includes useful resource lists on specific issues, a general bibliography, and a directory of working women's organizations. \$5, \$10 for institutions.

### Women in the Economy

**Conference Report**

Contains names and addresses of the 200 participants and texts of the plenary speeches. Conference was held in Cleveland, Ohio, on May 12-13, 1978, and sponsored by the Conference on Alternative State and Local Public Policies and Cleveland Women Working. \$2.50, \$5 for institutions.

### Energy

**Jobs From the Sun**

One of the first studies to examine in detail the industrial and employment potential for solar energy. Provides basic data and methodology for calculating the economic impact of solar energy for any state or region. By Fred Brantman and Steve LaMar. \$6.50, \$10 for institutions.

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### SolarCal

A model proposal for a public solar energy authority. \$1, \$1.50 for institutions.

### Jobs

**Industrial Exodus**

Realistic proposals about what each level of government could do to save jobs and protect communities from plant shutdowns. \$5, \$7.50 for institutions.

**Runaway Plants Acts**

Ohio and Michigan bills requiring notice to affected employees and communities before any industry shutdown, relocation, or reduction in operation. \$1, \$1.50 for institutions.

### Overview

**Public Policy Reader**

Includes programs and legislative proposals for energy, public enterprise, political organization, economic development, tax reform, health, education, criminal justice, and food, land, and growth issues. \$5, \$10 for institutions.

**New Directions in State & Local Public Policy**

Looks at the complex issues of state and local government including: energy, public capital, tax revenues, agricultural land use, controlling corporations, redlining, and reinvestment, and women's economic issues. \$7.50, \$15 for institutions.

**The Federal Budget & Social Reconstruction**

Where the tax money goes and where it comes from have long been obscured in the fog of numbers that keeps the public from understanding or controlling the budget-making and taxing processes. At the request of 54 members of Congress, the Institute for Policy Studies has published this collection of 21 papers on alternative policies for spending on defense, energy, housing, health, employment, public enterprise, etc. Contains unique ideas on tax reform and balancing the federal budget. \$7.95, *Your Money & Your Life* (condensed version) \$1.95.

## How to Order...

Use business reply envelope to order now. If the envelope is missing, mail prepaid order along with name and address to the Conference. Remember, check must accompany order.

Make checks payable to "Conference" • "Institutions" applies to businesses and government. • Please include 75¢ postage/handling and allow several weeks for parcel post delivery. Or add 50¢ more for first-class mail. • Thank-you for your order.



## Fourth Annual National Conference

# Activists Meet in St. Paul-Mpls.; Set Agenda for Public Policies for the 80s



**Top right:** Over 600 activists met in St. Paul-Minneapolis in July for the Fourth Annual National Conference on Alternative State and Local Policies. Here Sam Brown, director of ACTION, presents "A Progressive Agenda for America."

**Above:** Two of the keynote speakers at the closing session of the four-day conference: Ruth Messenger, City Council, New York, and David Mixner, New A.G.E., Los Angeles.

**Center right:** Speaking on "A New Energy Policy for States and Cities" are (from L-R) Roger Kahn, Colorado Coalition for Full Employment; Patricia M. Roach, City Council, Dayton, Ohio; Earl Craig, Urban Coalition of Minneapolis; and Fred Branfman, California Public Policy Center.

**Bottom right:** Ken Cockrel, outspoken Detroit City Councilmember, details a political strategy for urban blacks.



### Public Policies for the 80s

The major new publication of the Conference, prepared especially for the St. Paul-Minneapolis meeting, includes suggested policy initiatives on energy, tax reform, economic development, and agriculture; issue bibliographies on 27 major problems facing state and local government today; and a list of key organizations for policy-making in the 80s. Invaluable to public officials and community organizations who hope to take action on crucial public policies at the state and local level, \$9.95, \$14.95 for institutions. To order, see centerfold.



10

# Public Control of Capital, Economic Democracy

## Community Development Finance Corporation Makes First Investment

The Massachusetts Community Development Finance Corporation (CDFC) has funded its first investment of \$250,000, from its capital pool of \$10 million, to a small electronics company, Telemetry Systems Engineering (TSE).

Part of this investment was used to purchase common stock in TSE. This represents the first time state money has been used for such an "equity" investment in Massachusetts.

CDFC, an independent state agency opened its doors for business proposals last April. It was created by Massachusetts legislation to provide investment capital to business ventures undertaken in partnership with community development corporations.

For more information, contact Matthew Hobbs, President, Massachusetts Community Development Finance Corporation, 131 State St., Boston, MA 02109.

## New Economic Development Agencies Established in Massachusetts

Massachusetts has established three new agencies to provide financing for innovative enterprises and to redirect capital to declining areas. The Massachusetts Industrial Finance Agency (MIFA), Technology Development Corporation (TDC), and Community Economic Development Assistance Corporation (CEDAC) were all approved at the close of this year's legislative session.

MIFA will make industrial revenue bonds available to businesses. Used to finance expansions and equipment purchases, revenue bonds are available only in a third of the state's communities. MIFA will also allow the state to qualify for the Small Business Administration pollution control program, which will provide 100 percent fed-

eral guarantees for tax-exempt revenue bonds for pollution control facilities.

TDC is designed to provide capital and technical assistance for the creation of new high technology companies, or for the design and introduction of new products of already existing companies.

CEDAC was established to guarantee that investments from the Community Development Finance Corporation (CDFC) would go to businesses in depressed areas.

For more information on H332 and H2129, the bills that established these new agencies, write State Senator Jack Backman, State House, Boston, MA 02138.

## Public Money Bills Redrafted in California

Three far ranging bills designed to increase public control of state funds have been introduced, but defeated in committee, in the California legislature.

The three bills, introduced by Sen. John Dunlap (D-Napa), were the result of several days of hearings last fall and close consultation with California public interest groups and labor representatives. The bills are now being redrafted by Dunlap and will be introduced during the next session. The new bills will be similar on most major points but will be written to create increased political support for the measures.

The three bills which were introduced but later defeated are:

- **SB 1820:** This bill would create a state bank as an agency of state government with the power to make loans and to accept deposits from public agencies, the University of California, and public and private pension funds.

The bank's board would include public officials, such as the state treasurer, and public members appointed by the Governor. In addition, two advisory committees representing such constituencies as small business, coops, and labor would be created.

The bank, through a newly created California loan fund, could make loans to individuals, nonprofit organizations, counties, cities and special districts, but not directly to private businesses.

• **SB 1821:** This bill permits the existing Pooled Money Investment Board (which now handles short-term investment of public funds) to adopt regulations establishing eligibility requirements for the deposit of public funds in banks and financial institutions after considering the loan portfolios of such institutions in certain types of loans.

The bill allows, but does not require, the creation of a linked deposit system for investment of state monies.

• **SB 1745:** There is now no provision in state law directing state agencies which invest funds in private securities such as stocks to consider social or environmental consequences of business operations.

This bill would enact the "Investment Policy Act of 1978" to declare a state policy against state investment in businesses that practice discrimination, deny basic rights of citizens, or seriously pollute the environment. It would create the Investment Responsibility Task Force, composed of public members appointed by the Governor and the Legislature, to formulate regulations to implement these policies and to recommend a course of action when a business violates the guidelines.

For copies of these bills and information on their political progress, write John Harrington, Legislative Aide to Sen. John Dunlap, State Capitol, Sacramento, CA 95814. The Senate Select Committee on Investments will also be at work on corporate and bank disclosure bills, legislation on employee-owned and managed enterprises, and proposals on corporate democracy issues. For more information, write John Harrington, at the address above.



## Homesteading:

# State & Local Initiatives' Can Revitalize Communities

By Michael Freedberg

Throughout the country, community groups and local officials are developing new programs for revitalizing devastated urban neighborhoods. After decades of large-scale, government-financed urban renewal and slum clearance programs, they are exploring community-based solutions to the problem of neighborhood deterioration.

Among the most innovative—and successful—responses is urban homesteading. With its roots in the "rural homesteading" movement of the 1800s, homesteading has provided new homeownership opportunities for low- and moderate-income residents in many urban communities.

A clear distinction must be made between different types of homesteading. More traditional programs simply transfer publicly-owned properties to individuals at nominal cost. On the other hand, innovative homesteading has provided communities with a progressive option in responding to the twin problems of abandonment and displacement.

Most homesteading programs have been initiated at the community level or through the federally-supported Urban Homesteading Demonstration Program. However, local and state governments are in a position to remove remaining legal and institutional barriers, enact supportive legislation, and provide additional financing, so that homesteading can be expanded beyond its present limits.

Cities, for example, may do the following:

- Set aside portions of abandoned housing stock for homesteading.
- Utilize block grants for financing homesteading.
- Introduce tax abatements or exemptions.
- Match rehab financing with other funds.

- Initiate fast foreclosures against landlords in clear cases of abandonment.
- Arrange "negotiated sales" of properties to bona fide tenant groups.
- Require local savings institutions to invest in inner-city areas.
- Introduce innovative demolition or seal-up programs aimed at saving existing housing stock.

States, on the other hand, may act in these ways:

- Offer cities incentives to develop homesteading programs; or develop programs of their own.
- Provide technical assistance to neighborhood groups.
- Finance neighborhood development corporations to undertake homesteading and other rehab programs.
- Enact progressive tax incentives that encourage rehabilitation.
- Establish community development finance corporations or state development banks to finance rehab projects.

