Flood Recovery Task Force: News Releases, Editorials, and Statements, 1972–1973

Ralph C. Mathewson
1025 Exeter Avenue
West Pittston, Pennsylvania 18643

In Re: Consolidation Under Corporate (Charter)
East and West Side Communities
Luzerne County, Pennsylvania

Harrison H. Smith, President
Wilkes-Barre Publishing Company
15-17 North Main Street
Wilkes-Barre, Pennsylvania

Dear Sir:

All communities in the flood area:

Lackawanna County line-combine and join into two large communities (cities).

To enhance the opportunities of obtaining federal and state aid (grants).

Not a Council of Governments-"A Coalition."

Formation of a New Wilkes-Barre City (charter) corporation; incorporating:

Wilkes-Barre
Plains
Kingston Boro
Pringle Boro
Courtdale Boro
Luzerne Boro
Swoyersville Boro
Forty Fort Boro
Edwardsville Boro
Larksville Boro
Ashley Boro
Hanover Township
Plymouth Township

Comprising a New Metro-Politan Community with one "Coalition Government" to cope with the present disaster and the future of the entire area.

Formation of a New Pittston City (charter) corporation; incorporating:

Pittston
Duryea Boro
Avoca Boro
Dupont Boro
Hughestown Boro
Pittston Township
Yatesville Boro
Jenkins Township
West Pittston Boro
Exeter Boro
Wyoming Boro
West Wyoming Boro

Comprising a New Metro-Politan Community-creating two efficient incorporated Governments: eliminating overlapping and duplication:

This is an opportune time to: Band together for a common cause: Namely the future of the communities.

Federal and state aid is drastically needed. Co-oridination is the essence of the time; (now).

With this Plan consumated all community woe would vanish with co-ordination.

The possible long-range benefits to all residents in the concept of a unified, "Government action," for the common good.

There have been long-held opposition (by Political Power Groups) to consolidation:

It should not enter into present deliberations too-Band together for a "Common Cause":

The present emergency is the sole concern; a referendum on the Ballot would decide the People's wishes:

Sincerely submitted
for your consideration

Ralph C. Mathewson

Ralph C. Mathewson

May I have your comments?

JOINT RECORD STATEMENT CONGRESSMAN DANIEL J. FLOOD
CONGRESSMAN JOSEPH M. McDADE

Mr. Chairman, members of the Committee, we are grateful for the opportunity to submit this statement in support of H. R. 15872, H. R. 15890 and related bills also know as the Agnes Recovery Act of 1972. As Congressmen from the 10th and 11th Congressional Districts of Northeastern Pennsylvania, we are filing a joint statement to emphasize our joint efforts in flood relief that have spanned the last three weeks since the floods that accompanied Agenes struck our respective districts. We represent two districts with a combined population of nearly one million people. Most of them are suffering unique problems never before encountered. They are separated by political boundaries but joined together by the common need to rebuild their shattered homes and lives.

Virtually every segment of our population: the homeowner, the businessman, the farmer, the laborer, the housewife, the children, and the elderly, has been touched by this flood. In the 11th Congressional District the highly urbanized areas of Wilkes Barre, Kingston and the communities down the Susquehanna River have all suffered massive devastation, perhaps the worst in the nation. 80,000 people were evacuated from their homes in the Wilkes Barre area alone. Businesses and factories were destroyed. Fires spread by leaking gas mains burned entire city blocks. Adjacent towns were battered by the relentless water crushing homes, businesses, automobiles, and devastating cemetaries. When the waters receded they left a legacy of dead animals, mud, flies, mosquitos, snakes, and countless other health hazards enveloped in a foul order that made the strongest ~~National Guard~~ troops weak and sickly.

North of this area up the Susquehanna River in the 10th Congressional District through the normally placid Tioga and Cowanesque River Valleys, the primarily rural population suffered similar damage. Communities were isolated because of no communications. Tiny rural hamlets were in some cases totally obliterated. Bridges and highways washed out. Farm crops were destroyed. Even the farmer who did not live along the river watched helplessly as his topsoil and his crop were washed away. Indeed, our rural communities all became "little Wilkes-Barre's."

Let us tell you something about these people. Whether they be rural or urban, young or old, farmer or factory worker, they need help. They need a new start. Flood insurance is virtually non-existant with these people. Many of the elderly who were looking forward to a happy and contented retirement now must start over. Young people just making their own way in life now face the prospect of new second mortgages or assuming a new mortgage for their parents to live comfortably in their remaining years. The farmer who invested thousands of dollars in this year's crop only to have it washed away must now borrow on next year's crop to regain some form of income. These people are doing these things. They are taking these risks. They are not running away but they are staying to rebuild. Now they arelooking to the Congress to make it easier to rebuild. We cannot let them down.

The legislation before this committee today would provide relief to the most critical needs of our people in Northeastern Pennsylvania. The first feature of the bill increases the loan forgiveness from $2500 to $5000; in addition, the 500 deductible provision of present law would not have to be repaid. Second, the remainder of the money required by a homeowner or a businessman or other victim is a repayable loan at an interest rate of 1%. This compares most favorably with the current rate of 5-1/8%.

Three weeks ago, this committee wisely responded to the needs of flood victims everywhere by its quick action on H. R. 15692, passed by the House and currently pending before the Senate. That legislation gave the homeowner the option of an SBA or FHA loan at 3% with the first 2500 forgiven or a loan at 1% with no forgiveness. In addition, H. R. 15692 removed the 500 dollar deductible payment.

The legislation before you today improves on H. R. 15692 in several ways. It simplifies the borrower's understanding of his loan opportunities. It provides substantially greater financial assistance to homeowners in replacing their lost property. It provides greater incentives for homeowners and businesses to rebuild and to stay in their communities.

Mr. Chairman, this committee is considering the key piece of legislation in the Administration's flood relief package. We have a tremendous rebuilding responsibility in this nation as a result of this flood. Highways and bridges must be rebuilt. Communications must be restored. Sewage systmes, dams, and flood prevention measures must be restored. But our greatest challenge after cleaning away the debris is to get the homeowner back into his home. We must get the businessman ready cash to rebuild his business. We must get the schools and hospitals repaired and functioning again. And we must help the farmer rehabilitate his land, rebuild his home and his barns and replace his livestock. This legislation will get that enormous job done easier and quicker.

In doing these things we will reaffirm the confidence that thousands of families have in their government. It is the confidence in knowing that when they need help they can turn to government and get help.

So far the response of the Federal government has been excellent. Federal officials have walked through the debris strewn streets bringing in some cases comfort by their mere presence. OEP centers,

SBA offices, and HUD offices have all been established and are working full time to meet our people's needs. There has been a spirit of cooperation and willingness to cut red tape all along the line to speed relief to those in need. We trust that this committee and the Congress will in its wisdom act quickly and favorably by passing this legislation.

Thanks to new state legislation, we Pennsylvanians have our first opportunity to take a careful look at one or another of our forms of local government, and to decide whether or not it is good enough the way it is. Act 62 makes it possible for citizens of a county or municipality to create a commission to study their form of local government and then to either accept or reject the results of the commission's work.

Asking the voters if they want a government study commission is the necessary first step towards getting one. This can be done in one of two ways. The public officials of the county or municipal government concerned can pass an ordinance placing the question of whether or not a government study commission should be created on the ballot. Or, the citizens of that county or municipality can petition their officials to place the question on the ballot.

I am pleased to announce that the League of Women Voters, supported by virtually every civic group in Luzerne County, is undertaking a campaign to obtain a minimum of 6,000 signatures to petition the Luzerne County Commissioners to place the following question of the ballot for the May 15th primary:

> "SHALL A GOVERNMENT STUDY COMMISSION OF ELEVEN BE ELECTED TO STUDY THE CHARTER AND PLAN OF GOVERNMENT OF THE MUNICIPALITY, TO STUDY AND CONSIDER THE ADVISABILITY OF ADOPTION OF AN OPTIONAL PLAN OF GOVERNMENT OR A HOME RULE CHARTER AND TO RECOMMEND WHETHER OR NOT AN OPTIONAL FORM OF GOVERNMENT OR A HOME RULE CHARTER SHOULD BE ADOPTED?"

If the campaign to get this question on the ballot succeeds, citizens of Luzerne County will be voting on May 15th for members of the study commission at the same time they are voting on whether or not they want the study commission created. Any registered voter may run for a place on the commission. The names of those who run will be placed on the ballot without party designation. Those who receive the most votes will be elected <u>if</u> the voters say "Yes" to the question of whether or

not the government study commission should be created. If the voters answer "No" to that question, there will be no study commission no matter how the vote goes on the individual citizens who run for places on the commission.

I want to emphasize that what our petition campaign is asking is nothing more than a study of our county form of government. If the citizens of the county vote on May 15th to have such a study made, they will have an opportunity, on its completion, to vote on whether they want to accept or reject its results.

Finally, I want to say that the League of Women Voters and the organizations supporting its petition campaign all agree that the citizens of Luzerne County have special reasons to sieze the opportunity Act 62 offers them. The recent flood has had the effect of magnifying economic and environmental problems that were already plaguing all of us before June 23rd. A thorough study of our county form of government may well show us ways to solve them.

FLOOD RECOVERY TASK FORCE, INC.
P.O. Box No.1367
Wilkes-Barre, Pa.18701

RESOLUTION

WE, the citizens of Wilkes-Barre and the many communities comprising the Wyoming Valley of Northeastern Pennsylvania, wish to express our deep sense of gratitude to the members of the representative committee of the Mississippi Gulf Coast Communities, headed by Roland Weeks, President of the Gulf Publishing Company and General Manager of the Gulfport Herald, who came to us on Friday and Saturday, August 4 and 5, 1972, to assist and counsel with us in the many problems which beset this area following the devastation and destruction caused by Hurricane Agnes.

Their presentations based upon actual experiences during a similar catastrophe -- the onslaught of Hurricane Camille upon the Gulf Coast in 1969 -- have been of immeasurable value to our flood stricken communities.

Through their carefully prepared program, they have identified with nearly every phase of the rehabilitation effort now underway in the Wyoming Valley of Northeastern Pennsylvania since this region was tragically stricken with massive floods generated by tropical storm Agnes.

Their counsel and advice on rebuilding our flood-ravaged cities, boroughs and townships have been instrumental in aiding the earlier commencement of programs which should have far-reaching beneficial consequences for the region.

FLOOD RECOVERY TASK FORCE, INC.
P.O. Box No.1367
Wilkes-Barre, Pa.18701

THEREFORE, BE IT RESOLVED,

That the Flood Recovery Task Force, Inc. and the "Together We Rebuild" Committee for, and in behalf of themselves and the citizens of the City of Wilkes-Barre and all Wyoming Valley communities, offer to the thirteen representatives of the Mississippi Gulf Coast communities their most hearty commendations and expressions of appreciation for their effort and sacrifice in flying to the Wyoming Valley area in the interest of strengthening morale in our stricken region. As leaders in municipal government, banking, business, industrial development and journalism, they were able to articulate their own experience and offer splendid advice and counseling to assist in the rehabilitation of our area.

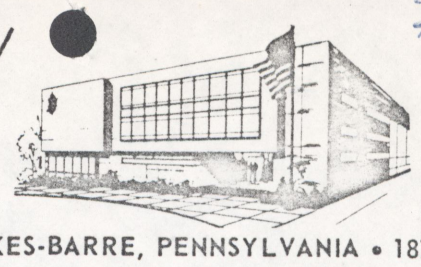
WE ARE INDEED GRATEFUL TO THEM.

Chairman, Flood Recovery Task Force, Inc.

Chairman, "Together We Rebuild" Committee

Dated at Wilkes-Barre, Pennsylvania, the center of Hurricane Agnes' worst devastation, this day of August, 1972.

Jewish Community Center
of greater wilkes-barre



60 SOUTH RIVER STREET / WILKES-BARRE, PENNSYLVANIA • 18701

PHONE • AREA CODE 717 • 824-4646

LOUIS SMITH, EXECUTIVE DIRECTOR

PROFESSIONAL STAFF

MISS JULIA LIEBERMAN
Program Coordinator

SEYMOUR HEFTER
Educational Director

RICHARD M. RABIN
Program Director

IRA GOLDSTEIN
Recreation Director

Flood

* Judge Rosenn

A SUMMONS TO AN EMERGENCY FLOOD RELIEF MEETING

The time has come for our Jewish community to evaluate what must be done to re-establish ourselves as a viable responsible community.

For this purpose I have taken the liberty of establishing a Flood Disaster Committee and invite you to serve on it.

The Committee will meet on Wednesday evening, July 19th, at 7:30 P.M. at the Treadway.

I shall report on my meetings in New York and San Diego with the top executive leadership of national Jewish organizations and Jewish federations pertaining to financial assistance for Wilkes-Barre.

The tremendous needs of these days demand your presence at Wednesday's meeting.

Louis Smith

LOUIS SMITH, Executive Director

Member Agency:

WYOMING VALLEY UNITED FUND
NATIONAL JEWISH WELFARE BOARD
MIDDLE ATLANTIC REGION - NJWB

Flood

WBRE-TV
Wilkes-Barre/Scranton
62 S. Franklin Street,
Wilkes-Barre, Pennsylvania 18703

EDITORIAL

FLOOD PLAIN

Wednesday, August 2, 1972

Government encouragement for flood disaster victims and communities not to re-build in flood-prone areas or in the flood plain of a River obviously is wise. However we need better definitions and more realistic guides than we've heard.

To us, where a flood control system exists, such as in Wyoming Valley, the flood plain is that area which lies within the levees. When we talk of flood stage of the Susquehanna it is the level at which this land within the levees is flooded. This largely is farmland and flooding is looked for to deposit fresh soil on the land and the few structures there are expected to be subject to flooding. The flood prome area cannot extend to any of the land protected by the levees or else why spend the millions of dollars we have to erect the flood control system? The Federal Flood Insurance program is limited to those areas where efforts have been made to diminish the possibility of floods, and that certainly is true of all the area for which the flood control system has been erected as protection.

Those who propose we abandon the community miss the purpose of flood controls. We wonder if they also propose to abandon Los Angeles and San Francisco because of the danger of earthquakes? Or to abandon the coastal areas of Texas, Louisiana, Mississippi and Alabama and all of Florida because of hurricanes or much of the mid-west and southern Plains because of tornados and hailstorms or even to abandon New York City and Los Angeles because of smog? Obviously not.

Nor should there be any further talk of abandoning any of the Wyoming Valley community. Our work is to imporve flood controls, including construction of multi-purpose impounding dams on the tributaries and of rebuilding a stronger, better community in Wyoming Valley .... because that is what we are going to do.

WBRE-TV
Wilkes-Barre/Scranton
62 S. Franklin Street,
Wilkes-Barre, Pennsylvania 18703

EDITORIAL

UNITY

FRIDAY, AUGUST 4, 1972

Inevitably, the devastation caused by Agens has hastened the day when municipal consolidation must be seriously approached, even by the politicos who so far have been successful in preventing it.

The essential need for consolidation was spelled out for us a few days ago when we were asked by a national news organization: "Who's in charge?" The people there wanted to talk to the man or office in charge. With 37 of Luzerne County's 74 political subdivisions affected by the flood, no one and no office is able to speak or act on behalf of all.

Many of us have exclaimed before about the enormous luxury, the unconscionable waste of tax resources in maintaining 74 separate tax collectors, street, fire and police departments, 74 Mayors or Township Presidents, and the several hundred councilmen and township supervisors --the whole rag-tag army of public office holders now elected and paid to provide what is called "local government" in Luzerne County. We've never needed that many, and since the flood we simply can't afford them. And it appears that even many of these now agree.

However, there is a right road and Thursday night's Rutter Avenue School meeting contained many elements of this. There also are many wrong roads to consolidation and the worst of those we've heard proposed would create, in Wyoming Valley, another Minneapolis-St. Paul Mexican stand-off. We believe creation of a separate west side community as a counter-balance to Wilkes Barre only would serve to accelerate the destructive cost of our divisiveness and those who see in such a move opportunity to 'offer some competition for Wilkes Barre' have not yet lifted their vision from the flood's mud.

What this community needs is not provincialism but creativeness; not waste but economy; not division but strength; not competition but unity.

OFFICE OF
EMERGENCY
PREPAREDNESS

CONGRESSIONAL & PUBLIC AFFAIRS

WINDER BUILDING - 604 17th St., N.W.
WASHINGTON, D.C. 20504 * TEL (202) 395-5673

FOR IMMEDIATE RELEASE PR
THURSDAY, AUGUST 10, 1972

FIRST OFFICIAL AGNES DESTRUCTION
AND REHABILITATION COSTS ANNOUNCED

The harsh, swirling waters that accompanied Tropical Storm Agnes now have been pinned with a statement of charges.

In her eight-day torrential rampage through the eastern United States during the period June 16-23, Agnes racked up more than $3 billion in property damage, caused 118 deaths, and inundated 5,000 square miles of real estate.

The storm dropped 25.5 cubic miles of rainwater, 28.1 trilli gallons, severely flooding hundreds of cities, towns, and rural communities along 4,500 miles of major rivers and 9,000 miles of streams and tributaries.

G. A. Lincoln, Director of the President's Office of Emergency Preparedness (OEP), today disclosed that more than $2.2 billion in federal and private relief, most of it in the for of grants and loans, will be provided to help repair the damage and assist families to recover from the effects of the storm. This is in addition to other federal funds which may be provided later for such long-range programs as urban renewal and industria development, large expenditures by states, and a vast effort by individual citizens to return their communities, businesses, and homes to normalcy.

(more)

OEP is the White House agency that coordinates federal relie activities and administers the President's Disaster Relief Fund in Presidentially declared disaster areas. The fund is used for reconstruction of state and local public facilities, debris removal, providing temporary housing, disaster unemployment assistance, and other emergency help in afflicted areas.

Lincoln emphasized that today's estimates are the first overall official federal assessments of the massive destruction caused by Agnes and the cost of recovery operations, the result intensive federal-state surveys directed by his office and just compiled.

In all, more than 500,000 persons suffered losses, 116,000 dwellings and mobile homes and 2,400 farm buildings were damaged or destroyed, and 5,800 businesses were seriously devastated. A total of 233 counties and cities in seven states face the cost task of rebuilding.

Referring to the huge expenditures mandatorily programmed f flood recovery, Lincoln said, "This is by far the largest federa outlay ever to assist states, counties, and cities to spring bac into first-class shape. I want to assure the families, business and communities in the devastated areas that we will have adequa appropriated federal funds to pay for disaster recovery work--an furthermore that we will press to get this work done quickly. Hopefully, this infusion of federal money and effort--more than $2.2 billion in federal grants and loans for recovery work supplemented by an estimated $350 million in income tax rebates-

(more)

will have a strong, positive, and catalytic, effect in softening the tragedy and strengthening the economy in the troubled areas."

A total of 206 counties and 27 cities in Florida, Maryland, New York, Pennsylvania, Virginia, West Virginia and Ohio have been designated for federal disaster aid, with recovery work well under way.

Private property losses totaled at least $2.5 billion. This includes damage or destruction of 124,200 homes, businesses, and farm structures. Public property losses, including that to highways and community facilities, are pegged at over $700 million.

By far the greatest federal funds for recovery will be in the private sector, with over $1.25 billion in Small Business and Farmers Home Administration loans projected to help restore businesses, permanent housing, and agricultural operations.

More than $120 million will be drawn from the President's Disaster Relief Fund to furnish flooded families with rent-free housing for up to one year. The Government is using mobile homes, camping trailers, and rented space in hotels, houses, apartments, and similar kinds of living quarters.

Disaster unemployment assistance will cost approximately $7 million, and restoration of private, nonprofit hospitals, nursing homes, and other medical care facilities, $18.5 million.

Emergency conservation measures on agricultural lands is estimated at $9.5 million, food stamps and commodity food costs at $8.3 million.

(more)

The American National Red Cross, Salvation Army, and other private relief organizations may spend as much as $25 million in emergency relief operations before their work is completed, Lincoln said.

In the public area, for debris removal; carrying out health and sanitation measures; reconstruction of publicly owned utilities and buildings, including elementary and secondary schools dikes, levees, and irrigation and drainage facilities; water and sewerage systems; and other community facilities; Lincoln foresees an expenditure of nearly $800 million. About half of this will be for streets, highway and bridge construction and rehabilitation.

An estimate of the cost of federal fund input in grants and loans by state follows: Florida, $10.4 million; New York, $694.8 million; Virginia, $100.5 million; Pennsylvania $1.2 billion; Maryland, $82.8 million; and West Virginia, $8.8 million. Estimates are not available for Ohio.

Lincoln reports that the actual availability of funds can be understood as being in three components: (1) some available funds already appropriated to various agencies, such as the $200 million added to the Disaster Relief Fund on July 1; (2) approximately $1.8 billion in additional emergency funds requested by President Nixon on July 12, which includes an additional $200 million for the Disaster Relief Fund; and (3) recovery funds for some rehabilitation construction which may not occur until next year; these latter to be requested in next year's appropriations.

(more)

"This wide breadth of funding assures adequate and immediate federal manpower and financial support to keep recovery operations flowing into the disaster areas," Lincoln said.

1972 has been unique in the history of large-scale disasters in the United States. Since January 1, President Nixon has declared 32 major disasters--twofold more than during any comparable early calendar year period on record. These major disasters have occurred nationwide--east to west--from California, Oregon, and Washington, to Maine, New Hampshire, and Massachusetts; and south to north--from Florida, Mississippi, and Texas, to South Dakota, Michigan, Pennsylvania, and New York. However, Lincoln reported that federal assistance needed to repair the havoc caused by Tropical Storm Agnes in June will almost double the combined total expenditures for five of the largest previous major disasters: Hurricane Camille, in August 1969, $349.7 million the Los Angeles earthquake, in February 1971, $424.5 million; Buffalo Creek, West Virginia, in February 1972, $32.4 million; Rapid City, South Dakota, in June 1972, $91 million; and the Alaska earthquake, in March 1964, $359.7 million.

- OEP -

August 10, 1972
For Immediate Release
From the Office of Congressman Herman T. Schneebeli

Dauphin, Lycoming and Northumberland counties are now eligible for special Federal loans, grants and assistance, Congressman Herman T. Schneebeli announced today.

Based on the sudden rise in unemployment caused by tropical storm Agnes, the Federal Economic Development Administration has designated these and five other Pennsylvania counties as redevelopment areas.

The action makes the areas eligible for these EDA benefits: grants and loans to help build public facilities essential to long-range growth, loans to help businesses expand and establish job-generating operations, and planning and technical assistance to help solve problems blocking growth.

Eight counties are eligible for grants of up to 50 percent of the cost of public facilities.

In addition to Dauphin, Lycoming and Northumberland, the counties of Luzerne, Mifflin, Schuylkill, Susquehanna and Wyoming were included in the designation.

Other Pennsylvania counties damaged by the storm are also expected to be designated for the EDA program, Congressman Schneebeli said.

Additional information can be obtained from the Economic Development Representative in Pennsylvania, Anthony Dwyer, Room 2029, Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania.

-- 30 --

Flood

WESTERN UNION TELEGRAMS 8/9/72

Proposed flood relief bill HR 15692 is a first step toward solving the massive financial problems of the victims of Hurricane Agnes. However, income test creates many gross inequities. Strongly urge deletion in order to avoid serious financial and emotional problems.

Signed: Judge Max Rosenn, Chairman
Flood Recovery Task Force, Inc.
Representing Flood Victims
of Greater Wilkes-Barre.

- -

The above telegram is to be sent individually to the following at the House of Representatives, House Office Building, Washington, D. C.:

Congressman Wright Patman of Texas
Congressman William Barrett of Pennsylvania
Congressman Henry Reuss of Wisconsin
Congresswoman Mrs. Lenore Sullivan of Missouri
Congressman William Widnall of New Jersey
Congressman Albert Johnson of Pennsylvania
Congressman William Stanton of Ohio
Congressman Thomas Ashley of Ohio
Congressman Robert Stevens of Georgia

- -

The telegram is also to be sent individually to the following at the Senate Office Building, Washington, D. C.:

Senator Harrison Williams of New Jersey
Senator Thomas McIntyre of New Hampshire
Senator Walter Mondale of Minnesota
Senator Alan Cranston of California
Senator John Tower of Texas
Senator Robert Packwood of Oregon
Senator William Roth of Delaware

- -

Charge to The First National Bank
of Eastern Pennsylvania
11 West Market Street
Wilkes-Barre, Pa. 18701

✓ Information copy sent to Judge Rosenn

92D CONGRESS, 2d Session } HOUSE OF REPRESENTATIVES { REPORT No. 92–1332

DISASTER RELIEF LOANS

AUGUST 10, 1972.—Ordered to be printed

Mr. PATMAN, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 15692]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15692) to amend the Small Business Act to reduce the interest rate on Small Business Administration disaster loans, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That (a) subsection (b) of section 7 of the Small Business Act (15 U.S.C. 636(b)) is amended by striking out the matter following the numbered paragraphs and inserting in lieu thereof the following:

"No loan under this subsection, including renewals and extensions thereof, may be made for a period or periods exceeding thirty years: Provided, That the Administrator may consent to a suspension in the payment of principal and interest charges on, and to an extension in the maturity of, the Federal share of any loan under this subsection for a period not to exceed five years, if (A) the borrower under such loan is a homeowner or a small business concern, (B) the loan was made to enable (i) such homeowner to repair or replace his home, or (ii) such concern to repair or replace plant or equipment which was damaged or destroyed as the result of a disaster meeting the requirements of clause (A) or (B) of paragraph (2) of this subsection, and (C) the Administrator determines such action is necessary to avoid severe financial hardship: Provided further, That the provisions of paragraph (1) of subsection (c) of this section shall not be applicable to any such loan having a maturity in excess of twenty years. Notwithstanding the provisions of any other law, and except as otherwise provided in this subsection, the interest rate on the Administration's

83–006

share of any loan made under this subsection shall not exceed 3 per centum per annum, except that in the case of a loan made pursuant to paragraph (3), (5), (6), or (7), the rate of interest on the Administration's share of such loan shall not be more than the higher of (A) 2¾ per centum per annum; or (B) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eight of 1 per centum plus one-quarter of 1 per centum per annum. In agreements to participate in loans on a deferred basis under this subsection, such participation by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement.

"In the administration of the disaster loan program under paragraphs (1), (2), and (4) of this subsection, in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator which occurs on or after January 1, 1971, and prior to July 1, 1973, the Small Business Administration, to the extent such loss or damage or injury is not compensated for by insurance or otherwise—

"(A) may make any loan for repair, rehabilitation, or replacement of property damaged or destroyed without regard to whether the required financial assistance is otherwise available from private sources;

"(B) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that (1) in the case of a business concern, the amount refinanced shall not exceed the amount of the physical loss sustained, and (2) in the case of a home, the amount of each monthly payment of principal and interest on the loan after refinancing under this clause shall be not less than the amount of each such payment made prior to such refinancing;

"(C) may, in the case of a loan made under clause (A) or a mortgage or other lien refinanced under clause (B) in connection with the destruction of, or substantial damage to, property owned and used as a residence by an individual who by reason of retirement, disability, or other similar circumstances relies for support on survivor, disability, or retirement benefits under a pension, insurance, or other program, consent of the suspension of the payments of the principal of that loan, mortgage, or lien during the lifetime of that individual and his spouse for so long as the Administration determines that making such payments would constitute a substantial hardship;

"(D) shall, notwithstanding the provisions of any other law and upon presentation by the applicant of proof of loss or damage or injury and a bona fide estimate of cost of repair, rehabilitation, or replacement, cancel the principal of any loan made to cover a loss or damage or injury resulting from such disaster, except that—

"(i) with respect to a loan made in connection with a disaster occurring on or after January 1, 1971 but prior to January 1, 1972, the total amount so canceled shall not exceed $2,500, and the interest on the balance of the loan shall be at a rate of 3 per centum per annum; and

"(ii) with respect to a loan made in connection with a disaster occurring on or after January 1, 1972 but prior to July 1, 1973, the total amount so canceled shall not exceed $5,000, and the interest on the balance of the loan shall be at a rate of 1 per centum per annum.

With respect to any loan referred to in clause (D) which is outstanding on the date of enactment of this paragraph, the Administrator shall—

"(i) make such change in the interest rate on the balance of such loan as is required under that clause effective as of such date of enactment; and

"(ii) in applying the limitation set forth in that clause with respect to the total amount of such loan which may be canceled, consider as part of the amount so canceled any part of such loan which was previously canceled pursuant to section 231 of the Disaster Relief Act of 1970.

"Whoever wrongfully misapplies the proceeds of a loan obtained under this subsection shall be civilly liable to the Administrator in an amount equal to one-and-one-half times the original principal amount of the loan."

(b) The last paragraph of the amendment made by subsection (a) shall apply only with respect to loans made on or after the date of enactment of this Act.

(c) Any person who (1) suffers any loss or damage as a result of a major disaster as determined by the President which occurred prior to the date of enactment of this Act, (2) is eligible for assistance under the amendment made by subsection (a), and (3) is otherwise eligible for benefits greater than those provided by the amendment made by subsection (a), may elect to receive such greater benefits.

SEC. 2. (a) Section 7(b) of the Small Business Act is amended—

(1) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(2) by inserting after paragraph (6) a new paragraph as follows:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or to refinance the existing indebtedness of, any small business concern directly and seriously affected by the significant reduction of the scope or amount of Federal support for any project as a result of any international agreement limiting the development of strategic arms or the installation of strategic arms or strategic arms facilities, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph.".

(b) Section 4(c) of the Small Business Act (15 U.S.C. 633(c)) is amended—

(1) by inserting "7(b)(7)," immediately after "7(b)(6)," in paragraph (1) thereof; and

(2) by inserting "7(b)(5), 7(b)(6), 7(b)(7)," immediately after "7(b)(4)," in paragraph (2)(A) thereof.

SEC. 3. The President shall conduct a thorough review of existing disaster relief legislation, and not later than January 1, 1973, he shall transmit to the Congress a report containing specific legislative proposals for the comprehensive revision of such legislation in order to—

(1) standardize the amount of benefits available to persons affected by disasters so as to achieve fairness and consistency with regard to the amount of benefits provided to such person and to preclude the need for separate legislation to aid persons affected by future disasters;

(2) improve the execution of the Government's disaster relief program by eliminating unnecessary administrative procedures and reducing the number of agencies involved in disaster relief or increasing individual agency authority and responsibility; and

(3) prevent the misuse of benefits made available under the program.

SEC. 4. (a) The Congress hereby finds and declares that there has been substantial damage to educational institutions as a result of hurricane and tropical storm Agnes; that disaster relief for public educational institutions is adequately covered by legislation heretofore enacted; that nonprofit private educational institutions are not provided disaster relief benefits comparable to those provided to public educational institutions; that nonprofit private educational institutions have a secular educational mission; that students attending nonprofit private educational institutions that have been damaged or destroyed will have to be provided for in public institutions if the former institutions are not restored; and that these facts compel enactment of special measures designed to provide nonprofit private educational institutions which were victims of this catastrophe with disaster relief benefits comparable to those provided for public educational institutions.

(b) To the extent such loss or damage or destruction is not compensated for by insurance or otherwise, the President may make grants to nonprofit private educational institutions in major disaster areas as designated by the President for the repair, restoration, reconstruction, or replacement of educational facilities, supplies, or equipment which have been lost, damaged, or destroyed as a result of hurricane and tropical storm Agnes, if such facilities, supplies, or equipment were owned on the date of such loss, damage, or destruction by an organization exempt from taxation under section 501 (c), (d), or (e) of the Internal Revenue Code of 1954 and the facilities, supplies, or equipment were being used to carry out the purposes for which such organization was accorded that exemption; except that no grant may be made under this section for the repair, restoration, reconstruction, or replacement of any facility for which disaster relief assistance would not be authorized under Public Law 81-815, title VII of the Higher Education Act of 1965, or the Disaster Relief Act of 1970 if such facility were a public facility.

(c) The amount of a grant made under this section shall not—

(1) exceed 100 per centum of the cost of—

(A) repairing, restoring, reconstructing, or replacing any facility on the basis of the design of such facility as it existed

immediately prior to the disaster referred to in subsection (b) and in conformity with applicable codes, specifications, and standards; and

(B) repairing, restoring, or replacing equipment or supplies;

as they existed immediately prior to such disaster;

(2) in the case of any facility which was under construction when damaged or destroyed as a result of such disaster, exceed 50 per centum of the cost of restoring such facility substantially to its condition prior to such disaster, and of completing construction not performed prior to such disaster to the extent that the cost of completing construction is increased over the original construction cost due to changed conditions resulting from such disaster;

(3) be used to pay any part of the cost of facilities, supplies, or equipment which are to be used primarily for sectarian purposes; or

(4) be used to restore or rebuild any facility used or to be used primarily for religious worship; replace, restore, or repair any equipment or supplies used or to be used primarily for religious instruction, or restore or rebuild any facility or furnish any equipment or supplies which are used or to be used primarily in connection with any part of the program of a school or department of divinity.

(d) For the purposes of this section—

(1) the term "educational institution" means any elementary school (as defined by section 801(c) of the Elementary and Secondary Education Act of 1965), any secondary school (as defined by section 801(h) of the Elementary and Secondary Education Act of 1965), and any institution of higher education (as defined by section 1201(a) of the Higher Education Act of 1965); and

(2) the term "school or department of divinity" means a school or department of divinity as defined by section 1201(l) of the Higher Education Act of 1965.

SEC. 5. Subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), is amended by adding at the end thereof the following new section:

"SEC. 328. (a) Notwithstanding any other provision of law, in the administration of this subtitle and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a natural disaster as determined by the Secretary of Agriculture which occurred after June 30, 1971, and prior to July 1, 1973, the Secretary—

"(1) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, (A) shall cancel the principal of the loan, except that the total amount so canceled shall not exceed the greater of (i) 50 per centum of the original principal amount of such loan but not more than $5,000, or (ii) the per centum that would be canceled of a loan of the same size by the Small Business Administration under section 7(b) of the Small Business Act, as amended (15 U.S.C. 636(b)), and (B) may defer interest payments or principal payments, or both, in

whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at a rate per annum to be determined by the Secretary of the Treasury under section 234 of the Disaster Relief Act of 1970 (42 U.S.C. 4453), or that established by the Small Business Administration under section 7(b) of the Small Business Act, as amended (15 U.S.C. 636(b)), whichever is lower: Provided, That no one borrower shall be eligible to receive more than one such cancellation for any single disaster.

"(2) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required loan is otherwise available from private sources: Provided, That in the case of any loan for refinancing, either under clause (3) of this subsection or under section 322 of this subtitle, require the borrowers to demonstrate that they are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

"(3) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other lien outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this subsection.

"(4) shall require the recipient of any emergency loan made under this section to execute the agreement to refinance required by section 333(c) of this title: Provided, That any such loan shall be reviewed at not less than two-year intervals to determine if the agreement to refinance shall be come applicable.

"(b) Notwithstanding any other provision of law, the provisions of subsection (a) of this section shall also apply to the administration of the programs referred to in such subsection in the case of any property loss or damage or injury, including loss or damage to agricultural crops, resulting from flood or excessive prolonged rain, drought, or other natural disaster occurring after June 30, 1971, and prior to July 1, 1973, in any area determined by the Persident to be a major disaster area or in any area determined by the Secretary of Agriculture to have suffered a natural disaster during such period.

"(c) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster loss or damage or injury in conformity with current codes and specifications. Any loan made under this section shall bear interest at a rate per annum to be determined by the Secretary of the Treasury under section 234 of the Disaster Relief Act of 1970 (42 U.S.C. 4453), or that established by the Small Business Administration under section 7(b) of the Small Business Act, as amended (15 U.S.C. 636(b)), whichever is lower.

"(d) In the administration of any Federal disaster loan program under the authority of this section, the age of any adult loan applicant

shall not be considered in determining whether such loan should be made or the amount of such loan.

"(e) The benefits provided under this section shall be applicable to all loans qualifying hereunder, whether approved before or after the date of enactment of this section.

"(f) The President shall conduct a thorough review of existing disaster relief legislation as it relates to emergency loans and housing loans administered by the Farmers Home Administration of the United States Department of Agriculture, and not later than January 31, 1973, he shall transmit to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report containing specific legislative proposals for the comprehensive revision of such legislation in order to—

"(1) adjust the benefits and the coverage available to persons affected by disasters;

"(2) improve the execution of the program by simplifying and eliminating unnecessary administrative procedures; and

"(3) prevent the misuse of benefits made available under the program."

SEC. 6. Section 231 of the Disaster Relief Act of 1970 is amended by—

(1) inserting "(a)" after "SEC. 231."; and

(2) adding at the end of such section the following new subsection:

"(b) Loans to which this section applies may also be made for the purpose of providing small business concerns with working capital, the payment of operating expenses, and any purpose for which loans may be made under section 7(a) of the Small Business Act (15 U.S.C. 636(a))."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
WILLIAM S. MOORHEAD,
ROBERT G. STEPHENS, JR.,
WILLIAM B. WIDNALL,
ALBERT W. JOHNSON,
J. WILLIAM STANTON,
CHALMERS P. WYLIE,
Managers on the Part of the House.

HARRISON WILLIAMS,
T. J. MCINTYRE,
WALTER F. MONDALE,
ALAN CRANSTON,
JOHN TOWER,
ROBERT TAFT, JR.,
WILLIAM V. ROTH, JR.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15692) to amend the Small Business Act to reduce the interest rate on Small Business Administration disaster loans, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

RETROACTIVITY, FORGIVENESS, AND INTEREST RATE

The Senate receded to the House with an amendment concerning the retroactivity, forgiveness, and interest rate features contained in H.R. 15692. The provisions agreed to in conference provide for the following:

(A) For Presidentially declared and Small Business Administration declared disasters occurring during calendar year 1971 disaster loans would have a forgiveness feature not to exceed $2,500, and the remaining balance of the loan would carry an interest rate of 3%.

(B) For the period January 1, 1972, to July 1, 1973, the two categories of disaster loans referred to in paragraph (A) would be made with a forgiveness feature not to exceed $5,000, and the remaining balance of the loan would carry an interest rate of 1%.