The federal government initiated a homesteading program of its own in May 1975. Now operating in 39 cities, it gives the homesteader up to three years to repair the property. Some of these HUD programs have been criticized for not going far enough. Many of them neglect those most in need. For example, there are no provisions for preventing future speculation; community groups have not been sufficiently involved; and the focus has been on single-family dwellings, where abandonment is less acute than in multi-families. Further, red tape has discouraged many potential applicants.

Innovative homesteading programs may provide communities with a powerful revitalization tool.

- In Philadelphia, neighborhood residents have simply "walked in" to over 800 HUD-owned abandoned properties without any formal arrangements with city government. As a result, the city recently initiated a program in which basic systems are restored and low-income families complete the rehabilitation themselves.
- Community groups in New York have developed a unique program, now involving some 400 units complete or under construction in the city's worst neighborhoods. Community groups form tenant co-ops with the sole purpose of renovating, occupying, and managing abandoned, fire-gutted tenements. A negotiated sale is then arranged with the city, and low-interest loans are secured.

What is unique here is the "sweat equity" which allows tenants to contribute a number of hours a week during construction. In addition, CETA funds are added, so that the majority of work is done by the tenants themselves, who thus learn valuable job skills at the same time. Many groups have included energy conservation or solar energy in their buildings. When combined with low-interest loans, elimination of contractor's profit, and other cost-saving features, the result is

*Continued on opposite page*

## Internships

The Conference is now accepting applications for fall and winter full- or part-time internships. Interns are involved in research, organizing seminars and conferences, and publications on the following issues: state and local tax reform; energy policy; women's economic issues; agriculture and food policy; low-income housing and neighborhood issues; pension funds; and economic development alternatives.

Letters of application should include the student's interests and objectives; the dates he or she will be available; and relevant research, academic or work experience.

For more information, contact Cynthia Guyer at the conference.

*Continued from opposite page*

extremely low maintenance and operating costs for the new owner-tenants—as low as \$35/room for a newly renovated apartment.

Homesteading, then, may provide affordable low-income housing by renovating buildings at approximately half the cost of conventionally-financed and rehabilitated structures. It can achieve a shift from private absentee landlord to tenant cooperative ownership. It can reduce cities' inventories of abandoned buildings and, in the process, reduce further building deterioration. And it can provide the

basis for long-term community development by incorporating housing rehabilitation, job training, and energy conservation. Finally, homesteading can prevent displacement by removing properties from the speculative market and by providing low-income residents with access to property and capital markets.

*Michael Freedberg, a Conference staff member, has been involved with neighborhood housing issues and programs in New York City.*

The Conference plans to act as a

## Bill Clinton:

# Arkansas State Prosecutor Champions Consumer Causes

By Julie Baldrige

Consumers have a new group of advocates to represent their interests: state attorneys general. After decades of being little more than house legal advisors, many have embarked on a new campaign in the public interest. Starting in the early '70s, there have been efforts to bring antitrust, securities-fraud, pollution, discrimination, and consumer-protection suits.

One of the most vigorous is Bill Clinton, the Arkansas attorney general who is running for governor on the Democratic ticket in the fall.

Through lawsuits, investigation of consumer complaints, and mediation, the consumer-protection division of Clinton's office recovered more than five times its annual budget in 1977. The division also recently sued 23 nursing homes, alleging double billing of patients and the state for the same services. During Clinton's first year in office, the consumer protection division recovered more money for consumers than had been collected in the previous five-and-a-half years of the division's existence.

Pocketbook actions that are less immediately felt by the public also rank high on Clinton's priority list. During his one-and-a-half years as attorney general, Clinton's staff has

clearinghouse on legislative, financing, and administrative developments in urban homesteading; arrange workshops, conferences, and seminars on a local and national level; issue reports on homesteading activities; undertake research projects; and develop sources of financing for homesteading and neighborhood preservation. In so doing, it hopes to place homesteading firmly on the nation's progressive housing and community development agenda.

For more information, contact Michael Freedberg at the Conference.

successfully argued against utility company requests for automatic price increases; customer financing of construction work in progress; rate increases in the face of poor service; and unacceptable customer service policies involving deposits, net-gross billing, and disconnections. During a recent hearing involving the request of Arkansas Power and Light to build a \$2 billion coal-fired generating plant, Clinton produced expert testimony favoring the alternative of utility financing for energy conservation measures that would reduce peak demand.

Clinton has also intervened in more utility rate cases than the total accumulated by previous attorneys general. The utility division within Clinton's office provides money for expert witnesses on the consumer's side and to groups that want to intervene separately in the rate cases.

The antitrust division has the power to sue on behalf of citizens who complain of price fixing, artificial limitation of goods or services, and conspiracies to divide markets. It has investigated, among others, complaints pointing to tying arrangements between cemeteries and monument companies, and price fixing involving fine paper products.

A useful tool in Clinton's public advocacy has been his power to issue official opinions. In a sweeping statement affecting state regulatory boards, including those for hearing aid dealers, optometrists, accountants, pharmacists, and embalmers, Clinton warned that regulations prohibiting price advertising were anti-consumer and faced serious constitutional challenges should they remain in force.

In Arkansas abandoned property escheats to the state in seven years. Using this law, Clinton has sent in-quests for information to all utility companies, requiring them to report deposits and other amounts of money that have not been refunded. The money has accumulated because the utility companies have been unable to locate the customers due the refunds. Ultimate recoveries into the hundreds of thousands of dollars are anticipated, which, if unclaimed by private parties, will go into the public school fund.

Those interested in further details concerning the office's efforts should write to Attorney General Bill Clinton, Justice Bldg., Little Rock, AR, 72201.

*Julie Baldrige is director of consumer affairs in the Arkansas Attorney General's office.*

## Legislative Initiatives

### Plain English

New York consumers may now read with understanding many more of the documents they sign—apartment leases and warranties, for example—due to passage of a new bill. The Lay Language Law requires that all contracts for goods and services under \$50,000 (except insurance policies) be written in "non-technical" language and "in a meaningful sequence."

Similar legislation is pending in Indiana.

For copies of the New York law, write Legislative Research Office, State Capitol, Albany, NY 12248.

### Citizen Lobbying:

#### New Tactic at the State Level

How might a state's citizen groups broaden their base of support for progressive ideas? One

new tactic, planned for this summer in Massachusetts by Citizens for Participation in Political Action (CPPAX), is the use of public policy questions on referendum. CPPAX will use the tactic to support lobbying efforts for full employment.

To put any non-binding question on the November ballot in a state representative's district in the Commonwealth, only 200 signatures are needed. With a carefully worded proposition on the state's role in providing full employment, CPPAX expects voters in most districts to approve the measure. This concrete evidence of support could then be used as ammunition for lobbying next year.

For more information, contact CPPAX, 35 Kingston, Boston, MA 02111.

## Decisions Favor Progressive State Policies

### States Applaud Victory on UK Treaty

The Multistate Tax Commission applauds the unexpected Senate action defeating the proposed tax treaty with the United Kingdom. Under existing law, a state can tax only that income of a multinational which is reasonably related to activities within its borders. There are two basic methods for determining how much of the multinational's income is legitimately taxable within the state. The proposed treaty would have barred the states from using the method which has proven most effective, and would have compelled the states to use the cumbersome method the US Treasury has favored and which the multinationals themselves prefer.

### Oil Firms Barred in Maryland

The US Supreme Court paved the way recently for a radical restructuring of gas retailing throughout the country. It upheld a Maryland law that prohibits the operation of gas stations by major oil companies and all other out-of-state producers and refiners.

In its 7-1 decision, the court rejected the argument that Maryland

was acting unconstitutionally by depriving the oil companies of their property without due process and by preempting congressional authority to regulate interstate commerce.

The Maryland laws was adopted as a response to charges that when gas was in short supply, the oil companies made more available to their own stations than to independents. California, Delaware, DC, and Florida have similar laws; 32 other states are considering or have considered such legislation.

### Billboard Ban Upheld

Maine's statewide ban on billboards was upheld recently by a federal judge in the first test of the legality of such a law.

The Maine Tourist Information Act, patterned after a pioneering Vermont law, calls for elimination by 1984 of all roadside billboards, not on a business's property. Two billboard companies challenged the law, arguing that it was arbitrary and capricious, and that it denied them freedom of speech. Judge Edward T. Gignoux of US District Court, however, rejected those arguments and ruled that the law was constitutional.

### Unprecedented Regional

#### Government Approved in Oregon

The nation's first multicounty elected regional government has been approved by voters in the tri-county Portland, Oregon, metropolitan area, and will become operational in January 1979.

The new metropolitan government will have potential power to levy taxes and administer metropolitan services and facilities. An existing regional planning agency will be abolished and its functions transferred to an existing special district, the Metropolitan Service District.

The new Metropolitan Service District will have authority to perform several new functions. These include aspects of sewage disposal, water supply, parks and recreation, mass transit, flood control, cultural and sports facilities, local government boundary control, social services planning and coordination, corrections, and libraries.

For more information, contact Columbia Region Association of Governments, 527 SW Hall Portland, OR 97401.

## Declining Enrollments: School Closure is the Wrong Answer

### By Stu Rosenfeld

School closure has become the simplest and thus most common response to declining enrollments. In Washington, DC, for example, 14 schools closed for the 1977-78 term. In neighboring Arlington, Virginia, three schools closed; in Maryland's Montgomery county, five closed.

Many argue for closure on the basis of economy and efficiency. However, it rarely results in lower costs. A 1974 study by Dr. Richard Andrews of the University of Washington found that of 49 districts that closed schools, only four actually realized a savings. For the rest, potential savings were outweighed by transportation and new construction costs, decreases in property values, and reductions in school support.

Specifically:

- Arlington, Virginia, found that young families have done more selective house-buying since the closures. This has caused a 10-20 percent drop in property values in those areas. Because of this, Arlington is reluctant to close any more schools.
- Los Angeles has concluded that closures have had a negative impact. LA now has a policy that closure is the last resort after everything else has been tried.
- In Wichita, enrollment continued to decline in areas where schools were closed. Three downtown schools were consolidated into one. Enrollment before consolidation was 450; in three years it has declined to 225.
- In Charlotte, North Carolina, crime has increased in areas where schools were closed; people moved out; neighborhoods degenerated. Charlotte is now building new schools in those areas.

This does not mean that closure is never justified or rational. It does mean that local circumstances should be examined and that all effects—on community and local economic conditions as well as on students and staff—should be considered.

School districts may adopt three basic policies to compensate for undervalued facilities:

- Absorb the loss and use the excess capacity to provide students and staff with more resources.
- Rent part of the facilities to community organizations or agencies.
- Use the buildings entirely for social services, and allocate students among remaining reorganized schools.

The first alternative has the potential to revitalize education. It would create the conditions necessary to experiment with new school structures, student groupings, and curricula. Washleekon School, in Ambler, Pennsylvania, for example, found that declining enrollment provided opportunities: "In the past, we found ourselves in constant turmoil to expand curriculum offerings, facilities, and programs. With that pressure relieved, we now have an excellent opportunity to concentrate on improving and solidifying the curriculum."

More impressively, Peralta School, in Oakland, California, has instituted year-round education, and has succeeded in making the school more attractive to students, teachers, and parents. This has actually reversed the trend toward declining enrollment. Peralta's students are divided into four groups. Three of these attend school at all times. The fourth has the option of taking a vacation or attending remedial and enrichment activities. Year-round sessions are particularly attractive to Peralta's working parents who may choose to send their children to school 234 days a year.

Joint occupancy, the second alternative, has been widely successful. Drew Elementary School, in Arlington, Virginia, for example, has

shared space with a police aide program, a senior citizen center with a year-round lunch program, a vocational program, a Montessori preschool program, a reading clinic, a recreational program, and an extended day program for school-age children with working parents.

Where schools must close, efforts should be made to find innovative uses for the empty facilities. Thus, the third alternative is to use the school for community services. In Seattle, the Community Council Federation took over Main School; Georgetown School was leased to the city and used by the Community Council; Interlake School became a Lincoln High School annex, and was used for a dropout prevention program and a religious program. In Washington, DC, when Gordon Junior High School closed, the bilingual program and adult education classes took over the building.

Finally, Champlain School District, in Champlain, New York, has worked out two unique alternatives to meeting the possible enrollment declines in their future: (1) Open enrollment of non-residents. These students would be required to pay tuition to compensate for the additional expenses incurred without state aid being generated. (2) The formation of a community education program in which adults would attend classes on a part-time basis to complete requirements for a high-school diploma.

Closure decisions are rarely made on the basis of rational arguments. Emotions cloud the issues, and the perceived benefits or losses depend on which outcomes are valued. In truth, the decisions ought to reflect the needs of the entire community—needs often met by the alternatives to closure.

Stu Rosenfeld is a senior associate with the National Institute of Edu-

# Resources

## Who Really Rules Cities?

For almost two decades, Yale professor Robert Dahl's book on urban politics, *Who Governs?*, has held sway over the minds of students and political scientists. Based on extensive field work in New Haven, Dahl concludes that "an elite no longer rules" that city. Instead, pluralist democracy reigns supreme.

This view is challenged in a new book by University of California sociologist William Domhoff. In *Who Really Rules? New Haven and Community Power Reexamined* (Goodyear Publishing Co., Santa Monica, CA 90401, \$7.50), Domhoff reexamines the evidence on New Haven and explodes the myth of pluralist democracy. Domhoff argues that power elites built on business and social ties still dominate city government in America, and that local elites are tied into a national ruling network.

## Bringing Workplace Democracy to the Community

*Democracy at Work: A Guide to Workplace Ownership, Participation and Self-Management Experiments in the U.S. & Europe* brings together, for the first time detailed and candid case studies of more than 20 of today's most important workplace experiments. Describes labor-management "quality of worklife" projects and sophisticated worker-managed firms.

For copies, send \$5 plus 66¢ postage to Democracy at Work, 1414 Spring Rd. NW, Washington, DC 20010.

## Ways & Means

Conference on Alternative State and Local Public Policies  
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## A New Look at the Changing South

The Southern Regional Council has released the first issue of *Southern Changes*. Issued ten times yearly, the magazine will cover trends, accomplishments, and problems in Southern rural development, health care, government, and education.

For more information, write Southern Changes, Southern Regional Council, 75 Marietta St., NW, Atlanta, GA 30303.

## Learning from Abroad

Americans can learn a great deal from foreign cities, especially those where the Left is powerful. In Montreal, for example, a coalition of trade unionists, activists, and community organizers has formed the Montreal Citizens Movement to challenge the one-man, Daley-like rule of Mayor Jean Drapeau. In 1974 the Citizens Movement won 45 percent of the popular vote. But MCM's strength comes not only from its electoral power, but also from its direct action as a movement in helping citizens to fight city hall, landlords and urban corporations. In Montreal's municipal elections this November, MCM could move from opposition to the majority party. The magazine *Working Papers* has run the most informative article available on MCM. Back copies of the Spring 1976 issue are \$3. Write *Working Papers*, 123 Mt. Auburn St., Cambridge, MA 02138.

The Italian Communist Party has governed the city of Bologna for over two decades. The best source in English on Bologna is a new book by three Swiss journalists

who lived there for a year. *Red Bologna* examines city planning, traffic rules, consumer policy, work, education, health, and senior citizens, and includes a lengthy interview with Mayor Renato Zampieri. Hard-to-find, the book is distributed by Pathfinder Press, PO Box 81005, San Diego, CA 92138.

Two other useful sources on the European urban experience: *Marrism and the Metropolis*, edited by William K. Tabb and Larry Sawyer (Oxford University Press paperback); and *Successes Abroad: What Foreign Cities Can Teach American Cities*, hearings before the Subcommittee on the City of the House Committee on Banking and Urban Affairs, US House of Representatives, 96th Congress, April 4, 5, and 6, 1977. For copies, write Supl. of Documents, US GPO, Washington, DC 20402. A shorter summary of the hearings is in the subcommittee's final report, "Toward a National Urban Policy," also available from GPO.

## Easy Reading on Tax Reform

*The Tax Burden, Real Problems/False Promises* is the subject of the United Auto Workers' latest issue of *Ammo*. It is an easy-reading publication which deals with Proposition 13 and its effect on Californians. Describing Proposition 13 as a "bad bet for workers and a lucky number for wealthy landowners," *Ammo* deals with the realities of recently proposed tax legislation.

*Ammo* is published by the UAW 12 times yearly. For more information write, UAW *Ammo*, Solidarity House, 8000 E. Jefferson, Detroit, MI 48214.

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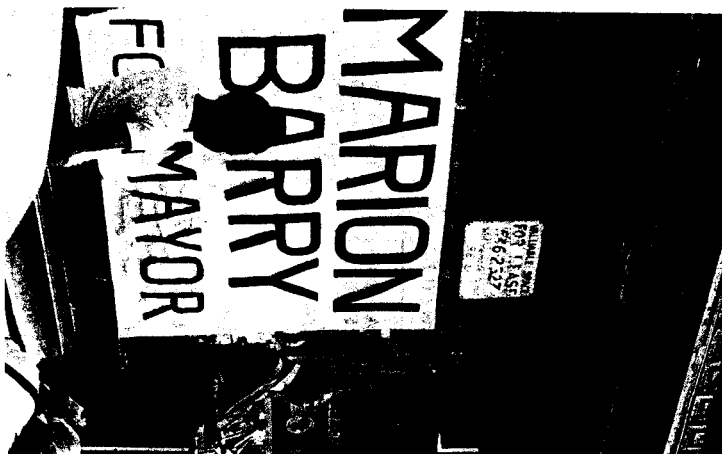
## Conference on Alternative State and Local Public Policies

# Ways & Means

November-December 1978

## In This Issue . . .

- A New Role for Progressive Unions in State & Local Politics? p. 3
- Conference Launches Tax Reform Counterattack, p. 4
- Massachusetts Tackles Community Economic Development, p. 5
- Cleveland Mayor Attacks Banks, Demands Reform, pp. 6-7
- City Transportation Funds Withheld, Decision Cites Discrimination, p. 10
- Solar Effort Stalls at Federal Level, Shifts to States & Cities, p. 11



Civil rights activist in the 60s. Outspoken community leader, schoolboard president, and city councilmember in the 70s. Marion Barry, a Conference Steering Committee member for two years, now has a new role to play in the 80s. In September, Barry received the Democratic nomination for mayor of Washington, DC.