Where the interest rate is higher under existing law than that agreed to by the Conference Committee, the loans will be refinanced at the new lower rate. The new rate will apply only to the balance on the loan outstanding at the date of enactment of this Act.

In addition, the requirement in the Disaster Relief Act of 1970 that the borrower must pay the first $500 of a loan before he can receive any forgiveness has been removed retroactively to January 1, 1971.

CUTOFF DATE

The House receded to the Senate amendment which provided for an expiration date of July 1, 1973, and directed the President to study all disaster programs and submit legislative recommendations to the Congress by January 1, 1973.

It was unanimously agreed by the conferees of both Houses that no application for disaster assistance should be accepted by the Small Business Administration after six months from the date of the declaration of disaster, except that the six-month period could be extended upon a determination by the Administrator of the Small Business Administration of hardship or other valid reasons.

FARMERS HOME ADMINISTRATION

The House receded to the Senate amendment dealing with loans made by the Farmers Home Administration in connection with either Presidentially declared disasters or disasters declared by the Secretary of Agriculture. The interest rate on disaster loans declared by the Farmers Home Administration will be the rate determined by the Secretary of the Treasury under the Disaster Relief Act of 1970 or the rate established by the Small Business Administration, whichever is lower. With regard to forgiveness of Farmers Home Administration loans, the forgiveness is limited to 50% of the original principal amount of the loan but not to exceed $5,000, or the percentum that would be cancelled by the Small Business Administration under this Act. With regard to retroactivity for Farmers Home Administration disaster loans, the Senate amendment agreed to by the House provides that the new law shall apply to disasters occurring between June 30, 1971, and July 1, 1973.

FLOOD INSURANCE

The Senate amendment to the House bill contained a provision requiring all borrowers to obtain Federal flood insurance, if available, during the life of the disaster loan. The House-passed bill contained no provision. The Senate receded to the House position.

ELECTION OF BENEFITS

The Senate amendment contained a technical provision which provides that a person entitled to greater disaster benefits under other laws may elect to obtain those benefits. The House-passed bill contained no similar provision, and the House receded to the Senate position.

AID TO ASSIST IN COMPLYING WITH NEW LEGAL REQUIREMENTS

The Senate amendment contained a provision which would allow the Small Business Administration to make loans to small businesses which incur certain expenses as a result of the need to comply with new Federal or State law. Such loans would be made at interest rates based on the cost of money to the Federal government and there would be no limitation on the amount of the principal of the loan. The House had no similar provision, and the Senate receded to the House position.

STRATEGIC ARMS LIMITATION BUSINESS LOSS LOANS

The Senate amendent contained a provision which would allow the Small Business Administration to make small business economic loans to small businesses adversely affected by international agreements limiting the development of strategic arms. The House had no similar provision. The House receded to the Senate position.

GRANTS TO NON-PROFIT PRIVATE SCHOOLS

The Senate amendment contained a provision which would allow the President to make grants to non-profit private educational institutions

in areas declared a major disaster by the President in connection with hurricane and tropical storm Agnes. The House language contained no similar provision. The House receded to the Senate position.

In addition, the Senate amendment contained a provision which provided that funds appropriated to the President for "Disaster Relief" were to be made available for carrying out the program of assistance to schools. The House had no similar provision. The Senate receded to the House position.

KINDS OF DISASTERS TO WHICH BENEFITS APPLIED

The House bill made assistance available for Presidentially declared disasters and to disasters in non-Presidentially declared areas that arose from the same Presidentially declared disasters. In addition the House bill provided separate benefits for disasters declared by the Small Business Administration.

The Senate amendment would make assistance available for Presidentially declared disasters and disasters declared by the Administrator of the Small Business Administration and disasters declared by the Secretary of Agriculture. The House receded to the Senate position.

REFINANCING OF HOME MORTGAGES

The House bill contained a provision that would allow the refinancing of home mortgages, but would limit such refinancing to the amount of the actual loss sustained from the disaster. The Senate provision provided that home loans could be refinanced including up to 100% of the outstanding amount of the original mortgage but in no case could the monthly mortgage payment be less than the monthly payment on the mortgage prior to the refinancing. The House receded to the Senate positon.

SUSPENSION OF PAYMENT FOR DISABLED OR RETIRED PERSONS

The Senate bill contained a provision allowing the Administrator of the Small Business Administration to suspend for the lifetime of the borrower repayment of principal on home loans if the borrower is retired or disabled and is supported by disability or pension insurance, provided that the Administrator feels that payment of the mortgage would work hardship on the borrower. The borrower would still be required to make interest payments. The House had no similar provision. The House receded to the Senate position.

DISASTER LOANS FOR WORKING CAPITAL

The Senate amendment contained a provision that would allow disaster loans for working capital as well as for repairing, rebuilding, or refinancing. The House had no similar provision. The House receded to the Senate provision with an amendment making it clear that working capital loans would be available to only small businesses as defined by the Small Business Administrator and only for operating expenses and working capital losses resulting from the disaster.

TITLE

The Senate title provides as follows: "An Act to authorize for a limited period additional loan assistance under the Small Business Act for disaster victims, to provide a study and report to the Congress by the President setting forth recommendations for a comprehensive revision of disaster relief legislation, and for other purposes." The House receded to the Senate title.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
WILLIAM S. MOORHEAD,
ROBERT G. STEPHENS, Jr.,
WILLIAM B. WIDNALL,
ALBERT W. JOHNSON,
J. WILLIAM STANTON,
CHALMERS P. WYLIE,
Managers on the Part of the House.

HARRISON WILLIAMS,
T. J. MCINTYRE,
WALTER F. MONDALE,
ALAN CRANSTON,
JOHN TOWER,
ROBERT TAFT, Jr.,
WILLIAM V. ROTH, Jr.,
Managers on the Part of the Senate.

92D CONGRESS
2d Session

SENATE

Calendar No. 999

REPORT
No. 92–1047

DISASTER RELIEF SUPPLEMENTAL APPROPRIATIONS, 1973

AUGUST 16, 1972.—Ordered to be printed

Mr. MCCLELLAN, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 16254]

The Committee on Appropriations, to which was referred the bill H.R. 16254 making supplemental appropriations for disaster relief for the fiscal year ending June 30, 1973, and for other purposes, reports the same without amendment and presents herewith information relative to the amounts recommended.

SUMMARY OF THE BILL

The Disaster Relief Supplemental Appropriations Act, 1973, provides funds to aid hundreds of thousands of Americans who are struggling to rebuild their lives after the destruction wrought by tropical storm Agnes, the worst natural disaster in American history, in terms of property damage and the extent of territory affected in seven States. In a disaster of this magnitude, the full impact on the thousands of persons affected cannot be measured solely in dollar amounts or estimates of damage to real and personal property. Individual losses must also be considered in terms of loss of loved ones, loss of jobs, disruption of families, personal privation, and anxiety about the future.

The accompanying bill recommends new obligational authority in the amount of $1,587,300,000, the same as recommended by the House. This sum is an increase of $17,500,000 over the amount requested in House document 92–325, totaling $1,569,800,000. Also requested in this document was transfer authority in the amount of $20 million, for the Small Business Administration which has been approved by the House and is recommended by the committee.

83–007

The $17,500,000 increase over the supplemental estimate is for the Department of the Army, Corps of Engineers, the details of which are set forth in chapter II. The increase, together with the $12 million contained in House Document 92–325, will provide a total of $29,500,000 for this agency. In addition the bill provides new obligational authority for the following:

(1) Farmers Home Administration	$1, 800, 000
(2) Appalachian regional development programs	16, 000, 000
(3) Department of Commerce, Economic Development Administration	40, 000, 000
(4) Small Business Administration	1, 300, 000, 000
(5) Office of Emergency Preparedness	200, 000, 000

Details with respect to all of the items set forth above are explained in the narrative included in each chapter.

Chapter I

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

Salaries and Expenses

The committee recommends an appropriation of $1,800,000, the same as the budget estimate and the same amount as provided in the House bill.

It is estimated that requirements for disaster housing loan funds in declared disaster areas will amount to $120 million and this amount will be provided under present available loan authority. To meet this need however, it will be necessary to employ temporary personnel. The amount requested and recommended herein will provide 149 man-years of employment to handle the emergency loan volume.

In recommending these funds, the committee concurs with the recommendation of the House that the personnel hired with these funds shall not be subject to present personnel limitations applicable to the Department of Agriculture.

Chapter II

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

Corps of Engineers—Civil

Construction, General

Appropriation, 1973	$1, 201, 493, 000
Supplemental estimate, 1973 (H. Doc. 92–325)	2, 000, 000
House allowance	3, 500, 000
Committee recommendation	3, 500, 000

The committee recommends concurrence with the House allowance of $3,500,000, an increase of $1,500,000 over the supplemental estimate.

The supplemental funds include the budgeted amount of $2 million

for the Tioga-Hammond Lakes, Pa., flood control project. This appropriation is in addition to $10,800,000 which is provided in the regular fiscal year 1973 Public Works Appropriation Act and will accelerate land acquisition of hardship cases resulting from tropical storm Agnes and accelerate the relocation of Highway 15 to assure that the highway will not impede Tioga Dam construction for which stream diversion is scheduled in May 1976. It is estimated that the recent flood damage would have been reduced by $200 million had the Tioga-Hammond Lakes project been in operation.

The additional $1,500,000 in supplemental funds are to initiate land acquisition and construction on the Cowanesque Lake project, which together with the Tioga-Hammond project, are integral units of the comprehensive flood control plan for the North Branch Susquehanna River Basin. Had the Cowanesque project been in operation it is estimated that an additional reduction of $145 million in Agnes flood damage would have been realized.

Completion of the two projects will provide flood protection to the Chemung River Basin, to include Corning and Elmira, N.Y., and the Susquehanna River Basin from Athens to Sunbury, including the highly developed Wyoming Valley region of Pennsylvania.

Flood Control and Coastal Emergencies

Appropriation, 1973	$7, 000, 000
Supplemental estimate, 1973 (H. Doc. 92–325)	10, 000, 000
House allowance	26, 000, 000
Committee recommendation	26, 000, 000

The committee recommends concurrence in the House allowance of $26 million, an increase of $16 million over the supplemental estimate.

Public Law 84–99, as amended, authorizes the Corps of Engineers to use the emergency fund for flood emergency preparation, flood fighting and rescue operations, emergency repair, and restoration of flood control and Federal hurricane or shore protection works.

The regular fiscal year 1973 Public Works Appropriation Act provides $7 million for the emergency fund. This amount along with an unobligated balance of $214,000, as of July 1, 1972, is committed to the continuing costs of recent floods in California, Texas, and the Northwest.

The committee received testimony that the supplemental estimate now appears to be approximately $9 million short in meeting known emergency situations as a result of tropical storm Agnes. The additional $16 million above the supplemental request will provide these funds and $7 million to restore the fund to meet emergencies in fiscal year 1973.

The revised estimate is set forth in the following table:

EMERGENCY FUND

	Supplemental estimate	Revised corps estimate
Texas floods of October 1971 and December 1971 (continuing work)	$725,000	$725,000
California floods of January–March 1972 and June 1972	600,000	600,000
Washington, Oregon, and Idaho floods of May 1972	1,240,000	1,240,000
Emergency work at various locations (disasters occurring between August 1970 and June 1972)	3,649,000	3,649,000
Hurricane Agnes:		
Pennsylvania (Wilkes-Barre flood of June 1972)	10,000,000	10,000,000
Corning-Elmira (N.Y.) area (rehabilitation)		3,600,000
Rehabilitation activities at other locations:		
(a) Baltimore district		2,400,000
(b) Norfolk district		100,000
(c) Philadelphia district		300,000
(d) Pittsburgh district		593,500
(e) Buffalo district		551,000
(f) Rounding		50,500
Post flood reporting activities		600,000
Flood emergency activities		800,000
Subtotal, Hurricane Agnes	10,000,000	19,000,000
Advance preparation for flood emergencies	1,000,000	1,000,000
Replenishment of emergency fund		7,000,000
Subtotal	17,214,000	33,214,000
Funds available	−7,214,000	−7,214,000
Total	10,000,000	26,000,000

INDEPENDENT AGENCIES

Executive Office of the President

Appalachian Regional Development Programs

Appropriation, 1973	$327,000,000
Supplemental estimate, 1973 (H. Doc. 92–325)	16,000,000
House allowance	16,000,000
Committee recommendation	16,000,000

The committee recommends concurrence with the House allowance of the full supplemental estimate, $16 million.

The appropriation includes $11 million for subsurface restabilization of anthracite mine areas affected by mine subsidence danger which have been aggravated by the recent heavy floods in the Pennsylvania anthracite region.

Funds in the amount of $1,500,000 will provide housing site development grants for approximately 1,000 to 1,500 units. This new program authorizes approval of grants for site development costs, including the extension of sewer and water services, when the grant is needed to make a project feasible. The costs are limited to 10 percent of the total housing cost and grants are made to either public agencies or nonprofit organizations sponsoring federally insured housing projects.

The remaining $3,500,000 is for the research and local development district program and includes additional area planning support, new town studies, and special research to minimize future subsidence damage to structures.

The supplemental estimate is within the fiscal year 1972–73 authorization for the Appalachian regional development programs.

Chapter III

DEPARTMENT OF COMMERCE
ECONOMIC DEVELOPMENT ADMINISTRATION

Development Facilities

1973 supplemental estimate (H. Doc. 92–325)	$30,000,000
House allowance	30,000,000
Committee recommendation	30,000,000

The committee approves the House allowance of the supplemental request for an additional $30 million appropriation to finance public works and development facilities projects in areas devastated by Hurricane Agnes. Included in the estimate is $20 million for the public works impact program that will provide immediate useful work to the unemployed and underemployed of the local area affected by the tropical storm.

Also approved is language to waive the restriction that requires the Economic Development Administration to use at least 25 percent but not more than 35 percent of title I grants in areas designated under section 401(a)(6) of the act of 1965, as amended. The recommended language will permit all of the supplemental funds to be used in the area devastated by Hurricane Agnes. The proviso reads as follows:

> *Provided*, That such additional amount shall not be subject to the restrictions of the last sentence of section 103 of the Public Works and Development Act of 1965, as amended.

Planning, Technical Assistance and Research

1973 Supplemental estimate (H. Doc. 92–325)	$9,100,000
House allowance	9,100,000
Committee recommendation	9,100,000

The committee concurs with the House in the allowance of $9,100,000, the supplemental estimate, for planning, technical assistance and research in those areas devastated by Hurricane Agnes.

Operations and Administration

1973 Supplemental estimate (H. Doc. 92–325)	$900,000
House allowance	900,000
Committee recommendation	900,000

The committee agrees with the House in allowance of the budget request for $900,000 to cover the additional operating and administrative expenses resulting from Hurricane Agnes. The sum will provide $846,000 for hire of 45 temporary employees and $54,000 for costs of detailing regular EDA personnel to areas affected by the tropical storm.

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

Salaries and Expenses

1973 Supplemental estimate (H. Doc. 92–325)	[1] ($20,000,000)
House allowance	[1] (20,000,000)
Committee recommendation	[1] (20,000,000)

[1] To be derived by transfer from the disaster loan fund.

The committee concurs with the House in recommending the supplemental request for transfer of an additional $20 million from the disaster loan fund to cover the increased costs of salaries and related expenses incident to the enlarged disaster loan program.

DISASTER LOAN FUND

1973 Supplemental estimate (H. Doc. 92-325)	$1, 300, 000, 000
House allowance	1, 300, 000, 000
Committee recommendation	1, 300, 000, 000

The committee recommends $1,300 million, the budget estimate, and the House allowance for additional capital for the disaster loan fund. The additional sum, together with available balances, and the sum originally requested for fiscal year 1973, will enable the Small Business Administration to provide financial assistance on favorable terms to the victims of Hurricane Agnes and the flood in Rapid City, S. Dak., for rehabilitation of damaged or destroyed homes and businesses.

During the hearings on this supplemental request, the committee questioned the officials of the Small Business Administration on the policies and procedures that are now being and will be utilized in making loans to the victims of these two recent disasters, both to insure the legitimacy of the damage claimed and to insure that the loan proceeds are utilized solely to repair or restore damaged property. The committee is still not satisfied that the loan and followup procedures being used by SBA are sufficient to minimize to the fullest possible extent, fraudulent applications and the misuse of loan proceeds. The committee is particularly concerned with loans which are eligible for the $2,500 forgiveness feature, authorized by section 231 of the Disaster Relief Act of 1970 (Public Law 91-606, approved Dec. 31, 1970). For example, in the hearings on this request, the committee was informed by SBA that some 55,000 disaster loans were approved in connection with the Los Angeles earthquake, of which some 52 percent, or more than 25,000, were for $3,000. The committee finds it hard to believe that each of these 25,000 recipients of disaster loans sustained exactly $3,000 worth of damage to their property. This feeling is further emphasized by the fact that between February 9, 1971, on which date the President declared the Los Angeles earthquake a natural disaster, and October 19, 1971, or a period of approximately 32 weeks, the SBA accepted 45,000 loan applications totaling $197 million, or an average of 1,400 per week. Thereafter, when repair salesmen, contractors and others entered the picture in the period from October 19 to December 31, 1971, or a period of approximately 10 weeks, SBA accepted 31,000 loan applications totaling $110 million for an average of 3,000 per week.

During the period from October 20, 1971 to July 28, 1972, the committee has held four different hearings on SBA's requests for additional capital for the disaster loan fund. With regard to the Los Angeles earthquake, the committee questioned officials of the SBA at each of these hearings as to what this agency had done, was doing, or intended to do with regard to investigating and subsequently prosecuting cases of fraud. Consistently, the committee was informed by SBA officials that it was not worth while, because of the small sums involved and also because the U.S. attorney's office was too busy to

undertake prosecution for $500 or smaller amounts. The SBA informed the committee that only five or six cases have been referred to the Department of Justice.

The committee's attention was called to a July 27, 1972, news broadcast where it was reported that the Internal Revenue Service had filed a lien or claim against a person's automobile to collect $1.63 in excise tax owed. The committee does not understand why one agency of the Government takes the position that suits to collect $500 are not worthwhile, whereas another agency of the Government is prosecuting a claim for $1.63. The committee again calls to the attention of officials of the SBA and the Department of Justice, the language contained in Senate Report No. 92-763, Second Supplemental Appropriation Bill, 1972 (Public Law 92-184, approved Dec. 15, 1971) which reads as follows:

> Regarding the reported disaster loan fraud cases turned over to U.S. attorney offices, it is the considered judgment of the committee that early action should be taken in all cases, irrespective of the sum involved.

The committee is in complete agreement that those who sustain damage to or destruction of their property from natural disasters are entitled to financial assistance. However, the committee also believes that the Small Business Administration should exercise the closest supervision over the disbursement and utilization of disaster relief funds available to it. In an effort to achieve this objective, the committee has requested the Comptroller General to immediately undertake a careful monitoring of this program in the field, and to (1) keep the committee advised on a continuing basis of the manner in which the SBA is carrying out its responsibilities with respect to the disaster loan program, and (2) make recommendations as quickly as possible as to the policies and procedures that will be most effective and which can be instituted administratively by SBA.

Chapter IV

FUNDS APPROPRIATED TO THE PRESIDENT

Disaster Relief

1972 regular appropriation	$85, 000, 000
1972 supplemental appropriation (available for obligation in fiscal year 1973)	200, 000, 000
1973 regular appropriation	92, 500, 000
1973 supplemental request (H. Doc. 92-325)	200, 000, 000
Committee recommendation	200, 000, 000

The committee recommends a supplemental appropriation of $200 million, the budget estimate and House allowance, for disaster relief activities for fiscal year 1973. This appropriation is in addition to the $200 million supplemental for fiscal year 1972, enacted by the Congress on June 30, 1972, and the $92.5 million made available in the regular fiscal year 1973 Treasury-Postal Service-General Government appropriations bill.

The funds are required for the purpose of providing assistance, under those authorities of Public Law 91-606—the Disaster Relief Act of 1970, which have been delegated to the Office of Emergency Preparedness, in States for which major disasters have been declared as the

result of tropical storm Agnes. Hurricane Agnes has so far resulted in Presidential major disaster declaraticns for seven States—Florida, Virginia, West Virginia, Maryland, Ohio, Pennsylvania, and New York. A total of 202 counties and 27 independent cities have thus far been designated as eligible for a massive program of Federal disaster assistance.

In the seven States for which the President has declared disasters and in South Dakota, a total of $400 million will be required during fiscal year 1973. This $200 million appropriation and the $200 million granted at the end of fiscal year 1972 should meet these requirements for fiscal year 1973. Leaving aside the requirements and appropriations thus far, for Agnes, the Congress appropriated $92.5 million in the regular fiscal year 1973 appropriations bill, and approximately $2.5 million was carried over from 1972. From this $95 million, 23 already declared disasters, other than those declared for Agnes, require funding of about $63 million and $32 million is set aside for additional disasters that may occur during the remainder of fiscal year 1973.

Of the funds recommended under this head approximately $60 million or 30 percent are estimated to be required for repair or replacement of roads, streets, and highways; $40 million or 20 percent are needed for the clearance of debris and wreckage; $40 million (20 percent) are required for temporary housing; and the balance is for emergency protective measures, repair or replacement of public-owned utilities; unemployment compensation, private medical facilities and for repair or replacement of public buildings and equipment.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—	
					Budget estimate	House bill
	CHAPTER I					
	DEPARTMENT OF AGRICULTURE					
	FARMERS HOME ADMINISTRATION					
92-325	Salaries and expenses	$1,800,000	$1,800,000	$1,800,000		
	CHAPTER II					
	DEPARTMENT OF THE ARMY					
	CORPS OF ENGINEERS-CIVIL					
92-325	Construction, general	2,000,000	3,500,000	3,500,000	+$1,500,000	
92-325	Flood control and coastal emergencies	10,000,000	26,000,000	26,000,000	+16,000,000	
	Total, Corps of Engineers-Civil	12,000,000	29,500,000	29,500,000	+17,500,000	
	EXECUTIVE OFFICE OFFICE OF THE PRESIDENT					
	APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS					
92-325	Appalachian regional development programs	16,000,000	16,000,000	16,000,000		
	Total, chapter II	28,000,000	45,500,000	45,500,000	+17,500,000	

result of tropical storm Agnes. Hurricane Agnes has so far resulted in Presidential major disaster declaraticns for seven States—Florida, Virginia, West Virginia, Maryland, Ohio, Pennsylvania, and New York. A total of 202 counties and 27 independent cities have thus far been designated as eligible for a massive program of Federal disaster assistance.

In the seven States for which the President has declared disasters and in South Dakota, a total of $400 million will be required during fiscal year 1973. This $200 million appropriation and the $200 million granted at the end of fiscal year 1972 should meet these requirements for fiscal year 1973. Leaving aside the requirements and appropriations thus far, for Agnes, the Congress appropriated $92.5 million in the regular fiscal year 1973 appropriations bill, and approximately $2.5 million was carried over from 1972. From this $95 million, 23 already declared disasters, other than those declared for Agnes, require funding of about $63 million and $32 million is set aside for additional disasters that may occur during the remainder of fiscal year 1973.

Of the funds recommended under this head approximately $60 million or 30 percent are estimated to be required for repair or replacement of roads, streets, and highways; $40 million or 20 percent are needed for the clearance of debris and wreckage; $40 million (20 percent) are required for temporary housing; and the balance is for emergency protective measures, repair or replacement of public-owned utilities; unemployment compensation, private medical facilities and for repair or replacement of public buildings and equipment.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—	
					Budget estimate	House bill
	CHAPTER I					
	DEPARTMENT OF AGRICULTURE					
	FARMERS HOME ADMINISTRATION					
92-325	Salaries and expenses	$1,800,000	$1,800,000	$1,800,000		
	CHAPTER II					
	DEPARTMENT OF THE ARMY					
	CORPS OF ENGINEERS—CIVIL					
92-325	Construction, general	2,000,000	3,500,000	3,500,000	+$1,500,000	
92-325	Flood control and coastal emergencies	10,000,000	26,000,000	26,000,000	+16,000,000	
	Total, Corps of Engineers—Civil	12,000,000	29,500,000	29,500,000	+17,500,000	
	EXECUTIVE OFFICE OF THE PRESIDENT					
	APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS					
92-325	Appalachian regional development programs	16,000,000	16,000,000	16,000,000		
	Total, chapter II	28,000,000	45,500,000	45,500,000	+17,500,000	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL—Continued

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—	
					Budget estimate	House bill
	CHAPTER III					
	DEPARTMENT OF COMMERCE					
	ECONOMIC DEVELOPMENT ADMINISTRATION					
92-325	Development facilities	$30,000,000	$30,000,000	$30,000,000		
92-325	Planning, technical assistance, and research	9,100,000	9,100,000	9,100,000		
92-325	Operations and administration	900,000	900,000	900,000		
	Total, Economic Development Administration	40,000,000	40,000,000	40,000,000		
	SMALL BUSINESS ADMINISTRATION					
92-325	Salaries and expenses (transfer from disaster loan fund)	(20,000,000)	(20,000,000)	(20,000,000)		
92-325	Disaster loan fund	1,300,000,000	1,300,000,000	1,300,000,000		
	Total, chapter III:					
	New budget (obligational) authority	1,340,000,000	1,340,000,000	1,340,000,000		
	By transfer	(20,000,000)	(20,000,000)	(20,000,000)		
	CHAPTER IV					
	EXECUTIVE OFFICE OF THE PRESIDENT					
	DISASTER RELIEF					
92-325	Disaster relief	200,000,000	200,000,000	200,000,000		
	Grand total, chapters I, II, III, and IV:					
	New budget (obligational) authority	1,569,800,000	1,587,300,000	1,587,300,000	+$17,500,000	
	By transfer	(20,000,000)	(20,000,000)	(20,000,000)		

FROM THE OFFICE OF
CONGRESSMAN FRANK HORTON

FOR IMMEDIATE RELEASE

TEXT OF HORTON'S STATEMENT ON AID TO
FLOOD-DAMAGED PRIVATE SCHOOLS

Washington---When the relief efforts commenced after Tropical Storm Agnes left our area, there was perceptible flexibility in the way that such Federal agencies as the Office of Emergency Preparedness, the Department of Housing and Urban Development, and the Small Business Administration, to name just a few, responded to the urgent needs of people suffering from the effects of the storm.

Because of the way our laws are written, however, and because of the tradition of separation between church and state reflected in those laws the assistance requested for public schools was not available for private, non-profit schools. Along with many other Congressmen and Senators, I expressed the inequity of this situation to President Nixon. In an emergency of this magnitude, there can be only one priority--the education of all children.

President Nixon subsequently amended his request to Congress to include private, non-profit schools. This provision has been added to the "Tropical Storm Agnes"Bill and a conference committee between the House and Senate voted to retain it. The bill will be up for a vote within a few days, and I intend to actively work for its passage, in the hope that all our school children in the flood region will have a school to attend this fall.

####

81172

August 16, 1972
For Immediate Release
From the Office of Congressman Herman T. Schneebeli

Congressman Herman T. Schneebeli today released the following report from the Army Corps of Engineers:

11 August 1972

Dear Mr. Schneebeli:

On August 2, 1972 at the briefing of the Pennsylvania Congressional Delegation, several members requested information on the Baltimore District, Corps of Engineers, study program for fiscal year 1973 within the Susquehanna River Basin. As I indicated at that time, in view of the recent flooding associated with Hurricane Agnes, our study program is being reviewed with a view to accelerating our studies and to concentrating our efforts on those communities which had recently experienced substantial flood damage, and where flood protection measures appear to be economically justified.

The Baltimore District has initiated several activities since June 23, 1972 as a result of the flooding associated with Hurricane Agnes. Work has been initiated under PL84-99 to restore all damaged, Federally-authorized, flood control projects to their design elevations. Information is being collected by Corps of Engineers personnel and U.S.G.S. to determine the high water elevations. This information will be required as basic data for a contract which has been awarded for a reevaluation of the hydrology of the Susquehanna River Basin. The results of this reevaluation which will incorporate effects of the record flooding caused by Agnes will provide information necessary to identify flood prone areas and to evaluate future flood control projects.

The fiscal year 73 survey program for the Susquehanna River Basin is being reoriented to initiate studies to determine the feasibility of provision of local protective measures at Harrisburg and Lock Haven. In addition, a study will also be initiated to determine the feasibility of raising the existing levee system within the Wyoming Valley so as to provide a higher degree of protection.

I have provided information on the flood plain for communities along the Susquehanna River to the Governor of Pennsylvania, the Department of Environmental Resources, and the Federal Regional Council in Harrisburg to assist them in coordinating long range Federal assistance programs to communities in the Commonwealth of Pennsylvania. As we proceed with our studies and additional flood plain information is developed, it will also be furnished. I will keep you advised of our study program as the specific details are developed.

You can be assured that every effort is being made to accelerate the planning activities within the Susquehanna River Basin so that action can be taken to reduce flood losses.

Sincerely yours,

signed/ Louis W. Prentiss, Jr.
Colonel, Corps of Engineers
District Engineer

---30---

WILKES BARRE
TIMES LEADER
THE EVENING NEWS
EVENINGS

Wilkes-Barre Record
MORNINGS

OFFICE OF THE PRESIDENT

Published by
WILKES-BARRE PUBLISHING COMPANY
15 NORTH MAIN STREET
WILKES-BARRE, PENNSYLVANIA 18701

MR

August 14, 1972

Honorable Max Rosenn
197 South Main Street
Wilkes-Barre, Pa. 18701

Dear Judge Rosenn:

This letter arrived from Ralph C. Mathewson of Pittston. Perhaps you would like to make it the subject of discussion at an ensuing meeting of the committee if you deem it advisable. You will note that in the forming of a new Wilkes-Barre City (charter) corporation the name of Plymouth Borough is omitted.

Sincerely yours,

Hal

Harrison H. Smith

Enc.

Bureau of Travel Development

Department of Commerce
Commonwealth of Pennsylvania 17120

For Further Information: Contact Patrick M. Reynolds (717) 787-6291

Release #2859
August 14, 1972

FOR IMMEDIATE RELEASE
NEWSROOM AND STATE MEDIA: PHOTOS AVAILABLE ON REQUEST

VACATION IN WILKES-BARRE AS A VOLUNTEER WORKER

HARRISBURG,PA. - Residents of the Wilkes Barre and Wyoming Valley of Luzerne County, areas hardest hit by Hurricane Agnes's devastating flood waters, are living up to the meaning given the Valley by the Indians: "Spirit of Thunder."

Houses and factories submerged during the flood now proudly fly the stars and stripes as a symbol of the people's strength and determination to stay, to rework to rebuild.

Six weeks after the flood, the streets are dry and dusty, with trucks, loaders and machinery on every street. People everywhere are piling debris on sidewalks for pickup, cleaning walls, floors, ceilings, utensils and whatever furniture they managed to save.

"Rebuild We Will" - "Wyoming Valley-The Valley with the Heart, Coming Back Better than Ever." Signs like these are all over the place, from windowless store fronts to mud stained houses. And so are the people...residents who refuse to accept defeat, and thousands of volunteers from all parts of America, all walks of life who have come to help a fellow citizen in need.

Many of these volunteers are families and individualists who chose to spend their vacations with their sleeves rolled up, helping other people. And that's not a bad idea. If you want to do something really different, if you've got enough "moxie" to get involved with other people's problems, if you can hack getting caked up from eyelids to toes with dirt and dust, if you're willing to work harder than you ever worked in your life, then maybe you should volunteer to help out in Wilkes-Barre and the Wyoming Valley.

It takes about 130 hours of good ol'-fashioned elbow grease to clean one house of its mud and decaying furniture. Even before electrical, plumbing, carpentry, and final cleaning starts, one person would have to work 40 hours a week for three weeks to do the original cleanout alone. Over 25,000 homes were either heavily damaged or totally destroyed in the Wyoming Valley, while over 5,000 homes were inflicted lesser damages. Only 20 homes out of 6,000 in Kingston were untouched by high water.

Although 112 industrial plants and hundreds of other businesses in Wilkes-Barre were under eight to ten feet of water, many have recovered and are back in operation to varying degrees, and desperately in need of work. If you have dealt with a company in Wilkes-Barre and think it's now out of business, contact that company. You may be surprised to learn it's back in operation and needs your business.

For information on a "Working Vacation" in Wilkes-Barre, contact the Pennsylvania Travel Development Bureau, 460 South Office Building, Harrisburg,Pa.

Visit Pennsylvania. All five of them.

Festival Pa. Sporting Pa. Honeymoon Pa. Outdoor Pa. Historic Pa.

Bureau of Travel Development

Department of Commerce
Commonwealth of Pennsylvania 17120

For Further Information: Contact Patrick M. Reynolds (717) 787-6291

FOR IMMEDIATE RELEASE
NEWSROOM AND STATE MEDIA: PHOTOS AVAILABLE ON REQUEST

Release #2858
August 14, 1972

NORTHEASTERN PENNSYLVANIA-OPEN FOR TOURISTS

HARRISBURG, PA. - Despite rumors stating northeastern Pennsylvania is closed to vacationers, a tour of Luzerne County convinces me that northeastern Pennsylvania is as beautiful and exciting as ever. Exciting things to do in exciting places! Boating, swimming, sight-seeing, skiing, golfing, camping, racing, summer theater recreation, action and fun in a magnificent mountain playground.

Take a drive along Interstate 81, the Anthracite Expressway, that runs along the roof of Luzerne County, next to the clouds and you'll view a breath-taking expanse of Americana. Below are the verdant Butler and Conyngham Valleys.

For action-packed excitement, paddle the white water of the Lehigh River for unequalled canoeing, yell at a horse at the Pocono Downs race track where the Shamrock Meet feature flat racing now through October 7. Feel your eyeballs vibrate from the deafening roar of dragsters out to win at the biggest drag strip in Pennsylvania. They're holding the Grudge Races at the Pocono Drag Lodge in Bear Creek every Wednesday during August. Listen to your heart beat in your throat as you ride a roller coaster with your kids at one of Luzerne's amusement parks.

If you're a history buff, you can explore Luzerne County's historic sites like the old Swetland Homestead in Wyoming, or the Wyoming Valley Massacre Monument across the street. See a mining village, of 100 years ago, now a state museum, where the "Molly Maguires" were filmed as they relived the past for a multi-million dollar Paramount motion picture.

Two of Pennsylvania's most beautiful state parks are here. Ricketts Glen and its 33 waterfalls of Kitchen's Creek and Hickory Run state parks attract hikers, campers, picnickers and swimmers. The old Boulder Field, literally a sea of rocks is a big attraction at Hickory Run. Sailboat, races every weekend and Fun is the "in" thing at Harvey's Lake, great summer/winter resort area, with a nine mile shore road packed with attractions.

In the extreme south of the county is Hazleton, highest city in Pennsylvania, elevation 1,802 feet. First known as Hazle Swamp, it was named for local hazel bushes. Its "air-conditioned" altitude lures many summer visitors to its perch on Spring Mountain.

For a relaxing change of pace, enjoy a quiet, romantic evening of dining and dancing in a fine restaurant. Or a Sunday concert at the Irem Temple Country Club in Dallas.

Any season, any direction from Luzerne County offers something for everyone. Go north to the scenic Endless Mountains. Spend a day to the south touring an anthracite coal mine and see the gigantic open pits with their giant walking shovels. The west is covered bridge land and to the east, the famous Pocono Mts. Action is a way of life in the new northeast, whether it's helping on the clean up or touring lovely Luzerne County. For more info and details, contact the Travel Development Bureau, 402 South Office Building, Harrisburg, Pa.

Visit Pennsylvania. All five of them.

Festival Pa. Sporting Pa. Honeymoon Pa. Outdoor Pa. Historic Pa.

Flood

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL IMMEDIATE

Tuesday, August 22, 1972

Governor Milton J. Shapp today announced that new corporate tax reform legislation stimulating the economy while lowering government costs will take effect on September 10.

These two benefits will be accomplished by abolition of the exise tax on capital stock of domestic corporations and moderization of the Commonwealth's corporation fee system.

In making the announcement, Governor Shapp said: "This long overdue legislation updates an archaic corporation fee schedule set up to cover the cost of filing documents half a century ago. In other words, the Department of State has had the impossible task of providing 1972 services at 1923 prices."

This new standard uniform fee system will not only help carry Administrative costs but eliminate the many inconsistencies and inequities of the old law.

The Governor described the abolishment of the exise tax, sometimes referred to as a franchise or bonus tax, as a "small but important step in corporate tax reform that could be an added inducement to industries that are considering Pennsylvania as a location."

Shapp said that until passage of this legislation corporations paid an excise tax of $2 per $1,000 of their authorized shares with par value or of their stated capital, not only at the time of incorporation but each time their capital stock increased.

"This legislation makes Pennsylvania one of the few states without an exise or franchise tax," Shapp said, "It will improve our competitive relationship with other states and expedite service to corporations by speeding up administrative procedures in the Department of State."

###

DEPARTMENT OF THE ARMY
BALTIMORE DISTRICT, CORPS OF ENGINEERS
P.O. BOX 1715
BALTIMORE, MARYLAND 21203

NABEN-R

8 September 1972

Honorable Daniel J. Flood
House of Representatives
Washington, D.C. 20515

Dear Mr. Flood:

In the temporary absence of the District Engineer, I am replying to your letter of 31 August 1972 in which you inclosed a letter from Mr. Herbert L. Winkler of Wilkes-Barre, Pennsylvania, concerning possible damage to private property as a result of levee reconstruction operations.

Any levee reconstruction will, of necessity, require the use of heavy construction equipment such as earthmovers, bulldozers, and compaction equipment. Any accompanying vibration from such equipment would probably be similar to truck traffic on a residential street. In general, it is our opinion that any properly constructed structure would withstand this vibration. There will, of course, be some inconvenience to nearby residents from the resulting traffic and accompanying activities.

In regard to Mr. Winkler's inquiry concerning compensation for damages resulting from such work, the city of Wilkes-Barre, as sponsoring agency for the flood protection works, will be required to hold and save the Federal Government free from any and all claims for damages arising from the construction. Any compensation would, therefore, be the responsibility of the city.

I can assure you that we will take every precaution during design and construction to minimize any possibility of damage to private property and inconvenience to the public.