## Legislative Initiatives

### California Tenants Respond to Proposition 13 With New Wave of Activism

In an unprecedented surge of activism, California tenants recently have been demanding rent relief and a fair share of Proposition 13 tax benefits. Some recent developments:

- The Orange County Renters Association has scored significant victories in beating back rent hikes in Costa Mesa and Anaheim. Tenants not only have forced the cancellation of \$25-35 increases, but have received promises of a share of the tax savings as well.
- El Monte was the first to pass a rent freeze ordinance—on July 28. Because of complications, however, the struggle merged into a more significant fight to protect tenants' rights to organize, win victories, and reap the benefits without facing harassment and possible eviction.
- San Diego Campaign for Economic Democracy (CED) has

called for a city ordinance to immediately freeze rents pending the outcome of a city-wide vote in November on a Fair Rent Initiative.

Similar measures are slated in Santa Cruz, San Jose, Palo Alto, Davis, and Mountain View.

• The Los Angeles City Council has passed a rent freeze.

• In San Francisco, in a dramatic display of grassroots organizing, over 25,000 signatures were gathered in just three weeks to qualify a rent rollback ordinance.

• Finally, the Bales-Torres bill, which would require landlords to pass on 80 percent of the Proposition 13 savings, won Governor Brown's endorsement and was stopped only in the Senate after a major battle.

For more information, contact Cary Love, coordinator of CHAIN (California Housing Action and Information Network), 304 S. Broadway, Suite 224, Los Angeles, CA 90013.

### Conference on Alternative State and Local Public Policies

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**Ways & Means** is a bimonthly publication of the Conference on Alternative State and Local Public Policies. Since the Conference was founded in June 1975, it has provided a major meeting place and forum for ideas of progressive elected officials, community organizers, political activists, and technically trained experts interested in alternative policies and programs at the state and local level. In addition to holding an annual national meeting, the organization holds frequent regional, statewide, and issue conferences which focus on the increasingly complex problems facing state and local government today.

Subscription prices: \$10, \$20 for individuals. To order, see center-fold.  
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2

### Mea Culpa

To the Editor:

A multimillion dollar state tax break for multinational corporations was presented. I hope mistakenly, as progressive legislation in the September-October edition of *Ways & Means*.

The bill, introduced into the California Legislature by State Assemblywoman Teresa Hughes, would discontinue the use of the so-called "unitary method" for determining the taxable income of foreign-based multinational corporations.

The unitary method, which California developed, is the only method yet discovered which effectively prevents multinational corporations from playing shell games with their income. A ban on its application to foreign-based multinationals would cost California tens of millions of corporate tax revenues each year. It would give these foreign-based firms a tax advantage over U.S. firms in our markets and would lead eventually to the erosion of the entire unitary system.

Over the past year, multinational corporations have been working extremely hard in California, in Congress, and even in the White House to force an erosion of the effective unitary business system. Even though the multinationals have gained the support of California Governor Jerry Brown, Treasury Secretary Michael Blumenthal, and other important persons, the committed efforts of progressives at the state and national level have withstood their assault. To those of us involved in this effort, it is a bitter pill to see, in *Ways & Means*, the bill introduced at the prompting of these multinational corporations, a bill signaling the abolition of the unitary taxing system, presented as progressive legislation which your readers should support.

Diane Fuchs  
Attorney  
Tax Reform Research Group

## A New Role for Progressive Unions in State & Local Politics?

By Lee Webb

**"A shift of resources to state & local issues ought to be an important part of the unions' overall political strategy."**

An important question for the future of progressive politics in America is: What new role shall the unions seek to play in the growing progressive movement at the state and local level? Certainly, right now, that is where progressive coalitions start and where political victories can be had.

In the past, most unions, with the exception of the building trades and public employees, have spent the largest portion of their resources on national policy issues and campaigns.

However, the continuing growth of conservative influence in the White House and in Congress, and the total failure of President Carter and the Democratically-controlled Congress to address the issues of a progressive agenda, should now convince unionists that a shift of resources to state and local politics is a necessity.

Among several of the national unions, this shift in political strategy is under way and can be seen in their willingness to tackle progressive issues with new coalitions and allies.

- The International Association of Machinists and Aerospace Workers has been the key organizer and supporter of the Citizen/Labor Energy Coalition, an unprecedented national and local alliance of labor unions, community organizations, and public-interest groups.

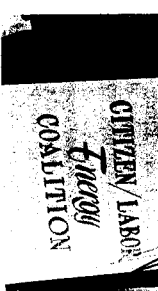
- Under the leadership of the United Auto Workers, representatives of unions, community and political organizations, and public-interest groups met in October in Detroit to discuss a common program and strategy, and the building of a national progressive coalition.

- The American Federation of State, County, and Municipal Employees, spurred on by the prospect of more Proposition 13s, has adopted a strong state and local tax reform program, and is exploring new alliances between public employees and clients of public services.

- Even the AFL-CIO, bitterly stung by the defeat of labor law reform, has begun tentative discussions.

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Bill Wimpinger, president of the International Association of Machinists and Aerospace Workers.

sions with progressives, environmentalists, and other potential allies that they would have ignored a few years ago.

These are important new national directions. The question for union progressives now is how to translate these new directions into a stronger role for unions in state and local politics, and thus to strengthen ties to the other essential parts of a progressive coalition.

Some ways to implement this strategy follow:

- Feature innovative state and local policies in union newspapers,

educational materials, and at legislative conferences.

- Encourage state and district union councils to develop specific legislative platforms for state and municipal governments. These platforms should cover a broad range of issues and not just "union" issues. Union lobbyists should have a strong presence in state legislatures and city councils.

- Assist the establishment and operation of candidate and campaign-manager schools in different regions for candidates to state legislatures, county commissions, and city councils. State and local public office is the training ground for future national leaders.

- Participate in issue-based coalitions at the state and local level, such as the Citizen/Labor Energy Coalition, or the coalitions supporting the Massachusetts Classification Referendum on the November ballot.

The opportunity exists right now for effective political action at the state and local level. But if the unions and other progressive groups do not take decisive steps to be actively involved at the state and local level, they will forfeit the initiative to conservative political forces.

Lee Webb is executive director of the Conference.

### New York Unloads Stevens Stock

New York State has sold off more than \$2 million worth of J. P. Stevens stock after CSEA/AFSCME Local 1000 called for the sale because of Stevens's anti-union activities.

For more information, contact State Comptroller Arthur Levitt. He started selling Stevens shares just two days after CSEA delegates, meeting in Albany last April, passed a resolution condemning the state's investment. Levitt's address: State Capitol, Albany, NY 12227.

3

# Conference Launches Tax Reform Counterattack at October Meeting

By Bob Schaeffer

For four months after Californians overwhelmingly adopted Proposition 13, progressives found themselves on the defensive. Though they had long fought the battle for tax equity, the issue had suddenly been seized by right-wing ideologues intent on cutting back social services and hiking corporate profits. In state after state, tax and spending limits were pushed onto the ballot.

That trend may be changing.

For three days in early October, individuals committed to genuine tax reform met in Washington, DC, under the auspices of the Conference on Alternative State and Local Public Policies, to deal with what Washington mayor nominee Marion Barry called "the nuts and bolts of what makes our country run." In the audience were state and local officials, representatives from labor unions, such as the UAW, leaders from grassroots neighborhood groups, and experienced tax analysts—all told more than 225 activists from 30 states.

Together they began hammering out in a series of vigorous workshops a plan to compete with what one participant called "the clones of Jarvis-Gamm."

Though everyone agreed that no single formula was the right answer for every community, there was consensus that the three critical elements of any reform package were tax justice, property tax, relief for the homeowner and tenant, and simplicity in design.

At least nine specific programs that meet these criteria were put forward in the plenary address by Lee Webb:

- *Enforce existing tax laws.* Stepped-up auditing through the Multistate Tax Commission, local exposure, and prosecution could collect millions from taxes owed by wealthy individuals and corporations.
- *End property-tax abatements.* Business "incentives" that have

no proven effect on economic development but rob taxpayers' pockets must be eliminated.

- *Implement property-tax circuit-breakers.* Targeted programs of relief for those most heavily burdened by residential property taxes should be enacted.
- *Curb proliferation of exempt property.* The growth of tax exemptions, now covering one-third of all real estate, should be limited, and existing tax-exempt properties made to pay a fair share for municipal services.

• *Implement property-tax classification.* States and cities should be permitted to tax business property at a higher rate than residences.

- *Tax other forms of wealth.* The \$2-trillion of intangible property, such as stocks and bonds, should be taxed.
- *Enact graduated state and local income taxes.* Eliminating loopholes and increasing standard deductions could make income tax fairer.

• *Enact severance taxes.* Jurisdictions with substantial gas, oil, or mineral holdings should seek corporate payments to compensate for the loss of resources, and pay for other services.

- *Enact progressive consumption taxes.* Sales tax need not be regressive if food, clothing, and medicine are eliminated from the taxable base, and high-income professional services included.

While there was agreement about goals, the real debate came in a series of workshops on how to take these proposals to the public. Bob Creamer, of the Illinois Public Action Council, a neighborhood-based statewide citizens' group, argued that building majority coalitions required a strategy based on seizing the offensive with specific reform plans, attacking the opposition by demonstrating who will gain from their proposals, and organizing intensively at the grassroots level.

Others cautioned that efforts to combat budget-cutting should not ignore related issues. "You can't separate tax justice from economic justice," argued Michael Ansara, of Massachusetts Fair Share. Hartford Deputy Mayor Nick Carbone extended the point: "We don't have to apologize for government either. In our society it is the equalizer between the haves and the have-nots. But we can't have the poorest people paying the most money to make that government work."