NABEN-R
Honorable Daniel J. Flood

8 September 1972

If I can be of any further assistance, please do not hesitate to call upon me.

Sincerely yours,

GERALD M. BOYD
LTC, Corps of Engineers
Deputy District Engineer

Copy furnished:
Honorable Daniel J. Flood
Representative in Congress
1015 United Penn Bank Building
Wilkes-Barre, Pennsylvania 18701

Judge Nix
from B. Blair

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL: AM's

Sunday, September 10, 1972

Governor Milton J. Shapp today announced four million dollars to aid elderly victims of Hurricane Agnes will be distributed among twenty-nine counties hardest hit by flooding.

One million dollars in State Flood Relief Funds will be matched on a one for three basis with funds from the Federal Social Security Act, Shapp said. The program will be adminstered by the Department of Public Welfare, Bureau for the Aging.

This program will provide services to older persons, primarily those sixty-five and over who have been affected by the flood.

The primary objectives are:

- to assist aging and elderly persons returning to their homes or locating alternative housing, and to prevent unneccessary institutionalization.

- to minimize the impact of flood destruction on aging and elderly households through the provision of outreach and enabling social services.

- to facilitate normalization of home and community life for the aging and elderly through education and resocialization.

There will be established within the county a center for the aging to coordinate flood related services and activities.

Services to be rendered include:

- Counseling, Information and Referral - The Center will gather and make available to aging and elderly persons, all available material on flood related services.

- Home Chore services - Volunteer and paid, home chore workers and reapir specialists will be employed to clean homes and make minor repairs.

- Outreach services - Utilizing caseworkers, outreach and volunteers; a plan will be prepared and executed to canvass the project area and locate and provide services as needed to aging and elderly persons.

MORE

- Transportation - Transportation to and from the Center, any service rendering agency or community facilities will be provided to aging and elderly persons as needed.

- Resocialization and education - Advice and assistance will be provided to groups of older people in the organization and conduct of resocialization and educational programs.

- Other services - These include services such as may be provided through Title I of the Social Security Act, and as may be required to meet the needs of elderly persons.

The situation of the older people whose households were affected by the flood is different than the situation of younger families affected, in that the older households cannot recover as easily, Shapp said.

Many people who have retired or who are within ten years of retirement have completely paid for such things as houses, appliances, furniture, automobiles, and other durable goods which they can maintain, but not replace, with a small retirement income.

When these durable goods are lost, there is great difficulty in replacing them, Even where credit is available with no interest payment the ability to make payments on a loan is limited or totally lacking.

Older people often have few of the psychological and physical reserves required to clean damaged property he said.

They may also lack the energy and initiative required to apply for and pursue benefits to which they are entitled. Older people who are caught in this situation are likely to eventually become dependent of the State, in residence in nursing homes, Shapp added.

This income is demoralizing for the individual and very costly for the State. The services provided with these funds will limit the number of older people who will be institutionalized as a result of the flood.

The amounts allocated to each County are based on estimates of damage to households. These allotments are contingent on the ability of the County or a suitable host agency, to adequately plan and administe such a program. $1,026,000 has been allocated for projects in the Wyoming Valley.

Since the Wilkes-Barre area was hardest hit, Deputy Secretary of Public Welfare Elliot Knauer is working with local officials to develop a special coordinated relief effort. A special project is also under development in the Tioga, Bradford and Sullivan County area, Shapp said.

MORE

The amounts allocated to other counties are as follows:

Adams	$ 19,000
Allegheny	95,000
Berks	247,000
Blair	49,400
Bradford	87,400
Center	19,000
Clinton	155,800
Columbia	186,000
Cumberland	117,000
Dauphin	323,000
Fayette	41,800
Franklin	14,250
Huntingdon	49,400
Lancaster	64,000
Lebanon	98,800
Lycoming	167,200
Mifflin	72,200
Montgomery	262,200
Montour	38,000
Northumberland	167,200
Perry	41,800
Snyder	11,400
Union	95,000
York	53,200

###

FRTF Copy.

Flood Recovery Task Force
Sterling Hotel
Wilkes-Barre, Pa.

FOR RELEASE: Sunday, Oct. 1

An announcement last night (Saturday) by Roy E. Morgan, chairman of the Flood Control Committee of the Flood Recovery Task Force, brought to full strength the four sub-committees which will be working on that phase of reconstruction and restoration after the June disaster.

The Flood Control Committee, which is part of 10 divisions working toward the solution of the pertinent problems resulting from and related to the recent disaster, is concerned with the overall mission of seeing that control over the flow of the Susquehanna River Basin is secured as rapidly as possible.

Morgan announced through the FRTF office that his complete sub-committee roster and purposes in this report:

(1) One of the committees is to be concerned with the immediate condition of the levees, needed additional levees, and the ultimate need for raising the height of the levees. Nicholas Souchick is chairman of this committee with Richard Demmy as vice chairman. Other members are: John Churnetski, George Barnard, Atty. John Doran.

(2) Flood plain management is another matter that will shortly be requiring our attention, particularly if the Susquehanna River Basin Commission comes up with certain specific definitions. Atty. Jack McDonald has agreed to chair this committee with Atty. Frank Slattery and Bob Laux as committee members.

(3) The organization of a water shed association or sub-basin three is already underway. The Rev. William Reid has agreed to serve as chairman of this sub-committee. I have asked Mrs. Kim Ross and Howard Grossman (or his representative) to serve on this committee.

(more)

(4) Reorganization of the Susquehanna River Basin Association is an effort in which I hope we shall all have a part. Robert Masoner has agreed to serve as chairman of this sub-committee, assisted by Dick Pearsall and Atty. Peter Hagan.

Morgan said he envisioned the Flood Control Committee as a whole dealing with long-term problems and the immediate actions that will of necessity have to be taken from time to time. He also emphasized the need for a greater participation in the meetings of the Susquehanna River Basin Commission.

The Flood Recovery Task Force lists the following Executive Committee members: Judge Max Rosenn, president; Thomas Kiley, first vice president; A. J. Sordoni III, second vice president; Harold Rose, treasurer; Charles Hardwicke, secretary; James Kenny, assistant treasurer; Betty Kanaar Bierly, assistant secretary; and the chairmen and co-chairmen of each committee.

Committee chairmen are: Mrs. Frank W. Anderson, Committee on Families, Health and the Aging; Roy E. Morgan, Flood Control Committee; Dr. Francis J. Michelini, Committee on Education; A. J. Bordoni III, Combined Committee on Labor and Construction--Contractors' Assistance Committee; Edward Schechter, Transportation Committee; Harold Rose, Legislation and Equity Committee; Atty. Andrew Hourigan Jr., State Aid Committee; Thomas Kiley, Committee on Planning and Development; Atty. Joseph A. Quinn Jr., Committee on Local Government; David DeCosmo, Committee on "Telling the Recovery Story."

#

Flood Recovery Task Force
Sterling Hotel
Wilkes-Barre, Pa.

FOR RELEASE: Sunday, Oct. 1

An announcement last night (Saturday) by Roy E. Morgan, chairman of the Flood Control Committee of the Flood Recovery Task Force, brought to full strength the four sub-committees which will be working on that phase of reconstruction and restoration after the June disaster.

The Flood Control Committee, which is part of 10 divisions working toward the solution of the pertinent problems resulting from and related to the recent disaster, is concerned with the overall mission of seeing that control over the flow of the Susquehanna River Basin is secured as rapidly as possible.

Morgan announced through the FRTF office that his complete sub-committee roster and purposes in this report:

(1) One of the committees is to be concerned with the immediate condition of the levees, needed additional levees, and the ultimate need for raising the height of the levees. Nicholas Souchick is chairman of this committee with Richard Demmy as vice chairman. Other members are: John Churnetski, George Barnard, Atty. John Doran.

(2) Flood plain management is another matter that will shortly be requiring our attention, particularly if the Susquehanna River Basin Commission comes up with certain specific definitions. Atty. Jack McDonald has agreed to chair this committee with Atty. Frank Slattery and Bob Laux as committee members.

(3) The organization of a water shed association or sub-basin three is already underway. The Rev. William Reid has agreed to serve as chairman of this sub-committee. I have asked Mrs. Kim Ross and Howard Grossman (or his representative) to serve on this committee.

(4) Reorganization of the Susquehanna River Basin Association is an effort in which I hope we shall all have a part. Robert Masoner has agreed to serve as chairman of this sub-committee, assisted by Dick Pearsall and Atty. Peter Hagan.

Morgan said he envisioned the Flood Control Committee as a whole dealing with long-term problems and the immediate actions that will of necessity have to be taken from time to time. He also emphasized the need for a greater participation in the meetings of the Susquehanna River Basin Commission.

The Flood Recovery Task Force lists the following Executive Committee members: Judge Max Rosenn, president; Thomas Kiley, first vice president; A. J. Sordoni III, second vice president; Harold Rose, treasurer; Charles Hardwicke, secretary; James Kenny, assistant treasurer; Betty Kanaar Bierly, assistant secretary; and the chairmen and co-chairmen of each committee.

Committee chairmen are: Mrs. Frank W. Anderson, Committee on Families, Health and the Aging; Roy E. Morgan, Flood Control Committee; Dr. Francis J. Michelini, Committee on Education; A. J. Sordoni III, Combined Committee on Labor and Construction--Contractors' Assistance Committee; Edward Schechter, Transportation Committee; Harold Rose, Legislation and Equity Committee; Atty. Andrew Hourigan Jr., State Aid Committee; Thomas Kiley, Committee on Planning and Development; Atty. Joseph A. Quinn Jr., Committee on Local Government; David DeCosmo, Committee on "Telling the Recovery Story."

#



Flood Recovery Ta[redacted] Force
Headquarters
Hotel Sterling
Wilkes-Barre, Pa.

10/3/72

(with photo)

Wilkes College was one of the spots visited Tuesday (during the week) by Sal Hurwitz, vice president for the Committee for Economic Development's federal offices in New York, as he gathered information for an all-day policy forum which will be held Thursday at Pocono Manor Inn.

Shown receiving a report on the more than $10-million in damage and losses at Wilkes is Hurwitz (right) with Wilkes President Francis J. Michelini (center) and Andrew J. Shaw, executive director of the Flood Recovery Task Force, serving Greater Wyoming Valley.

The FRTF was used as the base of operation by Hurwitz as he inspected the many parts of the region which received heavy damage when the Susquehanna overflowed its banks in June.

Hurwitz will take part in the policy forum on "Modernizing Local Government," which was sponsored by the Committee on Economic Development.

#

Federal Recovery Task Force
Headquarters
Hotel Sterling
Wilkes-Barre, Pa. 822-7113

FRTF FILE
10/4/72

Enthusiastic endorsement was issued yesterday (Wednesday) by the Flood Recovery Task Force to the proposed legislation by Congressman Daniel J. Flood that would give flood victims Federal Government grants equal to the value of their fire or property insurance.

The endorsement was made on behalf of the Task Force executive committee by Judge Max Rosenn, president of the FRTF Executive Committee in a communication to Andrew Shaw, executive director.

The Flood Recovery Task Force is a group of regional leaders and interested citizens who have been assigned various objectives within a 10-committee organization structure designed to obtain assistanc for Wyoming Valley municipalities that suffered damage in the June flood.

Judge Rosenn contacted Shaw at the FRTF office in the Hotel Sterling yesterday morning and expressed the desire on behalf of the other committee chairmen and task force members to publicly announce wholehearted support for Congressman Flood's action.

The veteran local congressman, who spearheaded the fight to raise the Small Business Administration forgiveness clause from $2,500 to $5,000, made his bid for on Tuesday for the latest bit of federal legislation which would bring greater assistance to regional victims of the flood.

The congressman proposed an amendment to the Housing and Urban Development Act of 1968 and alterations to its national insurance fund,

(more)

retroactive to June 1, which would treat Agnes flood losses as fire damage so that flood victims would receive compensation in an amount equal to fire or property insurance carried before the June 23 disaster.

Judge Rosenn told Shaw that he concurred with Congressman Flood's statement that the flood fire conversion bill was "the most dramatic and far-reaching piece of flood relief legislation which has been introduced to date...one that would return to property owners a significant percentage of their flood losses."

The bill has been referred to the House Banking and Currency Committee, chaired by Congressman Wright Patman of Texas. Flood earlier stated that he had conferred with Patman, Philadelphia Congressman William Barrett, ranking Democratic committeeman, and Congressman William B. Widnall of New Jersey, ranking committee Republican.

Flood said "all three had assured him they will move as expeditiously as possible" to clear the bill for House floor action.

#

10/6/72

Flood Recovery Task Force
Headquarters
Hotel Sterling
Wilkes-Barre, Pa. 822-7113

"Cooperation" and "performance" are two words that are used with the greatest of significance in the headquarters and among the members of the Flood Recovery Task Force.

Federal Judge Max Rosenn, president of FRTF's Executive Committee, and his chief administrative aide, Andrew Shaw Jr., executive director of FRTF, have pledged their own efforts and those of their committees to bringing the greatest amount of benefit to flood problems in Greater Wyoming Valley.

Each avenue which may lead to new gains is being explored and one of the most recent moves was to held a special meeting with key members of the Flood Victims Action Council.

Major purpose of the meeting was to formalize a program of mutual cooperation, according to Shaw, who has been meeting new challanges each day in FRTF headquarters at the Hotel Sterling.

Shaw pointed to the understanding among the two local bodies on the problems facing the region in what he described as a long, but determined road back to a point where Wyoming Valley will be better than ever.

The recent meeting with the committee, headed by Mrs. Min Matheson, was climazed by an understanding that both groups would maintain a strong communications link and work toward the mutual goal.

The meeting between Flood Recovery Task Force officials and the Flood Victims Action Committee was climaxed by a walking tour of many of the more severely damaged sections of the region.

Among those who represented the Flood Victims Action Committee were:

Andrew Lawrence, Walter Kinns, Bernard Newman, Michael Solomon, and Samuel Bosch.

(more)

Judge Rosenn enthusiastically expressed his pleasure over the exchange of opinions and suggestions which took place at the meeting and emphasized the need for continued cooperation between the groups to bring about the accomplishment of the many tasks which still face those seeking to erase the scars of the disastrous June flood.

The Flood Recovery Task Force will hold key committee meetings during each week at the Hotel Sterling for the purpose of hearing progress reports.

Other members of the executive committee of FRTF are: Thomas Kiley, first vice president; A. J. Sordoni III, second vice president; Harold Rose, treasurer; Charles Hardwicke, secretary; James Kenny, assistant treasurer; Betty Kanaar Bierly, assistant secretary; and the various chairmen and co-chairmen of the committees.

###

Oct 8, 1972

Flood Recovery Task Force, Inc.
Headquarters
Hotel Sterling
Wilkes-Barre, Pa. 822-7113

An optimistic assurance was given over the weekend to owners of many unoccupied flood-damaged homes in the South Wilkes-Barre area that a program administered by the City Redevelopment Authority would provide them with "winterization" until repairs can be made next Spring.

Andrew Shaw Jr., executive director of Flood Recovery Task Force, said he had consulted with FRTF Executive Committee President, Federal Judge Max Rosenn, on the situation and saw no cause for immediate concern.

Shaw was referring to the new program introduced recently and dubbed "Winterseal."

Frank Carlucci, federal flood relief coordinator, announced the program previously as one that would provide winter protection for an estimated 750 to 1,000 homes in the Wyoming Valley eligible for this particular service.

At the same time, it was announced that damaged homes in the South Wilkes-Barre Urban Renewal Area were specifically excluded from the program.

Shaw said yesterday (Sunday) that FRTF has been looking into the program and is banking on these South Wilkes-Barre residences being winterized under the Interim Assistant Program administered by the City Redevelopment Authority. The Redevelopment Authority reportedly is slated to receive $5.8-million to carry out emergency repairs in the Urban Renewal Area.

(more)

Carlucci has explained that it will cost about $300 per home to provide for boarding windows and doors and draining water or other systems which might freeze during the winter.

The program as it affects areas other than South Wilkes-Barre will be administered by local municipalities and funded through project applications to the Office of Emergency Prepardness. It is limited to repairable homes and not those condemned or those that cannot be repaired.

Shaw said yesterday that it was important that the "Winterseal" program not be confused with the winterization program for trailers being done by HUD.

The Flood Recovery Task Force executive director promised that the organization's related committees will be maintaining contact with the City Redevelopment Authority to avoid as much misunderstanding as possible until an official announcement as been made by the latter official body.

##

DEPARTMENT OF THE ARMY
BALTIMORE DISTRICT, CORPS OF ENGINEERS
P.O. BOX 1715
BALTIMORE, MARYLAND 21203

NABEN-R

12 October 1972

Honorable Daniel J. Flood
House of Representatives
Washington, D.C. 20515

Dear Mr. Flood:

I am replying to your letter of 6 October 1972 in which you inclosed a copy of a letter from Mr. Herbert L. Winkler, dated 19 September 1972, regarding possible reconstruction of levees along Riverside Drive in Wilkes-Barre, Pennsylvania.

Mr. Winkler referred to a letter from this office of 8 September 1972 and expressed continued concern regarding damage to private property, and liability therefor, which might result from construction operations. With regard to contractor responsibility, our standard form of contract makes the contractor responsible for all damages to persons or property that occur as a result of his fault or negligence. Any damages which might otherwise occur would be a responsibility of the city of Wilkes-Barre as outlined in the above-referenced letter of 8 September 1972.

I understand the concern of Mr. Winkler and his neighbors, and, if such reconstruction is undertaken, I will take all possible steps during design and construction to protect adjoining structures from damages which might occur as a result of underlying foundation and other conditions peculiar to the area.

Colonel McElhenny, in his letter of 8 September 1972, refers to Mr. Winkler's letter of 23 August 1972 which you referred to me for comment in your letter of 31 August 1972.

12 October 1972

NABEN-R
Honorable Daniel J. Flood

If I can be of further assistance, please do not hesitate to call upon me.

Sincerely yours,

LOUIS W. PRENTISS, Jr.
Colonel, Corps of Engineers
District Engineer

Incl
Copy Mr. Winkler's letter,
19 September 1972

Copy furnished:
Honorable Daniel J. Flood
Representative in Congress
1015 United Penn Bank Building
Wilkes-Barre, Pennsylvania 18701

NEWS RELEASE FROM JUDGE MAX ROSENN, CHAIRMAN, FLOOD RECOVERY TASK FORCE. October 17, 1972

I talked to Frank C. Carlucci, the President's personal representative in Wyoming Valley, this morning concerning our problem with the Small Business Loan$ Administration. I have his personal assurance and that of Tom Kleppe, National Administrator for the Small Business Loan Administration, that 13 additional people have been placed on the job here in Wilkes-Barre during the past 24 hours. They should make an appreciable difference in accelerating the processing of SBA loans for homeowners and business establishments.

Both of these gentlemen have further advised me that the local SBA staff are being directed to be more flexible, show greater understanding of the borrower's situation in the processing of loans and producing more action. We have also been invited to take a look at the situation again in two weeks with officials of the Small Business Loan Administration and measure the progress made. In the meantime, representatives of the Equity and Finance Committee of the Flood Recovery Task Force, chaired by Harold Rose, will meet with local officials of the SBA every Wednesday at 9:00 A.M. to review the progress and developments. This committee of the Task Force will also provide assistance to the local SBA staff. One of the major problems that has developed in the processing of

loans is the considerable delay encountered -- often as much as five weeks -- in securing credit reports from local credit investigating agencies. These reports are required in the completion of the applications. The Task Force committee has agreed to provide assistance in relieving this bottleneck.

The Flood Recovery Task Force is pleased with the assurances offered by Mr. Carlucci and Mr. Kleppe. We anticipate that there will be a marked acceleration in the processing of SBA loans and a greater understanding by local SBA staff of the purpose and function of SBA loans in the recovery program.

FOR IMMEDIATE RELEASE

November 1, 1972. Congressman Daniel J. Flood has received many letters concerning serious damages to private property as a result of the restoration, rebuilding, and restructuring necessary in the flood recovery work. An example is the Congressman's correspondence with Attorney Herbert Winkler, who expressed his concern and the concern of his neighbors who live on Riverside Drive in Wilkes-Barre as to liability for damages which might occur in reconstruction of levees along Riverside Drive.

Congressman Flood wrote the Corps of Engineers on August 31 and October 6, 1972, and urged that appropriate specifications to minimize the possibility of damage be provided by the Corps of Engineers along with clear responsibiliti for damages to private property. The replies he received follow: (Copies of two letters attached).

Judge Rosenn

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL: IMMEDIA

Friday, November 3, 1972

Governor Milton J. Shapp, in the third of his bi-weekly flood expenditure reports, today announced commitments and expenditures of state flood relief funds now total more than $27 million, a four million dollar increase over two weeks ago.

The report, prepared as of October 27, shows an unobligate balance of $75.3 million in allocated funds and $47.5 million in unallocated funds. The General Assembly appropriated $150 million for flood relief programs.

As in the previous reports, the two largest areas of expenditure are short-term commercial loans, $12.7 million and housi and redevelopment, $5.3 million.

A total of $20 million was allocated to the emergency short term commercial loan program, but Shapp said he intends to give the program an additional $30 million from the $47.5 million in unallocat funds.

A complete breakdown of expenditures and encumberances is attached.

###

COMMONWEALTH OF PENNSYLVANIA
STATUS OF FLOOD RELIEF RECOVERY PROGRAMS
(STATE FUNDS ONLY)
AS OF OCTOBER 27, 1972

DEPARTMENTS PROGRAMS	ALLOCATION	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Governor's Office (Human Relations Commission)				
.Insure Compliance with Equal Opportunity Laws	$ 374,000.00	$ 25,762.62	$ -	$ 348,237.38
Treasury				
Refunding Corporation Taxes	2,000,000.00	-	-	2,000,000.00
Agriculture				
Agriculture Community Recovery Effort	1,000,000.00	9,223.65	11,832.38	978,943.97
Transfers to State Farm Products Show	500,000.00	-	300,000.00	200,000.00
Total	1,500,000.00	9,223.65	311,832.38	1,178,943.97
Civil Defense				
General Clean-up and Relief	1,000,000.00	5,085.56	366,630.81	628,283.63
Commerce				
Emergency Short-term Commercial Loans	20,000,000.00	-	12,689,000.00	7,311,000.00
Advertising	100,000.00	-	-	100,000.00
Industrial Development Assistance	500,000.00	-	-	500,000.00
Site Development	1,000,000.00	-	-	1,000,000.00
Coordination Unit	200,000.00	26,600.00	-	173,400.00
Total	21,800,000.00	26,600.00	12,689,000.00	9,084,400.00
Community Affairs				
Housing and Redevelopment	11,000,000.00	3,700,000.00	5,300,000.00	2,000,000.00
Housing Assistance	3,690,000.00	218,660.00	133,705.00	3,337,635.00
Recreation	866,400.00	458,490.50	96,663.50	311,246.00
General Government	500,000.00	19,365.53	2,586.90	478,047.57
Planning Assistance	500,000.00	-	-	500,000.00
Grants to Volunteer Fire Companies and Ambulance Services	1,700,000.00	-	-	1,700,000.00
Site Development - Mobile Homes	1,165,000.00	-	45,008.53	1,119,991.47
Total	19,421,400.00	4,396,516.03	5,577,963.93	9,446,920.04

DEPARTMENTS PROGRAMS	ALLOCATION	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Education				
Aid to Public Schools	750,000.00	-	-	750,000.00
Higher Education Refugee Accommodation	33,000.00	-	-	33,000.00
Public Library Flood Relief	1,040,000.00	-	-	1,040,000.00
Manpower Development Training	300,000.00	-	-	300,000.00
Total	2,123,000.00	-	-	2,123,000.00
Environmental Resources				
General Government Operations	2,000,000.00	355,880.90	446,324.77	1,197,794.33
Restoration and Improvements to Local Flood Protection Projects	50,000.00	-	492.50	49,507.50 ✓
Restoration and Flood Control Dams	75,000.00	-	-	75,000.00 ✓
Stream Improvements	1,285,000.00	-	-	1,285,000.00 ✓
Restore and Rehabilitate Damaged Recreation Areas	3,300,000.00	-	-	3,300,000.00 ✓
Rail Haul Solid Waste Disposal to Serve Flooded Areas	90,000.00	-	-	90,000.00
Total	6,800,000.00	355,880.90	446,817.27	5,997,301.83
Health				
Restoration of Health Delivery System	2,300,000.00	-	-	2,300,000.00 ✓
Support for Comprehensive Health Planning	150,000.00	147,516.22	2,483.78	-
Non-Specified	7,550,000.00	-	-	7,550,000.00
Total	10,000,000.00	147,516.22	2,483.78	9,850,000.00
Historical and Museum Commission				
Restoration of Historical Sites	100,000.00	-	-	100,000.00
Justice				
Legal Aid	25,000.00	-	-	25,000.00
Consumer Protection	150,000.00	1,596.76	9,812.81	138,590.43
Total	175,000.00	1,596.76	9,812.81	163,590.43

DEPARTMENTS PROGRAMS	ALLOCATION	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Military Affairs				
National Guard Expenses	4,000,000.00	47,457.59	483,064.00	3,469,478.41
Pennsylvania Higher Education Assistance Agency				
Emergency Scholarship Assistance	1,850,000.00	-	1,135,515.00	714,485.00
Public Welfare				
Public Assistance	25,000,000.00	47,139.23	246,191.86	24,706,668.91
Mobile Service Unit	265,000.00	-	-	265,000.00
Aging Programs	800,000.00	-	-	800,000.00
Special Services for the Aging	1,000,000.00	-	-	1,000,000.00
Day Care	1,500,000.00	327,664.59	-	1,172,335.41
White Haven Staff	420,000.00	-	-	420,000.00
United Services Agency	1,000,000.00	-	-	1,000,000.00
Mental Health Service	150,000.00	-	-	150,000.00
Total	30,135,000.00	374,803.82	246,191.86	29,514,004.32
State				
Voters Re-registration	250,000.00	-	125,000.00	125,000.00
State Police				
State Police Expenses	400,000.00	-	397,474.54	2,525.46
Transportation				
Transit Service Assistance	600,000.00	-	-	600,000.00
Allocated Total	102,528,400.00	5,390,443.15	21,791,786.38	75,346,170.47
Governor's Office - Unallocated Balance	47,471,600.00*	-	-	47,471,600.00
GRAND TOTAL	$150,000,000.00	$5,390,443.15	$21,791,786.38	$122,817,770.47

* The unallocated balance includes $30,000,000 that has been reserved by the Governor for the Department of Commerce for Emergency Short-term Commercial Loans.

Prepared by:
Governor's Office of Administration
November 3, 1972

Judge Rosenn
from B. Blair

Flood

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL: IMMEDIATE

Friday, November 17, 1972

Governor Milton J. Shapp, in his bi-weekly flood expenditure report, today announced that the state has been repaid $5.5 million in emergency short-term commercial loans since mid-October. At the same time he said the total expenditures and encumberances since the flood money first became available are now $33.1 million.

The Department of Commerce has now dispensed $16.7 million through the commercial loans program and with the $5.5 million returned to the state, still has an available balance of $8.7 million.

The commercial loan program represents the largest single state expenditure from the General Assembly flood appropriation, Shapp said.

He said the Department of Community Affairs has spent $9.6 million of their $11 million allocated for housing and development, and all together the department has used nearly $11 million for housing, recreation, planning and site development for mobile homes.

In the past two weeks the Department of Health has spent or earmarked some $175,000 for the restoration of health delivery systems that were affected by the flood, Shapp said.

The General Assembly appropriated $150 million. The Governor's Office has allocated $102.5 million and is holding $47.5 million for later distribution to the departments and agencies.

A complete breakdown of the appropriations is attached.

###

COMMONWEALTH OF PENNSYLVANIA
STATUS OF FLOOD RELIEF RECOVERY PROGRAMS
(STATE FUNDS ONLY)
AS OF NOVEMEER 10, 1972

DEPARTMENTS PROGRAMS	ALLOCATIONS	AUGMENTATIONS	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Governor's Office (Human Relations Commission)					
Insure Compliance with Equal Opportunity Laws	$ 374,000.00	$ -	$ 25,762.62	$ 2,023.30	$ 346,214.08
Treasury					
Refunding Corporation Taxes	2,000,000.00	-	-	526,411.70	1,473,588.30
Agriculture					
Agriculture Community Recovery Effort	1,000,000.00	-	2,261.30	37,811.00	959,927.70
Transfers to State Farm Products Show	500,000.00	-	-	300,000.00	200,000.00
Total	1,500,000.00	-	2,261.30	337,811.00	1,159,927.70
Civil Defense					
General Clean-up and Relief	1,000,000.00	-	5,085.56	373,659.71	621,254.73
Commerce					
Emergency Short-term Commercial Loans	20,000,000.00	5,425,000.00	-	16,685,000.00	8,740,000.00
Advertising	100,000.00	-	-	-	100,000.00
Industrial Development Assistance	500,000.00	-	-	-	500,000.00
Site Development	1,000,000.00	-	-	-	1,000,000.00
Cordination Unit	200,000.00	-	27,129.53	2,470.47	170,400.00
Total	21,800,000.00	5,425,000.00	27,129.53	16,687,470.47	10,510,400.00
Community Affairs					
Housing and Redevelopment	11,000,000.00	-	4,323,850.00	5,300,000.00	1,376,150.00
Housing Assistance	3,690,000.00	-	308,760.00	153,125.35	3,228,114.65
Recreation	866,400.00	-	309,347.10	245,806.90	311,246.00
General Government	500,000.00	-	20,007.04	8,333.68	471,659.28
Planning Assistance	500,000.00	-	-	-	500,000.00
Grants to Volunteer Fire Companies and Ambulance Services	1,700,000.00	-	-	-	1,700,000.00
Site Development - Mobile Homes	1,165,000.00	-	-	48,564.53	1,116,435.47
Total	19,421,400.00	-	4,961,964.14	5,755,830.46	8,703,605.40

DEPARTMENTS PROGRAMS	ALLOCATIONS	AUGMENTATIONS	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Education					
Aid to Public Schools	750,000.00	-	-	-	750,000.00
Higher Education Refugee Accommodation	33,000.00	-	-	-	33,000.00
Public Library Flood Relief	1,040,000.00	-	-	-	1,040,000.00
Manpower Development Training	300,000.00	-	-	-	300,000.00
Total	2,123,000.00	-	-	-	2,123,000.00
Environmental Resources					
General Government Operations	2,000,000.00	-	382,323.39	483,681.39	1,133,995.22
Restoration and Improvements to Local Flood Protection Projects	50,000.00	-	-	740.00	49,260.00
Restoration and Flood Control Dams	75,000.00	-	-	664.00	74,336.00
Stream Improvements	1,285,000.00	-	13,971.60	1,598.29	1,269,430.11
Restore and Rehabilitate Damaged Recreation Areas	3,300,000.00	-	38.50	-	3,299,961.50
Rail Haul Solid Waste Disposal to Serve Flooded Areas	90,000.00	-	-	-	90,000.00
Total	6,800,000.00	-	396,333.49	486,683.68	5,916,982.83
Health					
Restoration of Health Delivery System	2,300,000.00	-	151,834.06	25,735.99	2,122,429.95
Support for Comprehensive Health Planning	150,000.00	-	60,900.00	-	89,100.00
Non-Specified	7,550,000.00	-	-	-	7,550,000.00
Total	10,000,000.00	-	212,734.06	25,735.99	9,761,529.95
Historical and Museum Commission					
Restoration of Historical Sites	100,000.00	-	-	-	100,000.00
Justice					
Legal Aid	25,000.00	-	-	-	25,000.00
Consumer Protection	150,000.00	-	2,492.16	12,451.10	135,056.74
Total	175,000.00	-	2,492.16	12,451.10	160,056.74

DEPARTMENTS PROGRAMS	ALLOCATIONS	AUGMENTATIONS	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Military Affairs					
National Guard Expenses	4,000,000.00	-	49,929.04	488,617.44	3,461,453.52
Pennsylvania Higher Education Assistance Agency					
Emergency Scholarship Assistance	1,850,000.00	-	-	1,392,718.00	457,282.00
Public Welfare					
Public Assistance	25,000,000.00	-	56,610.08	268,485.23	24,674,904.69
Mobile Service Unit	265,000.00	-	-	-	265,000.00
Aging Programs	800,000.00	-	-	-	800,000.00
Special Services for the Aging	1,000,000.00	-	-	-	1,000,000.00
Day Care	1,500,000.00	-	381,005.92	5,434.00	1,113,560.08
White Haven Staff	420,000.00	-	-	-	420,000.00
United Services Agency	1,000,000.00	-	1,148.50	-	998,851.50
Mental Health Service	150,000.00	-	110,000.00	-	40,000.00
Total	30,135,000.00	-	548,764.50	273,919.23	29,312,316.27
State					
Voters' Re-registration	250,000.00	-	-	125,000.00	125,000.00
State Police					
State Police Expenses	400,000.00	-	-	397,474.54	2,525.46
Transportation					
Transit Service Assistance	600,000.00	-	-	-	600,000.00
Allocated Total	102,528,400.00	5,425,000.00	6,232,456.40	26,885,806.62	74,835,136.98
Governor's Office - Unallocated Balance	47,471,600.00*	-	-	-	47,471,600.00
GRAND TOTAL	$150,000,000.00	$5,425,000.00	$6,232,456.40	$26,885,806.62	$122,306,736.98

* The unallocated balance includes $30,000,000 that has been reserved by the Governor for the Department of Commerce for Emergency Short-term Commercial Loans.

Prepared by:
Governor's Office of Administration
November 17, 1972

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL IMMEDIATE

Friday, December 15, 1972

Governor Milton J. Shapp's office today issued the latest bi-weekly report of expenditure of flood relief appropriations showing the Commonwealth has now spent or committed more than $39 million.

The General Assembly appropriated a total of $150 million for flood relief. So far, the Governor has allocated nearly $115 million of that total to the various departments and agencies of state government.

Since the last report, the Governor has allocated an additional $2 million to the Department of Environmental Resources for the control of mine pool elevation and mine subsidence.

Commitments and expenditures for flood relief as of December 8 total $39.2 million, a $1.4 million increase over the last report.

This, and the receipt of $5.4 million in repayment of emergency short-term loans to the Commonwealth, results in an unobligated balance of $81.1 million,which,added to the unallocated balance,leaves $116.2 million available for future commitment and expenditure.

The largest expenditures over the past two weeks occurred in the Departments of Treasury, Agriculture, Health and Public Welfare. Treasury has now spent $717,000 for the refunding of corporation taxes to flood-damaged businesses. Health has spent or committed nearly $300,000, the bulk of it for the restoration of health delivery systems in flood areas. The Department of Agriculture has spent or committed more than half a million dollars and the Department of Public Welfare has spent or committed more than $1.2 million since the allocation of the flood funds.

A complete department-by-department breakdown is included.

###

COMMONWEALTH OF PENNSYLVANIA
STATUS OF FLOOD RELIEF RECOVERY PROGRAMS
(STATE FUNDS ONLY)
AS OF DECEMBER 8, 1972

DEPARTMENTS PROGRAMS	ALLOCATIONS	AUGMENTATIONS	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Governor's Office (Human Relations Commission)					
Insure Compliance with Equal Opportunity Laws	$ 374,000.00	$ -	$ 22,328.69	$ 24,674.26	$ 326,997.05
Treasury					
Refunding Corporation Taxes	2,000,000.00	-	-	717,362.91	1,282,637.09
Agriculture					
Agriculture Community Recovery Effort	1,000,000.00	-	1,868.84	102,060.91	896,070.25
Transfers to State Farm Products Show	500,000.00	-	-	400,000.00	100,000.00
Total	1,500,000.00	-	1,868.84	502,060.91	996,070.25
Civil Defense					
General Clean-up and Relief	1,000,000.00	-	5,085.56	395,226.31	599,688.13
Commerce					
Emergency Short-term Commercial Loans	30,000,000.00	5,455,000.00	-	20,905,000.00	14,550,000.00
Advertising	100,000.00	-	25,000.00	-	75,000.00
Industrial Development Assistance	500,000.00	-	-	-	500,000.00
Site Development	1,000,000.00	-	-	-	1,000,000.00
Coordination Unit	200,000.00	-	27,515.06	8,084.94	164,400.00
Total	31,800,000.00	5,455,000.00	52,515.06	20,913,084.94	16,289,400.00
Community Affairs					
General Government	500,000.00	-	7,697.00	30,917.30	461,385.70
Housing and Redevelopment	11,500,000.00	-	4,397,128.00	5,456,700.00	1,646,172.00
Housing Assistance	3,690,000.00	-	249,795.00	205,488.60	3,234,716.40
Recreation	867,000.00	-	309,490.50	245,663.50	311,846.00
Planning Assistance	500,000.00	-		-	500,000.00
Grants to Volunteer Fire Companies and Ambulance Services	1,700,000.00	-	4,300.00	245.00	1,695,455.00
Site Development - Mobile Homes	1,165,000.00	-	-	101,953.34	1,063,046.66
Total	19,922,000.00	-	4,968,410.50	6,040,967.74	8,912,621.76

DEPARTMENTS PROGRAMS	ALLOCATIONS	AUGMENTATIONS	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Education					
Aid to Public Schools	750,000.00	-	-	-	750,000.00
Higher Education Refugee Accommodation	33,000.00	-	-	-	33,000.00
Public Library Flood Relief	1,040,000.00	-	-	-	1,040,000.00
Manpower Development Training	300,000.00	-	-		300,000.00
Total	2,123,000.00	-	-	-	2,123,000.00
Environmental Resources					
General Government Operations	2,000,000.00	-	345,981.94	530,261.40	1,123,756.66
Restoration and Improvements to Local Flood Protection Projects	50,000.00	-	-	985.00	49,015.00
Restoration and Flood Control Dams	75,000.00	-	-	909.00	74,091.00
Stream Improvements	1,285,000.00	-	38,812.82	15,277.09	1,230,910.09
Restore and Rehabilitate Damaged Recreation Areas	3,300,000.00	-	20,829.45	-	3,279,170.55
Solid Waste Management-Region II North	90,000.00	-	-	-	90,000.00
Control of Mine Pool Elevation and Mine Subsidence	2,128,000.00	-	-	-	2,128,000.00
Convert Frances Slocum State Park into a Temporary Site for Mobile Homes for Flood Victims	100,000.00	-	1,482.71	6,528.58	91,988.71
Total	9,028,000.00	-	407,106.92	553,961.07	8,066,932.01
Health					
Restoration of Health Delivery System	2,300,000.00	-	167,833.77	68,566.12	2,063,600.11
Support for Comprehensive Health Planning	150,000.00	-	60,900.00	-	89,100.00
Non-Specified	7,550,000.00	-	-	-	7,550,000.00
Total	10,000,000.00	-	228,733.77	68,566.12	9,702,700.11
Historical and Museum Commission					
Restoration of Historical Sites	100,000.00	-	-	-	100,000.00
Justice					
Legal Aid	25,000.00	-	-	-	25,000.00
Consumer Protection	150,000.00	-	4,317.16	15,682.59	130,000.25
Total	175,000.00	-	4,317.16	15,682.59	155,000.25

DEPARTMENTS PROGRAMS	ALLOCATIONS	AUGMENTATIONS	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Military Affairs					
National Guard Expenses	4,000,000.00	-	40,027.69	523,591.69	3,436,380.62
Pennsylvania Higher Education Assistance Agency					
Emergency Scholarship Assistance	1,850,000.00	-	-	1,398,693.00	451,307.00
Public Welfare					
Public Assistance	25,000,000.00	-	127,908.65	363,952.36	24,508,138.99
Mobile Service Unit	265,000.00	-	-	-	265,000.00
Aging Programs	800,000.00	-	-	-	800,000.00
Special Services for the Aging	1,000,000.00	-	-	-	1,000,000.00
Day Care	1,500,000.00	-	538,727.12	67,724.09	893,548.79
United Services Agency	1,000,000.00	-	1,585.26	2,336.60	996,078.14
Mental Health Service	150,000.00	-	110,000.00	-	40,000.00
Total	29,715,000.00	-	778,221.03	434,013.05	28,502,765.92
State					
Voters' Re-registration	250,000.00	-	-	125,000.00	125,000.00
State Police					
State Police Expenses	400,000.00	-	-	397,474.54	2,525.46
Transportation					
Transit Service Assistance	600,000.00	-	476,500.00	123,500.00	-
Allocated Total	114,837,000.00	5,455,000.00	6,985,115.22	32,233,859.13	81,073,025.65
Governor's Office - Unallocated Balance	35,163,000.00*	-	-	-	35,163,000.00
GRAND TOTAL	$150,000,000.00	$5,455,000.00	$6,985,115.22	$32,233,859.13	$116,236,025.65

* The unallocated balance includes $20,000,000 that has been reserved by the Governor for the Department of Commerce for Emergency Short-term Commercial Loans.