Bob Schaeffer is legislative aide to Massachusetts State Senator Jack Buchman, and serves on the board of Citizens for Participation in Political Action.

State and Local Tax Reform: Perspectives, Proposals, and Resources is the most recent publication of the Conference. See centerfold for details.

## Internships

The Conference is now accepting applications for spring semester full- and part-time internships. Interns will do research, help staff organize seminars and conferences, and provide administrative support. Interns generally choose to work with one of the following issue areas on which the Conference focuses: state and local tax reform, energy, women's economic issues, agriculture and food, low-income housing and neighborhood issues, pension funds, and economic development alternatives.

Letters of application should include the candidate's interests and objectives; the dates s/he will be available; how much time s/he will be able to devote each week; and a resume or other statement of relevant research and academic or work experience.

Letters and requests for information should be sent to Patricia Gallagher, at the Conference.

## Interview with David Smith

# State Strategies to Support Community Economic Development

Presently, innovative state governments are taking decisive new actions that foster state economic development and create employment. Massachusetts has established a number of new institutions and programs that chart the way. One of the most recent is the act that authorizes the creation of a Community Economic Development Assistance Corporation (CEDAC). Here, Bill Schwabe, of the Conference, interviews David Smith, one of the principle architects of the legislation that created CEDAC.



David Smith

David Smith is a professor at the College of Public and Community Service at the University of Massachusetts and director of the Technical Development Corporation, a non-profit consulting firm. He is also on the Conference steering committee and has been an economic development and manpower consultant to Hartford, CT, Cleveland, OH, Madison, WI, Massachusetts, the US Department of Labor, and ACTION.

Bill Schwabe, a Conference staff member specializing in economic development, is a doctoral candidate in sociology at the University of Texas at Austin. He is currently completing a doctoral dissertation on alternative full-employment planning.

Q: Recently, Massachusetts passed a bill to establish a Community Economic Development Assistance Corporation (CEDAC), and we understand that you will be on the board of directors. What is CEDAC and what is its significance for economic development strategies in the state?

A: The purpose of CEDAC is to provide technical assistance to neighborhood redevelopment organizations in their efforts to provide jobs, revitalize communities, and encourage local and community ownership. Its technical assistance will involve a broad range of expertise, including financial planning, market research, management training, legal advice, and grantmanship. It will have the capacity, then, to deliver scarce technical resources and planning to community development corporations, coops, and other neighborhood groups involved in local development. The emphasis isn't on developing an organization or an agenda, but on providing project-by-project assistance.

Q: Another significant aspect of CEDAC is that it complements on earlier piece of legislation that created the Massachusetts Community Development Finance Corporation (CDFC) that was designed to invest equity capital in business ventures operated by or in partnership with local community development corporations. Correct?

A: Well, in large part. As you may know, we originally intended CDFC to provide planning assistance to users of the institution. This part did not pass the legislature. We felt, then, as well as now, that serious technical assistance was needed to provide a steady stream of good investment proposals from community groups to CDFC, and this is what CEDAC will provide. CDFC is not the only

capital source, though. CEDAC will help people take advantage of other private and public capital sources. But certainly in terms of piecing together the capacities to do good economic development, the relationship between CEDAC and CDFC is clear and essential.

Q: CEDAC emerged in some ways out of the Wednesday Morning Breakfast Club. What is this and who are its principle participants?

A: Five years ago, four or five of us began having breakfast together early on Wednesday morning, because it was the only time we could get together to work on the original drafts of CDFC. This group grew, changed, and altered its character somewhat as more and more people worked together on the CDFC process.

The initial group was brought together by State Representative Mel King, who is a member of the Conference's steering committee. He was largely responsible for both the drafting and the political work that allowed CDFC to pass.

After CDFC passed, the group became a quasi-well-known outfit that focused on broad questions on community economic development. For example, the development finance policies of the state and a series of tax issues. At this point, it began to attract a much larger audience. In fact, at the last Wednesday Morning Breakfast there were over 100 people.

It's also changed its character somewhat, because now instead of a small working meeting it's much more of a discussion and seminar. So it's a group with a clear but flexible political view. The people use the meetings partly for information exchange, partly for strategizing, and partly for socializing.

Continued on page 7

# Cleveland Mayor Attacks Banks, Demands Investment Policy Reform

*Dennis J. Kucinich is the mayor of Cleveland. In August, he defeated a recall attempt led by the political and business establishments of the city.*

**By Dennis J. Kucinich**

I'd like to focus this morning's discussion on the banks—especially the "Big 5"—Cleveland Trust, National City, Central National, Society National, and Union Commerce. These five banks are worth nearly \$14 billion.

Two of them, Cleveland Trust and National City, are among the 50 largest commercial banks in America, and National City ranks 7th in the nation in financial returns to its investors. The combined profits of these five banks exceeded \$122 million in 1977 alone.

The banks represent raw economic power, and some people advise me to cooperate more with them. This might have been good advice decades ago, but today Cleveland's largest banks seem committed to destroying the city. They won't buy Cleveland's bond offerings and they continue their systematic looting of Cleveland's financial resources in the pursuit of maximum profits elsewhere in this country and overseas.

The banks have been taking much more out of this city than they have been putting back for a long time, and it hasn't mattered who was the Mayor—Republican or Democrat, black or white, friendly or unfriendly.

So, it is about time to stand up to these banks and demand that they face up to the economic mess they have helped to create. They should take some positive steps to put the Cleveland economy on the road to recovery.

I don't expect that these remarks will lead to the banks changing their behavior. At best, I hope to

make the power of the banks a serious issue for Cleveland residents. If the people are organized by neighborhoods, wards and citywide to force the banks into more responsible behavior, much can be accomplished.

The public interest demands that banks do certain things which they are not now doing: Cleveland's banks should invest more in Cleveland and less in other cities, states, and countries. Cleveland is a city which exports money. Because Cleveland banks aren't satisfied with the profits they make on investments in Cleveland, they invest in iron ore operations in Australia, industrial development in South Africa, and municipal bonds in other states.

**"Banks, which have so much power to affect our city's economy must be brought under some form of public control."**

Whose money are they investing? Yours and mine—city deposits—the savings of area businesses. In some situations, our money is being used to promote development which attracts jobs away from Cleveland.

The "Big 5" banks have nearly \$2 billion invested in state and municipal bonds across the US. Very little of that \$2 billion is invested in Cleveland. Cleveland Trust has only one-third of its municipal bond money in the State of Ohio, and much less in Cleveland.

National City, recipient of a big tax abatement last year, has over \$6 million invested in New York City (Municipal Assistance Corporation—MAC) bonds, but National City won't invest in Cleveland.

Much the same story applies to Central National, which has only a third of its state and municipal bond investments in Ohio.

These powerful financial institutions headquartered in Cleveland are using their vast resources to promote economic development all over the country and the world. It's time they put a priority on their own backyard, even if they can't make the same extraordinary profits as they do elsewhere.

Major Cleveland banks must also dramatically improve their lending practices to city homeowners and small businesses. Take the simple issue of home-mortgage and home-improvement loans. Four out of five of the major banks increased their home loans in Greater Cleveland, including the suburbs, while decreasing the percentage of loans made to city residents.

Overall, the major banks have not committed themselves to reverse the decline in Cleveland's housing stock.

What about loans to businesses? It is around the question of business loans that the major banks reveal an unparalleled hypocrisy. They preach economic development for Cleveland, but only if the public takes all the risks.

Take tax abatement, for example. Bankers are among the strongest supporters of tax abatement. Why?

First, because if the developer of a downtown office building doesn't have to pay any new property taxes on the building, the developer will be much more likely to be able to pay off the construction loan from the bank.

Also, the boards of directors of the major banks are dominated by the very same corporate executives who seek the tax breaks from the city.

The banks say that the public must pay the price for economic development, take the risks, and so on, to insure the profit margins of

*Continued from opposite page*

the banks and corporations won't be disturbed. It's time to turn the tables on this sort of self-serving logic. Those who are in a position to gain the most—the banks and corporations—should be required to take the risks.

I challenge the "Big 5" banks to come forward and make public their loan and investment portfolios. How much do they invest in Cleveland? In other states? Overseas? Let the people of Cleveland see how *their* banks are investing and loaning *their* money.

I urge the banks to develop new initiatives to make loans more available to Cleveland's small businesses.

**David Smith**

*Continued from page 5*

**Q: Now, since CDFC and CEDAC have been passed, what else are you and the Breakfast Group up to?**  
**A: What else is on your economic development agenda? What other legislation are you responsible for?**  
**and what else will you be proposing in the future?**

**A:** The group has spent some time opposing as well as proposing legislation. Recently, we responded to

an effort by the domestic insurance companies to have their tax structure changed in a way that would be favorable to the industry and detrimental to the Commonwealth. We weren't able to beat back their attempts to get rid of a gross investment tax that had been imposed. But we were able to require them to create a \$200 million capital fund for investment in domestic businesses. So that's one other initiative that the Breakfast Group can take credit for. It insured that this legislation was not as bad as it might have been.

Unless the banks begin to respond to the needs of Cleveland, a tremendous uprising of anger and bitterness will be directed against them. The Community Reinvestment Act, passed last year in Congress, is a warning of what is in store if the banks don't respond. By virtue of this law, citizens can challenge any proposed bank action—merger, new branch, branch closing, etc.—on the basis that the bank has not met its "affirmative lending obligations to the community."