Prepared by:
Governor's Office of Administration
December 15, 1972

INSIDE USA*

*OFFICIAL NEWSLETTER OF THE UNITED SERVICES AGENCY OF LUZERNE & WYOMING COUNTIES

December 20, 1972

KATHRYN McKENNA, PROJECT DIRECTOR DISCUSSES NEW USA COMMUNICATIONS CHANNEL

This newsletter is the first of many that you will be receiving over the next few months. It is an attempt to provide a written channel of communications for keeping everyone informed about developments with Pennsylvania's United Services Agency. Verbal explanations alone are easily misinterpreted at second and third hand. The written word has limitations as well. I hope that you will use this newsletter as your vehicle to communicate questions, concerns, points of view with other staff, supervisors, executives, and boards and advisory committees of the agencies participating directly or indirectly in the USA.

This newsletter will attempt to keep everyone up-to-date on recommendations, changes, proposed working relationships, resolutions or conflicts, policy recommendations as they are defined by the staff steering committee, the executive steering committee, and by the advisory committees and boards to the USA and the participating agencies.

What should be clear to everyone is that there is no master plan and no immediate answers to many of the questions which are being raised. I am committed to a process, however, which will guarantee that no decisions affecting staff, design, or policy will be made unilaterally or arbitrarily. Input, suggestions, and arguments are welcome from every level of staff and from every corner of public opinion.

You should be aware that the Advisory Committee to the USA has been assigned broad decision making responsibilities on policy, program, and structure of the USA for matters not mandated to the established boards or advisory committees of the participating agencies. The door is open for recommendations by all parties on the final shape of the USA, and I am encouraging you to help us put together what we hope will be the most exciting social service program in the Commonwealth, if not the Nation!

This first issue will attempt to answer, in a preliminary way, many questions that staff have already raised. Let me caution that many of the questions raised

INSIDE USA is designed to give full and accurate information on objectives, policies, decisions and progress of Pennsylvania's United Services Agency – a special project of the Department of Public Welfare.

cannot be answered at this time because the answer must come out of the collective staff-executive-citizen process outlined above.

Future issues will outline some of the proposals being developed for goals and structures of the USA, and how we may work with private planning and service agencies in the Valley, developments in Harrisburg and Washington, training proposals, and the relations between USA Advisory Committees and the already established boards and committees to the participating agencies.

Nick Yevitz (829-1331) will serve as your contact person at the USA for anyone wishing to submit news, views, comments, or questions about what is happening.

ANSWERS TO QUESTIONS ASKED BY STAFF MEMBERS AT NOVEMBER 21st MEETING

QUESTIONS IN GENERAL CONCERNING USA ACTIVITIES

1. Has the USA taken over all the public social service agencies?

   The USA is not a new agency which will take onto its payroll the staff of the existing public social service agencies. Rather, the USA is a financial and administrative mechanism to administer, deliver, and hopefully expand social services in a manner which will result in less confusion, less duplication, and more efficient use of taxpayers' dollars. This mechanism was established by agreement with the Luzerne and Wyoming County Commissioners, and this agreement can be renewed yearly for a period of three years. In effect, the Project Director of the USA has become the administrative agent of the State for the County Commissioners during this period of time.

2. If the USA should fail, what happens to staff? What provisions are made for personnel to revert to county status?

   We do not expect the USA to fail. However, in the event of termination of USA, State agencies (CBA's, etc.) would continue to function as presently constituted. County agencies (MH/MR, CWS, Juvenile Detention-Probation, Bureau of Aging, Day Care, etc.) would function as independent agencies. Since payrolls, budgets, and programs will stay intact even under USA auspices; the only change would be that the USA administrative structure would be removed. County employees will remain on County payrolls.

3. Where does the money for the USA come from? Might it run out?

   Most funds for services (MH/MR, CWS, Day Care, CBA's, Aging, etc.) come from exactly the same source (Federal and State appropriations) as prior to the June flood. The only difference is that the local (County share) is now picked up by the Commonwealth of Pennsylvania through dollars appropriated for Flood Recovery Programs. Such money will continue, subject only to the new constraints in H.R. 1, and the Revenue Sharing legislation. An extension of the Delaware County Demonstration Project will provide some additional funds for operating the central administrative, planning, research, and training functions of USA. In addition, a package of waivers and additional funding sources to expand services or develop new kinds of resources is awaiting approval in Washington.

   There is never any guarantee that funds will not run out, or be restricted by legislative or administrative action. The immediate problem is not that funds

may be depleted, but that the constraints in H.R. 1 and Revenue sharing set a ceiling on all social service expenditures, and establish definite priorities which must be implemented.

QUESTIONS CONCERNING STAFF, SALARIES, BENEFITS, SUPERVISION

1. What about hours, benefits, Union Contracts, Civil Service, salaries, seniority, tenure, grievance procedures?

   Since all employees who will staff each multi-service center will remain on the payroll of their present parent agency, the existing benefits, retirement plans, medical benefits, Union Contracts, seniority, overtime, tenure, and grievance procedures, will remain in effect intact. Hours of work and vacation days will be standardized. An open shop will prevail. Employees will have the right to join a Union.

   Most salaries are comparable within each separate agency. The Juvenile Detention and Probation staff is presently below that of other agencies. These salaries will be upgraded in the budget for 1973. A top priority on the agenda of the personnel staff, executives, and staff steering committees is to help find a satisfactory way to eliminate discrepancies in salaries and other employee benefits.

2. Who supervises the staff in the centers?

   In order to create an autonomous, single entry public social service delivery system, line authority and responsibility must be given to the Center Director and the Center's generic supervisory staff. The generic supervisors will supervise center staff and serve as liaison persons between the agency of origin, the Center Director and the service staff. The only exception to this plan shall be staff members of the CBA income maintenance staff who will be responsible to their central office.

   The Center Director will have direct supervision of the human service planners with the option to modify this plan as circumstances dictate.

3. What size staff will be present in each center? How will staff be assigned to each center? Will each participating agency have staff in each center?

   The size of the staff at each center will be determined by the size of the population served by that particular center; as well as the nature of the service demands in that area. Assignments of staff to particular centers will be made by parent agencies in the same manner that staff is presently assigned caseloads or service areas. Every effort will be made to assign employees to locations convenient to their homes where possible, and each participating agency will deploy staff to each center. Staff will not have to reapply for their positions.

4. Will an agency's entire staff be deployed to the center, or will some remain at "home base?"

   It is expected that within a year, much of an agency's staff will be deployed into the multi-service centers. However, certain services will remain centralized at an agency's home base; e.g., continuing eligibility of the CBA's, Juvenile Detention Center, Home Finding, and adoptive services of CWS, etc.

5. What duties will I have in a USA Center? Will I be able to continue to work in my special field of interest? What responsibilities will a clerical employee have in a USA Center?

Generally, a person will be using the same skills he is presently using. Clerical workers will have the same responsibilities as they have within their present agencies, except that their clerical work will not be restricted to only one agency. Employees with special fields of expertise or interest will continue in those fields.

6. Who will be the Human Service Planners? What skills, sensibilities, experience will they need? What if staff disagree with the Planner? How many Planners will be at each Center?

Qualifications and job descriptions for the position of Human Service Planner have been posted, and applications will be considered from every agency. Qualified applicants will be interviewed by the executives of the participating agencies, and a personnel committee of the USA Advisory Committee. Their recommendations will be made to the Project Director. Planners need to possess warmth, compassion, and diagnostic skills. They need experience and training in interpersonal relationships, policies, and procedures of all agencies, plus an awareness of community resources. If a worker disagrees with the plan set out by the planner, he must resolve this difference with the help of his supervisor and the planner. The number of planners at each center will be determined by the size of the population and the demand upon each center.

QUESTIONS CONCERNING RECORDS, CONFIDENTIALITY AND AVAILABILITY

1. How and where will records be filed, and where will they be located?

A common record file will be used by all agencies and will be available to all staff who would properly be concerned with case records. But confidentiality would be protected. A common pull-a-part intake form will identify, for each agency, the location of the common file, and who else is working with the individual or family.

Applications for assistance, food stamps, and medical assistance will be accepted at each center, although records will be kept at the central office. A duplicate face sheet for assistance recipients will remain in the center's files. Data processing procedures for record keeping, evaluation, and research will be installed when feasible.

QUESTIONS CONCERNING OTHER SERVICES ... RELATIONSHIPS WITH PRIVATE SERVICE AGENCIES ... ELIGIBILITY

1. Will all private agencies be included in the multi-service center? What incentives does USA offer private agencies to become involved?

Private agencies have been invited to participate in the USA Service Centers. However, decisions to participate, or not to participate, will be made by each private agency. USA makes available space to private agencies, and provides a setting for immediate referrals or links with other service agencies within the center. If funds for expanded or new services become available, and these funds are not earmarked for the sole use of public agencies, contracts with private agencies can be made. Legal services, Housing services,

and Medical services are being planned for the centers.

2. Will all State agencies be included in the USA?

No, not all State agencies are included in the USA. Efforts are currently underway to include Health, Employment Services, and other appropriate State Agencies in the centers.

3. What does "Universal Eligibility" mean?

"Universal Eligibility" technically means that services can be provided to everyone regardless of means. Universal eligibility already exists for services offered by the Juvenile Court, Child Welfare Services, and MH/MR. Income Maintenance Services retain an income means test. H. R. 1 and Revenue Sharing set limits as to who may be served. Finally, limitations of money and staff restrict who can be helped. Further clarification is being sought to determine the application of universal eligibility to the USA Project.

MISCELLANEOUS QUESTIONS CONCERNING USA

1. When will the first Multi-Service Center actually be in operation?

We expect the first USA Multi-Service Center to become operational in January of 1973, in the remodeled educational building of the Presbyterian Church next to the Wyoming Seminary in Kingston. Adequate space is available for private offices, a Day Care center, conference-lunch room, and expansion. Parking facilities are available for staff and consumers, and transportation resources will be available for consumers. Employees will be expected to provide their own transportation to the center, but transportation necessary to carry out duties connected with the job will be reimbursable or available with State vehicles.

2. Where will the Central USA Office be located?

The Central USA Office is presently located at 85 East Union Street. Whether it will remain at that location has not been decided.

AGENCY STAFF STEERING COMMITTEE FORMED

As a follow-up to the total staff orientation held at the Pittston Convention Center November 21st, more than 120 volunteers met at the Kingston Armory on Monday, December 4th to select a working committee which would represent every participating agency. In addition to representing the Agency, the committee will represent the clerical workers, the supervisory staff, and the program staff of each agency.

A working committee of 26 was selected by agency caucuses, which in turn selected Stanley Zagorski, (Child Welfare Services, Luzerne), as Chairman; and Linda Delicati, (MH/MR Outreach), as Secretary. Each agency is represented on the committee by the following:

LUZERNE COUNTY BOARD OF ASSISTANCE: George Cheponis, Anthony Sulkevitch, Ralph Brader, Marcella Haydock. WYOMING COUNTY BOARD OF ASSISTANCE: Mary Jane Morgan, Alice Thurston, Thomas Krivak. LUZERNE COUNTY CHILD WELFARE SERVICES: Molly Gaughan, Joseph DeVizia, Carmen Ambrosino, Betty DeCesaris. WYOMING COUNTY CHILD WELFARE SERVICE: Jean McDonnell. DAY CARE: Jane Feeney, Gloria Blandina.

AGING: Mary Carrano, Gene Pryor, Keith Perluke, Helen Neylon. MH/MR: John Klimchak, Joseph Reap, Martin Marshall, Andrew Chopyak. JUVENILE: Owen Lavery, Edna Sowden, John LaPorte, Francis Lenahan, Jr.

The Luzerne County CBA staff is asking for eight representatives on the committee because they represent almost 50% of the total staff of the participating agencies. Other agencies accepted a "Senate" model, whereas each agency would have up to four representatives if they so decided.

FOR RELEASE: Thursday, Dec. 28

The executive committee of the Flood Recovery Task Force met at a noon luncheon in the Hotel Sterling yesterday and unanimously endorsed the flood recovery leadership extended to this area by Presidential representative Frank Carlucci.

The subject of the recent attack by nationally syndicated columnist, Jack Anderson, was introduced for discussion by U. S. Circuit Judge Max Rosenn, chairman of the Flood Recovery Task Force.

A spontaneous reaction of enthusiastic support came from the various members, who acknowledged that under the most trying and demanding circumstances, Mr. Carlucci performed an outstanding service in pulling together the various agencies in a common recovery effort.

Carlucci, who is a native of Wyoming Valley, left his local assignment several weeks ago after having put together a team that provided extensive emergency assistance to thousands of victims of the June 23 flood. He has since been appointed to the second highest post in Health, Education and Welfare by President Nixon.

The controversial columnist attacked Carlucci's efforts here in an address at Wilkes College, calling the President's representative a "phony" and in two succeeding columns expressed criticism over the way the federal agencies under Carlucci had conducted flood recovery efforts.

(more)

1st ad -- flood recovery

Judge Rosenn earlier in the week came to Carlucci's defense when he was questioned about the criticism by regional news media. At yesterday's luncheon, Judge Rosenn repeated his feelings about Carlucci's work on the local scene.

The federal judge admitted that the Flood Recovery Task Force was not always 100% satisfied with actions taken by federal agencies under Carlucci, but hastened to qualify this by pointing out the magnitude of the task that faced Carlucci. "We must not forget," he said, "that this man, his agencies and all agencies involved with flood recovery had a tremendous job to do in the face of very little time in which to do it."

It was pointed out in the discussion that Carlucci did not"wreck bureautic havoc" in the flood recovery effort as charged by Anderson in his column. Carlucci's primary assignment here, it was explained, was to eliminate bureaucratic mismanagement and coordinate the work of the many federal agencies designed by congressional legislation for categorical tasks unrelated to disaster programs.

Judge Rosenn pointed out that the Flood Recovery Task Force was "in frequent communication with Mr. Carlucci personally. We found him genuinely concerned, responsive and responsible. He was hard-working and effective. He cut across red tape and got quick results."

Members of the executive committee, along with Judge Rosenn, admitted that some mistakes were undoubtedly made during the flood recovery operation under Carlucci's reign, but were quick to explain that these were small when weighed against the significant accomplishments.

(more)

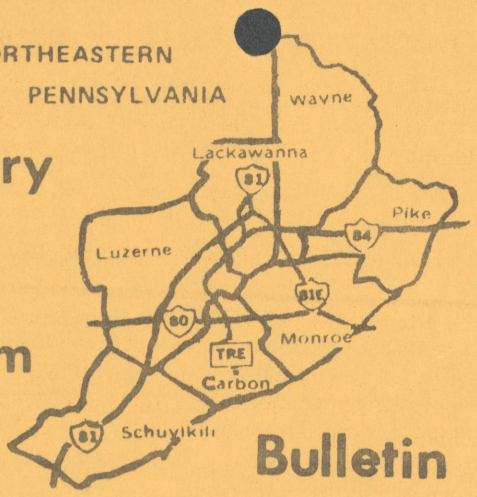
The committee executive members credited Carlucci's intelligent and vigorous efforts with bringing the recovery program along the correct avenues toward success and supported a statement by Judge Rosenn that the Anderson criticism had done Carlucci "a great injustice."

Members of the Flood Recovery Task Force Executive Committee are: Thomas H. Kiley, first vice chairman; A. J. Sordoni III, second vice chairman; Harold Rose, treasurer; Charles Hardwick, secretary; James Kenny, Assistant treasurer; Mrs. George W. Bierly, assistant secretary; Mrs. Frank W. Anderson, Edward J. Boltz, David DeCosmo, Atty. Andrew Hourigan Jr., the Rev. Lane D. Kilburn, Dr. Francis J. Michelini, Roy E. Morgan, Atty. Joseph A. Quinn Jr., and Edward Schechter.

##

NORTHEASTERN PENNSYLVANIA

Recovery Action Program Bulletin



JOHN B. HIBBARD, President
ASA L. DAY, JR., Vice President
THOMAS P. SHELBURNE, Vice President
STUART F. PIPHER, Secretary
FRANK L. WILLIS, Treasurer and
Vice President of Fiscal Affairs

HOWARD J. GROSSMAN, Executive Director

VOL. I, No. 4
December 29, 1972

ECONOMIC DEVELOPMENT COUNCIL
OF NORTHEASTERN PENNSYLVANIA
P.O. BOX 777
AVOCA, PENNSYLVANIA 18641
(717) 457-7456

This issue of Recovery Action Program Bulletin focuses on the role of the Economic Development Administration, U.S. Department of Commerce, and the flood recovery efforts of local organizations funded by the agency.

Information relative to this agency is given below:

ECONOMIC DEVELOPMENT ADMINISTRATION (EDA)

Clifford Rossignol, 702 IBE Building, Wilkes-Barre, PA. 18702 (825-8783)

The Economic Development Administration, established under the Public Works and Economic Development Act of 1965, as amended, has provided grants to communities and private organizations engaged in flood recovery activities.

The EDA grants are of two basic types. The EDA technical assistance grants provide funds and staff to agencies to help individuals, businesses, and the community recover from the flood.

The public works grants provide funds to build, rebuild, or expand vital public services in distressed communities so that they will be attractive to private industries and businesses required to generate new jobs and income.

EDA assistance is in the form of direct and supplementary grants, loans, or a combination of both. More information on the public works grants will be forthcoming in future issues of RAP.

The Economic Development Council of Northeastern Pennsylvania (EDCNP) has recently been redesignated as an Economic Development District under the EDA program. The designation of EDCNP by the EDA will strengthen planning and economic efforts in the region by giving the area a higher priority for federal funds.

In addition to direct benefits from EDA, certified planning agencies in the EDCNP seven-county area will benefit from having 75% of their planning budgets funded by the Department of Housing and Urban Development, rather than the normal percent.

SPECIAL ANNOUNCEMENT

Workable Program for Community Improvement

The Workable Program for Community Improvement is a legislative requirement for communities receiving federal urban renewal assistance. In disaster related projects these requirements may be deferred. A local government must have a certified workable program in order to maintain eligibility for urban renewal funding. The workable program calls for progress in four areas: (1)Code adoption and enforcement, (2) planning and programming, (3) housing and re-location, and (4) citizen involvement.

In order to obtain certification, communities must adopt either (a) reasonably current editions of nationally recognized model codes or (b) State or local codes with standards comparable to model codes. Such codes include building, plumbing, electrical, housing, and fire prevention. Enforcement of these codes to include community-wide compliance must be planned and scheduled as part of the workable program requirements.

Planning and programming means the establishment of a continuing public planning and programming process which develops action programs within a comprehensive planning framework.

Housing and re-location means the development of a centralized program for assisting in the re-location of all persons and business concerns displaced by public action.

Citizen involvement means the establishment of programs designed to achieve meaningful involvement of citizens in planning and carrying out the urban renewal program.

All workable program certifications are for a two year period. The workable program must be re-certified to continue urban renewal eligibility.

Small communities of less than 10,000 or somewhat larger populations, if justified by circumstances of limited blight, little or no growth potential, limited resources, etc., may submit requests for modifications of normal workable program requirements so long as they will not result in an unreasonable dilution or delay in the program. Since a small community may have difficulty in maintaining steady progress of the four workable program elements, it is possible to scale expected accomplishments to the particular resources available to the local government.

EDA, in a memorandum dated December 6, 1972, indicated that the cost of preparing or updating workable programs in flood related urban renewal communities possibly could be covered, provided there are no other funds available.

CONTINUED

SCHUYLKILL COUNTY BOARD OF COMMISSIONERS: Operation Flood Recovery

James Keenan, County Courthouse, Pottsville, PA. 17901 (622-5570)

The Schuylkill County Board of Commissioners accepted a technical assistance grant from the Economic Development Administration to enable the Commissioners to provide technical advice and expertise to flood-affected municipalities and private businessmen, and to develop projects to encourage overall economic growth in the county.

The Commissioners are currently conducting an inventory of the existing needs of flood-affected communities and industries and reviewing existing functional and project plans in order to evaluate their applicability to the needs of the flooded areas. The Commissioners are coordinating their efforts with officials of the flood-damaged communities and are establishing feasibility for redevelopment, new development, or avoidance of those lands which could be designated as flood-prone.

In aiding flood-affected businesses, the Commissioners are consulting with managers of significant businesses which have received flood damage and assisting them with financial management, marketing, personnel, purchasing, and general management problems,in addition to assisting in the arrangement of various business loan programs.

In developing projects to encourage overall economic growth, the Commissioners are working closely with community industrial development organizations to develop an accelerated industrial development campaign geared to attracting technically oriented industry.

CARBON-SCHUYLKILL INDUSTRIAL DEVELOPMENT CORPORATION

Richard Hoben, 2 East Patterson Street, Lansford, PA. 18232 (645-5200)

The Carbon-Schuylkill Industrial Development Corporation, recognizing that only 17 acres of semi-prepared industrial land remains in the Green Acres Industrial Park, and that this land was badly damaged by the June flooding, has applied for, and received a grant from the Economic Development Administration for the purpose of preventing further industrial flooding and creating an industrial park to relieve unemployment and establish a stronger economic base.

The creation of a modern 250 acre Green Acres Industrial Park would provide immediate relief for a growing unemployment problem, provide a firm tax base for orderly community growth and prosperity and help to reverse the outmigration of young people.

WYOMING VALLEY RETAIL GROCERS ASSOCIATION

Peter G. Laytar, President, 100 West End Road, Wilkes-Barre, PA. 18703 (752-7441)

The Wyoming Valley Retail Grocers Association is a cooperative whose membership is composed of 157 retail grocery store outlets located in the Wyoming Valley. As a result of the June flooding, approximately 20 of the Association's members were severely damaged, rendering them inoperable, and resulting in the unemployment of approximately 200 persons.

On September 22, 1972, the Wyoming Valley Retail Grocers Association received a technical assistance grant from the Economic Development Administration for the purpose of getting the flood-affected businesses in operation as soon as possible. As a result of the grant, the Association is now coordinating legal and accounting services to provide the Association's members with assistance in dealing with the Small Business Administration and the Internal Revenue Service regarding flood-related matters. In addition, the Association is coordinating the purchasing power of its members in order to expedite their recovery and is assisting its members in securing the most favorable financing, redesign and construction of damaged physical facilities.

LUZERNE COUNTY COMMUNITY COLLEGE

19- 21 North River Street, Wilkes-Barre, PA. 18702 (825-7594)

Through a grant from the Economic Development Administration, Luzerne County Community College has established a mobile vocational readjustment counseling center for the residents of Luzerne County, particularly those affected by the June flood.

The purpose of the center is to provide special counseling services to those people, who, as a result of flood-related losses to business and industry, need assistance in solving their unemployment or under-employment problems. In order to make the services available to as many flood victims as possible, the mobile services will focus primarily on the various mobile home communities that have been developed as a result of the mass relocation of area residents.

Persons who remain unemployed or feel that they are under-employed are encouraged to "walk in" to receive counseling services designed to assist them in readjusting their vocational goals. This is done by exploring new vocations; exploring the person's aptitudes, abilities, interests; matching these personal characteristics with the appropriate vocational fields and assisting them in finding the desired employment. Counseling may be long-term or short-term depending upon the circumstances.

MUNICIPAL FLOOD RECOVERY PROGRAM ADMINISTRATOR NAMED:

Edwardsville – Charles Arcovitch (287-4312)

Recovery Action Program is a periodic publication of the Economic Development Council of Northeastern Pennsylvania designed to inform the region's residents and public officials of actions being taken and progress made toward recovery from the ravages of Tropical Storm Agnes. RAP will be issued periodically as the recovery effort progresses.

NEWS

SMALL BUSINESS ADMINISTRATION

Washington, D.C. 20416

(202) 382-1891

1441 L Street, N.W.,

MR. BELWELL WANTS THIS HANDCARRIED TO JUDGE ROSEN'S OFFICE WHEN RECEIVED.

FOR IMMEDIATE RELEASE
Wednesday, January 3, 1973

WASHINGTON, D.C., January 3---Thomas S. Kleppe, Administrator of the U. S. Small Business Administration today urged all persons in New York and Pennsylvania who suffered property damage as a result of Hurricane Agnes and who have not yet applied for SBA assistance to do so by January 15.

"Because of the magnitude of the damage in these two states, we extended the original September 30, 1972, deadline to January 15, 1973, to assure all victims an opportunity to avail themselves of SBA help," Kleppe said. "We will not extend the deadline again and I urge all those who suffered damage but have not yet filed applications to do so by January 15." He revealed that the New York and Pennsylvania sites are the only offices still open in the seven-state area devastated by the storm last June.

Kleppe stated that SBA will consider exceptions to its January 15 deadline only in those areas flooded in Hurricane Agnes where urban renewal is taking place and only where the redevelopment authorities certify that the property in question is scheduled for rehabilitation by the owner.

The Administrator also called attention to special provisions of the law which apply to persons who rely for support on survivor, disability, or retirement benefits. "These provisions were included specifically to insure that these people receive help," Kleppe said. "I particularly want to urge therefore that retirees and other persons living on fixed incomes get their applications in if they haven't already done so. Our people will be happy to explain the special provisions."

Kleppe reiterated that Hurricane Agnes victims who receive SBA loans must file a Certificate of Completion with the SBA within one year of the time the loan is approved certifying that the funds have been used as authorized.

The Administrator also reminded residents of the two states that permanent SBA offices have been established in Harrisburg and Wilkes Barre, Pennsylvania and in Elmira, New York to complete disaster recovery work and thereafter to provide all of SBA's services to small businesses in those areas.

# # # # # # # # # # # # # # # # # # #

FLOOD RECOVERY TASK FORCE, INC.
STERLING HOTEL
WILKES-BARRE, PENNSYLVANIA 18701

February 13, 1973

To: Judge Rosenn
From: Betty Schechter

Here's background for your call to Paul Strongin. It's a draft of the statement Madge Benovitz will make at a press conference Thursday morning, the 15th.

2/13/73
Called to Paul Strongin
& informed Betty
Schechter
MR.

FROM THE DESK OF

ANDREW J. COURIGAN, JR.
700 UNITED PENN BANK BUILDING
WILKES-BARRE, PENNA. 18701

Hon. Max Rosenn.

Attached Xerox of § 241 you will note reimburses for loss of "property Tax revenues" only.

Couldnt it be made to include wage Tax, income Tax or other legitimate revenues.

What about Sanitary Water authority collections?

Andy

COMMUNITY DISASTER GRANTS

SEC. 241. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to determine the property tax revenues which would have been received by the local government but for such reduction.

More than TWO.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than $1,000 for sales under one million board feet, (2) of more than $1 per thousand board feet for sales of one of three million board feet, or (3) of more than $3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

30 Stat. 35;
31 Stat. 661;
66 Stat. 95.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is

408 (9th Cir. 1985); accord AFGE, 944 F.2d at 934; Johnson v. Orr, 739 F. Supp. at 947. For this reason, several courts have declined to award market-based fees when union employed counsel are obligated to turn the award over to the union's general treasury, and instead have awarded the salary-plus-overhead computation suggested by Spang in this case. See. e.g., Devine, 805 F.2d 384; Johnson, Goodrich v. Dep't of Navy, 739 F.2d 945; 733 F.2d 1578 (Fed. Cir. 1984), cert. denied, 469 U.S. 1189 (1985); NTEU v. Dep't of Treasury, 656 F.2d 848; Johnson, 739 F.2d 945. "To grant a market rate fee request is to open the door to fee splitting, unauthorized law practice and organizational profiteering on the professional services of attorneys." AFGE, 944 F.2d at 934.

According to the stipulation of the parties, fees realized by Payne for services rendered prior to July 5, 1991, will be paid directly to the union.

There does not appear to be any logical reason why a union, represented by an employee attorney should be treated any differently than public interest organizations, legal aid societies and other private non-profit law offices who are eligible for payment of reasonable market rates, if the awarding court can be assured that fees allowed will not be used in violation of ethical considerations. See AFGE, 944 F.2d at 934 (approving market-based fee award where fee placed in union's legal representation fund separate from its general treasury); Curran, 805 F.2d at 1408-09 (same). "This assurance puts the

~~Citation to Hon.~~
~~Frank J. Carlucci~~

The American Red Cross
Society
~~presents its~~
Distinguished Service Award
presented to
~~the Hon. Frank~~ J. Carlucci
in recognition of effective, ~~faithful~~ ~~& dedicated~~ service,
~~and~~ set ~~act~~ imaginative and ~~resourceful~~ service
As the ~~personal rep~~ President's representative
in ~~D.C. to the~~ coordinating ~~&~~ to federal ~~govt's~~ agencies
~~Resources~~ in ~~for~~ the recovery of the Wyoming Valley,
Pa from the Great Flood of 1972.

Hon Wright Patman
Chairman
House Committee on Banking & Currency

SUBCOMMITTEE ON DISASTER RELIEF
COMMITTEE ON PUBLIC WORKS
UNITED STATES SENATE
4202 DIRKSEN BUILDING
WASHINGTON, D.C.

Judge Jean Matheson
from
B. Blee

TO ALL NEWS MEDIA -RADIO - TV

FOR IMMEDIATE RELEASE

APRIL 18, 1973

Senator Quentin N. Burdick (D-N.D.), Chairman of the Senate Subcommittee on Disaster Relief, today announced that the third in a series of oversight hearings on the adequacy of the Disaster Relief Act of 1970 and its administration will be held by the Subcommittee in Wilkes-Barre, Pennsylvania, on May 11 and 12.

Because of extensive damage caused last June by Hurricane Agnes in Pennsylvania and New York, Senator Burdick said that the Subcommittee wants to examine closely the effectiveness of emergency relief measures as well as long-range recovery efforts in these areas. The Wilkes-Barre hearings will focus primarily on losses incurred in the Wyoming Valley, where thousands of homes and businesses were destroyed or seriously damaged. The Subcommittee is planning to hold hearings also in the Elmira-Corning area of New York State, to be followed by additional hearings later in Washington, D. C.

Among the invited witnesses expected to testify May 11 and 12 are Governor Milton J. Shapp, Senators Hugh Scott and Richard S. Schweiker, and Representative Daniel J. Flood. Also appearing will be members of the Pennsylvania State Legislature, the heads of several Pennsylvania State Departments, local government and redevelopment agency officials, representatives from various citizen organizations and numerous Federal officials. Heading the latter group will be Francis Carney, Regional Director of the Office of Emergency Preparedness, plus representatives from each of the numerous Federal agencies which had an active role in providing assistance for the victims of this major disaster.

Senator Burdick stated that the hearings will begin at 9 A.M. each day in the auditorium of the Wilkes College Theater building. Subcommittee members will also tour the area by helicopter and auto and will talk with many individuals about disaster relief problems they have encountered.

WESTERN UNION
TELEX SERVICE

1973 APR 18 PM 3 24

WU085
10034 GOVT NFWASHINGTON DC 59 04-18 1021A EST
PMS HONORABLE MAX ROSENN
CHAIRMAN
FLOOD RECOVERY TASK FORCE, INC.
HOTEL STERLING
WILKES-BARRE PA 18701
I THOUGHT YOU WOULD BE INTERESTED IN KNOWING THAT THE SENATE SUBCOMMITTEE ON DISASTER RELIEF HAS SCHEDULED HEARINGS IN WILKES BARRE ON MAY 11TH AND 12TH. THE HEARINGS, TO EVALUATE THE DISASTER RELIEF ACT OF 1970, AND THE EXPERIENCE OF VICTIMS OF HURRICANE AGNES, WILL BE HELD IN THE AUDITORIUM OF THE THEATER BUILDING AT WILKES COLLEGE. SINCERELY.
DICK SCHWEIKER, U S SENATOR

326PM

Certificate of Appreciation

WVIA-TV

appreciates the efforts of

THE HONORABLE MAX ROSENN

on behalf of

Public Broadcasting for Northeastern Pennsylvania

John S. Davidson

Chairman of the Board of Directors

Date JULY 25, 1972

Executive Vice President and General Manager

AUG 1 1 1972

FLOOD RECOVERY TASK FORCE, INC.

Max Rosenn ✓
Thomas H. Kiley
Edgar J. Lashford
Edward Schechter
Andrew J. Sordoni, III
Dr. Francis J. Michellini
George Sailus

Eugene Roth
Harold Rose
Roy Morgan
Frank Townend
John Hibbard
Joseph Quinn
Mrs. Frank Anderson

MEMO FROM: Judge Max Rosenn, Acting Chairman

Arrangements have been made for the Federal Regional Council to meet with representatives of our local Flood Recovery Task Force, Inc.

The meeting will be held on Tuesday, August 15, 1972, at 12:15 p.m. at the Gus Genetti Hotel. This will be a luncheon meeting.

I would appreciate if if you would make every effort to attend this meeting.

Flood file

FOR IMMEDIATE RELEASE AUGUST 2, 1972

Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET

Amendment to Provide Disaster Relief Assistance
to Private Non-Profit Educational Institutions

I. Prior Presidential Initiatives

-- On July 12, 1972, the President announced that he would submit to the Congress when it reconvened, requests for new appropriations and authorizations of $1.77 billion to fund the Federal effort to recover from the devastation of Tropical Storm Agnes.

-- In the same message to the Congress, the President announced that he would also submit new legislation, the Disaster Recovery Act of 1972, which would make Small Business Administration and Farmers Home Administration loans to individuals and businessmen in the affected areas available at lower interest rates and with increased forgiveness of a portion of the sums borrowed. The foregoing legislative initiatives were submitted on the first day Congress reconvened for its present session on July 17, 1972. On July 18, 1972, an amendment was submitted to the Disaster Recovery Act which would extend its provisions to individuals affected by the flood in Rapid City, South Dakota, as well as victims of Tropical Storm Agnes.

II. Non-Profit Private Educational Institutions Amendment

-- The amendment proposed today would provide disaster relief for non-profit private institutions of elementary, secondary, and higher education in disaster areas damaged by Tropical Storm Agnes and by the South Dakota flood in June 1972. A number of those institutions were damaged so severely that they will not be able to recover without extraordinary relief. While these institutions are eligible for loans under existing legislation or the Disaster Recovery Act of 1972, this assistance will be inadequate in many cases.

Federal aid to public schools under existing law is through assistance provided directly to local school districts: to finance normal operation of elementary and secondary schools; to repair damaged facilities; to replace or repair equipment; and to provide temporary school facilities. This assistance has top priority for funding and amounts required have first claim on available appropriations. Public institutions of higher education are also eligible for grants for the cost of construction and equipment incident to restoration or replacement of damaged facilities. These programs are administered by the Office of Education in the Department of Health, Education and Welfare. Current estimates of Federal disaster assistance to public educational institutions as a result of Tropical Storm Agnes are between $50 and $60 million in over 100 school districts.

MORE

Administration officials who have inspected the devastated area at the President's direction have reported that continued operation of both public and non-profit private schools is essential to reconstruction of the devastated area.

The proposed amendment would provide grants for the rebuilding, repair, or replacement of facilities, equipment, and supplies used for primarily non-sectarian purposes which were lost, damaged, or destroyed by the storms. The relief to be provided would be limited to restoration of facilities as they were before the disaster. It is intended to provide reconstruction benefits for non-profit private educational institutions comparable to the disaster relief now available to public educational institutions.

Preliminary estimates indicate that in the affected area, at least thirty-five non-profit private schools, with a total enrollment of over 17,000 students, were affected by the floods. Total damages to these institutions are estimated at approximately $19,000,000. The most critical area, the Wyoming Valley area of Pennsylvania suffered most of these damages. Wilkes College and Kings College sustained major damage. Public institutions were badly damaged also so that the ability of public facilities to absorb the large numbers of children attending private facilities is substantially lessened.

# # #

RECEIVED
JUL 20 1972
JUDGE MAX ROSENN
UNITED STATES DISTRICT COURT
WILKES-BARRE, PENNSYLVANIA

July 18, 1972

Immediately following the disastrous flooding of the Wyoming Valley Area, a group of citizens concerned with the rehabilitation of the Wyoming Valley communities met to pursue with all possible speed potential sources of assistance through State and Federal offices. This group's concern extended to recognition of the need for a number of sub-committees to function in the long-range plans for community recovery. This ad hoc group, under the temporary chairmanship of Judge Max Rosenn, approved the appointment of a Nominating Committee to appoint members to a permanent committee with a minimum of 10 and a maximum of 30 members.

This Nominating Committee, composed of Harold Rose, Andrew J. Sordoni, III, Francis J. Michelini, Chairman, and Max Rosenn, ex-officio, met on July 18, 1972. The following recommendations were approved for submission to the proposed membership:

1. That a committee composed of citizens of Wyoming Valley, understood to include the contiguous communities in the River Basin of the Susquehanna River in Luzerne County, be formed, and that it be legally registered as a non-profit corporation to be called the "Community Recovery Committee" or, briefly, "Core Committee."

That subject to their acceptance, the General Committee include the following members: (List Attached)

Every effort will have been made to contact these individuals to determine their acceptance. The urgency of this situation requires that the first meeting of this citizens group be called as soon as possible. We are asking you to attend a meeting to be held at noon on Friday, July 21, at the Treadway Inn, for a report of progress to date and for the purpose

of approving sub-committee assignments for implementing an action plan for Wyoming Valley.

Thank you for your understanding and cooperation.

Sincerely yours,

Francis J. Michelini
Chairman

COMMUNITY RECOVERY COMMITTEE

(C O R E COMMITTEE)

GENERAL MEMBERSHIP

NAME	PLACE OF BUSINESS	RESIDENCE	MAILING ADDRESS
Max Rosenn	W-B	Kingston	Federal Bldg. South Main Street Wilkes-Barre 18701
Andrew J. Sordoni	F.F.	Kingston	Sordoni Const. Co. 45 Owens Street Forty Fort, 18704
George Sailus	W-B	Wyoming	Susquehanna Savings 31 West Market St. Wilkes-Barre 18701
Eugene Roth	W-B	W-B.	Rosenn Jenkins & Greenwald Blue Cross Bldg. Wilkes-Barre 18701
Harold Rose	W-B.	Dallas	Wyoming National Bank 26 West Market St. Wilkes-Barre 18701
Thomas Kiley	W-B	Trucksville	First National Bank of Eastern Pa. 11 W. Market St. Wilkes-Barre 18701
Andrew Hourigan, Jr.	W-B	Forty Fort	Hourigan, Kluger & Spohrer United Penn Bank Building West Market St. Wilkes-Barre
Frank Burnside	W-B	Harveys Lake	Fowler, Dick and Walker 15 South Main St. Wilkes-Barre 18701
Roy Morgan	W-B	Forty Fort	WILK 88 N. Franklin St. Wilkes-Barre 18702

NAME	PLACE OF BUSINESS	RESIDENCE	MAILING ADDRESS
Henry DePolo	W-B	W-B	501 E. Main St. Wilkes-Barre 18701
Rev. Lane Kilburn	W-B	W-B	Kings College 133 North River St. Wilkes-Barre 18702
Dr. Francis Michelini	W-B	W-B	Wilkes College North River St. Wilkes-Barre 18701
Edward Schechter	W-B	Trucksville	Stressteel Corp. 221 Conyngham Ave. Wilkes-Barre 18703
John Conyngham	W-B	Trucksville	Eastern Penna. Supply 56 S. Penna. Ave. Wilkes-Barre 18701
Harrison Smith	W-B	Dallas	W-B Publishing Co. 15 N. Main St. Wilkes-Barre 18701
Richard Demmy	Kingston	Dallas	UGI 247 Wyo. Ave. Kingston 18704
Robert Masoner	W-B	Dallas	Bell Telephone Co. 222 S. Main Street Wilkes-Barre 18701
Bernard Brominski	W-B	Swoyersville	Luzerne County Court House North River St. Wilkes-Barre 18702
James Adonizio	W-B	Pittston	Addy Asphalt R. 84 Scott St. Wilkes-Barre 18703
Clifford Madrick		Plymouth	Franklin Street Plymouth, Penna.
Charles Hardwick	Plains	Trucksville	Luzerne Products Courtright Ave. Plains

NAME	PLACE OF BUSINESS	RESIDENCE	MAILING ADDRESS
Ray Turner, Jr.	Hanover Twp.	Nanticoke	J. L. Turner Co. Keith Street Wilkes-Barre
William Golden	Hanover Twp.	Mt. Top	Economy Whse West End Road Hanover Twp. 18703
Dr. Robert Kerr	W-B	W-B	204 S. Franklin St. Wilkes-Barre 18701
Paul Strongin	W-B	Kgn	I.L.G.W.U. South Washington St. Wilkes-Barre 18701
Joseph Quinn	W-B	Laflin	Hourigan, Kluger & Spohrer United Penn Bank West Market St. Bldg. Wilkes-Barre 18701
Robert L. Jones	W-B	F.F.	United Penn Bank West Market Street Wilkes-Barre, 18701

ex officio members:

Frank Townend - - Civil Defense

John Hibbard - - Economic Development Council

Edgar Lashford -- Chamber of Commerce

M I N U T E S

OF THE JULY 13 MEETING

OF THE WYOMING VALLEY REHABILITATION COMMITTEE

MEMBERS PRESENT WERE:

Ed Boltz
Ken Burdon
Russ Gardner
Henry Greenwald
Stan Holden
Andy Mourigan
Robert Jones
Lane Kilburn
Tom Kiley
Edgar Loshford
Francis Michelini
Roy Morgan
J. J. O'Malley
Harold Rose
Harold Rosenn
Max Rosenn
Rich Ross
Gene Roth
George Sailus
Andy Sordoni
Oscar Weisman

The meeting was called to order at 12:30 p.m. by Judge Rosenn. Judge Rosenn then called on Harold Rose to recap the committee's work up to this date. Harold Rose summarized the efforts of the committee beginning on July 4 to obtain legislation for a co-insurance plan. Harold Rose reported that it was uncertain as of this time exactly what action the government would take toward the co-insurance plan or a plan of direct grants. It seemed that the administration was leaning more toward a combination of urban renewal programs, model cities programs, and SBA 1% loans. Such an administration program, it was felt, might not be acceptable since it would not help appreciably in restoring the equity that had been lost.

After Harold Rose's summary, Tom Kiley moved that Judge Rosenn be elected temporary chairman. Francis Michelini seconded the motion and it was unanimously approved.

Judge Rosenn indicated the need to form an executive committee and a number of subcommittees in order to carry out the work of rehabilitating the valley. It was moved that this committee have a minimum of ten and a maximum of thirty members and that the chairmen of the various subcommittees to be formed be members of the executive committee. The motion was seconded and approved unanimously.

The formation of a subcommittee on equity restoration was moved, seconded and approved.

It was suggested by Father Kilburn that an effort be made to consolidate the local municipalities into one governmental unit in order to better cope with the disaster. Eugene Roth moved the formation of a subcommittee on government unification. Robert Jones seconded. The motion was approved unanimously.

Judge Rosenn suggested the need for a subcommittee on the north Cross-Valley Expressway. It was moved and seconded that such a subcommittee be formed and approved unanimously.

It was next suggested that a subcommittee on private educational institutions be formed. Ed Boltz moved the formation of such a subcommittee and Francis Michelini seconded. The motion was approved unanimously.

The formation of a subcommittee on streets and roads was moved by George Sailus and seconded by Andy Hourigan. The motion was approved unanimously.

Judge Rosenn pointed out the necessity for a subcommittee on statistics to collect the statistics so as to provide a total picture of the valley before and after the disaster. Tom Kiley moved the formation of this subcommittee and Ed Boltz seconded. The motion was approved unanimously.

Harold Rose moved that a subcommittee on flood control be formed and Gene Roth seconded. The motion was approved unanimously.

Harold Rose also moved the formation of a subcommittee on planning and redevelopment. Gene Roth also seconded this motion. This motion was approved unanimously.

Harold Rosenn moved the formation of a subcommittee on public relations. Henry Greenwald seconded the motion and the motion carried unanimously.

It was next moved and seconded that a subcommittee on labor and construction be formed. This motion was approved unanimously.

The formation of a subcommittee on family and health was discussed and it was moved and seconded that such a subcommittee be formed. The motion was approved unanimously.

Andy Hourigan moved and Roy Morgan seconded the motion that the Chairman explore the possibility of engaging staff on a permanent basis. The motion was approved unanimously.

Finally, it was moved and seconded that the Committee's official offices be housed at the Chamber of Commerce. This motion was also approved unanimously.

The meeting was adjourned at 2:10 p.m.

Respectfully,

Stan Holden
Acting Secretary

Amendment to H.R. 15692

Sec. 3(a) The Congress hereby finds and declares that there has been substantial damage to educational institutions as a result of Hurricane and Tropical Storm Agnes; that disaster relief for public educational institutions is adequately covered by legislation heretofore enacted; that nonprofit private educational institutions are not provided disaster relief benefits comparable to those provided to public educational institutions; that nonprofit private educational institutions have a secular educational mission; that students attending nonprofit private educational institutions that have been damaged, or destroyed will have to be provided for in public institutions if the former institutions are not restored; and, that these facts compel enactment of special measures designed to provide nonprofit private educational institutions which were victims of this catastrophe with disaster relief benefits comparable to those provided for public educational institutions.

(b) To the extent such loss or damage or destruction is not compensated for by insurance or otherwise, the President may make grants to nonprofit private educational institutions in areas declared a major disaster by the President for the repair, restoration, reconstruction, or

replacement of educational facilities, supplies, or equipment which have been lost, damaged, or destroyed as a result of Hurricane and Tropical Storm Agnes if such facilities, supplies, or equipment were owned on the date of such loss, damage, or destruction by an organization exempt from taxation under section 501(c), (d), or (e) of the Internal Revenue Code of 1954 and the facilities, supplies or equipment were being used to carry out the exempt purposes of such organization; except that no grant may be made under this section for the repair, restoration, reconstruction, or replacement of any facility for which disaster relief assistance would not be authorized under Public Law 81-815, title VII of the Higher Educational Act of 1965, or the Disaster Relief Act of 1970 if such facility were a public facility.

(c) The amount of a grant made under this section shall not -

(1) exceed 100 per centum of the cost of

(A) repairing, restoring, reconstructing, or replacing any facility on the basis of the design of such facility as it existed immediately prior to such disaster

and in conformity with applicable codes, specifications, and standards; or

(B) repairing, restoring, or replacing equipment or supplies;

as they existed immediately prior to such disaster;

(2) in the case of any facility which was under construction when so damaged or destroyed, exceed 50 per centum of the cost of restoring such facility substantially to its condition prior to such disaster, and of completing construction not performed prior to such disaster to the extent that the cost of completing construction is increased over the original construction cost due to changed conditions resulting from such disaster;

(3) be used to pay any part of the cost of facilities, supplies, or equipment which are to be used primarily for sectarian purposes; and

(4) be used to restore or rebuild any facility used or to be used primarily for religious worship; replace, restore, or repair any equipment or supplies used or to be used primarily for religious instruction, or

restore or rebuild any facility or furnish any equipment or supplies which are used or to be used primarily in connection with any part of the program of a school or department of divinity.

(d) For the purposes of this section,

(1) the term educational institution means any elementary school (as defined by section 801(c) of the Elementary and Secondary Education Act of 1965), any secondary school (as defined by Section 801(h) of the Elementary and Secondary Education Act of 1965), and, any institution of higher education (as defined by section 1201(a) of the Higher Education Act of 1965); and

(2) the term school or department of divinity means a school or department of divinity as defined by section 1201 of the Higher Education Act of 1965.

(e) Funds appropriated to the President in the appropriation "Disaster Relief" are hereby made available for carrying out the purposes of this section.

PENNSYLVANIA LABOR MARKET AREAS RANKED ON BASIS OF RATE OF UNEMPLOYMENT
FOR JUNE 1972

(U. S. and Pennsylvania included for comparative purposes)

(Figures do not reflect unemployment due to flood)

Labor Market Area	Rank on Basis of June Data	Estimated Total Civilian Work Force (In Thousands) 6/72	Percent of Total Civilian Work Force Unemployed 6/72	4/72	6/71	Area Classification According to Program Eligibility Effective 7/1/72 1/ Substantial	Persistent	Estimated Total Number of Workers Unemployed (In Thousands) 6/72	4/72	6/71
Emporium	1	3.4	11.8	8.8	13.2	X		0.4	0.3	0.5
Uniontown-Connellsville	2	45.7	10.5	9.7	8.5		X	4.8	4.2	3.7
Kittanning-Ford City	2	21.0	10.5	11.1	9.7	X		2.2	2.3	2.1
Clearfield-DuBois	4	28.8	10.1	10.2	7.9		X	2.9	2.9	2.3
Susquehanna County 2/	5	10.0	10.0	9.5	9.8		X	1.0	0.9	1.0
Punxsutawney	6	17.6	9.7	9.2	6.4	X		1.7	1.6	1.1
Bedford	7	15.6	9.6	11.6	8.4		X	1.5	1.7	1.3
New Castle	8	37.9	9.2	9.4	7.0	X		3.5	3.5	2.6
Coudersport	9	5.6	8.9	7.5	7.7	X		0.5	0.4	0.4
Johnstown	10	100.7	8.8	6.8	5.3	X		8.9	6.6	5.1
Lock Haven-Renovo	11	15.2	8.6	8.6	8.8		X	1.3	1.3	1.3
Pottsville	12	63.1	8.1	6.9	5.8			5.1	4.2	3.6
Sayre-Athens-Towanda	13	19.9	8.0	7.1	10.7	X		1.6	1.4	2.2
Sunbury-Shamokin-Mt. Carmel	14	70.4	7.7	6.2	6.9			5.4	4.3	4.9
Indiana	14	29.7	7.7	6.2	6.0			2.3	1.8	1.7
Bradford	14	20.8	7.7	7.4	8.7	X		1.6	1.5	1.8
Lehighton	14	16.8	7.7	6.1	5.9			1.3	1.0	1.0
Butler	18	46.0	7.6	9.7	5.0	X		3.5	4.5	2.2
Tunkhannock	19	8.1	7.4	7.5	7.1	X		0.6	0.6	0.6
Wilkes-Barre--Hazleton	20	148.9	7.3	6.1	7.6	X		10.9	8.8	11.3
Philadelphia	21	2195.9	7.2	6.0	7.0			159.0	127.9	152.6
Oil City-Franklin-Titusville	21	30.5	7.2	6.5	5.4			2.2	1.9	1.6
Altoona	23	56.0	7.1	7.0	5.4	X		4.0	3.9	3.1
Meadville	24	27.0	7.0	7.3	7.3			1.9	1.9	2.0
Scranton	25	103.4	6.9	5.9	7.1	X		7.1	5.9	7.3
Waynesburg	26	11.8	6.8	6.1	6.5	X		0.8	0.7	0.8
Pittsburgh	27	1021.8	6.7	5.8	5.4	X		68.2	57.3	54.3
Sharon-Farrell	28	51.3	6.6	6.2	6.6			3.4	3.1	3.4
Clarion	29	13.9	6.5	7.4	5.7			0.9	1.0	0.8
Warren	30	18.8	6.4	6.5	5.4			1.2	1.2	1.0

Labor Market Area	Rank on Basis of June Data	Estimated Total Civilian Work Force (In Thousands) 6/72	Percent of Total Civilian Work Force Unemployed 6/72	4/72	6/71	Area Classification According to Program Eligibility Effective 7/1/72 1/ Substantial	Persistent	Estimated Total Number of Workers Unemployed (In Thousands) 6/72	4/72	6/71
St. Marys	30	15.6	6.4	5.3	7.7	X		1.0	0.8	1.2
Berwick-Bloomsburg	32	25.3	6.3	6.8	6.0			1.6	1.7	1.5
Wellsboro	32	12.8	6.3	6.2	6.4	X		0.8	0.8	0.8
Williamsport	34	51.5	6.2	6.4	7.4	X		3.2	3.2	3.8
UNITED STATES		88055.0	6.2	5.5	6.5			5426.0	4697.0	5490.0
PENNSYLVANIA		5167.3	6.0	5.3	5.8			312.0	265.0	299.0
Erie	35	117.8	5.9	5.6	5.9			7.0	6.4	6.9
Huntingdon	36	14.2	5.6	7.9	7.6	X		0.8	1.1	1.1
Dushore-Laporte	36	1.8	5.6	5.6	10.5			0.1	0.1	0.2
Honesdale-Matamoras	38	15.1	5.3	6.7	4.0			0.8	0.9	0.6
Chambersburg-Waynesboro	39	45.9	5.2	4.9	5.9			2.4	2.2	2.7
State College-Bellefonte	40	44.0	5.0	4.2	3.6			2.2	1.8	1.6
Lewistown	40	25.8	5.0	5.6	4.2			1.3	1.4	1.1
Reading	42	145.2	4.6	3.3	3.6			6.7	4.6	5.1
Allentown-Bethlehem-Easton	43	252.2	4.4	3.8	4.7			11.2	9.3	12.1
York	44	163.3	4.3	3.1	5.2			7.0	4.9	8.3
Lancaster	45	158.6	4.0	3.1	4.5			6.3	4.7	7.0
Harrisburg	46	203.9	3.8	2.5	4.4			7.7	4.9	9.0
Stroudsburg	47	25.9	3.5	3.8	4.0			0.9	0.9	1.0
Lebanon	48	44.3	3.4	2.1	3.9			1.5	0.9	1.7

1/ Labor areas classified as areas of "persistent unemployment" or areas of "substantial unemployment" are eligible for preference in the award of Federal procurement contracts under provisions of Defense Manpower Policy No. 4 (revised) and are indicated by an "X" in either column.

2/ Part of Binghamton, New York Standard Metropolitan Statistical Area.

NOTE: Issued bimonthly for even numbered months.

Date Issued: July 28, 1972

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL IMMEDIATE

Wednesday, August 2, 1972

A memorandum of understanding between the Commonwealth of Pennsylvania and the U. S. Small Business Administration to help elderly and needy disaster loan applicants was announced today.

Governor Milton J. Shapp said the Commonwealth will repay part or all of the first $500 of such a loan for persons who would otherwise not be considered adequate credit risks.

Eligible for vendor payments by the state are persons above the age of 60, pensioners, and those receiving public or medical assistance.

The memorandum, according to Shapp, "now might enable these persons of limited financial means who are struggling to survive and stay in the community to also qualify for forgiveness of up to $2,500 of a disaster loan."

Under Presidentially-declared disaster loan rules, a borrower must repay the first $500 and any amount in excess of $3,000.

Appealing to the White House for more flood assistance in Pennsylvania, Shapp said, "While this agreement will be helpful to many, I still call on the U. S. Congress to enact legislation eliminating the initial $500 repayment and providing forgiveness of the first $15,000 of a disaster loan.

Calling the agreement a "moral as well as a financial boost for the most vulnerable of the flood victims," Shapp said it puts these persons on an equal footing with other applicants for federal loans.

"Disaster victims need all of the help we can muster so that they can get back on their feet again," Shapp said.

Bills calling for forgiveness of $5,000 and $15,000 have been presented to the nation's lawmakers, which, in either case, could negate the SBA-Commonwealth memorandum.

The Governor said, "the number of persons who will benefit by our agreement can not be estimated at present, but it is expected that it will have a significant impact on the approximately 100,000 Commonwealth residents left jobless because of the June flood.

Funds to support the memorandum are being allotted from the $150,000,000 flood relief appropriation enacted by the Pennsylvania General Assembly.

SBA disaster loans to repair or replace residential and business buildings may go up to $50,000 and personal property loans may go up to $10,000.

###

REMARKS BY THE VICE PRESIDENT OF THE UNITED STATES
AGNES RECOVERY ACT MEETING
WHITE HOUSE
JULY 14, 1972

FOR RELEASE: 9:00 AM (EDT), Friday, July 14, 1972

All of you assembled here today have witnessed at first hand the destruction visited on your communities by our Nation's worst natural disaster. It would be inappropriate for me to search for words of sympathy and consolation. The bleak pictures of destruction and personal tragedy you bring here to the White House with you would render such words artificial and superflous.

Please believe me, however, when I say that I understand what you and the people you serve have been through. President Nixon and I have both toured your devastated states. I personally saw the damage done to the communities of Elmira, Corning, Horseheads, Ellicott City and Richmond, and I have carried back to Washington memories of scenes that I will not soon forget.

The destruction was appalling. But the response to that destruction was heartening indeed. I do not need to recite here for your benefit a list of your own accomplishments. Your local officials have moved with energy and determination to repair the ravages of Tropical Storm Agnes. I have visited you, seen you in action, and I congratulate you on the job you've done.

Often, however, it is not possible, no matter how deep the initiative and determination, for communities single-handedly to repair the ravages of nature, especially when the destruction is on the scale of that caused by Agnes. We understand this, and for this reason the President's Office of Emergency Preparedness under the able direction of General Abe Lincoln has moved rapidly to assist you in relief and recovery operations.

We realize, however, given the magnitude of the destruction left in the wake of Agnes, that the Federal Government must do more. For this reason, President Nixon has proposed the Agnes Recovery Act, and requested $1. 7 billion in new funds to be channeled into your devastated areas through six agencies -- the Small Business Administration, the Federal Highway Administration, the Appalachian Regional Commission, the Economic Development Administration, the Corps of Engineers and the Farmers Home Administration. Other agencies as well will continue with their relief efforts using existing funds.

- more -

This $1.7 billion represents the largest sum of money ever allocated for a single disaster in this country, and we understand how vital it is that this money reach you immediately.

We are urging Congress to move full speed ahead, so that you will have these funds when they can provide the fullest measure of relief. Speed is of the essence, and that is why we invited you to Washington two days after the President announced his measures.

This Administration believes that Government is a two-way street. Instead of a monologue from an omniscient Federal Government, we believe that effective government requires a dialogue. We've assembled here today a group of Federal officials who will brief you on the measures the Administration intends to take.

But please remember that we are not here to talk at you. We badly need your input. We welcome your questions, and we require your first hand observations and your suggestions.

We also hope that this briefing will enable you to better understand just how the Federal machinery functions. It is, after all, machinery designed for just one purpose -- the purpose of serving as efficiently as possible the people our Government represents. It is your machinery, and we hope you'll take full advantage of it.

Finally, I would feel remiss if I failed to mention the splendid relief work done by the Red Cross, the Salvation Army, and other volunteer agencies. The word volunteer is key here. Theirs is an entirely humanitarian endeavor, and they deserve the wholehearted support and sincere thanks of a grateful nation.

And now let me turn this meeting back over to Frank Carlucci, who will lead the briefing. Frank, as many of you know, is a native of Wilkes-Barre, one of the communities hit hardest by Agnes.

# # # # #

Disaster Programs Office
Office of Emergency Preparedness

July 13, 1972

The attached list of field offices and individual assistance centers is current as of this date. Centers are being phased out when they are no longer needed.

July 13, 1972

Office of Emergency Preparedness
Tropical Storm Agnes
Field Offices and Satellite Field Offices

FLORIDA - Federal Coordinating Officer: William McMillen

OEP Disaster Field Office
201 South Bronough Street
Tallahassee, Florida 32301 telephone: (904) 222-6011

OEP Disaster Field Office
Federal Office Building
Room 103E
500 Zack Street
Tampa, Florida 33602 telephone: (813) 228-7184

MARYLAND - Federal Coordinating Officer: Kennard Gardiner

OEP Disaster Field Office
Federal Building
12th and Lombard Streets
Room G-30
Baltimore, Maryland 21201 telephone: (301) 962-4113

NEW YORK - Federal Coordinating Officer: Thomas Casey

OEP Disaster Field Office
Junior High School -- East Building
Center Street
Horseheads, New York 14845 FCO - Thomas Casey
telephone: (607) 739-0351

OEP Disaster Field Office
202 Mamaroneck Avenue
White Plains, New York 10601 Assistant FCO: Michael Chevinski
telephone: (914) 946-3262

OEP Disaster Field Office
Church and Fitzhugh Streets
Rochester, New York 14614 Office to close: Wednesday, July 19
telephone: (716) 232-4500

PENNSYLVANIA - Federal Coordinating Officer: Francis X. Carney

OEP Disaster Field Office
Federal Building
Third Floor
228 Walnut Street
Harrisburg, Pennsylvania 17108 Assistant FCO: John Sullivan
telephone: (717) 782-3424

OEP Field Office
Holy Cross Hall, Floor 9
Kings College
South Franklin Street
Wilkes-Barre, Pa. 18702 Assistant FCO: Francis X. Tobin
telephone: (717) 825-6811

VIRGINIA - Federal Coordinating Officer: Alfred Hahn

OEP Disaster Field Office
7828 Midlothian Pike
Richmond, Virginia 23235 telephone: (703) 320-1391

WEST VIRGINIA - Federal Coordinating Officer: Richard E. Sanderson

OEP Disaster Field Office
806 Greenbrier Street
Charleston, West Virginia 25311 telephone: (304) 342-1191

INDIVIDUAL ASSISTANCE CENTERS

FLORIDA

Tampa Field Office
Federal Office Building
Room 103E
500 Zack Street
Tampa, Florida 33602 (813) 228-7184

OEP Field Office
201 South Bronough Street
Tallahassee, Florida 32301 (904) 222-6011

INDIVIDUAL ASSISTANCE CENTERS

MARYLAND

Baltimore County:

Pilgrim Lutheran Church
Liberty and Latham Road
Baltimore County

(301) 653-9494 or
653-9495

Howard County:

Mount Hebron High School
St. Johns Lane
Ellicott City, Maryland

(301) 465-1263

Frederick County:

West Frederick Junior High School
Frederick, Maryland

(301) 662-5333 or
662-5554

Prince Georges County:

County Services Building
Route 1
Hyattsville, Maryland

(301) 779-1150

Montgomery County:

DANAC Building
2351 Shady Grove Road
Gaithersburg, Maryland

(301) 948-2660

Cecil County:

13 Main Street
Port Deposit, Maryland

(301) 378-4444 or
378-4445

Baltimore City:

Federal Building
31 Hopkins Plaza
Room G30A
Baltimore, Maryland

(301) 962-4113

Queen Annes County:

VFW Building
Graysonville Maryland

(301) 827-7641

St. Marys County:

Civil Defense Bldg.
Leonardtown, Maryland

(301) 475-8017

INDIVIDUAL ASSISTANCE CENTERS

NEW YORK

Remington-Rand Building
1051 South Main Street
Elmira, New York (607) 734-6101

Northside Blodgett School
Princeton Avenue
Corning, New York (607) 936-3793

Ernie Davis School
Lake Street
Elmira, New York

National Guard Armory
Olean, New York (716) 373-0545

Old Municipal Center
Park Avenue
Wellsville, New York (716) 593-6241

Hornell Senior High School
Seneca Street
Hornell, New York (607) 324-9876

Horseheads Command Center
Junior High School -- East Building
Center Street
Horseheads, New York (607) 739-0351

INDIVIDUAL ASSISTANCE CENTERS

PENNSYLVANIA

Luzerne County:

Mackin Elementary School
1327 Hillard Street
Wilkes-Barre, Pa. (717) 829-1341

Dallas High School
Dallas, Pa.

Vocational Technical High School
Pringle, Pa. (717) 693-2953

J. S. Fine School
Nanticoke, Pa. (717) 693-3710

Borough Building
Forty Fort, Pa. (717) 287-6016

Garrison School
West Vine Street
Shickshinny, Pa.

Dorrance School
Rutter Avenue
Kingston, Pa (717) 288-6763

Bureau of Employment Security
300 Kennedy Blvd.
Pittston, Pa. (717) 654-4631

Human Service Center
Wilkes-Barre, Pa.

Guthrie School
North Washington Street
Wilkes-Barre, Pa.

Charles Street School
Charles Street
Luzerne Borough, Pa. (717) 288-2000

Crestwood High School
Mountain Top, Pa. (717) 474-6784

Fire Hall #2
East Third Street
Wyoming, Pa.

Wyoming Valley Mall
Wilkes-Barre, Pa.

Clinton County:

Lockhaven-Dunston Firehouse
Route 220
Lockhaven, Pa. (717) 748-5374

Montgomery County:

Penn and Walnut Streets
Pottstown, Pa. (717) 326-9330

Court House Annex
400 Markely Street
Norristown, Pa (215) 277-3432

Columbia County:

Administration Bldg.
Bloomsburg State College
Bloomsburg, Pa. (717) 784-5200

Dauphin County:

Camp Curtain High School
6th and Division Streets
Harrisburg, Pa. (717) 782-3800

Northumberland County:

Milton Junior High School
Turbot Street
Sunbury, Pa. (717) 742-7618

535 Chesnut Street
Sunbury, Pa. (717) 286-7303

Lycoming County:

Lycoming Court House
East Third and Pine Streets
Williamsport, Pa. (717) 323-6101

Mifflin County:

Chief Logan High School
Burnam, Pa. (717) 242-0371

Bradford County:

Lynch Elementary School
Athens, Pa. (717) 888-7732

Colonial Plaza
387 York Ave., Ext.
Towanda, Pa. (717) 265-6152

Perry County:

South Church Street
New Bloomfield,Pa. (717) 582-4341

Allegheny County:

667 East Pennsylvania Ave.
Pittsburgh, Pa (412) 565-2605

Berks County:

HRD 134 North 5th St.
Reading, Pa. (215) 372-4638

Blair County:

1101 Green Ave.
Altoona, Pa. (814) 943-1191

Cumberland County:

24 Chestnut Street
Camp Hill, Pa. (717) 761-6140

Fayette County:

301 South Arch St.
Connellsville, Pa. (412) 628-0223

Franklin County:

301 Lortz Ave.
Chambersburg, Pa (717) 264-3194

Huntingdon County:

501 Washington St.
Huntingdon, Pa. (814) 643-2307

Indiana County:

30 North 5th St.
Indiana, Pa. (412) 357-2966

Lancaster County:

225 North Lime St.
Lancaster, Pa. (717) 299-4849

Wyoming County:

East Tioga Street
Tunkhannock, Pa. (717) 836-2278

Montour County:

State Hospital
Farm Colony Bldg.
Route 11
Danville, Pa. (717) 275-5211

Schuylkill County:

112 C. A. Lord Blvd.
Pottsville, Pa. (717) 622-3878

Tioga County:

Walnut and Water Streets
Wellsboro, Pa. (717) 724-3514

McKean County:

Eldred Fire Hall
Eldred, Pa. (814) 225-4777

INDIVIDUAL ASSISTANCE CENTERS

VIRGINIA

T. C. Williams High School
3330 King Street
Alexandria, Virginia (703) 836-0016

Parkside Elementary School
8602 Centerville Road
Manassas, Virginia (703) 361-5135

Hugh Mercer Elementary School
2100 Cowan Boulevard
Fredericksburg, Virginia (703) 341-4575

Covington Armory
520 West Oak Street
Covington, Virginia (703) 962-5111

Janet Snead High School
301 Grove Street
Lynchburg, Virginia (703) 847-5668

Federal Building
400 North 8th Street
Richmond, Virginia (703) 982-2617

Salem-Roanoke Civic Center
1001 Roanoke Blvd.
Salem, Virginia (703) 343-6486

Scottsville Junior High School
Scottsville, Virginia (703) 286-3408

INDIVIDUAL ASSISTANCE CENTERS

WEST VIRGINIA

Federal Building
King Street
Martinsburg, W. Va. (304) 267-2916

Central Union Bank Bldg.
14th and Market Streets
Wheeling, W. Va. (304) 232-1130

EXAMPLES UNDER PRESIDENT'S PROPOSALS

HOME LOANS: Joe Doakes suffered uninsured $8,000 damage to his home as a result of Hurricane Agnes. What benefits can be provided him under the new law? He can get a loan from SBA in the amount of $8,000, the first $5,000 of which is canceled, and the balance of $3,000 bears interest at 1% per year.

HOME REFINANCING: Bill Doakes owns a home valued at $30,000. His uninsured damage resulting from Agnes totals $20,000. SBA can loan him $20,000 to cover the damage sustained and up to $20,000 more for refinancing liens on the property being restored, for a total of $40,000. The portion of the loan made to cover refinancing cannot exceed the portion made to cover the damage sustained, regardless of the amount of his existing indebtedness. Of course, the first $5,000 of his $40,000 loan would be canceled, and the remainder would bear interest of 1% per year. Maturity is up to 30 years.

HOME LOANS AND REFINANCING: Bob Brown owns a new $30,000 house on which he has a $28,000 mortgage at 6 1/2% for a 25 year term. His home suffers $20,000 worth of uninsured damages. Because this exceeds 50% of its value, SBA can make a 30 year $40,000 loan with $5,000 forgiveness at 1%.

He still has $8,000 of the original mortgage unliquidated. His principal and interest payments prior to the disaster were $189 per month. His monthly payments after the disaster on the SBA and residual original loan would be $167.

FARM LOANS: Jim Jones suffers crop losses of $5,000, has lost 10 dairy cows worth $4,500, and has damage to his barn not covered by insurance of $6,000 for a total loss of $15,500. For these losses, he can obtain loans from the Farmers Home Administration. Under present law, his total repayments would be $26,349. Under the President's proposal, his repayments would total $16,873, thus a savings of $9,476.

PERSONAL PROPERTY: Joe Smith sustained no damage to his home, but did lose $3,000 worth of personal property. Under the new law, SBA could make him a loan of $3,000, all of which would be canceled. The total for personal property in any event cannot exceed $10,000. SBA would not cover "irreplaceable and extraordinarily expensive" items such as rare art objects, antiques, stamp collections and jewelry.

BUSINESS REFINANCING: A small business concern suffers substantial property damage in the amount of $150,000 as a result of Hurricane Agnes. SBA can loan that firm $150,000 to cover physical damage sustained, and up to $150,000 more to cover

refinancing of liens on the damaged property being restored. The portion of the loan for refinancing cannot exceed that portion which covers the damage sustained, regardless of the amount of the concern's existing indebtedness. The first $5,000 of the overall $300,000 loan would be canceled, and the balance would bear interest at 1% per year. Maturity is up to 30 years.

CHURCH OR SCHOOL: A church or school also suffers damage resulting from Agnes. SBA can make a loan to a nonprofit institution in the amount of the physical loss sustained. The first $5,000 of any such loan would be canceled under the new law, and the balance would bear interest of 1% per year. These would normally be treated as business entities.

LARGE BUSINESS LOANS: Large business are also eligible. A business concern, say, which suffers $5,000,000 in damage to its plant, equipment, and inventory qualifies for a loan in that amount at an interest rate of 5 1/8% per year up to 30 years.

FOR IMMEDIATE RELEASE

JULY 12, 1972

Office of the White House Press Secretary
(San Clemente, California)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
IN A
RADIO SPEECH ON ADDITIONAL DISASTER RELIEF

No one who has ever witnessed a natural disaster can forget the terrible devastation it leaves behind -- or can fail to be moved by the heroism and the heartache of those who live through it.

Millions of Americans today are struggling to rebuild their lives in the wake of Tropical Storm Agnes. More than 80 persons perished in the floods that it brought; more than 128,000 homes and businesses have been damaged or destroyed; in terms of the property damage and of the sweeping extent of the territory affected, this has been the worst natural disaster in the whole of America's history.

Confronted with so massive a disaster emergency, our response as a Nation must also be massive. Conscience commands it; humanity impels it.

From the earliest days of our Nation, whenever a disaster or hardship struck, Americans have pulled together, neighbors help neighbors. That spirit enabled countless thousands to overcome seemingly hopeless obstacles in the past -- and it is still a source of strength for America today.

I know, because I saw repeated evidence of that same spirit of neighborliness and sharing when I visited the disaster area in Pennsylvania to inspect the damage first hand. The destruction and loss were immense, almost overpowering. But even more moving were the spirit, the optimism, the determination of the disaster victims themselves, and that of the government and volunteer workers who were striving side by side with them to undo the damage nature had wrought.

The progress that has been made to date is impressive. Temporary shelter, feeding and medical treatment have been provided for more than 350,000 people.

Debris removal and restoration of public facilities are underway.

An estimated 70,000 workers who were unemployed as a result of the disaster will be receiving temporary unemployment insurance benefits under regular and disaster assistance programs, and direct Federal payments will create over 50 thousand man years of jobs for workers in affected areas.

All of this is impressive, and in the best tradition of American disaster relief work. But, when so extraordinary a disaster strikes, only extraordinary measures -- something beyond the normal effort -- will suffice.

That is why I am today announcing massive new measures to supplement those which have already been taken. When a friend or relative is stricken hard by an accident or illness, we rally to him. When this large a part of the Nation is stricken by disaster, it is a family affair for all of us -- for every American. So, when the Congress reconvenes, I will submit a special request for additional emergency funds totalling more than $1.7 billion -- the largest single amount ever allocated to recovery efforts in this country.

(MORE) (OVER)

If the Congress approves these funds, they will be channeled into every aspect of long and short term disaster assistance. They will help clear away existing damage. They will help communities begin to build anew. They will restore regular services and facilities in the affected States of New York, Pennsylvania, Maryland, West Virginia, Virginia and Florida.

Never before has so thorough and so all-embracing a recovery effort been launched; never was it more uniquely necessary.

But when we talk about the suffering of States, counties and communities, we are really talking about the suffering of individual people. Almost invariably, the hardest hit victims of any natural disaster are individual homeowners and small businessmen.

Again, because of the special nature of this disaster, their needs also require special attention. We must not permit the nightmare of destruction which has wrecked so many of their homes and places of business to be followed by the equally grim spectre of bankruptcy or ruin.

With this in mind, I shall also propose to the Congress vital legislative action that would authorize special disaster loans to affected homeowners and businessmen at only 1 percent interest -- and with no repayment required on the first $5,000 of the loan. There is no quicker, more effective way of helping the people of these stricken communities to get back on their feet and resume their normal, productive lives than to provide them with this source of low-interest credit for rebuilding their homes and businesses.