These banks, which have so much power to affect our city's economy, must be brought under some form of public control. Banking executives make decisions every day which shape our economic future. Yet, they are not elected, nor are they held accountable to any standards of the public interest. We must bring democracy to the banks as we have to our political life.

This administration will be in the forefront of a movement to severely hamper normal business operations of area banks if they do not begin to respond to the needs of the city government and city residents. The banks leave us no choice but to fight back to save our city.

Members of the Breakfast Group were also involved in the linked deposits policy that the Commonwealth has already established. And they have consulted with the State Department of Community Affairs on some of their assistance programs.

Currently, some of the Breakfast Group members are trying to remove a wasteful set of business tax incentives that are on the books, while others are developing plant closings initiatives that we hope to propose this year.

The Breakfast Group is likely to continue focusing on questions of local control of economic activity and questions of equity. These efforts will take many forms, including development of new financial institutions, increasing public responsibility for capital allocations, and overall concern with the development of a just economy.

For more information about CEDAC, contact Carl Sussman, 659 Massachusetts Ave., Cambridge, MA 02139. For more information about CDFC, contact Matthew Hobbs, Massachusetts CDFC, 181 State St., Boston, MA 02109. For more information about the Wednesday Morning Breakfast Group, contact either Mel King, State House, Boston, MA 02153, or David Smith, Technical Development Corporation, 11 Beacon St., Boston, MA 02109.

## Conference Explores New Potential for Public Employee Pension Funds

In continuing its work on public-employee pension funds, the Conference coordinated a four-day seminar, "Public Employee Pension Funds: Their Potential for Social and Economic Change," on October 19-22 in Washington, DC.

The meeting was called to develop policies on alternative uses of public pensions, and covered subjects such as: Pension Plans—Their Nature, Management, and Operations; Impact of Pension Fund Investment Policies; the "Prudent Man" Rule; Alternative Criteria for Investment; New Legislation and Institutions for Pension Fund Investments; and Transferring the

*Continued on opposite page*

Pension Fund Issue into Political Campaigning.

Participation was limited to approximately 50 public officials, union representatives, and policy analysts actively involved in the issue. Panelists included David

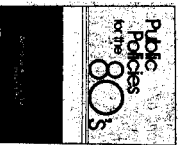
Smith, a Conference Steering Committee member and director of the Technical Development Corporation; John Harrington, California State Senate staff; Randy Barber, People's Business Commission; and Ray Rogers, Amalgamated Textile & Clothing Workers Union.

The papers prepared for the seminar will be published later this year. For more information, contact Bill Schweike, at the Conference.



# Conference Publications

New!



**Public Policies for the 80s: Perspectives and Resources for State and Local Action**

Edited by Lee Webb. Major new publication of the Conference includes: Suggested new policy initiatives on Energy, Tax Reform, Economic Development, and Agriculture • Issue bibliographies on 27 major problems facing state and local government • Key organizations, individuals, and publications for policy-making in the 1980s. Invaluable to public officials and community organizations who hope to take action on crucial public policies at the state and local level. **\$10, \$15 for institutions.**



**Women in the Economy: A Legislative Agenda**

Edited by Ann Beaudry. Contains current model legislation and program proposals for women to achieve economic equality. Includes information on such topics as: displaced homemakers • insurance equity • domestic workers • rights of pregnant workers • economic protection for homemakers • vocational training • alternative work patterns • state labor laws • upward mobility. In addition, the book includes useful resource lists on specific issues, a general bibliography, and a directory of working women's organizations. **\$5, \$10 for institutions.**

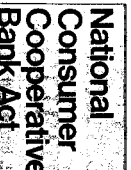
Coming!

## State and Local Tax Reform: Perspectives, Proposals and Resources

Analyses the current state and local tax revolution and the progressive opportunities it provides. Among the topics considered are: land speculation • business tax abatement • tax exempt property • natural resource taxation • circuit breakers, classification systems, and homestead exemptions for property tax relief • personal and corporate taxes • special assessments • problems in tax administration. Resource section includes people and organizations active in tax reform and their strategies, places to get tax legislation, and bibliographies. **\$10, \$15 for institutions.**

## New Directions in Farm, Land, and Food Policies

A major new publication of the Conference documenting the diversity of new policy initiatives on farm, land, and food-related issues. Topics include: State Anti-Corporate Farm Acts • Direct Marketing • Access to Land and Capital • Protecting Farmland from Development • Graduated Property Taxes on Farmland • City Food Plans • Repealing Food Sales Taxes. Each of 18 chapters covers concrete and yet innovative policy alternatives and legislative proposals, and includes a bibliography and a listing of key organizations to contact for further information and technical assistance. An excellent resource for farmers' organizations, public officials, consumer and neighborhood groups, students, church hunger task forces, and political activists who are working to change agricultural and food policies at the state and local level. **200 pp. \$8, \$14 for institutions.**



**National Consumer Cooperative Bank Act**

A reprint of the recently enacted Consumer Cooperative Bank Act which provides a major new source of financing for rural and urban consumer coops. Useful summary included. **\$1. Bulk rates available, see below.**

## The Coop Bank: New Funds for Community Development

A special four-page report on the Coop Bank Act. Includes a section-by-section summary, legislative history, implementation strategies, and implications for local communities. **\$50. Bulk rates available.**



**The Cities' Wealth**

Programs for community economic control in Berkeley, California, compiled by the Community Ownership Project (COOP). **\$3.50, \$5 for institutions.**

## Insurance Redlining

A proposed 1978 Chicago ordinance to stop insurance redlining. It provides that insurance companies doing business in the city must agree not to discriminate and to disclose insurance policy renewals, cancellations, and rejections by Zip Code zone. **\$1, \$1.50 for institutions.**

## Protecting the Family Farm/Preserving Farmland

An introduction to major farm policy questions. Features initiatives designed to limit corporate farming, protect farmland, and increase farm income. Reprinted from *New Directions in State and Local Public Policy*. **\$1.50, \$3 for institutions.**

## Revenue Strategies for D.C.

A unique action-guide to potential tax strategies, using the District of Columbia as a model. **\$1.50, \$3 for institutions.**

## Jobs From the Sun

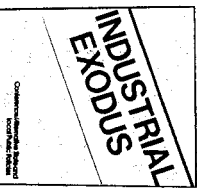
One of the first studies to examine in detail the industrial and employment potential for solar energy. Provides basic data and methodology for calculating the economic impact of solar energy for any state or region. By Fred Brannman and Steve LaMar. **\$6.50, \$10 for institutions.**

## SolarCal

A model proposal for a public solar energy authority. **\$1, \$1.50 for institutions.**

## Women in the Economy Conference Report

Contains names and addresses of the 200 participants and texts of the plenary speeches. Conference was held in Cleveland, Ohio, on May 12-13, 1978, and sponsored by the Conference on Alternative State and Local Public Policies and Cleveland Women Working. **\$2.50, \$5 for institutions.**



**Industrial Exodus**

Realistic proposals about what each level of government could do to save jobs and protect communities from plant shutdowns. **\$5, \$7.50 for institutions.**

## Runaway Plants Acts

Ohio and Michigan bills requiring notice to affected employees and communities before any industry shutdown, relocation, or reduction in operation. **\$1, \$1.50 for institutions.**

## Public Policy Reader

Includes programs and legislative proposals for energy, public enterprise, political organization, economic development, tax reform, health, education, criminal justice, and food, land, and growth issues. **\$5, \$10 for institutions.**



# City Transportation Funds Withheld, Decision Cites Minority Discrimination

In a decision that will have a significant impact on other cities across the nation, the US Department of Transportation (DOT) announced in August that bus service in Hartford, Connecticut, and its suburbs violates the rights of that city's minority residents.

Deputy Mayor Nick Carbone, a Conference Steering Committee member, along with councilmember Raymond Mantero were the initiators of the administrative complaint and the driving force behind the determination that was issued.

Here, DOT departmental director of civil rights Ellen Feingold, in a speech prepared for the Toronto meeting of the American Public Transit Association (APTA) on September 25, capitulated DOT's precedent-making decision.

## By Ellen Feingold

Our Department's primary function, and the primary function of most of the APTA membership, is to provide transportation services. We provide mobility. Yes, we have other mandates—we want to less traffic congestion, we want to conserve energy, we want to reduce air pollution. These are all major public goals to which we all—federal, state, local and citizens—subscribe. But our basic mandate is transportation.

Once the problem is put in that perspective, it becomes obvious that those segments of our population which are most transit dependent must be looked at very carefully in terms of the service we provide them. In the case of Hartford, much of that city's blue-collar employment base had been removed from the center city by a combination of urban renewal, interstate highway and economic development activity. HUD, DOT and Commerce all spent millions of dollars on programs which had as one of their effects, the removal of most of the blue-collar jobs from the center city. Unlike many cities, Hartford's powerful insurance companies

were able to maintain a stable employment environment for professionals and white-collar workers.

When Connecticut Transit instituted commuter express bus service for largely white suburbanites to come into the city to work, they were quite properly seducing out of their cars a large number of people who worked in the city. We have no problem with that—we applaud it. The problem is that in Hartford, there is no comparable means for the largely transit-dependent minority community to reach the relocated jobs in the suburbs. The commuter express buses start in church and shopping-center parking lots. If someone from the city wanted to reach a job in an industrial facility and took the commuter express bus on its way back out, that person would find him or herself in the middle of a parking lot with no way, then, to get to those centers of employment in the area. It is this situation which we have asked Hartford to remedy.