Finally, knowing as we do that no amount of effort can be truly effective without cooperation and understanding at all levels of government, I have invited 500 Mayors, county executives and other leaders from disaster-struck communities to attend a special conference with Federal officials to be held in Washington this Friday. Presiding over that conference will be the Vice President and the Deputy Director of the Office of Management and Budget, Frank Carlucci. He is a native of one of the hardest-hit communities in Pennsylvania, Wilkes-Barre.

The purpose of the meeting will be to speed up relief efforts, to explain our proposed new measures, and to improve communications between Federal, local and civic leaders who share the responsibility for directing this massive disaster relief effort.

The challenge we face is not an easy one. But I have faith that, working together, we can overcome the terrible devastation that the floods have left behind. And we can do more than that. We can give the world a shining new example of the kind of proud, vibrant communities Americans can build, even in adversity, when they put their heads and their hearts into the effort.

# # #

Judge Rosenn

FLOOD BULLETIN

Estimates of the flood losses inflicted on Pennsylvania by tropical storm Agnes range from "huge" to "incalculable." Pennsylvania Secretary of Commerce Walter G. Arader has set the loss to the Commonwealth's business community at approximately $1.4 billion, and that figure does not include lost wages and salaries.

Fortunately, government and private resources have been mobilized on an unprecedented scale to help clean up and rebuild after this record disaster. This FLOOD BULLETIN is designed to tell businessmen where to offer or receive flood relief aid.

Many important flood relief programs are just getting started. Every day some relief offices are moved, programs are amended, important news for flood victims is released. The Chamber's FLOOD BULLETIN is as timely and as up-to-date as it is humanly possible to make it.

Although this will probably be the only FLOOD BULLETIN published, the Pennsylvania Chamber of Commerce will continue to distribute information through its various regular publications. Please contact the Chamber with any new or updated flood relief facts Pennsylvania businessmen should have.

Tax Information on Flood Losses

Tax Information on Disasters, Casualty Losses, and Thefts, Publication 547 (10-71) issued by the U. S. Internal Revenue Service, sets forth the procedure for deducting flood losses on the Federal income tax return. This publication (price 20 cents) is available from the local offices of the Internal Revenue Service or the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402.

The pamphlet notes that in disaster areas (and the entire state was so classified), 1971-72 fiscal year taxpayers incurring losses within 3½ months following the close of the fiscal year may elect to deduct some of the losses on the year just closed. However, a recent amendment to the Internal Revenue Code (P.L. 92-336) authorizes all persons who suffered damage from the June flood to file an amended 1971 tax return to list their losses and to claim a tax refund. Special forms may be obtained from the IRS for this purpose.

You must be able to prove that you actually sustained a loss and the amount of the loss that is deductible. The IRS states that you should be prepared to show:

1) The nature of the casualty and when it occurred
2) That the loss was the direct result of the casualty
3) That you were the owner of the property
4) The cost or other basis of the property evidenced by purchase contract, deed, etc. (improvements should be supported by checks, receipts, etc.)
5) Depreciation allowed or allowable, if any
6) Value before and after the casualty
7) The amount of insurance or other compensation received or recoverable, including the value of repairs, restoration, and cleanup provided without cost by disaster relief agencies or others

Photographs of your property before it was damaged will be helpful in showing the condition and value of the property prior to the casualty. Photographs taken after the casualty that show the extent of the damage, will be helpful in establishing the condition and value of the property after it was damaged. Photographs showing the condition of the property after it was repaired, restored, or replaced may also be helpful.

If you do not have complete records in support of the above items, the IRS states that other satisfactory evidence may be used to support your deduction.

Different rules apply for computing a casualty loss deduction on property used for personal purposes, and property used for business purposes.

A casualty loss on property used solely for personal purposes is deductible only to the extent that the loss exceeds $100 for each casualty.

A casualty loss of business property or property held for the production of income is deductible in full, without regard to the $100 limitation.

LANCASTER
225 North Lime Street
(717) 394-7291

LEWISTOWN
Chief Logan Cafeteria
off Electric Avenue
(717) 242-0371

PHILADELPHIA
1 Decker Square
East Lobby—Lower Level
Bala Cynwyd, Pa. 19004
(215) 597-3401

PITTSBURGH
New Federal Building (Room 2316)
1000 Liberty Avenue
(412) 644-6745

POTTSVILLE
112 C. A. Lord Blvd.
(717) 622-5126

READING
621 Penn Street
(215) 376-7231

SUNBURY
Zion Lutheran Church
Market & Fifth Sts.
(717) 286-5456

WILKES-BARRE *
Makin School
Scott & Hilliard Streets
(717) 829-1341, ext. 58

WILLIAMSPORT
Lycoming County Court House
W. 3rd Street
(717) 323-6101

YORK
York County Court House
(717) 848-9184

* Address and number not verified

Tax Credits Available

Firms contributing cash and certain household goods to low income flood victims can become eligible for State tax credits under the Neighborhood Assistance Flood Relief Program.

Special Neighborhood Assistance guidelines and procedures for flood relief will apply to cash and specified in-kind contributions made through designated local agencies during the period June 21-September 30, 1972. The Pennsylvania Department of Community Affairs (DCA) has developed the Flood Relief Program to aid flood victims during this period of especially great need.

To be eligible for special tax credits, firms must contribute to flood relief through Community Action Agencies designated by the Federal Office of Economic Opportunity. In counties where there is no such approved Community Action Agency, the DCA will designate local agencies to administer the program. Approved agencies will solicit contributions of cash, refrigerators, ranges, water heaters, heating units, water pumps and storage tanks, beds, springs, frames and mattresses, tables and chairs. Cash may be used for municipal cleanup in low income neighborhoods, except for renovation or removal of homes damaged by the flood.

All tax credit applications will be submitted to the approved local agency. Applications for tax credit must be accompanied by a photocopy of the cancelled flood relief check made payable to the agency or, in the case of supplies and equipment, by a copy of the shipping order or an equivalent document signed by the recipient.

To qualify for tax credit, contributions need not have been approved in advance, but must meet the special Flood Relief guidelines and must have been made to a designated agency between June 21 and September 30.

Neighborhood Assistance credits are applied against tax liability under the Corporate Net Income, Shares, Gross Premiums, and Mutual Thrift Institutions Taxes. Tax credit to a firm may not exceed 50% of the total amount contributed, or $175,000 per year. Additional information on this Neighborhood Assistance Flood Relief Program is available from DCA Regional Offices or from Fred Abrams, Program Manager of the Neighborhood Assistance Program (717—787-4140).

Quid Pro Quo

The expertise of the Commonwealth's "Business Ombudsman," a service of the Department of Commerce, is available to Pennsylvania businessmen affected by the flood. Commerce Secretary Walter G. Arader announced that the ombudsman may be reached by calling this **toll free number:** 800-232-0664. Or by writing to: Business Ombudsman, Department of Commerce, South Office Building, Harrisburg, Pennsylvania 17120.

Conversely, Arader said that any businessmen who desire to volunteer their special talents and/or equipment in the flood recovery effort can call the **same number.** Explaining that the Commerce Department will maintain a list of volunteers to match against needed services, Arader said the specialized talents could run from engineers to business consultants.

U. C. Benefits

Tropical storm Agnes put an estimated 50,000 people out of work in Pennsylvania. Those persons out of work due to the storm or subsequent damage are eligible to draw unemployment compensation benefits, from either the Pennsylvania program or the Federal Disaster program.

If the employes were in employment covered by the Pennsylvania U. C. law, their benefits will be charged to their employer's account. On June 21 Governor Shapp declared the state a disaster area. Under Section 401(e) of the Pennsylvania U. C. law, this declaration suspended the waiting week require-

when computing the amount of casualty loss:

1) The decrease in the fair market value of the property as a result of the casualty
2) The adjusted basis of the property
3) The amount of insurance or other compensation you received or expect to receive as a result of the casualty

State Taxes

Since the State corporate net income tax is based on "taxable income" for Federal purposes with certain adjustments, a number of the Federal loss allowances will also apply for the State tax. The State personal income tax, however, is not based on Federal "taxable income" and there is no provision in State law for flood losses. However, business losses can be deducted as cost items in accordance with ordinary accounting practices. It is assumed that allowances will be made by the Pennsylvania Department of Revenue for flood damage in capital stock valuations.

The State Bureau of Taxes for Education advises that the State 6% sales and use tax will be levied on taxable purchases to replace flood damage unless the purchase is billed to a tax-exempt organization, such as the Red Cross.

The State Bureau of Cigarette and Beverage Taxes advises that it will attempt to make adjustments for taxes paid in advance for cigarettes and beer lost in the flood. The bureau urges that a record of such losses be kept if at all possible. If items must be destroyed, the Department of Health should provide an affidavit concerning the quantity involved. Retailers are advised to contact their suppliers, not the State Bureau.

The State Bureau of Liquid Fuels Tax advises that tax rebates or credits are not ordinarily allowed on fuel for which the tax has already been paid. Unless the Department of Revenue rules otherwise for this disaster, taxes paid for fuel lost in the flood would not be refunded.

SBA Disaster Loans

Under the Federal Disaster Relief Act of 1970, the Small Business Administration (SBA) has become the most important single source of aid for businesses crippled by natural catastrophes.

President Nixon has officially declared all 67 counties of the Commonwealth disaster areas, making business enterprises anywhere in the state eligible for Federal disaster aid of all types, including the considerable services of the SBA.

SBA loans to businessmen are designed to restore business property to its predisaster condition. Loan proceeds may be used to replace or repair buildings, fixtures, machinery, equipment and inventory. Charitable institutions and other non-profit organizations are also eligible for these loans.

nessmen are advised to deal directly with their banks. Many banks will help the businessman complete SBA application forms and supporting material. This will permit the fastest possible SBA action on business loan projects.

The following information must accompany your application for an SBA loan: A list of the property damaged or destroyed, a signed and dated estimate by a reliable contractor or supplier of the cost of repair or replacement of damages, detailed profit and loss statements and balance sheets for the previous three years, and copies of the last two filed income tax returns, (If records were lost, the necessary information may be obtained from the I.R.S.). Photographs of the damage will also be most helpful.

During July the SBA will lend up to $500,000 to individual businessmen at 5-⅛% interest. Interest rates are set monthly, but have an upper limit of 6%. H.R. 15692, pending in the U. S. Senate, would lower the SBA interest rate to 1% retroactive to July 1, 1971. If more than $500,000 is required, the SBA may guarantee up to 90% of any commercial loan which exceeds the $500,000 limit.

Business loans may be made for a period up to 30 years, depending upon the amount and type of the loan. Repayment will be in equal monthly installments and will begin the fifth month after the note has been signed. In some specific cases an additional deferment may be granted. Where the borrower's income is seasonal, an appropriate repayment schedule may be arranged. In the event that part of the damage is covered by insurance, the SBA will consider making the loan in the full amount of the loss, provided that the applicant apply such insurance payments to the repayment of his loan.

The SBA will forgive up to $2,500 of the loan. After the first $500 is repaid, the SBA will write off (forgive) the next $2,500. The borrower is then liable to repay the remainder of the loan.

SBA OFFICES

(Addresses and telephone number in effect July 5, 1972)

ALTOONA
1101 Green Avenue
(814) 943-1191

CONNELLSVILLE
Bureau of Employment Security
301 S. Arch St.,
(412) 628-0223

DuBOIS
2nd Floor
Boro Building

ELDRED
The Borough Hall
154 Main St.
(814) 225-4750

HARRISBURG
7-9 N. Market Square
(717) 782-3840

ment. Employes out of work due to the disaster are entitled to draw benefits immediately.

If the workers were in employment which was not covered by the Pennsylvania U. C. law, such as self-employed and agricultural workers—they most probably will be covered under the Federal Disaster Unemployment Assistance (DUA) program of the Disaster Relief Act of 1970. The funds for this program will come from Federal general funds and will not be charged to Pennsylvania employers or the U. C. fund.

The Federal program also includes persons who completed school 10 weeks prior to the disaster and who now can't find work, as well as persons who become the head of a household due to the flood-related death of the regular head. The Federal program insures a minimum weekly payment of $54. These funds will also supplement state U. C. benefits of less than $54 per week.

Employes are urged by the Pennsylvania Bureau of Employment Security to go to the nearest Unemployment Insurance Office and check their eligibility for benefits. In order to qualify for the Federal program, employes must file their claims within 30 days of the disaster declaration, in this case by July 21. In order to expedite the claim procedure, the Bureau has established 88 additional offices throughout the state.

Help for Government Contractors

The U. S. Department of Commerce has an important request for government contractors who may require special assistance. In a message to Associate Offices throughout the Commonwealth, the Department said:

"Washington headquarters is anxious to identify as quickly as possible those firms holding government contracts that have suffered flood damage and may require priority assistance in replacing equipment or materials.

"So that we may offer this assistance rapidly, could you help us by surveying those defense industries in your area and advising us of those damaged by flood that may require assistance in obtaining equipment or material that is on allocation.

"This is for priority assistance only. Financial assistance will be provided by other agencies."

Contractors needing such assistance should contact the nearest Associate Office (usually the local Chamber of Commerce) or Peter R. Bickelhaupt, Deputy Director, Philadelphia Field Office, 1015 Chestnut Street, Philadelphia 19107 (215—597-2850).

Business Losses

The business and industrial community suffered severe damage and loss from the flood. Countless small businesses were completely wiped out, and the heavy damage inflicted on some large industries could result in serious economic problems.

Some examples:

Harrisburg's Harsco Corporation, a steel producer, suffered an estimated $1.5 million in damage. This major capital area firm, which normally employs 800, will be closed until August 7. With 200 employes now engaged in cleanup, the company expects to be back in production by August 15.

The Steelton plant of Bethlehem Steel was also a flood victim. To date, approximately one-third of the plant's 4,000 employes are back at work, with steel-making and primary rolling activities scheduled to resume by July 15.

Bethlehem Steel's Pottstown Fabricating Works are expected to be back to normal operations by the end of July. A vacation shutdown for all employes, scheduled for the first two weeks of July, is being utilized for cleanup purposes.

Pennsylvania Power & Light estimated damage to its central Pennsylvania facilities at some $11 million, with $7.4 million of that occurring at its Brunner Island plant near Harrisburg.

Financing Relief Projects

House Bill 2422, introduced July 1, would amend the Revenue Bond and Mortgage Act so that local industrial development authorities could finance Disaster Relief projects.

In addition to the buildings, machinery and equipment which can already be financed by local industrial development authorities, Disaster Relief projects would include any undertaking to rehabilitate, repair, reconstruct, clean up, replace or otherwise return to economic use any land, site, structure, or facility (including tools) damaged or lost as a result of the June floods.

The proposed legislation would also waive the normal requirements that Industrial Development Authority projects must be approved for financing before construction begins. The effect of this waiver would be to make certain Flood Relief projects that are already underway eligible for lower interest loans.

PENNSYLVANIA CHAMBER OF COMMERCE
222 North Third Street • Harrisburg, Pennsylvania • 238-0441

PENNSYLVANIA MANUFACTURERS' ASSOCIATION
and PMA INSURANCE COMPANY

PMA

LEGISLATIVE BULLETIN

Sessions of 1971-72 | Harrisburg, July 7, 1972 | No. 56

Urgent Need for Huge State Aid in Flood Emergency Poses Threat of New Financial Crisis and Tax Hikes; Reassessment Must Await Clearer Picture of Damage

The $3.18 billion budget blocked out by the legislature to finance Commonwealth operations during fiscal 1972-73 sidesteps tax cutbacks for business and industry while posing the possibility that flood-induced spending may prompt emergency levies.

The final answer to actual needs for the fiscal year which opened July 1 will not be known until after the financial impact of the disastrous floods in late June has been assessed by Pennsylvania officials.

When Governor Shapp submitted a $3.6 billion budget program to finance the day-to-day spending by state government, there was no need to provide huge sums for flood relief.

But when the immense damage wrought by Hurricane Agnes became apparent to the legislators, a move was made to allocate $150 million additionally for the gigantic cleanup task. Originally this was done by a separate bill, but later it was agreed to include it in the General Fund Appropriations.

Initially, the Governor had asked the legislature for $50 million. Total damages in all categories may run around $2 billion.

Much Political In-Fighting

The unforseen task of drafting a general appropriation bill under flood-dictated circumstances that would be acceptable to the House and Senate, as well as the Governor, immediately sparked some political and financial in-fighting that caused the 1972-73 fiscal year to end on a bitter note.

House and Senate spokesmen were critical of the other's action and the Governor was not satisfied. All state spending ended at midnight June 30 except for special fund checks such as liquor, game, fish and unemployment compensation.

In line with predictions current in legislative circles when the general fund authorization was moving, the measure ended up in a House-Senate

(Continued on Page 2)

Never Fear— That Budget's Near!

The long-deferred 1972-73 budget will almost certainly be agreed upon within the next few days.

And almost certainly it will be within a point or so of $3.18 billion—and will contain $150 million earmarked for flood relief.

Its final details will be spelled out in a sort of political poker game played by a conference committee consisting of four Democrats and two Republicans.

COMMENTARY

Industry's Losses are Commonwealth Losses

In the universal reaction of sympathy for the flood victims and damaged facilities of the state, it might be easy to overlook that Pennsylvania's industry and commerce have also been struck a disastrous blow.

Because losses in these areas curtail, first, what might be called the "flow" —the gross state product —and second, the basic income of the state's population, there is a direct and inescapable impact on the commonwealth's economy.

The income and the capital turnover involved are two of the main bases upon which tax structures must rest. The earnings of industry, indeed, may be considered the main tax support of the state, since it is industrial activity that furnishes the payroll

Continued on Page 2

New Financial Crisis, Tax Hikes Feared

(Continued from Page 1)

conference committee comprised of three members from each chamber. The conference committee approach to settling disputes is highly regarded in legislative circles because it is easier for six legislators to agree than for a majority of 253 members to reach an accord.

New Tax Hikes Seen

The possibility of increased taxation loomed higher after the floods ravaged Pennsylvania because of the need for unanticipated spending to help individuals and communities resume normal operations.

But even before the deluge, there was a prediction in the House by Republican Minority Leader Kenneth B. Lee (Sullivan) that the Governor's proposals would force the legislature to hike taxes about $200 million a year. He did not specify the areas of taxation but precedent shows the burden usually hits Pennsylvania's commerce.

There were numerous cuts made by the legislature in the Governor's proposal, but the end result could not finance the heavy spending that will be needed to help Pennsylvanians extricate themselves from the state's worst flood in the 20th century.

The tax picture for business and industry was just beginning to clear when the new fiscal year began with the reduction, voted earlier by the legislature, of the tax rates for the corporate net income and capital stock taxes. On top of that, state Commerce officials were recommending a further loosening of the tax bonds on commerce by suggesting the legislature trim the CNI back to 9% with adjustments in other areas.

Tax Reforms Studied

A special committee named by the Governor to survey and propose reform of Pennsylvania's tax structure at all levels unquestionably will make some proposals in the fall.

But the Governor has warned that any tax reform must include voters' approval of a graduated personal income tax to replace the current 2.3% flat levy. An amendment to the Constitution to permit a graduated levy must be approved by two separately-elected legislatures and a majority of the voters. Such an amendment is in the current legislature awaiting its first go-round.

PMA LEGISLATIVE BULLETIN

P. O. Box 311, Lemoyne, Pa. 17043 Phone: 238-7225

Published by Pennsylvania Manufacturers' Association and PMA Insurance Company

Roger W. Rowland ..... Chairman of Board
Frederick W. Anton, III ..... President
John S. Webster ..... Executive Vice President and Secretary of Insurance Company
J. Lee Bausher, M. R. Williams, Frank L. Marcon, Samuel F. Hinkle ..... Vice Presidents
John H. Seeton ..... Secretary
Wister S. Baisch ..... Treasurer

Industry's Losses Are State's Losses

(Continued from Page 1)

out of which nearly all personal income taxes and other levies upon individuals (including real estate taxes) must be financed.

Moreover, transportation, banking, the production of raw materials, and many lesser lines of activity, are all so closely tied in with manufacturing enterprises that their well-being is directly dependant upon a healthy atmosphere for the forces of production.

The damage done by the malevolent Agnes to manufacturing industries divides into two classifications—the obvious and immediate, on the one hand, and on the other the long-range and olmost invisible after effects.

It needs no research to demonstrate that a great proportion of industrial plants in Pennsylvania are located on floodplains, rather than higher ground, and therefore were unmissable targets for the sudden and unprecedentedly high floods of recent weeks.

50,000 Made Idle

Entire plants were closed down for a time, and in some cases put completely out of business. It has been calculated that more than 50,000 workers were thrown suddenly into idleness by these enforced shutdowns. What cannot be accurately estimated is the complete or partial wrecking of buildings, the destruction of machinery, the loss of water-soaked raw materials, etc., etc.

Some dealers in hindsight may charge that it was a mistake for so many industrial plants to be located in the path of floods. But there were valid reasons for the choice of the sites—availability of railroads and truck-highways, access to riverwater, nearness to labor pools.

Morever, the recent flood was an unpredictable combination of unfortunate factors that produced waterlevels several feet higher than had ever been foreseen.

The invisible losses include the disruption of production schedules, the demoralization of working staffs, missed opportunities for distribution outlets, and similar operational setbacks.

But an obscure loss that may in the long run have a serious effect upon the state's economy is the fact that, for an uncountable number of enterprises, the flood may prove to be the last straw that encourages the out-migration of manufacturing enterprises. How can one estimate how many plants had been on the fence about searching a more friendly and less tax-ravenous area—but had hesitantly decided to remain in Pennsylvania because it already had sites and structures here, had established labor pools, enjoyed organized setups of transportation and outlets, and possessed convenient banking connections.

P.M.A. Asks Suspension of Statutory Overtime

On June 27, 1972 Secretary John H. Seeton of the Pennsylvania Manufacturers' Association addressed the following telegram to President Nixon, U. S. Senators Scott and Schweiker and to the 26 members from Pennsylvania of the House of Representatives:

"The costs of restoring business and industrial establishments ravaged by last week's floods will be staggering. The smallest extra cost burden, or the smallest extra cost saving, could mean the difference in many cases between closing down operations entirely and a delayed re-opening.

"Unless these business and industrial establishments are restored to productive output as soon as possible, the costs in lost wages and joblessness to thousands of the Commonwealth's workers will be tragic.

"One cost savings which would serve as an incentive to industry to get on with the job of plant rehabilitation as speedily as possible would be an amendment to section seven of the Fair Labor Standards Act which would, for a period of not more than 60 days, waive the requirement of overtime compensation after 40 hours work a week for those companies certified by the Wage-Hour Administrator to be engaged in rehabilitation of plant, machinery and/or equipment damaged by the floods generated by tropical storm Agnes.

"Your immediate consideration of this proposal will be of invaluable help to employers and employes in Pennsylvania, New York, Maryland, Virginia, West Virginia and other states where productive facilities are not operative.

"We believe suspension of the costly over-time requirement could speed up restoration of flood-damaged businesses and plants to productive operations. The temporary suspension of the federal overtime requirement would, of course, benefit only those employers whose workers are not subject to collective bargaining agreements.

"Employers who are parties to labor contracts which provide overtime compensation on a daily or weekly basis would have to secure agreement of the unions, that also are parties to such contracts, to the suspension of their overtime requirements."

P.M.A. Backs Compromise No Fault Insurance Bill

Recently, Senate Bill 1360 pronsored by the Trial Lawyers' Association of Pennsylvania was reported out of the Senate Insurance Committee. At the same time, Senate Bill 1478, the compromise no-fault automobile insurance bill, which is supported by the administration in Harrisburg and by the Insurance Federation of Pennsylvania, Inc., of which the Pennsylvania Manufacturers' Association Insurance Company is a member, was bottled up in the Senate Insurance Committee.

S. B. 1478 represents true automobile insurance reform. Like homeowners and fire insurance, it would allow full and prompt recovery to an injured person without waiting for years to get into court. Recovery would not be barred by a legal doctrine such as "contributory negligence." By using a threshold of pain and suffering, the injured Pennsylvania motorist could recoup his losses promptly. At the same time, the line of premium costs would be held because exorbitant over-payments for pain and suffering would be eliminated.

S. B. 1360, on the other hand, retains the "fault" system with all its interminable delays. On top of this outmoded system, it superimposes only "first party benefits." Automobile insurance costs under such a plan would be more not less than at present —some estimate the increased costs as high as 35% or more.

Pennsylvania Manufacturers' Association Insurance Company, like you, wants an automobile insurance system that represents meaningful reform.

The present fault system IS outmoded. Why should anyone bear the economic loss and emotional trauma occasioned by having to prove in court that the "other guy was wrong?"

Most persons involved in automobile accidents aren't intentional "wrongdoers." They are as disabled and as unable to care for their families as motorists later determined to be "innocent."

We urge you and your employes to contact their state Senators, asking them to oppose S. B. 1360 which clings to the old expensive "fault" system of automobile insurance coverage and to support amendments to that bill which will follow basically the provisions of S. B. 1478 thus providing real reform which will result in lower automobile costs and speedier settlements for you and your employes.

PLAN FOR CURBING WELFARE FRAUDS SENT TO GOVERNOR

An explosive plan for legislative review of Welfare Department regulations, in an effort to curtail fraud and waste—a scheme the Governor has already threatened to veto—was forwarded to his desk last week when the House voted 121-59 to accept Senate amendments to H. B. 1072 (Bul. 52, p. 1). He has until July 10 to make his decision.

PIDA EXPANSION URGED TO COVER FLOODS

The State Commerce Department has suggested the Legislature amend the Pennsylvania Industrial Development Authority law to permit use of its funds for emergencies such as result from floods.

Under the law PIDA money can be authorized only for building or expansion of existing facilities. The department plans to ask the Legislature to increase the annual PIDA appropriation to underwrite the expanded program.

WILKES-BARRE
TIMES LEADER
THE EVENING NEWS
FRIDAY, JULY 7, 1972

Wilkes-Barre Record

LEGISLATION AIMED TO AID AREA BUSINESS

State Commerce Dept. Seeks Amendments To Finance Programs

In the wake of the flood which caused an estimated $1.4-billion loss to Pennsylvania business alone, the State Department of Commerce has moved to bring two economic development finance programs to the business and jobs recovery effort.

State Secretary of Commerce Walter G. Arader has had legislation introduced to amend the state's Revenue Bond and Mortgage Act to make it applicable retroactively to disaster relief projects already begun in the flood recovery effort.

The amendment would permit use of the program's machinery for financing "any undertaking to rehabilitate, repair, reconstruct, clean-up, replace, or otherwise return to economic use any land, site, structure, or facility, including machinery, equipment and tools damaged or lost due to disaster of flood and fire or other casualty caused by the floods of June, 1972 and comprising or being part of an industrial, commercial, manufacturing or research and development project as defined in this act."

The Revenue Bond and Mortgage Program can provide for up to $5-million in low interest rate loans when these loans will be used to replace or refurbish buildings and equipment. A loan under this program is sponsored by the state government, but is arranged between the local bank or other lender.

The Revenue Bond and Mortgage Program involves no state funds.

Secretary Arader has established a four man committee to expedite loan applications from flood-stricken businesses. John S. Cole, executive director of PIDA, is serving as chairman of the committee, and may be reached by telephone at (717) 787-6254.

Secretary Arader has written the presidents of Pennsylvania banks to remind them of the availability of financing under the two industrial development programs. He wrote, in part:

"At this time, it might be easy to lose sight of the value of our continuing industrial development programs as they could be applied to solving the problems presented by the devastation. Specifically, the Pennsylvania Industrial Development Authority and the Revenue Bond and Mortgage Program, which have been so useful to us in developing Pennsylvania's industrial base through the purchase of land, buildings and equipment, are even more valuable in this time of crisis. Counsel to the Pennsylvania Industrial Development Authority has opined that the Revenue Bond and Mortgage Law is available to assist industry in rehabilitation and equipment loans."

Bernard B. Blier & Associates

Memorandum for Record

Discussion with County Commissioners - July 18, 1972.

I spent an hour today with the Commissioners of Luzerne County. All three were present and, in addition, Tom O'Donnell, Federal Aid Coordinator, and Bud Edgerton. Principal reason for getting together was for me to present certain ideas on improving the future prospects for Luzerne County.

My main point was to advocate the exploration of the potential for county "home rule" as a mechanism for dealing with some of the extraordinary problems which many local municipalities face as a result of the flood, and also for improving some long-term problems which are generally attributed to the multiplicity of local governments in the area. I emphasized that I did not recommend "consolidation" of these municipalities, which I think would be very hard to sell; but rather an arrangement which would permit the transfer of local government functions from the townships and boroughs to the County level. This would enable the resources of a much larger tax base to be brought together on the wide-spread problems.

We returned to this matter from time to time during the course of the hour. Not one of the group flatly opposed it, but each of the Commissioners expressed reservations. These reservations seemed to be as follows: a) a reluctance to take on as much authority and responsibility as would be required under "home rule,"; b) reluctance to impose the higher county taxes that would be required; and c) some doubt of the acceptability of the idea to those portions of the County which would have to carry the burden for the damaged portions. However, the discussion was by no means conclusive. They recognize and have no answer to the problems that will exist in the flood damaged municipalities once Federal support ends.

It appears to me that they would buy the idea if they felt they could do so with wide-spread acceptance throughout the County. Need for a public education program and promotional effort was discussed. They seem to be willing to have EDC, or any other group, attempt to stir up interest and gain popular support. I said we would give the matter some thought and see what we may be able to do.

I also discussed the current development of self-appointed citizens' committees which are undertaking to exercise what power and influence they may have to bring about desired improvements in the present situation. O'Donnell expressed concern that we would again see the problems of uncoordinated action and competition for control and recognition among these groups. I recommended that the Commissioners form a "Commissioners' Council on Recovery" and

set themselves up as the coordinating head of this kind of activity. Existing committees and some not yet formed, which are needed, could be brought together with at least nominal and publicly recognized control in the hands of the Commissioners. This would be consistent with and perhaps foster acceptance of the idea of County home rule.

I mentioned the availability of our "New Communities Study" and our intention not to release it at this time because of the probable negative reaction from much of the public. I pointed out however that it is available and can be brought out anytime it would appear useful to do so.

I also mentioned the "Distribution Study" and its recommendations with respect to bringing new industry into the area. I told them that it is coincidental but highly fortuitous that this study report becomes available at this time. The EDC will convene a meeting of Chambers of Commerce and industrial development people in the near future in order to inform them on the results of this study and to give them targets to work toward in providing further development and diversification of the economic base for the area.

I left them with the request that they give further thought to these matters and not hesitate to ask for more discussion whenever they thought it might be useful. I also emphasized that the EDC staff would be glad to provide assistance to them upon request.

I made a commitment to provide them with an outline of the "home rule" act and an implementation schedule which would show the requirements of the act. There is also what amounts to a commitment to explore the possibility of public education and promotion of the home rule approach and to test what the response is to that.

JBH.

7/17/72

Future of Wyoming Valley

Objectives:

1. Re-structure Luzerne County government, and transfer functions as determined by study from local municipalities to the County.

2. Build the Cross-Valley Expressway, with Wilkes Barre interchanges, and the Down-Town Distributor.

3. Establish Land Use Plan - at county and/or regional level.

4. Provide "New Community" option for voluntary relocation of --
   a) persons from destroyed homes
   b) persons from areas of future high risk.

5. Transfer to public ownership and use property --
   a) destroyed by flood
   b) in high risk subsidence areas
   c) on flood plain, as available.

6. Relocate industry to industrial parks, at their option, with public acquisition of land.

7. Create single SMSA.

8. Obtain passage of S1407 - Pa. Housing Finance Agency Act.

9. Establish public transportation serving urban core of the SMSA.

10. Further diversify the economic base of the region.

FACT SHEET

1. TITLE: Hurricane Agnes Technical Assistance

2. DATE: July 14, 1972

3. LOCATION: New Executive Office Building, Room 2008
17th Street and Pennsylvania Avenue, Northwest
Washington, D. C.

4. SCHEDULE: Technical assistance -- 2:00 p.m. - 4:00 p.m.

5. PURPOSE: To provide technical assistance to Governors, Mayors, City Managers, County Commissioners, township trustees, planners, and other public officials and concerned citizens with technical advice concerning Federal programs available to them to help solve problems as a result of Hurricane Agnes. Local representatives of the media have been invited to enable them to publicize specific information regarding Federal assistance in their respective geographical areas.

6. TARGET AREA: The six States of West Virginia, Virginia, Florida, Pennsylvania, New York, Maryland.

7. MAJOR PARTICIPATING FEDERAL AGENCIES:

- Office of Emergency Preparedness
- Federal Regional Council, Philadelphia
- Federal Regional Council, New York
- Appalachian Regional Commission
- Department of Housing and Urban Development
- Office of Economic Opportunity
- Department of Agriculture
- Environmental Protection Agency
- Small Business Administration
- Corps of Engineers
- Department of Transportation (Highways)
- Economic Development Administration (Commerce)
- Department of Labor
- Department of the Treasury
- Department of Health, Education and Welfare

8. For later contact on disaster assistance, see list of OEP Field Offices and individual assistance centers enclosed in your packet.

TECHNICAL CONSULTANTS

AGENCY	NAME/TITLE	TABLE NUMBER
1. Office of Emergency Preparedness	Mr. George Grace Assistant Director for Disaster Programs	1.
	Mr. Frank Carney Regional Director Region III	
	Mr. Thomas Casey Regional Director Region II	
2. Federal Regional Council (Philadelphia)	Mr. Theodore R. Robb Chairman Philadelphia Federal Regional Council	2.
3. Federal Regional Council (New York)	Mr. S. William Green Chairman New York Federal Regional Council	3.
4. Appalachian Regional Commission	Mr. Donald W. Whitehead Federal Cochairman	4.
5. Department of Housing and Urban Development	Mr. John Gibson Director, Emergency Preparedness Staff	5.
	Mr. Warren Butler Executive Assistant to Assistant Secretary for Community Development	
	Mr. Richard Krimm Director Flood Insurance Program	

TECHNICAL CONSULTANTS

AGENCY	NAME/TITLE	TABLE NUMBER
6. Office of Economic Opportunity	Mr. Frederick Lawton Special Assistant to the Deputy Assistant Director Office of Operations Mr. Ernest Hurst Disaster Assistance Task Force Leader	6.
7. Department of Agriculture	Mr. W. F. Moss Assistant to the Secretary for Intergovernmental Affairs	7.
8. Environmental Protection Agency	Mr. Seymour Greenstone Disaster Coordinator Division of Management and Organization Mr. Jim McDermott Director Water Supply Division Mr. Ken Biglane Director of Oil and Hazardous Material	8.
9. Small Business Administration	Mr. Jack Kneibel General Counsel Mr. Claude Alexander Associate Administrator, Field Operations Mr. Steve Bedwell Deputy Associate Administrator, Field Operations Mr. Dick McMurray Assistant General Counsel	9.

TECHNICAL CONSULTANTS

	AGENCY	NAME/TITLE	TABLE NUMBER
10.	Corps of Engineers	Lt. Gen. Frederick J. Clarke (a.m. session) Chief of Engineers Locke Morton (a.m. session) Deputy Chief Public Affairs Col. Frederick F. Irving (p.m. session) Assistant Director of Public Works for Atlantic Division Mr. Richard S. Rahte (p.m. session) Chief, Emergency Operations	10.
11.	Department of Transportation Federal Highway Adminitration	Mr. Ed Swick Executive Director	11.
12.	Economic Development Administration (Department of Commerce)	Mr. Arnold Leibowitz Director, Office of Technical Assistance Mr. John McCracken Special Assistant to the Deputy Assistant Secretary for Operations Mr. Dan Harrington Senior Project Officer Office of Technical Assistance Mr. George Karras Director, Office of Public Works, and/or Mr. Frank Cirillo Deputy Director, Office of Public Works Mr. William Blunt Deputy Assistant Secretary for Economic Development	12.

TECHNICAL CONSULTANTS

AGENCY	NAME/TITLE	TABLE NUMBER
13. Department of Labor	Mr. Mervin Hans Associate Manpower Administrator Office of Employment Program Development Mr. Robert Goodwin Associate Manpower Administrator Office of Unemployment Insurance Mr. William Mirrengoff Associate Manpower Administrator Public Service Employment Mr. William Hewitt Associate Manpower Administrator Office of Policy Evaluation and Research, or Mr. Paul Fasser Manpower Administrator	13.
14. Department of Treasury	Mr. Edward J. Gannon Special Assistant to the Deputy Secretary Mr. Roger Gaetjin Internal Revenue Service Economic Stabilization Program Mr. Charles Presley Internal Revenue Service Mr. Herbert Turvey Internal Revenue Service	14.

TECHNICAL CONSULTANTS

AGENCY	NAME/TITLE	TABLE NUMBER
Department of Health, Education and Welfare	Mr. Dean Snyder Emergency Coordinator Office of the Secretary Dr. H. C. Huntley Director of Emergency Health Public Health Service Mr. Jack Thomas Acting Director Office of Education Division of School Assistance	15.

Statement by Frank Carlucci,
Deputy Director of the Office of Management & Budget
at a meeting of
Government Officials
on
Measures to meet AGNES Disaster

First a word or two about how we will proceed today. I will give you a brief description of the measures the President has directed and how the various Federal programs can fit into your recovery plans. Our focus will be on long-range recovery, although General Lincoln is here to answer questions on immediate disaster relief should you have any.

At the conclusion of my remarks we will proceed with questions and answers. To assist me, I have Under Secretaries and Assistant Secretaries from the 15 or so Federal Agencies involved.

We will have a coffee break at 11:45 and then resume the question and answer period. During the break, we will pass out an information packet. For those of you who have more detailed questions, we will have representatives of the agencies available this afternoon. Their location will be in your information kit.

$1.7 billion sounds like a lot of money, and it is. But as you all know, the need is equally great and we must be certain it is spent effectively. Duplication and red tape must be kept to a minimum. That is why it is important that you, as local officials, understand the programs. Your understanding of what can and cannot be done will greatly speed the process.

I will try to be as unbureaucratic as possible in explaining how you, as a local official or as an individual -- because I recognize many of you have also suffered personal loss -- can gain access to these funds.

First, I should emphasize that Federal assistance can only supply a part of the ingredients that are necessary for the restoration and improvement of your communities. The imagination, dedication and energy that will be required to redevelop your communities can only come from you and your fellow citizens -- we can help but we can't do the entire job. For the community determined to seize the opportunity, the Department of Housing and Urban Development (HUD), the Appalachian Regional Commission and the Economic Development Administration (EDA) of the Department of Commerce will focus planning assistance

on community reconstruction efforts. $56 million in new funds and $20 million in reprogrammed available funds are proposed for planning grants, local development district support, housing site development, alleviation of mine subsidence, and economic reconstruction efforts.

So, for example, if your community decides to develop or rebuild an industrial park, the Economic Development Administration can provide technical and project assistance.

Highway systems have been badly damaged. Your State highway department, with assistance from the Federal Highway Administration in the Department of Transportation, will be repairing, rebuilding and reconstructing Federally assisted highways. $200 million in new authorizations is being requested to provide for this work. Non-Federally aided highways will be repaired out of the President's Disaster Relief Fund.

In your towns and countries where public facilities have suffered damage, I know that you have already been working with the Office of Emergency Preparedness toward the restoration of such facilities. We are proposing additional appropriations of $200 million to the Disaster Relief Fund, bringing the total of that Fund to $492 million.

If your water or sewage treatment plant has been damaged, it should, of course, be restored to service quickly, but repair could be coupled with improvements to meet established water quality standards. Both the Environmental Protection Agency and the Department of Housing and Urban Development are prepared to provide special assistance for this purpose.

Your community will have to consider the threat of further flooding. The Army Corps of Engineers will accelerate flood protection projects. For example, $10 million is being requested to restore and improve the levees at Wilkes-Barre and $2 million to speed work on the Tioga-Hammond Reservoir on the Upper Susquehanna, which will provide greater protection in the Basin.

That covers some of the large-scale measures that can be taken. When we told the President of these measures, he said fine, but go back to the drawing boards and find out what you can do for the homeowner and the small businessman. We must do more than build infrastructure -- we must help the individuals who have seen their homes and businesses destroyed and who face mortgage payments on badly damaged assets.

We, of course, have a loan program administered by the SBA and the Farmers Home Administration directed toward homeowners and businessmen, and the $1.7 billion the President is requesting includes $1.3 billion for that program.

But the President recognized that the present program needed to be liberalized if we are to really help these individuals and communities recover from the ravages of a disaster of the proportions of Agnes. Hence he is proposing to Congress the Agnes Recovery Act. I'd like to take a minute to explain the provisions of that Act because its passage and its successful implementation are crucial to your recovery efforts.

The present program administered by SBA and Farmers Home Administration provides for loans of up to 30 years at the Treasury rate, presently 5 1/8%. After repayment of the first $500, the borrower is then granted forgiveness of up to $2,500.

Under the President's proposal, the loan would be at 1% instead of 5 1/8%. The first $5,000 would be forgiven. It would no longer be necessary to repay the first $500 to obtain the forgiveness. In more straightforward language, if the person borrows $5,000 or more, he receives a grant of $5,000.

Let me illustrate with a few examples:

HOME LOANS: Joe Doakes suffered uninsured $8,000 damage to his home as a result of Hurricane Agnes. What benefits can be provided him under the new law? He can get a loan from SBA in the amount of $8,000, the first $5,000 of which is canceled, and the balance of $3,000 bears interest at 1% per year.

HOME LOANS AND REFINANCING: Bob Brown owns a new $30,000 house on which he has a $28,000 mortgage at 6 1/2% for a 25-year term. His home suffers $20,000 worth of uninsured damages. Because this exceeds 50% of its value, SBA can make a 30-year $40,000 loan with $5,000 forgiveness at 1%. He still has $8,000 of the original mortgage unliquidated. His principal and interest payments prior to the disaster were $189 per month. His monthly payments after the disaster on the SBA and residual original loan would be $167.

FARM LOANS: Jim Jones suffers crop losses of $5,000, has lost 10 dairy cows worth $4,500, and has damage to his barn not covered by insurance of $6,000 for a total loss of $15,500. For these losses, he can obtain loans from the Farmers Home Administration. Under present law, his total repayments would be $26,349. Under the President's proposal, his repayment would total $16,873, thus a savings of $9,476.

BUSINESS REFINANCING: A small business concern suffers substantial property damage in the amount of $150,000 as a result of Hurricane Agnes. SBA can loan that firm $150,000 to cover physical damage sustained, and up to $150,000 more to cover refinancing of liens on the damaged property being restored. The portion of the loan for refinancing cannot exceed that portion which covers the damage sustained, regardless of the amount of the concern's existing indebtedness. The first $5,000 of the overall $300,000 loan would be canceled, and the balance would bear intest at 1% per year. Maturity is up to 30 years.

This, then, is what the Federal Government is proposing to do. Let me focus for just a minute on what you, at the local level, might do. Many of you have programs underway and I don't want to preach to the choir, but there are some experiences in other parts of the country you might draw on.

For example, in Seattle with unacceptable levels of employment, the response has been the formation of a very dynamic Economic Development Council. Five units of government, labor and education have joined more than 200 Seattle area businesses to promote both public and private investment in the Seattle area. This effort has been assisted by EDA.

In other cases, planning and decision-making groups composed of city, county and State officials were formed very quickly to develop and guide the recovery effort, and to work with Federal officials. This arrangement has been extremely effective. Wilkes-Barre has the experience and a history of cooperative effort within the business community to promote such economic development. Other communities in the disaster areas may want to mobilize in this way.

By the way, in rebuilding your community, please give attention to structuring incentives for people to move out of the most flood-prone areas -- and by all means take action to qualify your community for Federal flood insurance and encourage homeowners and businesses to purchase it.

The Federal long-term recovery efforts will be focused through the Regional Councils in Philadelphia and New York. The Chairmen of these Councils are here today and will be available to you this afternoon.

What we are looking for is a new leadership thrust at the local level. The President has proposed Federal relief measures of unprecedented proportions. We will do all we can to see that the Federal government implements these measures rapidly and effectively. But

we will need rapid local decisions to do this. I suggest you utilize this period to instill a new spirit of teamwork and cooperation into your rebuilding effort. Now is not the time to falter or stumble. We must create a psychology in our communities that looks not backward into tragedy, but forward into the future with enthusiasm.

I am convinced that this can be done. Like everyone else I was shocked when I revisited my home town of Wilkes-Barre. But I was equally encouraged by the spirit of the people.

That spirit is typified by the comments of a resident of Kingston, Pennsylvania. We stopped by his home -- a total wreck. His business was destroyed. He was patiently cleaning out the mud. His life seemed to be a shambles. But he had a smile for us. As we left, he said: "You give us the bootstraps, we will pull ourselves up." We, at the Federal level, will try to furnish the bootstraps and with that kind of attitude at the local level, I know our joint efforts will succeed.

THE MORNING CALL, Allentown, Pa., Thurs., Aug. 3, 1972

Relocation of Property Owners

New Pact Won't Halt Flood Aid

HARRISBURG (AP) — The group supervising flood recovery in Pennsylvania announced Wednesday that a new state and federal long-term building policy will not jeopardize aid to flood victims.

Theodore R. Robb, chairman of the Federal Regional Council, promised that "interim emergency assistance will not be halted" despite long-range efforts to relocate property owners in flood-prone areas.

Robb and Lt. Gov. Ernest P. Kline signed a policy agreement Tuesday stating that "local, state and federal resources will not be used for new construction within the 100-year flood plains" unless the buildings are "flood-proofed to provide adequate safeguards."

Individuals and businesses within the flood plain could receive "interim assistance on a humanitarian basis," the joint policy statement said, but only if local, state and federal governments "utilize available authority and programs to assist these individuals and businesses to move to areas beyond the 100-year flood plain or provide adequate safeguards."

Robb clarified the statement Wednesday, saying that home and business owners will remain eligible for long-term rebuilding loans from the Small Business Administration and other agencies, even if they plan to repair or build in the same areas flooded by Tropical Storm Agnes.

"We're not talking about the emergency aid being provided by the Office of Emergency Preparedness, the SBA or any other agencies," Robb said. "We're talking about long-term investments.

"When you get into long-term investments, this is where the federal government is saying that they should be made in areas not subject to flood hazards. We have no intention of doing anything to interfere with the emergency short-term effort being made."

Robb's statement followed a pledge from Claude Alexander, a top official in the Small Business Administration, that the agency will continue making loans to flood-damaged property owners regardless of where the individuals plan to rebuild.

Alexander, the SBA's associate administrator, said that in cases where property owners plan to rebuild inside a flood plain, "We would encourage the property owners to obtain flood insurance. But it's not an absolute requirement."

Alexander appeared at a news conference Wednesday to announce the SBA has approved $100 million in disaster loans for victims in the six states damaged most severely by flooding. About half of the amount, he said, goes to Pennsylvanians.

The SBA has processed about a quarter of the home loan applications received in the state, according to Alexander. He said the agency has "set a target of accepting all disaster loan applications within 90 days."

The flood plan definition cited by Robb and Kline includes areas which would stand at least one chance in a hundred of being flooded in a particular year.

The 1972 flood is considered more serious than would be expected in a given 100-year period. Therefore, according to Robb, not all of the recently flooded areas would be considered part of the flood plain.

The Army Corps of Engineers and the state's Department of Environmental Resources are working on designation of the specific areas within the 100-year flood plain.

Environmental Resources Secretary Maurice Goddard said Wednesday that even the long-term flood plain plans do not apply to the areas of Kingston, Edwardsville, Plymouth, Forty Fort, Wilkes-Barre, Swoyersville, Williamsport, Sunbury, York and Elkland.

According to Goddard, the 10 areas will be protected sufficiently once levees are rebuilt and the Tioga, Hammond and Cowanesque reservoirs completed, against 100 year floods.

Goddard said it was unfeasible economically to ask residents in the 10 areas to relocate because they lie within the 100-year flood plain.

from the desk of . . .
Bernie Blier

Judge----

Attached, you will find copies of the Flood Plain Agreement, news release and folo "clarification story"...

This agreement is going to haunt Wyoming Valley for many years unless nullified or materially modified.....

B

wvia-tv
CHANNEL 44 BOX 4444 SCRANTON, PENNA. 18509 phone 717-344-8637

July 25, 1972

The Honorable Max Rosenn, Circuit Judge
197 South Main Street
Wilkes-Barre, Pennsylvania

Dear Judge Rosenn:

Thank you so much for taking time from your busy schedule to join us on "Flood Relief: A Local View", last Thursday here on Channel 44.

Your comments were most timely and offered a new perspective on the recent disaster in Northeastern Pennsylvania. Response from our viewers attests to the timeliness of the show and your knowledgeable opinions.

Both George Strimel and I appreciate your efforts on behalf of Channel 44.

Sincerely,

Carole M. Baldino (Mrs.)
Coordinator of Environmental Projects

CMB/cs

Enclosure

WBRE-TV
Wilkes-Barre/Scranton
62 S. Franklin Street,
Wilkes-Barre, Pennsylvania: 18703

EDITORIAL

TUESDAY, AUGUST 8, 1972

S-B-A PROGRAM

First of all, we're grateful for the liberalized S-B-A program approved by the United States Senate last Friday. We expect the House to refuse concurrence and its joint committee members to succeed in striking out the "means test" from the Senate version. We expect the essentials and the profoundly necessary provisions for the elderly, the private colleges and for operationsl cost borrowing to be retained. The liberalized program is necessary to start the cash flow required for food, clothing and shelter repairs.

However, it is not enough. It is not enough if we are to get on our feet again. We've said before,and at the risk of boring you say again, what is essential to recovery, what so far is the missing ingredient to recovery is restoration of equity.

Among the means by which equity could be restored would be to treat the losses though they were insured. Government subsidy, loan and grants could cover reimbursement on a one-time basis. For the future, and using the same form of government subsidy that now makes flood insurance and subsidence insurance available at reasonable rates, all casualty insurance could be expanded to cover all disaster losses.

We recognize the practical political hurdles to enactment. We recognize that when the S-B-A program passes the Congress, that will be all the Congress will do this year and that each of us will have to set our plans for action on the assumption that this is all the help we'll get. However, we will -and we hope you will too- continue to press the Congress for enactment of an adequate equity insurance program covering all disaster losses. We and the Congress owe it to future victims. And there is a chance (Senator Schweiker thinks it is a more than reasonable chance) that if this is adopted, it would be retroactive to Agnes. We hope so and intend to work for it. For the moment however, the only potential reality for our permanent recovery is the S-B-A program.

WBRE-TV
Wilkes-Barre/Scranton
62 S. Franklin Street,
Wilkes-Barre, Pennsylvania 18703

EDITORIAL

SIX WEEKS OF NOTHING

THURSDAY, AUGUST 3, 1972

While we've talked of the necessity of restoring equity if the individual in the flood disaster area is to recover, the need is just as great, just as imperative for the general community.

As for individuals, equity is the fuel of the economy. Without equity, the working capital necessary for business, commerce, industry and individuals is in danger. Without equity, the ability of business to provide jobs is in danger. Without jobs there are not wages. Without wages there are no purchases, no spending. Without spending there is no local, state or federal revenue but there is a substantial increase in all kinds of welfare expenditures.

Equity is the thrust that keeps wheels spinning and equity is what was washed away by the flood. And that is what makes this disaster special and separate from any other which we can recall in this nation's history. Never before has a whole community's equity been lose and its whole capacity for self-regeneration destroyed.

The only hope for recovery of equity and thereby recovery of the disaster area lies in federal legislation. There are several ways that equity could be restored, but we now are at the end of the 6th week of the disaster and the Congress still has not produced even the basic liberalization of the SBA loan program. The Congress has done nothing for the flood victims;at the same time it has produced a 20-billion dollar bill for weapons procurement! It has done nothing for the Agnes victims because each Congressman wonders what's in it for his constituents. We may be the first to suffer such a wholesale disaster but we doubt we are the last and we believe each Congressman who votes for the liberalized SBA program and for a new program that restores equity, will be doing something for his constituents --if not yesterday, certainly tomorrow. And it is an absolute fact that the cost of adequately serving the victims of Agnes is considerably less than that one authorization for weapons procurement. It is not without reason that the victims see the Congress as quick to approve billions for destruction but reluctant to give anything for reconstruction. If that is unfair, so is six weeks of nothing!

TO THE CONGRESS OF THE UNITED STATES:

Tropical Storm Agnes caused the most widespread destruction and devastation of any natural disaster in the history of the United States. On July 17, 1972, I sent to the Congress a proposal authorizing special disaster recovery measures which would aid victims of Agnes and also of the flood in Rapid City, South Dakota during June 1972.

As I stated in my transmittal message, the need for prompt enactment of these aid proposals, aimed at short and long-term recovery, is extreme and urgent. I asked the Congress then to consider and enact them within seven days. Sixteen days have passed without final Congressional action on the Disaster Recovery Act of 1972. I again urge the Congress to act immediately, because the victims of these disasters desperately need the help these measures would provide. And they need it now.

Today, I am transmitting an amendment which would make private, non-profit educational institutions eligible for disaster relief grants under the Act. I urge that the Congress consider and enact promptly this amendment, which would authorize reconstruction relief for these institutions comparable to the disaster reconstruction relief already available to public eductional institutions.

The Office of Emergency Preparedness estimates that property loss and damage at private non-profit educational institutions in the storm affected areas has exceeded $19 million. Many of these institutions have undergone damage

so extensive that they would be unable to rebuild facilities or reopen without extraordinary assistance. For example, at one alone, Wilkes College in Wilkes Barre, Pennsylvania, which is not a large or wealthy institution, the storm caused havoc and destruction estimated at several millions of dollars.

The proposal I am transmitting today would provide financial assistance to restore, reconstruct or replace disaster-damaged education facilities, supplies and equipment used primarily for nonsectarian educational purposes. I believe this temporary authority is required if we are to meet our public responsibilities equitably and in a just manner.

Again, I cannot stress too strongly that it is essential that the Congress immediately enact the pending disaster relief legislation I have proposed. It is imperative that this massive recovery program begin at once. Millions of Americans -- individual homeowners, farmers and city dwellers, small businessmen -- are struggling to rebuild their lives in the wake of these natural disasters. They need their Government's help. And they need it now.

THE WHITE HOUSE,

House of Representatives, U.S.

MEMORANDUM

The attached refers to a subject in which you are interested, and is, therefore, referred for your information.

Yours very truly

Dan

AUGUST 9, 1972 - 6:25 P.M.

HOUSE AND SENATE CONFEREES ON THE SMALL BUSINESS ADMINISTRATION BILL AND THE AGNES DISASTER RELIEF BILL AGREED LATE THIS AFTERNOON UNANIMOUSLY ON $5,000 FORGIVENESS AND 1% INTEREST ON ALL SBA LOANS; ALSO GRANTS TO PRIVATE SCHOOLS INCLUDING ELEMENTARY AND SECONDARY FOR DAMAGES AS THE RESULT OF HURRICANE AGNES FOR REPAIRS, RECONSTRUCTION, REHABILITATION OF FACILITIES; ALSO OLD AGE FORGIVENESS. PROMPT ACTION CONFIRMING CONFERENCE REPORT EXPECTED BY HOUSE AND SENATE. I PRESENTED TO THE FULL APPROPRIATIONS COMMITTEE OF THE HOUSE $1,700,000,000 EMERGENCY DISASTER RELIEF APPROPRIATIONS BILL APPROVED UNANIMOUSLY. HOUSE ACTION EXPECTED ON TUESDAY. EXPECT THIS BILL TO BE LAW BEFORE AUGUST 18 RECESS.

DJF/y

Flood file

FEDERAL REGIONAL COUNCIL - COMMONWEALTH OF PENNSYLVANIA

POLICY STATEMENT ON
FLOOD PLAIN DEVELOPMENT

Long term rehabilitation of all areas in Pennsylvania which suffered damage as a result of the floods of June 22-24, 1972 will require substantial Federal and State assistance. It is essential both for humanitarian and economic reasons that State/Federal planning efforts and the provisions of all State and Federal grant programs be utilized to encourage relocation of flood sensitive facilities, particularly housing and public buildings away from areas where the risk of future flooding is high.

While it is understood that specific projects must be considered under the provisions of State and Federal law on a case by case basis, the following basic policy shall be implemented with regard to areas subject to varying frequencies of flooding:

1. To provide State and Federal assistance for areas now leveed - such as:

Kingston	Swoyersville
Edwardsville	Williamsport
Plymouth	Sunbury
Forty Fort	York
Wilkes-Barre	Elkland

This assumes that levees are to be reconstructed and that the authorized Tioga-Hammond and Cowanesque Reservoirs and other flood control structures necessary to provide protection within the 100 year flood plains are constructed expeditiously consistent with the pace of restoration activities. However, studies should be conducted within specified communities in order to identify localized low-elevation areas of high potential risk. In these areas, local zoning ordinances should serve as guides for appropriate redevelopment.

2. To provide State and Federal assistance for all areas beyond the 100 year flood plain. Planning studies and zoning ordinances shall be employed to preserve flood plains for uses not affected by periodic flooding.

3. To provide interim assistance on a humanitarian basis to individuals and businesses within the 100 year flood plain with the understanding that Local, State and Federal governments will either a) utilize available authority and

programs to assist these individuals and businesses to move to areas beyond the 100 year plain; or b) provide adequate safeguards.

4. Local, State, and Federal resources shall not be used for new construction within the 100 year flood plains unless such facilities are so constructed or flood proofed to provide adequate safeguards.

This agreement is subject to periodic review and modification as new information becomes available.

Commonwealth of Pennsylvania

Federal Regional Council

August 1, 1972

FEDERAL REGIONAL COUNCIL
240 North Third Street
Payne-Shoemaker Building
Harrisburg, Pa. 17101
Contact: Wynn Moseley 717-782-3980

FOR IMMEDIATE RELEASE

HARRISBURG, PA. August 1----Joint Federal and State policy on the long-term rebuilding of flooded areas in Pennsylvania was announced today by Theodore R. Robb, Federal Regional Council Chairman, and Lt. Governor Ernest P. Kline.

Designed to guide planning and the provision of State and Federal grants for flood rehabilitation, the joint basic policy contains four main points centered around 100-year flood plains (areas where flooding occurs an average of every 100 years.)

"Long-term rehabilitation of all areas in Pennsylvania which suffered damage as a result of flood June 22-24 will require substantial Federal and State assistance," Lt. Gov. Kline and Chairman Robb said. "It is essential both for humanitarian and economic reasons that State and Federal grant programs be used to encourage relocation of flood sensitive facilities, particularly housing and public buildings away from areas where the risk of future flooding is high."

The Federal/State policy statement also is expected to be of assistance to local governments and private interests in their plans for flood rehabilitation.

Chairman Robb and Lt. Gov. Kline, in signing the policy statement for the U. S. Government and Commonwealth of Pennsylvania, said that specific projects must be considered under Federal and State law on a case-by-case basis.

Following are the four main items of the State and Federal basic policy on long-term flood plain development:

"1. To provide State and Federal assistance for areas now leveed-such as:

(MORE)

Kingston
Edwardsville
Plymouth
Forty Fort
Wilkes-Barre

Swoyersville
Williamsport
Sunbury
York
Elkland

"This assumes that levees are to be reconstructed and that the authorized Tioga-Hammond and Cowanesque Reservoirs and other flood control structures necessary to provide protection within the 100 year flood plains are constructed expeditiously consistent with the pace of restoration activities. However, studies should be conducted within specified communities in order to identify localized low-elevation areas of high potential risk. In these areas, local zoning ordinances should serve as guides for appropriate redevelopment.

"2. To provide State and Federal assistance for all areas beyond the 100 year flood plain. Planning studies and zoning ordinances shall be employed to flood plains for uses not affected by periodic flooding.

"3. To provide interim assistance on a humanitarian basis to individuals and businesses within the 100 year flood plain with the understanding that Local, State and Federal governments will either a) utilize available authority and programs to assist these individuals and businesses to move to areas beyond the 100 year plain; or b) provide adequate safeguards.

"4. Local, State and Federal resources shall not be used for new construction within the 100 year flood plains unless such facilities are so constructed or flood proofed to provide adequate safeguards.

"This agreement is subject to periodic review and modification as new information becomes available."

# # # #

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL Sunday AMs
July 9, 1972

Pennsylvania's greatest natural disaster in recent history has brought with it a swift effort to provide adequate relief for the disaster victims.

The Great Flood of 1972 resulted in the coordinated effort of state and federal agencies with the opening of more than 120 Flood Information Offices located in vital areas throughout the Commonwealth.

Before the deluge of rain ended last week plans were already in the making for providing relief to the flood victims.

Within 24 hours after the rain ended the Flood Information Offices had been opened, each equipped to meet the immediate needs of the Commonwealth's citizens.

A Flood Information Central had been opened in the Governor's Office, and the job of coordinating state and federal department and agency efforts had begun.

The first order of business was to provide adequate staffing and information to the local Flood Information Office managers.

Most of this difficulty was solved when the various involved agencies compiled booklets of information which were forwarded to the local offices.

This enabled the offices to deal with a variety of problems, including employment, health, legal aid and housing, as well as such basic information as water and safety.

In communities where specialists were needed for the relief operations, Flood Information Central worked with the agencies to get representatives on the scene.

Federal agencies are cooperating at this time to provide representatives from the Small Business Administration and the Department of Housing and Urban Development in each disaster locality.

Where this is impossible, employes of the Commonwealth or volunteers are being trained to handle the special problems of providing housing and money to begin rebuilding.

According to a spokesman for the Department of Community Affairs, housing is the number one problem at this time, with the Commonwealth's citizens facing a need for more than 10,000 units of temporary housing.

Legal assistance is being provided by the Department of Justice, private lawyers and volunteer law students. The Insurance Commissioner's Office is also aiding in the protection of the consumer with special insurance problems relating to widespread disasters.

-MORE-

The Bureau of Employment Security, in cooperation with the federal government is providing unemployment relief for those unable to work as a result of the flood. Since the disaster more than 54,000 claims have been processed to help these individuals.

The federal government has made available special disaster unemployment relief monies which could go to individuals not normally qualified for regular unemployment benefits.

Director of Employment Security John Clark urges all those not normally qualified for such coverage, such as self-employed individuals, students and trainees, to apply for these benefits.

The Department of Health has also provided much information to the Commonwealth's citizens. Much of their effort has been directed to educating the public on the use of water and special health problems caused by flooding, such as contamination of foods and home furnishings.

Private agencies have also provided much in the way of disaster assistance. Soon after the rain began the American Red Cross had disaster shelters in many localities, providing food and shelter to those who were displaced by the flood.

They are currently working to help individual families rebuild their homes and families after the disaster.

Many private industries have also provided assistance to flood victims. The Flood Information Central has assisted those companies with the distribution of food, clothing and other special items. One Philadelphia firm donated more than 5,000 dolls to the children of disaster victims.

The entire effort is being coordinated by Secretary of Administration Ronald Lench in the Governor's Office.

Ten telephones are staffed by workers from various departments who are responsible for receiving daily action reports from the local flood offices, evaluate the needs of the local communities and coordinate efforts of all agencies to fulfill those needs.

At the present time, Flood Information Central has informed the local Flood Information Offices that all but 40 of them may return to normal operating hours, with the hardest hit areas remaining on emergency status until the main crisis is over. Those offices operating on normal hours are still Flood Information Offices, which will still provide assistance to anyone requesting such aid.

Governor Milton J. Shapp is very pleased with the job the local Flood Information Offices are doing. He stated, "They have been one-stop centers to provide funds and assistance of any kind or information about all aid available. They have been doing a wonderful job."

###

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL

IMMEDIATE RELEASE
Friday, July 7, 1972

Governor Milton J. Shapp today thanked all of the state employes who stayed on the job throughout the budget crisis which ended at 5:00 A.M. this morning.

The Governor also thanked the employes in advance for remaining on the job throughout this weekend while pay checks are being processed and rushed to delivery.

Shapp said the extremely trying circumstances resulting from the recent flood emergency have forced many state employes to work very long hours, much in excess of the normal weekly total.

"Employes throughout the state stayed on the job in order to see that the needs of the flood victims were being met while they themselves were being forced to go without pay. All that I can say is thank you to those employes and to promise that their checks are being sent to them as rapidly as possible," Shapp said.

###

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL 6:30 P.M.
Friday, July 7, 1972

Governor Milton J. Shapp today personally thanked the people of the City of Johnstown and Cambria County for their unprecedented donations of aid to the Wilkes-Barre area.

This past Fourth of July weekend more than 3,000 people in the Johnstown area turned out to direct their energies to aid the flood victims.

Many of those volunteers had lived through the Johnstown Flood of 1936 and did not hesitate to aid the citizens of Wilkes-Barre as they experienced similar devastation.

Much support also came from Boy and Girl Scouts, businesses, and labor unions.

Seventeen National Guard trucks were filled with food, clothing, mops and insect repellent for the disaster victims. Yesterday, the trucks arrived at the Avoca Airport near Wilkes-Barre for distribution to the people of the devastated community.

"This kind of response to people in need truly represents the highest form of humanity," Shapp said; "I appreciate the gift, but more important the people who received food, clothing and other necessities appreciate the gifts. The people of Wilkes-Barre will long remember the generosity of the people of Johnstown."

###

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL
IMMEDIATE RELEASE
Friday, July 7, 1972

At the request of Pennsylvania Governor Milton J. Shapp, G. Allen Patterson, Secretary of Banking, has arranged for banks in 33 disaster stricken counties to be open Saturday, July 8 to cash welfare checks and provide food stamps for those individuals requiring immediate assistance.

The action resulted from the fact that welfare checks were delayed due to the lack of a Commonwealth General Appropriations Budget.

The action of the Legislature early this morning in approving a General Appropriations Bill will enable delivery of welfare checks on Saturday.

Many of these welfare recipients were also affected by the flood and need immediate assistance, Shapp said.

Delivery of the delayed checks and the cooperation received from banking services in disaster areas will provide significant aid to disaster victims, he added.

A list of the counties in which the banks will be open tomorrow follows:

Allegheny
Armstrong

Beaver
Bedford
Berks
Bucks
Butler

Cambria
Carbon
Centre
Columbia

Delaware

Elk
Erie

Fayette
Fulton

Greene

Juniata
Jefferson

Lackawanna
Lawrence
Lehigh
Lycoming

Montgomery

Northampton

Perry
Philadelphia
Potter

Snyder

Tioga

Venango

Warren

York

###

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL:
IMMEDIATE RELEASE
Friday, July 7, 1972

Following is the tentative schedule of Governor Milton J. Shapp for Monday, July 10 through Monday, July 17:

Monday, July 10

2:30 P.M. - Present Property Tax Assistance Refund checks to Seven Senior Citizens - Governor's Reception Room.

Tuesday, July 11

Harrisburg - All Day.

Wednesday, July 12

Open.

Thursday, July 13

Open.

Friday, July 14

Open.

Saturday and Sunday, July 15 and 16

Open.

Monday, July 17

3:30 P.M. - Secretary Pittenger - The Secretary to announce citizens' committee on basic education; about 40 members plus ten staff - Governor's Reception Room.

###

VETERANS ADMINISTRATION News

Wissahickon Ave. & Manheim St
Philadelphia, PA 19101
ROBERT MEEKER, Info. Rep.
GE 8-5200, Ext. 220

July 10, 1972

FOR IMMEDIATE RELEASE

Residents of the flood-stricken counties of Pennsylvania who are buying their homes with Veterans Administration guaranteed or direct loans are urged to contact VA or their lender if they suffered damage to their homes or a loss of income.

S. W. Melidosian, Director of the Philadelphia VA Center, said VA Representatives are assigned to Disaster Assistance Centers set up in 27 locations by the Office of Emergency Preparedness. "The VA has an interest in over 90,000 homes in the disaster counties," Melidosian pointed out, "while not all homes have been damaged, the VA considers it essential to furnish all assistance possible to its home loan borrowers", he said, "It is the policy of the Veterans Administration, in disaster cases, to grant forebearance on VA loans, and to encourage private lenders to do so on GI loans guaranteed by the VA".

Letters to VA relating to damage or loss of income should be addressed to Flood Relief Program (001A), VA Center, PO Box 8079, Philadelphia, PA 19101.

---END---

DANIEL J. FLOOD
11TH DIST., PENNSYLVANIA

COMMITTEE:
APPROPRIATIONS

CHAIRMAN, SUBCOMMITTEE ON LABOR,
HEALTH, EDUCATION AND WELFARE

MEMBER, SUBCOMMITTEE ON DEFENSE

Congress of the United States
House of Representatives
Washington, D.C. 20515

HOME OFFICE:
1015 UNITED PENN BANK BLDG.
WILKES-BARRE, PENNSYLVANIA
ZIP CODE: 18701
PHONE: AREA CODE 717
822-2194

WASHINGTON OFFICE:
108 CANNON BUILDING
ZIP CODE: 20515
PHONE: AREA CODE 202
225-6511

STEPHEN B. ELKO
ADMINISTRATIVE ASSISTANT

MISS HELEN M. TOMASCIK
EXECUTIVE SECRETARY

October 13, 1972

F O R I M M E D I A T E R E L E A S E

Congressman Daniel J. Flood, in raising certain questions with respect to the impact of forests on flood control, was referred by Pennsylvania Secretary of Environmental Resources Maurice Goddard to Mr. Samuel S. Cobb, Director of the Bureau of Forestry in Harrisburg, and Mr. Manuel M. Gordon, District Forester in Scranton. On September 11, 1972, Congressman Flood wrote each of them - their replies to Congressman Flood follow:

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF ENVIRONMENTAL RESOURCES

100 Chamber of Commerce Building
Scranton, Pennsylvania 18503

September 18, 1972

The Honorable Daniel J. Flood, M. C.
House of Representatives
108 Cannon Building
Washington, D. C. 20515

Dear Congressman Flood:

Reference is made to your letter of September 11, with the enclosures from Secretary Goddard and to Secretary McNair.

The Department of Environmental Resources and its Bureau of Forestry are very much concerned with the prevention of floods. To that end, the Department operates a Cooperative Forest Management program (a State Federal project) whereby private landowners can obtain the services of a professional Forester to assist them in the proper management of the woodland and harvesting of forest products. This service would include advice on whether or not their land is ready for cutting and, if so, the best type of cutting method to apply. The lay-out of logging roads, i.e. location and grade are part of the program. In addition, if an area is understocked, a pasture reverting or a strip mine operation completed, the Bureau of Forestry operates four tree seedling nurseries to supply the stock, at reduced cost, to rejuvenate and/or revegetate the area in question. (Available list attached)

In order to further protect the watershed, the Bureau of Forestry operates a forest fire prevention and suppression program. In this activity, we conduct educational programs in schools, service clubs and all phases of the news media. This has paid huge dividends. In addition, training programs continuously update the capability of our personnel. The Bureau's Division of Forest Protection charged with the responsibility of prevention and control of forest fires on public and private forest land in the Commonwealth.

If proper management, reforestation and forest protection exert an influence on flood control, I feel the Bureau has done a superior job. However, I believe that there are limits to a perfect watershed. When the soil is supersaturated from an extended period of precipitation, eventually the water cannot percolate into the soil and starts to flow across the surface. When this occurs on a large enough area, you develop an "AGNES". In general, I concur with the statements of Mr. J. S. McKnight of the U. S. Forest Service as statements from his letter to you appeared in the Wilkes-Barre Times Leader Record.

I read in the newspapers that some extensive areas in the upper watershed of the North Branch got from twelve to fourteen inches from this storm. I see no way for presently established flood control measures or facilities to control such volume. Dry dams constructed for this purpose might be one solution.

Very truly yours,

M. M. Gordon, District Forester

MMG/ms

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF ENVIRONMENTAL RESOURCES

BUREAU OF FORESTRY

P. O. Box 1467

Harrisburg, Pa. 17120

In reply refer to
SF
October 3, 1972

The Honorable Daniel J. Flood
Member, United States Congress
108 Cannon House Office Building
Washington, D. C. 20515

Dear Congressman Flood:

Please excuse my delay in replying to your letter of September 11, 1972, with respect to Bureau of Forestry activities as they affect flooding. This delay was occasioned by my absence from the office on official business for most of the past two weeks. In that period my staff has reviewed your request.

In reply to your request I would respond as follows. As you are certainly aware, the Bureau of Forestry programs do not directly impact those factors, with respect to precipitation and water runoff, which relate to flooding. Our programs and activities do have some very pronounced indirect effects on this problem. I will outline briefly the major areas where I feel these effects are significant. The enclosed brochure on our Bureau will provide more detailed information. I will be glad to amplify any areas on which you may feel the need for further data.

The Bureau of Forestry administers 1,913,677 acres of publicly owned forest land, known as State Forests. Almost all of these State Forest Lands are located in the mountainous headwaters of the three major river systems in Pennsylvania. The bulk of it is on the Susquehanna system. Through our total resource management program for these State Forests, we manage the land to provide the maximum public benefits in terms of water quality and quantity for public use; for recreation, including hunting and fishing; for prevention of soil erosion; for enhancement of food and cover for wildlife; for production of maximum quantity and quality of wood products on a sustained yield basis. We attempt, in all our activities such as road construction and maintenance, logging operations and recreational developments and activities, to minimize adverse impacts on the capacity of these State Forest Lands to receive and hold water.

Our impact on the roughly 15,000,000 acres of forest lands, most of it in private ownership, is much more limited. The Bureau, through its Cooperative Forest Management program, does provide, upon request, technical

advice and assistance to individual and corporate owners of forest lands, relating to the proper management of those lands. When such assistance is given, the same effort is made by our Service Foresters to insure minimal adverse effects to the water holding and retention capacity. They attempt to provide ultimate improvement on these areas, as is the case on the State Forests.

The third area of our influence on water flows from forested lands is that of protection. By law, the Bureau of Forestry is charged with protecting all forest lands in the Commonwealth from the destructive effects of fire, insects and disease. Our forest fire control program, established some sixty years ago, is one of the best in the Nation. Annual acre losses to forest fires are very low. The Bureau received similar responsibilities for insect and disease control less than a year ago. We are attempting to build the same type of strong program in this area as we have in fire prevention and control. Unfortunately we suffer from serious deficiencies in research data, funding, personnel and facilities and equipment. Widespread tree defoliations such as those of the Gypsy Moth and Oak Leaf Tier, currently affecting parts of Pennsylvania, can have rather serious effects on the water holding and soil retention on defoliated areas.

Except for State Forest administration, the other programs and activities cited above are conducted by the Bureau with joint State-Federal funding, through a number of Federal Categorical Grant programs, such as Clarke-McNary and the Cooperative Forest Management Acts. Briefly our problems fall into the following areas:

1) We do not have anywhere near enough Service Foresters to handle the technical assistance work load on the privately owned forest lands. We are attempting to cover the entire State with 37 of these men.

2) With the current fiscal situation facing the State government, funds allocated to the Bureau do not permit new or expanded programs to meet mounting demands in all forestry areas.

3) The matching ratio of Federal to State funding is quite low, especially in the Cooperative Forest Management program. Although the Federal Act permits full matching, on a dollar for dollar basis, the Federal allotment to Pennsylvania is currently funded at less than 23¢ Federal to each State dollar spent.

In conclusion I would like to make two observations, one of which may be original to you, the second I am certain will not be.

The flooding that followed Hurricane Agnes was not a result of land deterioration in water retention capacity, as compared to any past period.

The forested lands on the Susquehanna watershed are in far better condition now than they were in 1936. There is much more forest cover today and those forests are far less subject to destructive effects from fire or lumbering activities. This is not to imply that they cannot be further improved through even better management.

My second observation is to the effect that until, as individual citizens and political entities, we face up to the critical needs for real flood plain development controls, there will always be destructive flooding when certain precipitation and ground water conditions exist.

I sincerely hope that this information is of value to you and trust you will call upon myself and my staff for further assistance if this seems desirable.