We have been asked if this means that all suburban commuter express services are, on their face, discriminatory. No, of course not. Each city has its own unique set of circumstances. But any city whose transit services are largely organized around work-related needs, and which does not provide adequate transportation services for its minority community to reach important centers of employment, may be in trouble. And if it puts in place a special, quick, and comfortable service for another group of riders, it had better make sure that there is good service for its minority riders as well.

Not that I didn't say equal. The poor and the rich have an equal right to sleep under bridges, but only the poor utilize those accommodations. I use the term equity to describe the standard we adhere to—service must be equitable. I also use the word equivalent as a way of describing services which are probably not equal, but may be equitable. My staff stands ready to assist you in any way that we can to ensure that your systems provide equitable services. We may be contemplating your lives but we are not trying to slow you down or reduce in any way the quality of service which you provide.

At a recent conference on research into the travel needs of women (yes, that's a whole other issue, and one which is receiving increasing attention), I met a young man from a Midwestern property who had been preparing the data submission to UMTA for monitoring compliance with Title VI. I expected the usual complaints about the quantity of data, and all the rest of it. Instead, this gentleman told me what an interesting exercise it had been for him, how he had really learned a tremendous amount about his property, about the services it provided, and about areas of deficiency and inequity which needed immediate attention. He told me that what he had learned would really help him in improving the all-over level of service he was providing, as well as provide a yardstick for the equity of services provided minority communities.

That, I believe, sums it all up. The Hartford determination marks no radical new departure for the Department—it does mark a toughening of our stand on service discrimination, on service inequities.

## Buses and Bikes Cooperate in Seattle

Seattle's bus system has begun a six-month pilot program to test the feasibility of using bike racks on buses. Bus-riding bicyclists can now load their bikes aboard buses traveling across the bridge between Seattle and Bellevue.

For more information, contact Metro/Bicycles, 821 Second Ave., Seattle, WA 98104.

# Solar Effort Stalls at Federal Level, Shifts to Cities & States

## By Ken Bossong

The Domestic Policy Review on Solar Energy was to be the turning point in federal solar policy when President Carter announced it last May following Sun Day. While the DPR may yet prove to be a turning point, it is no longer apparent that the turn will be in the right direction.

Since its inception, the DPR has kept busy more than 100 bureaucrats from over 30 federal agencies reviewing and recommending national solar policy. Their activity has been punctuated by reports from six "panels," each focusing on one aspect of solar energy (e.g., impacts, financing, R&D), and the semibance of public input. In early summer, the DPR sponsored 12 regional public forums. Participating were over 1,350 citizens, small businesses, public-interest groups, and state and local officials. All offered views on what an ideal solar program should include. A draft document ("Status Report on Solar Energy Domestic Policy Review") was released in August to solicit further comment. A final set of recommendations is slated to go to Carter in late November, but there is much evidence that the policy package will be disappointing, especially to state and local government.

When launching the DPR, Carter noted that the US might meet 25 percent of its energy needs from solar sources by the year 2000, and 50 percent by 2020. However, the DPR's authors chose to halve that goal and now talk about a 2000 goal of 10-15 quads (i.e., about 15 percent of the US's energy needs).

Though acknowledging that one of solar's biggest barriers has been heavy federal subsidies given to nuclear and fossil fuels (more than \$130 billion in the last several decades), the DPR has refused to address that issue. It has likewise failed to address in any appreciable way: competition in the solar marketplace; equity (i.e., making solar technologies available to low-income

come as well as upper-income citizens); centralization (i.e., reliance on large solar technologies, such as solar satellites); and the roles to be played by state and local government in setting solar policy.

In fact, the DPR has generally assumed that, despite public testimony to the contrary, there is limited interest and activity by state and local governments in solar energy. Their August document argues that only several dozen towns and counties have solar projects underway and that barely more than 100 citizens' groups are at work on alternative energy policies nationwide. Ironically, to support their claim, they cite a public-interest group—the Citizens' Energy Project—which has consistently maintained that state and local solar programs now number well over 300, and citizen solar groups number in excess of 3,000 around the country. Nonetheless, the DPR drafters assume there is little that can be done at the local level in designing a long-range national energy plan.

This conclusion is reflected in the policy options the DPR has drafted. All proposals to provide funding for community-oriented solar projects have been dropped, such as establishment of solar coops; sponsorship of solar information/outreach programs; support of state and local solar energy offices; shifts of at least some solar R&D funds to small business; provision of technical assistance on such local issues as "sun rights" and land use. Instead, the DPR options focus heavily on utilization of private investment-owned utilities for commercializing solar energy; a strong federal role in setting national solar policy; and solar commercialization in suburban areas at the expense of cities and rural communities.

Reaction from state and local officials and citizen groups has been uniformly negative. Many now believe that it will be up to local governments to realize the opportunity for the decentralized, equitable, and competitive energy industry that solar represents. Some states and cities have already initiated projects—e.g., Solar-Cal, a statewide energy authority in California, and the Citizens' Energy Corporation, in Hartford, Connecticut, which utilizes local financing for solar energy manufacturing and installation.

States and cities can accomplish what the DPR failed to do by employing CEPA, Community Development Block Grants, revenue sharing, and other sources of financing for the commercialization of solar energy. In addition, they can legislate tax incentives to make solar competitive, encourage small business involvement, and provide benefits for low-income users. With these, and new institutional vehicles created on a local level, the promise of a solar society may yet be achieved.

Ken Bossong is director of the Citizens' Energy Project, Washington, DC.

## MOVING?

If you're moving for any reason, be it noisy neighbors, termination of lease, persistent bill collectors, or funding cutbacks, please let us know six weeks in advance.

FILL IN YOUR NEW ADDRESS BELOW, AND SEND US THE COUPON ALONG WITH YOUR PRESENT MAILING LABEL.

Name	_____
Address	_____
City	_____
State, ZIP	_____

# Legislative Initiatives

## 46-Year-Old Anti-Corporate Farm Act Is Strongest Yet

The strictest state law controlling corporate farming in the US is still North Dakota's Corporate Farming Law, passed by a statewide citizens initiative in 1932. The law prohibits both domestic and foreign corporations from owning agricultural land or operating farms.

In other states there are these restrictions:

- Minnesota prohibits corporations from farming and from acquiring farm real-estate.

- Missouri prohibits any corporation not engaged in farming before September 1976 from acquiring any interest in agricultural land.

- Wisconsin restricts certain corporations from owning farm-land, and no corporation in which more than 20 percent of the stock is held by non-resident aliens may acquire or hold more than 640 acres.

Other states with legislation restricting corporate farm activities are Iowa, Kansas, Oklahoma, and South Dakota.

Farm policy analysts expect to witness a great deal of activity on this issue at the state level in the 1979 legislative session.

## Reporting Laws Reveal More Corporate Ownership of Farmland

States with "reporting laws" to monitor corporate control of farmland have discovered that corporate ownership is more widespread than previously documented. Under Iowa's reporting law, for example, 2,923 corporations filed with the state, although the US Census indicated only 621. Other states with annual disclosure and reporting laws are Kansas, Minnesota, Missouri, Nebraska, Oregon, and South Dakota.

These bills represent the first steps many state legislatures have taken towards acknowledgement of the problem—and passage of stronger anti-corporate farm acts.

For copies of the various state reporting laws, write to each state capital.

## Canada Points the Way in Stemming Foreign Ownership of Farmland

Farmers throughout the country, long worried about the growth of corporate agriculture, face a new threat—foreign purchase of American farmland.

The sudden wealth of the Arab oil nations and the international decline of the dollar have given German, French, Swiss, Japanese, Scandinavian, and Saudi Arabian investors large amounts of excess cash. Add to that the rapidly rising value of US farm property, and the land becomes a prime target of foreign—primarily foreign corporate—investors.

Farm organizations have turned to state legislatures for protection. The Minnesota Legislature received in 1977 the proposed Alien Ownership Act to prohibit foreign individual and corporate ownership of Minnesota farmland. A similar Kansas Alien Ownership Act of 1978 was introduced into that state's legislature. When the state's attorney general raised questions about the bill's constitutionality, its sponsors immediately introduced another bill to hold a popular referendum amending the Kansas Constitution to make clear the state legislature's ability to prevent foreign individual and corporate ownership of land.

But if American farm organizations want even stricter legislation, they might want to examine the legislation developed by the Canadian New Democratic Party in that nation's Western provinces.

The Canadian provinces have taken dramatic steps to prohibit foreign ownership of their land. In some cases they have even tried to stop land ownership in a province by Canadians who live outside that particular province.

In 1977, for instance, Manitoba passed the Manitoba Farm Lands Protection Act. This act prohibits corporations and foreigners from owning more than 160 acres of land in that province. It further prohibits Canadians who are not farmers from owning more than 640 acres of agricultural land. In passing the legislation, the Manitoba Provincial Assembly was responding to the fact that more than 1.5 million acres of its land—about eight percent of the total—was owned and controlled by absentee owners.

The Manitoba bill was based in part on the Saskatchewan Farm Ownership Act of 1974. This law prohibits non-residents from owning land assessed at more than \$15,000 by the local municipality. Saskatchewan also hit the corporate farmers hard by requiring that corporations must, within 20 years, dispose of any land over 160 acres that they own.

The Province of Alberta has suggested even stricter regulations. The proposed Agricultural and Recreational Land Ownership Act would prohibit non-Canadians from buying more than 20 acres of agricultural land in the province.

The Province of Ontario has taken a different approach. The Ontario Land Transfer Tax of 1978 creates a progressive land transfer tax on sales to non-residents on commercial, industrial, and residential land. On agricultural land, the tax rate for non-residents is 20 percent of the total amount of the purchase.

For more information about the Canadian legislation, write Information Division, Agriculture Canada, Ottawa, Canada K1A 0C6.

A Conference on

**New Directions in Farm, Land, and Food Policies:**

**A Time for State and Local Action**

University of Tennessee • Nashville • 12/13/14 January 1979

The Agriculture Project of the Conference on Alternative State and Local Public Policies announces a major conference on farm, land, and food policies. The conference is planned for: farm organizations, political activists, citizen and neighborhood groups, farmers, and public officials who are behind the extraordinary spirit of encouraging and implementing new approaches and policy alternatives at the state and local level.

### Housing — For Reservations, Contact:

Ms. Judy Brooks, Sheraton-Nashville, 920 Broadway, Nashville, TN, (615) 244-0150.

Special Agriculture Conference Rates:

Single: \$25/day (\$5/extra person)  
Double: \$35/day (\$5/extra person)

### Registration Form

Return to: Agriculture Project

Conference on Alternative  
State & Local Policies  
1901 Que St., NW  
Washington, DC 20009

Pre-Registration: \$25 ☐ (After Jan. 1) \$30 ☐.

I will be unable to attend but would like \_\_\_\_\_ copies of the Agriculture Conference reader, *New Directions in Farm, Land and Food Policies*, at \$8; \$14 for institutions. Total \_\_\_\_\_

Enclosed is a check for \_\_\_\_\_ (Make checks payable to the Agriculture Conference.)

Name \_\_\_\_\_

Position/Organization \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

## Legislative Initiatives

### Securing Employee Rights

Michigan would guarantee new rights and provide new benefits for employees, and would penalize runaway plants if three new pieces of legislation were to pass.

**HB 5805** would require the Michigan Department of Labor to assist in the formation of employee-owned corporations. **HB 5806** would provide benefits to former employees of runaway plants and businesses—that is, those voluntarily merged, liquidated, or otherwise disposed of by its owners. **HB 5807**

would require a company once given inducements for relocation to repay the locale with interest when ceasing operations.

For more information, contact the bills' sponsor, Representative Perry Bullard, House of Representatives, Lansing, MI 48909.

### New York City Adopts Residency Law

Employees hired by New York City after November 1 will have to reside in the city as a result of a bill signed by Mayor Ed Koch this

summer. Residency requirements also exist in Chicago, Newark, Washington, Los Angeles, Detroit, Philadelphia, and Houston.

For copies of the bill, write the Mayor's Office, 52 Chamber St., Rm. 120, New York, NY 10007. Attn.: Sydel Knepper.

### North Dakota Referendum Proposes Ceilings on Health Services

High quality medical care is of very limited value if it is available only to the rich. A system in which a family can be forced into bankruptcy and have a lifetime savings destroyed by only one illness is unacceptable. A health care initiative that would greatly improve that situation was put on the North Dakota ballot in November after 13,000 persons signed petitions in a period of only a few weeks. The measure authorizes the state health officer to set maximum charges on any health service available in the state. It also directs the commissioner of insurance to investigate and propose to the voters a plan for the extension and improvement of state health insurance coverage at a reasonable cost.

For more information, write Commissioner of Insurance Byron Knutson, State Capitol, Bismarck, ND 58501.

### Ex-Inmates Get Financial Help

Some of those who leave California prisons are now eligible for unemployment insurance. A new law allows ex-inmates to earn credit for work they have done in prison in applying for such insurance.

Senator Peter Behr, who sponsored the legislation, hopes that providing some kind of income for released prisoners will help them make the difficult transition between incarceration and life "on the outside."

For more information, write Senator Peter Behr, State Capitol, Sacramento, CA 95814.

## Using Statewide Elective Posts For Progressive Reform

### By Byron L. Dorgan

Every election night, when Walter Cronkite looks America in the eye and begins to analyze state-by-state results, he reports on contests for governorships and races for the US House and Senate. However, the results of some state political contests he never mentions might well have more direct impact on the life of the average citizen than many of the so-called "higher" offices.

Certain little-known but powerful offices have been quietly assuming the reins of authority in many state governments and are demonstrating the power of those offices to create unique programs and approaches in shaping economic and social policy. A Public Service Commissioner, a Tax Commissioner, a State Treasurer, a State Insurance Commissioner, an Agriculture Commissioner, and many other elected officials in states around the country can and, in some cases, are making state government work to effect profound changes in the system.

In the past, the caricature of the elected official was a 65-year-old, paunchy, lethargic, grey-haired, suspended bureaucrat, who watches events pass him by and then airmails his problems to the federal government. Today, however, citizens making a visit to their state capital might meet a different sort of politician: one who is bright, active, concerned, accessible to the public, and who is shaking some new fruit down from that old state government tree. They might meet one of the progressives around the country who is repairing and oiling up the state machinery to revolutionize the delivery of governmental services. These are representatives of a new progressive politics, who are using new approaches to make an old idea work—the idea that state, city, and even neighborhood politicians can be made to effectively and efficiently

respond to many of the needs that Washington is hard-pressed to meet.

A visit to any number of state capitals might acquaint a citizen with:

- A Public Service Commissioner who is fighting the spread of nuclear power plants, and who is working for the reform of utility rate structures in order to establish lifeline rates as well as conservation pricing programs.

- An Agriculture Commissioner who is organizing state- and regional-level marketing groups and grain pools in order to strengthen the family farmer's hand in selling his grain products at home and abroad.

- A Tax Commissioner who has developed a tax audit program and is waging court battles against large corporations to see that they pay their fair tax share, and who is also leading the fight for general state and local tax reform.

- An Insurance Commissioner who is putting a stop to blank check insurance rate increases, and who is trying to force the insurance industry to manage itself effectively by refusing to grant the automatic rate increase requests that the industry has come to expect.

- A Superintendent of Public Instruction who is finally tackling the problem of providing quality education with effective management of taxpayers' dollars.

The clarion call of states' rights by conservatives used to be a euphemism for do-nothingism; but that call is now being answered by these progressive states' righters, who are paving the way for a new movement to make state and local government work the way it should. They are proving that one way of tackling the issue of government reform is to start rebuilding government from the bottom up—and in the process, are redefining the term "higher" office.

Excluding state governors and

their running-mates, more than 250 officials now serve in statewide elective office. The outcome of any one of these races might determine what a citizen pays for electricity or natural gas, or whether or not the state's tax laws are fair, or how much an insurance company can charge for policies, and so on. They are important and powerful elected positions.

Some states, such as New Jersey and Tennessee, elect only a governor, while other states, such as North Carolina and North Dakota, elect 10-12 statewide officials. (Most states elect 5-8 officials.)

So pass the word: the way to take hold of our government and make it work the way it's supposed to work for all of the people is to identify those powerful elected offices in state and local government, and then select and support good progressive candidates to run for those offices—or run for office yourself.

*Byron L. Dorgan, a Conference Steering Committee member, is the elected Tax Commissioner of the State of North Dakota.*

### Rules Reform Effort in Massachusetts Gains Momentum

Citizens for Participation in Political Action (CPPAX) has taken a new tack in its fight for rules reform in the Massachusetts House: the Public Policy Question. It has collected enough signatures (200 minimum) to add this non-binding question to the ballot in three districts. According to CPPAX, not only can the public policy question be used as a means of organizing supporters and as a powerful local lobbying tool, but it can also attract local media attention. And if the rules policy question passes in those districts, it could have statewide significance.

For more information, contact CPPAX, 35 Kingston St., Boston, MA 02111.

## Update/Cooperatives

### Coop Bank Update

The National Consumer Cooperative Bank (see *Ways & Means*, September-October 1978) will make its first loans in summer 1979. An Interagency Task Force has been established to draft proposed rules and regulations under the guidance of the Department of the Treasury. These will focus on lending policies for the Bank, technical assistance to coops, and the structure of the Office of Self-Help Development for low-income coops. Nominations for the Bank's board of directors are also being sought.

The Conference on Alternative State and Local Public Policies, along with other groups, is organizing a series of informational meetings for November and December. They are designed to inform local communities about the Bank and to give them an opportunity to influence the draft rules and regulations. Meetings are planned for New York, Chicago, New Haven, Philadelphia, Boston, Austin, Minneapolis, Cleveland, and Washington, DC. In addition, reprints of the Bank Act are available from the Conference, as well as a four-pg. brochure, "The Coop Bank: New Funds for Community

Development," which describes the Bank and summarizes the legislation.

For copies of the publications or for more information about the meetings, contact Michael Freedberg, at the Conference.

### A People's Chamber of Commerce

What city can boast the most extensive network of new urban coops in the country? Minneapolis-St. Paul. The Twin Cities have over 50 cooperative food stores, buying clubs, day-care centers and schools, restaurants, publishing firms, bakeries, bookstores, hardware and winter-sports stores, architects and notaries, and a producer coop—a clothing factory. The food-related businesses are served by DANCe—the Distribution Alliance of the North Country—a central warehouse and wholesaler.

Most important, the Twin Cities coops have banded together to establish a kind of alternative Chamber of Commerce for democratically-owned and run businesses. For more information, write All-Cooperating Assembly, PO Box 6022, Minneapolis, MN 55406.