Yours sincerely,

SAMUEL S. COBB, Director
Bureau of Forestry

Enclosure (1)

NEWS

OEP Disaster Field Office
Holy Cross Hall
King's College
Wilkes-Barre, Pa. 18702
Phone: 825-6811 Ext. 552

FOR IMMEDIATE RELEASE
October 19, 1972

$400-million have been programmed for flood-related urban renewal projects in Pennsylvania according to William J. Conner, Executive Assistant to Frank Carlucci, President Nixon's Personal Representative.

The announcement was made by Mr. Conner prior to a meeting of the Flood Recovery Task Force chaired by Judge Max Rosenn. The group was joined by Pennsylvania Secretary of Community Affairs William Wilcox, the heads of the Luzerne County and Wilkes-Barre Redevelopment Authority and other local officials.

Mr. Conner also unveiled a special processing center at the Lackawanna County Office Building in Scranton. The new facility, developed and run by the Department of Housing and Urban Development for all Federal agencies connected with the urban renewal effort, will use "the most advanced application of systems techniques in the country to speed urban renewal grants."

"The $400-million will be used to acquire badly damaged properties at pre-flood values and to redevelop the areas that were

the worst hit by Agnes," he said.

Mr. Conner declared that planning money will be made available to local communities by November 1 and all reservations of grant monies by early December.

"Then by mid-December it should be possible for the redevelopment agencies ~~to tell most property owners whether their property will be acquired or whether it will be eligible~~ to ascertain what areas and which will be designated for rehabilitation," he added.

"Through Frank Carlucci's efforts in Washington, D. C., this week, we have tried to design this program; to accomplish our tasks quickly and at the same time to meet the concerns which have been voiced by Judge Rosenn's Task Force and Secretary Wilcox."

"For some weeks we have been working intensively to help redevelopment agencies and local officials in Northeastern Pennsylvania determine what areas will be picked for urban redevelopment, so that householders and businessmen can make decisions on what to do with their properties. Judge Rosenn and his Task Force have also focused on this problem, and Secretary Wilcox has met with local officials and has been trying to step up the State's efforts in this area. That is why they are here today."

"In addition," Mr. Conner emphasized, "substantial sums will be available through the Small Business Administration in the form of 1% loans for periods up to 30 years, which can be used for rehabilitating those home and business structures which merit repair rather than demolition. The use of these SBA funds for the rehabilitation portion of our reconstruction efforts has two big advantages. It preserves scarce HUD funds for clearance and rebuilding of the worst areas, and it helps the citizen by giving him more liberal terms than the usual 3% HUD rehabilitation loans.

Mr. Conner said: "The Office of Emergency Preparedness has been asked to bend every effort to help stricken communities to demolish unsound buildings and to restore their roads, sewers and other public facilities with aid of emergency fund dollars wherever the damage is flood related.

"In this way we can combine all the relevant Federal programs with the State's contribution and local efforts to gain maximum benefits for each community.

"In order to get the maximum funding from every available source, all the applications need to be analyzed further to designate the tracts to be cleared with HUD assistance and those which will be rehabilitated with help from SBA and other agencies. To telescope this process, we have constructed this situation room in Scranton, where a team of specialists is being gathered from a

number of Federal agencies with leadership from HUD to meet over the next few weeks with municipal officials and redevelopment people. By centralizing the effort here, we hope to make it convenient for the local people and sharply reduce the time it takes to fix the amount of the grant reservations.

15 app. ~~anticipated~~
14 " received

34,347 units damaged in Pa.
69% housing damage in UB

Aston
Carlucci
Shaw
Posner
Bernie - EDS

Amendment 1385 This amendment amends the Higher Education Act of 1965 so that private colleges and universities will be eligible for funds to restore or replace academic facilities destroyed or seriously damaged in a major disaster.

Public colleges and universities are eligible for such funds under existing law, but private institutions of higher education are not. In Pennsylvania during Tropical Storm Agnes, 17 private colleges suffered flood damages of more than $15 million, while eight public colleges and universities suffered $4 million in flood damages. Thus it was private institutions that suffered considerably more damage, as a group, than the public institutions.

In the city of Wilkes-Barre, which sustained some of the heaviest flood damage in the state, two private colleges near the Susquehanna River were devastated by the flood. Wilkes College, with 2500 full-time students, sustained $10 million in losses to its buildings, books and equipment. King's College, with 2000 students, had $4 million in such losses. Fifteen other private colleges in Pennsylvania have suffered losses of up to $350,000 due to the floods.

Private colleges have been eligible for Federal aid for construction and other purposes in all the preceding Higher Education legislation. Thus, if they can demonstrate a need for disaster relief funds in the wake of Tropical Storm Agnes or other natural disasters, there is no reason why they should not be fully eligible for these funds.

8/72

Amendment 1396: H. R. 15692 substitutes a $5,000 grant program for disaster victims in lieu of the current $2,500 loan forgiveness feature of the present law. Amendment 1396 provides additional relief where the disaster victim has suffered damages in excess of $5,000. The amendment provides for an additional grant of up to $2,500 for the victim from the federal government, provided that this grant is matched by an identical grant from the state in which the loss occurred. The substitute amendment provides, however, that the amount of the additional state and federal grant would be reduced from $5,000 by 4% for each $1,000 of income the victim earns over $10,000.

Thus, a disaster victim who suffers losses of $12,500 would receive a $5,000 grant authorized by H. R. 15692. If his income was $10,000 the previous year, he would receive an additional $2,500 federal grant so long as his state provided a matching $2,500 grant, and he would have to pay the additional $2,500 not covered by federal or state grants. If his income was $15,000, his additional $2,500 federal grant would be reduced by 20% (4% x 5) leaving a grant of $2,000 so long as his state provided a matching $2,000 grant, and the victim would have to pay the additional $3,500 not covered by federal or state grants.

AMENDMENTS TO H. R. 15692, DISASTER RELIEF ACT

Senator Richard S. Schweiker

Amendment 1376: The purpose of this amendment is to provide loans to new industries moving into a disaster area within three years after the disaster occurred, providing that unemployment in the local area is at least 10%.

The purpose of this amendment is to assist hard-hit local communities in attracting new sources of employment. It is vitally important that these communities be put in a position of being able to attract new industry after a disaster. Many small businesses may close, and larger businesses may also decide not to reopen.

Essentially, this amendment gives local communities a rebuilding tool after a major disaster. Limiting the eligibility for assistance to communities suffering from high unemployment assures that this type of assistance will be available only where it is really needed. Loans would be made at the rate of 1% per year.

Amendment 1377: Section 237 of the existing Disaster Relief Act, P. L. 91-606, provides that loans may be made through SBA and the Farmers Home Administration to firms which "constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster" to enable such firms to resume operations in order to assist in restoring the economic viability of the disaster area. These loans may be made without regard to normal loan limitations which apply to SBA and the Farmers Home Administration.

At present the interest rate on these loans is 5 1/8%. However, many major companies representing important jobs for disaster victims need more generous terms in order to really effectively make use of these funds. After all, the prime rate at many banks is 5 1/4%. Thus, the federal government is not really offering much in the way of help when it charges only 1/8 of 1% under the prime rate.

My amendment would reduce this interest rate for companies which "constitute a major source of employment" from 5 1/8% to 1%. This means jobs for disaster victims, in addition to the opportunity for early restoration of the economic viability of a disaster area.

Amendment 1378: Under the existing Disaster Relief Act, P. L. 91-606, the Small Business Administration can make loans to small businesses to enable them to repair, rehabilitate, or replace property damaged or destroyed.

However, businesses, particularly small businesses, also need working capital in order to get back on their feet again. My amendment explicitly permits the Small Business Administration to make loans for the purpose of providing working capital and the payment of operating expenses of disaster victims. Small businesses cannot get back in operation by merely having a reconstructed building and some new or repaired equipment. They also need working capital. Chances are that most of a small businessman's accounts receivable will have been wiped out by the same disaster that affected him, since most small businesses do the bulk of their business locally. Thus, it is highly important that loans for working capital and operating expenses be made available to them.

Amendment 1379: Section 241 of the Disaster Relief Act, P. L. 91-606, provides for a reimbursement by the federal government to local communities for the loss of property tax revenue resulting from a major disaster.

This is entirely appropriate because local communities can suffer a substantial loss of tax revenue after a disaster. However, in some states a substantial amount of local revenue is raised from nonproperty tax sources. For example, in Pennsylvania about 45% of all local revenue is generated from nonproperty taxes.

My amendment recognizes that reality and permits the federal government to give grants to local communities for the loss of any kind of local tax revenue.

(OVER)

Amendment 1385 This amendment amends the Higher Education Act of 1965 so that private colleges and universities will be eligible for funds to restore or replace academic facilities destroyed or seriously damaged in a major disaster.

Public colleges and universities are eligible for such funds under existing law, but private institutions of higher education are not. In Pennsylvania during Tropical Storm Agnes, 17 private colleges suffered flood damages of more than $15 million, while eight public colleges and universities suffered $4 million in flood damages. Thus it was private institutions that suffered considerably more damage, as a group, than the public institutions.

In the city of Wilkes-Barre, which sustained some of the heaviest flood damage in the state, two private colleges near the Susquehanna River were devastated by the flood. Wilkes College, with 2500 full-time students, sustained $10 million in losses to its buildings, books and equipment. King's College, with 2000 students, had $4 million in such losses. Fifteen other private colleges in Pennsylvania have suffered losses of up to $350,000 due to the floods.

Private colleges have been eligible for Federal aid for construction and other purposes in all the preceding Higher Education legislation. Thus, if they can demonstrate a need for disaster relief funds in the wake of Tropical Storm Agnes or other natural disasters, there is no reason why they should not be fully eligible for these funds.

8/72

Amendment 1396: H. R. 15692 substitutes a $5,000 grant program for disaster victims in lieu of the current $2,500 loan forgiveness feature of the present law. Amendment 1396 provides additional relief where the disaster victim has suffered damages in excess of $5,000. The amendment provides for an additional grant of up to $2,500 for the victim from the federal government, provided that this grant is matched by an identical grant from the state in which the loss occurred. The substitute amendment provides, however, that the amount of the additional state and federal grant would be reduced from $5,000 by 4% for each $1,000 of income the victim earns over $10,000.

Thus, a disaster victim who suffers losses of $12,500 would receive a $5,000 grant authorized by H. R. 15692. If his income was $10,000 the previous year, he would receive an additional $2,500 federal grant so long as his state provided a matching $2,500 grant, and he would have to pay the additional $2,500 not covered by federal or state grants. If his income was $15,000, his additional $2,500 federal grant would be reduced by 20% (4% x 5) leaving a grant of $2,000 so long as his state provided a matching $2,000 grant, and the victim would have to pay the additional $3,500 not covered by federal or state grants.

DANIEL J. FLOOD
11TH DIST., PENNSYLVANIA

COMMITTEE:
APPROPRIATIONS

CHAIRMAN, SUBCOMMITTEE ON LABOR,
HEALTH, EDUCATION AND WELFARE

MEMBER, SUBCOMMITTEE ON DEFENSE

Congress of the United States
House of Representatives
Washington, D.C. 20515

September 22, 1972

HOME OFFICE:
1015 UNITED PENN BANK BLDG.
WILKES-BARRE, PENNSYLVANIA
ZIP CODE: 18701
PHONE: AREA CODE 717
822-2194

WASHINGTON OFFICE:
108 CANNON BUILDING
ZIP CODE: 20515
PHONE: AREA CODE 202
225-6511

STEPHEN B. ELKO
ADMINISTRATIVE ASSISTANT

HELEN M. TOMASCIK
EXECUTIVE SECRETARY

F O R I M M E D I A T E R E L E A S E

Re: Mine subsidence

On August 2, 1972, Congressman Daniel J. Flood wrote to Elburt F. Osborn, Director of the Bureau of Mines in Washington, D. C., because of his concern about surface and underground conditions affected by the recent catastrophic flood. A copy of his letter is enclosed. On August 11, the Bureau of Mines sent Congressman Flood an interim reply, a copy of which is also enclosed. On September 14, 1972, the Bureau of Mines wrote again reporting extensively on conditions in the Wyoming Valley, giving full coverage to all mine related aspects, and including initial impact and the potential for future damage. A copy of that letter is also enclosed.

Enclosures (3)

DANIEL J. FLOOD
11TH DIST., PENNSYLVANIA

COMMITTEE:
APPROPRIATIONS

CHAIRMAN, SUBCOMMITTEE ON LABOR,
HEALTH, EDUCATION AND WELFARE

MEMBER, SUBCOMMITTEE ON DEFENSE

Congress of the United States
House of Representatives
Washington, D.C. 20515

HOME OFFICE:
1015 UNITED PENN BANK BLDG.
WILKES-BARRE, PENNSYLVANIA
ZIP CODE: 18701
PHONE: AREA CODE 717
822-2194

WASHINGTON OFFICE:
108 CANNON BUILDING
ZIP CODE: 20515
PHONE: AREA CODE 202
225-6511

STEPHEN B. ELKO
ADMINISTRATIVE ASSISTANT

MISS HELEN M. TOMASCIK
EXECUTIVE SECRETARY

August 2, 1972

Mr. Elburt F. Osborn, Director
Bureau of Mines
Department of the Interior
Washington, D. C. 20240

Dear Mr. Osborn:

As I am sure you know, during the early days of the flood disaster in the Wyoming Valley in my District, I was in touch with Joe Corgan, Chief of Division of Environment in your office, and John Shutack, District Manager of the Bureau of Mines in Wilkes-Barre, and they reported to me regularly with reference to surface and underground conditions as related to the flood situation.

Under the circumstances, it is imperative that a very special full and complete survey be made of the entire disaster area having to do with all underground conditions, water, surface support, erosion, and any and all problems which might directly or indirectly be affected by this catastrophic flood.

This report, of course, must also include a complete analysis of surface conditions, surface subsidence dangers, and all and any other matters which may affect directly or indirectly the surface of the disaster area.

In view of the magnitude of this disaster and the water levels which resulted in the disaster area of this part of the hard coal fields, I would like to be assured that your office can act fully and completely and immediately without legislation. If, however, you feel that the scope of the survey is such that legislation or special authority from the Congressional Committees concerned is necessary, be sure and let me know so that I can cooperate with you in seeing that your requests to these Committees are complied with without delay.

Sincerely yours,

DJF/y

DANIEL J. FLOOD, M.C.

United States Department of the Interior

BUREAU OF MINES
WASHINGTON, D.C. 20240

AUG 17 1972

August 11, 1972

Hon. Daniel J. Flood
House of Representatives
Washington, D. C. 20515

Dear Mr. Flood:

This responds to your letter of August 2, 1972, requesting a survey of underground and surface mine conditions affected by the June flood of the Susquehanna River in the Wyoming Valley including an analysis of how such conditions may relate to problems on the surface.

Employees of the Bureau of Mines have been gathering a large amount of information on mine related damage in the valley during the flood and its aftermath. As soon as all aspects of these data are evaluated, a report relevant to conditions in the area will be transmitted to you.

We do not believe the Bureau requires special legislation or authority for the report you have requested.

Sincerely yours,

Elbert F. Osborne
Director

OFFICE OF THE DIRECTOR

United States Department of the Interior

BUREAU OF MINES
WASHINGTON, D.C. 20240

September 14, 1972

SEP 16 1972

Hon. Daniel J. Flood
House of Representatives
Washington, D. C. 20515

Dear Mr. Flood:

This refers to your letter of August 2, 1972, and our initial response of August 11 regarding your request for a survey and analysis of underground and surface mine conditions affected by the June flood in the Wyoming Valley, Luzerne County, Pennsylvania, in relation to present and future problems on the surface. A copy of Mr. Robert Sansom's interesting letter on this subject that you transmitted with your letter of August 18 is acknowledged.

Bureau of Mines engineers have gathered considerable data on mine related aspects of the flood occurrence and have considered the initial impact and the potential for future damage wherever indicated. Excessive amounts of water in the valley fill deposits and in the abandoned mines during and after the flood are evaluated in terms of mine subsidence and encroachment of mine water in low-level surface areas. The effect of dumping vast quantities of flood debris into abandoned strip pits on the Valley's foothills is included in our analysis. Remedial action is discussed wherever it is deemed necessary.

At a normal average breadth of nearly 1000 feet, the North Branch of the Susquehanna River meanders about 16 miles and occupies about three square miles in its course through the Wyoming Valley. After leaving its banks and overtopping the levees during the latter part of June 1972, the flood waters covered an additional 19 square miles of extensive built-up areas in the Valley. This unprecedented volume of water in the Valley not only raised the level of saturation in the Valley fill deposits, but also raised to record levels the mine-water pools that underlie a large portion of the Valley. The 59 swollen side streams that drain about 169 square miles in the Wyoming Valley watershed itself added greatly to the volume of water entering the abandoned mines through breached outcrops, strip pits, and broken strata over the mine voids.

Records of mine pool levels under the west side of Wyoming Valley sinc the mines became flooded about 10 years ago indicate that the pools normally fluctuate plus or minus a few feet depending upon rainfall variations. The excess water has been discharging from the mines t

Solomon's Creek at Buttonwood since 1968 when the State provided a gravity outlet at this location. Shortly after the Valley was inundated, the pool level at Kingston, for example, rose from an altitude of 528 feet to plus 542 feet and the discharge at Buttonwood increased to about 100,000 gpm, about 12 times the normal. After a period of 60 days the pool levels and the discharge at Buttonwood are approaching the normal, indicating that the outlet capacity is adequate to stabilize mine pools on the west side at levels where mine water will not invade low level surface areas except during brief periods of unusual conditions such as those imposed by Tropical Storm Agnes.

Water that collects in the large number of abandoned and interconnected mines on the east side of the Valley from Pittston to South Wilkes-Barre was controlled during recent years at an acceptable level (about 500 feet) by the operation of six large deepwell pumps in the Old Delaware-Pine Ridge Mine. These pumps were ineffective during Tropical Storm Agnes and the levels of the various pools rose rapidly reaching a peak level of 555 feet in the Delaware-Pine Ridge Mine and 549 feet in the south Wilkes-Barre mine pool. The altitude of the mine water pool in the south Wilkes-Barre mine shortly after the flood period was considerably higher than the surface in the Lee Park section of Hanover Township and erupted in large quantities through three 3-1/2 foot diameter cased boreholes which had been drilled into the mine at an earlier date. Additional gravity outlets are being considered by Bureau, Commonwealth, and Geological Survey engineers to provide acceptable mine drainage systems on the east side of the Wyoming Valley.

A total of 28 reports of subsidence that occurred during and after the flood were investigated by Bureau engineers. These were of the pothole type which affect a relatively small area, such as a house, garage, yard, street, and alley. Four were in Plymouth; thirteen in Wilkes-Barre, including five in Miners Mills and six in the Parsons section; two in Plainsville (Hilldale); four in Swoyersville; three in Pittston; and one each in Georgetown and Glen Lyon. All of the potholes were situated outside or above the Wyoming Valley flood plain and the settling of the ground at these locations is attributed to the heavy inflow to the mines at the breached outcrops and to the rise in the levels of mine pools in the area to the highest peaks of record. At these levels the mine water invaded the sand and gravel above the top of rock strata in many areas that heretofore probably had never been saturated by mine water. After the pools receded some of the thinner rock strata collapsed into the voids and the saturated alluvium flowed freely into the mines leaving potholes on the surface.

We expect more of this type of subsidence to occur from time to time in areas that are above the flood plain. Wherever such a condition threatens to affect a large area, projects similar to that now being conducted in Parsons by the Commonwealth may represent the type of remedial action required.

The phenomenon described above of mine water rising above the top of rock in the various beds has not occurred in the deeper mines under the flood plain since the 1959-62 period. During that period some of the alluvial material probably settled into the mine voids through broken strata causing subsidence at the surface. Stratified fire clay that is associated with some of the anthracite beds is known to soften in the presence of water. This also contributed to subsidence in the flood plain as mine water flooded each bed during that period. Since that time, however, the mine water has invaded the deep alluvial deposits above the abandoned mine workings and has risen to altitudes that are well above the top of rock where it will remain indefinitely. It is our considered opinion, therefore, that severe settlements under the levees and flood plain will not result from surface flooding as long as the mines remain flooded and the alluvial deposits saturated as they have been in recent years.

During the period June 26 through July 10, 1972, Bureau engineers investigated the entire area in Wyoming Valley where the flood waters had been present (flood plain) and inspected the entire levee system. Particular attention was given to wide areas surrounding each of the eight breaches and four points of severe erosion in the damaged levee system. No evidence could be found of subsidence which might have occurred immediately prior to the flood.

It is important to realize, however, that while evidence of recent subsidence could not be found, portions of the levee system have been affected by subsidence at various times in the past. The Review Report prepared by the Corps of Army Engineers, November 1970, indicates several sections of the levee system from Forty Fort to Plymouth and in Wilkes-Barre and Hanover Township where levee raising, steel sheet piling, wall extensions, and other improvements would be required to restore the system to its designed protection level. The report refers to other work of this nature that was done at various times from 1950 to 1965.

The potential for mine subsidence under the flood plain and river levee-area in Wyoming Valley as indicated by maps of the mine workings was reported by the Bureau of Mines to the Corps of Engineers in 1963. The summary and appendix of the report including maps and tables involve about 1200 pages which give essential detailed information on subsidence potentials in relation to the subsurface structural conditions resulting from mining operations. Data in the report are supported by 78 sets of folio maps, each set covering 289 acres and consisting of a surface, top of rock, and an average of 10 bed maps all in stratigraphic sequence, now on file in the Bureau's Wilkes-Barre office. Although the conclusions given in the report are generally valid, the following comments are considered pertinent.

As might be expected, the incidence of subsidence under the flood plain and levee system has gradually become less frequent and less severe since most mines were abandoned over a decade ago and allowed to fill with water. This may be attributed to some extent to the stabilizing effect of the presence of water in the old workings sometimes at depths of several hundred feet. In any event, the surface of the pillars and the roof strata in the various worked beds are no longer subjected to the deteriorating effect of air and daily changes in atmospheric pressure.

Most of the subsidence that had been indicated in the 1963 report for various parts of the flood plain, particularly because of third mining (removal of pillars) probably occurred during or shortly after the mining. Map data show that most of the third mining under the flood plain was completed before 1958, and none conducted after 1965. Some of the subsidence indicated in the report for second mining (reduction of pillar size) and mining below critical depth (point at which coal crushes) may have occurred also. This type of disturbance is often less severe than that created by third mining and consequently it may not be as apparent on the surface. It is expected, however, that some subsidence from this mining probably occurred when the rising mine pools first invaded the mine workings during the 1959-62 period.

Although we are confident that much of the potential for subsidence that was indicated in the Bureau's 1963 report no longer exists and that no major settlements are expected, we do not rule out the possibility of some settlements in the future. In order to determine the subsidence potential that may remain under the levees, an exploratory drilling program would be required in the areas of weakness indicated in the Bureau's 1963 report. Backfilling of mine voids could be conducted in the areas where any support might be needed. We will, of course, cooperate with the Army Corps of Engineers in evaluating and implementing any remedial action that may be required.

It should be realized also that not all settlement of the surface, particularly in areas under and adjacent to the levees, may be related to mine subsidence. In the Wyoming Valley the entire levee system rests upon unconsolidated material because the top of rock strata (Buried Valley) is situated from 50 to 200 feet below the levees. The seepage that occurs under and through the levee structures during flood stages (about one each year) with its attendant erosion contributes to structural deterioration. It is now apparent in view of the recent experience that levee flood control in the valley must be designed to not only withstand a higher flood crest than in the past, but also to be free from the danger of settlement for whatever reason. In any event, regardless of improvements in design, future stability will depend greatly upon proper maintenance.

One of the more serious flood related problems that might possibly emerge from the flood damage is the development of fires in the vast amount of flood generated trash that has been dumped into seven strip pits scattered throughout the valley's foothills. Such fires could spread to some of the underlying anthracite beds. Bureau officials have discussed this problem with representatives of the Office of Emergency Preparedness, the Army Corps of Engineers, the Environmental Protection Agency, and the Pennsylvania Department of Environmental Resources. It was agreed that the pits should be watched closely for any indications of fire. The Bureau of Mines is prepared to use its personnel and equipment to assist in monitoring temperatures periodically.

Sincerely yours,

Elbert T. Olson

Director.

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL: IMMEDIATE

Friday, October 20, 1972

Governor Milton J. Shapp, in the second of his bi-weekly flood expenditure reports, today announced commitments and expenditures of state flood relief funds now total $23.5 million, a $3.5 million increase over two weeks ago.

The report, prepared as of October 13, shows an unobligated balance of $76.3 million in allocated funds and $50.2 million in unallocated monies. The General Assembly has appropriated a total of $150 million for flood relief projects.

Of the $3.5 million expended in the past two weeks, the largest chunks went to two areas; $1.7 million in emergency short-term commercial loans, and $1.135 million for first-semester emergency scholarship assistance.

Other areas of expenditure and commitment in the two-week period include; agricultural community recovery efforts, $10,000; general clean-up and relief by Civil Defense, $125,000; Community Affairs, $277,000; Environmental Resources, $102,000; Public Welfare, $48,000 and Consumer Protection, $2,000.

Just as two weeks ago the two largest areas of expenditure are the Department of Commerce, with more than $9.7 million spent for the commercial loan program; and the Department of Community Affairs with more than $9.5 million committed or spent, $9 million of that having gone to housing redevelopment.

To this point $99.8 million has been allocated to the departments and agencies and $50.2 million is being held in reserve for future flood relief needs.

Shapp said that of this $50.2 million in unallocated funds he intends to allocate an additional $30 million to the Department of Commerce for the commercial loan program. The department has already spent nearly half of the $20 million they were originally allocated to help rehabilitate businesses which were damaged by the flood.

The allocation figures are all in addition to the estimated $20 to $30 million which departments spent before the General Assembly appropriation. Shapp said that during and immediately after the flood the departments were spending monies out of their general appropriation on an emergency basis.

###

COMMONWEALTH OF PENNSYLVANIA
STATUS OF FLOOD RELIEF RECOVERY PROGRAMS
(STATE FUNDS ONLY)
AS OF OCTOBER 13, 1972

DEPARTMENTS PROGRAMS	ALLOCATION	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Governor's Office (Human Relations Commission)				
Insure Compliance with Equal Opportunity Laws	$ 374,000.00	$ 25,762.62	$ -	$ 348,237.38
Agriculture				
Agriculture Community Recovery Effort	1,000,000.00	9,223.65	11,216.74	979,559.61
Transfers to State Farm Products Show	500,000.00	-	200,000.00	300,000.00
Total	1,500,000.00	9,223.65	211,216.74	1,279,559.61
Civil Defense				
General Clean-up and Relief	1,000,000.00	6,794.65	314,917.17	678,288.18
Commerce				
Emergency Short-term Commercial Loans	20,000,000.00	-	9,744,000.00	10,256,000.00
Advertising	100,000.00	-	-	100,000.00
Industrial Development Assistance	500,000.00	-	-	500,000.00
Site Development	1,000,000.00	-	-	1,000,000.00
Coordination Unit	200,000.00	-	-	200,000.00
Total	21,800,000.00	-	9,744,000.00	12,056,000.00
Community Affairs				
Housing and Redevelopment	9,000,000.00	5,000,000.00	4,000,000.00	-
Housing Assistance	3,690,000.00	263,350.00	833.67	3,425,816.33
Recreation	700,000.00	289,990.50	96,663.50	313,346.00
General Government	500,000.00	28,358.95	12,126.00	459,515.05
Planning Assistance	500,000.00	-	-	500,000.00
Grants to Volunteer Fire Companies and Ambulance Services	1,700,000.00	-	-	1,700,000.00
Site Development - Mobile Homes	1,165,000.00	-	-	1,165,000.00
Total	17,255,000.00	5,581,699.45	4,109,623.17	7,563,677.38

DEPARTMENTS PROGRAMS	ALLOCATION	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Education				
Aid to Public Schools	750,000.00	-	-	750,000.00
Higher Education Refugee Accommodation	33,000.00	-	-	33,000.00
Public Library Flood Relief	1,040,000.00	-	-	1,040,000.00
Manpower Development Training	300,000.00	-	-	300,000.00
Total	2,123,000.00	-	-	2,123,000.00
Environmental Resources				
General Government Operations	2,000,000.00	642,917.67	434,032.96	923,049.37
Restoration and Improvements to Local Flood Protection Projects	50,000.00	-	-	50,000.00
Restoration and Flood Control Dams	75,000.00	-	-	75,000.00
Stream Improvements	1,285,000.00	-	-	1,285,000.00
Restore and Rehabilitate Damaged Recreation Areas	3,300,000.00	-	-	3,300,000.00
Rail Haul Solid Waste Disposal to Serve Flooded Areas	90,000.00	-	-	90,000.00
Total	6,800,000.00	642,917.67	434,032.96	5,723,049.37
Health				
Restoration of Health Delivery System	2,300,000.00	-	-	2,300,000.00
Support for Comprehensive Health Planning	150,000.00	136,421.60	-	13,578.40
Non-Specified	7,550,000.00	-	-	7,550,000.00
Total	10,000,000.00	136,421.60	-	9,863,578.40
Historical and Museum Commission				
Restoration of Historical Sites	100,000.00	-	-	100,000.00
Justice				
Legal Aid	25,000.00	-	-	25,000.00
Consumer Protection	150,000.00	1,431.00	1,163.38	147,405.62
Total	175,000.00	1,431.00	1,163.38	172,405.62

DEPARTMENTS PROGRAMS	ALLOCATION	ENCUMBRANCES	EXPENDITURES	AVAILABLE BALANCE
Military Affairs				
National Guard Expenses	4,000,000.00	44,026.22	474,000.18	3,481,973.60
Pennsylvania Higher Education Assistance Agency				
Emergency Scholarship Assistance	1,850,000.00	-	1,135,515.00	714,485.00
Public Welfare				
Public Assistance	25,000,000.00	48,377.75	193,122.96	24,758,499.29
SBA Loan Guarantee	2,000,000.00	-	-	2,000,000.00
Mobile Service Unit	265,000.00	-	-	265,000.00
Aging Programs	800,000.00	-	-	800,000.00
Special Services for the Aging	1,000,000.00	-	-	1,000,000.00
Day Care	1,500,000.00	-	-	1,500,000.00
White Haven Staff	420,000.00	-	-	420,000.00
United Services Agency	1,000,000.00	-	-	1,000,000.00
Mental Health Service	150,000.00	-	-	150,000.00
Total	32,135,000.00	48,377.75	193,122.96	31,893,499.29
State				
Voters Re-registration	250,000.00	-	-	250,000.00
State Police				
State Police Expenses	400,000.00	-	397,474.54	2,525.46
Allocated Total	99,762,000.00	6,496,654.61	17,015,066.10	76,250,279.29
Governor's Office - Unallocated Balance	50,238,000.00*	-	-	50,238,000.00
GRAND TOTAL	$150,000,000.00	$6,496,654.61	$17,015,066.10	$126,488,279.29

* $30 million of this unallocated balance has been publicly committed by the Governor to the Department of Commerce for Emergency Short-term Commercial Loans.

Prepared by:
Governor's Office of Administration
October 20, 1972



SENATOR DICK SCHWEIKER

WASHINGTON REPORT

August 1972 Volume IV No. II

THE FLOOD OF 1972 - A PERSONAL REPORT

By every measure, the tragic flooding caused by Hurricane Agnes was the worst natural disaster in the history of the United States. Pennsylvania received the brunt of the storm, the flooding, and the damage. Officials and private citizens demonstrated a spirit of cooperation and public support that saved many lives and much property. Flood-ravaged communities are faced with an almost impossible task of recovery and rebuilding. Existing federal legislation authorizing relief assistance and recovery support was totally inadequate. As your U.S. Senator, I thought it would be helpful for you to have a report on my personal activities in connection with the flood.

. . . THE AWFUL FLOOD STATISTICS: When the waters receded, 47 Pennsylvanians were dead; thousands were homeless, and damage estimates approached $3 billion. At Wilkes-Barre, on the east branch of the Susquehanna, 50 percent more water passed than during the previous record flood in 1936. At Harrisburg, the flow was one million cubic feet per second at its height. Agnes dumped enough water on the Eastern United States to fill a lake the size of the District of Columbia (67 square miles) to a depth of 2000 feet.

. . . A PRESIDENTIALLY-DECLARED DISASTER: As the floods reached emergency proportions Friday afternoon, June 23, I wired President Nixon urging immediate designation of Pennsylvania as a federal disaster area. The bureaucratic delays in designating some Pennsylvania counties as disaster areas were far too long, and I have introduced legislation to permit an immediate Presidential declaration, without formal reports "where it is obvious that a disaster of major proportions is occurring."

. . . A PERSONAL TOUR OF THE DISASTER: Saturday, June 24, I joined Lt. General Frederick J. Clarke, Chief of the U.S. Army Corps of Engineers, and flew from Washington to Pennsylvania for a personal review of the flood disaster. It was a shock to see and walk through the widespread devastation, with cities along the Susquehanna River looking like islands. During my inspection I was proud of the courage and determination of people in the flood-ravaged areas.

. . . FEDERAL FLOOD RELIEF: My personal observations of Pennsylvania flood damage made it obvious that unparalleled federal assistance was necessary.

. . . FEDERAL COORDINATION: Clearly, both the federal and state governments were unprepared for a disaster the magnitude of Hurricane Agnes. The flood relief effort became bogged down in red tape, plagued by bureaucratic lethargy and a serious lack of coordination between the various bureaucracies involved in the flood recovery effort. In mid-July I contacted the White House to strongly urge the naming of a "flood czar", one man on-the-scene, with authority to pull together the dozens of federal agencies involved in the flood cleanup. On August 12 the President named Frank Carlucci, Associate Director of the President's Office of Management and Budget and a native of the Wilkes-Barre area, to head the federal flood relief program in Pennsylvania.

. . . AND CONGRESSIONAL AUTHORIZATIONS: Congress authorized $200 million for the disaster, at Senator Scott's and my request. A larger $1.6 billion appropriations bill for flood relief passed Congress in mid-August. The SBA loan program was changed to authorize up to a $5,000 grant to victims of the flood. Interest rates on individual and small business disaster loans have been lowered by Congress from over 5% to 1%. Highway aid, transportation assistance, aid to farmers, and flood insurance review are other areas where Congress has taken action.

"Since the end of World War II, we have given away $210 billion in foreign aid and Marshall plan aid. When at the drop of a hat, we will decide to spend $100 billion to rebuild Europe and rebuild the industries of Japan, I think it is about time that we paid attention to our own people when they get hit with the greatest natural disaster in the history of the United States of America." (Senator Schweiker in August 4, 1972, Senate debate on Hurricane Agnes disaster relief legislation)

However, Congress has not provided the assistance Senator Scott and I feel Pennsylvania deserves. With 70% of Hurricane Agnes affecting Pennsylvania, Senators and Congressmen from other States just were not receptive to our appeals for increased aid. During debate in the Senate over the loan and grant program of SBA, the Senate rejected my amendments to increase this amount, and in fact, reduced the program. Under former SBA law, flood-victim individuals and businesses were eligible for loan forgiveness grants up to $2,500. This was clearly inadequate. But when the Senate took up recommendations to increase this "grant" to $5,000, it adopted an amendment to impose an "income" test to reduce the amount of the grant for persons with incomes over $10,000. I felt that even the $5,000 grant was not enough. $5,000 does not go very far for a family with a middle income that has to repair or replace a $20,000 home. In fact, the average damage to the 21,000 homes in Wilkes-Barre hit by the flood was $20,000. I strenuously argued against the "income" limitation, and even distributed copies of Wilkes-Barre newspaper flood editions to every Senator to dramatize the urgent need. The income "limitation" prevailed in the Senate, but fortunately it was dropped from the bill by the Senate-House conferees.

I then introduced an amendment to raise the grant level to $7,500. Only Senator Scott and 10 other Senators supported my proposal. I am convinced that if the damage from Hurricane Agnes had not been concentrated in Pennsylvania, and had been spread out over a large number of states, my amendment would have been adopted overwhelmingly.

Fortunately, some of my other flood relief efforts were more successful in Congress: aid to public education, aid to private education, small business loans for working capital and stock replacement in addition to property damage repairs, highway assistance, an updated flood control study of the Susquehanna River Basin by the U.S. Army Corps of Engineers, and a new federal dam inspection program, all of which we got Congress to accept. In addition, I was active in insuring that no federal red-tape would prevent Pennsylvania from fully using Pennsylvania National Guardsmen wherever needed in flood recovery work, rather than sending them to routine summer drill camp.

Since the week of June 19, when Agnes hit Pennsylvania, I have devoted a great deal of my legislative work to flood relief for Pennsylvania. For your information, here is my chronological diary highlighting my flood-relief work:

SATURDAY, JUNE 24--Toured Wilkes-Barre and Harrisburg with Lt. General Clarke at the height of the flood.

MONDAY, JUNE 26--Introduced with Senator Scott amendment to provide additional $200 million for immediate disaster relief. Passed Senate next day.

TUESDAY, JUNE 27--Met with Governor Shapp and Pennsylvania Congressmen to map flood relief strategy.

--Secured Senate assurances that Labor-HEW Appropriations funds for emergency aid to public schools and colleges could be used for flood damages in Pennsylvania.

THURSDAY, JUNE 29--Called for updated flood control study of Susquehanna River Basin so flood control projects would include new record flood levels. Senate Public Works Committee granted my request July 11.

--Introduced with Senator Scott S. 3782, "Emergency Transportation Facilities Restoration Act of 1972", to authorize up to $60 million in emergency flood relief assistance to railroads.

FRIDAY, JUNE 30--Supported H.J.Res. 1238 to provide special appropriations for $200 million in disaster relief in lieu of the $200 million disaster appropriation in the Labor-HEW Bill because of anticipated delay in final approval of Labor-HEW bill.

FRIDAY, JULY 7--Urged Secretary of Army to allow Pennsylvania National Guardsmen to substitute flood relief duty for their two-week annual summer camp requirements. Army granted my request July 18.

WEDNESDAY, JULY 12--Contacted FMC Corporation, San Jose, California, to urge reconsideration of announced closing of American Viscose plant in Lewistown. Some 2,000 jobs at stake because of flood damage to the plant.

THURSDAY, JULY 13--Urged White House to appoint "flood czar" to coordinate federal flood relief efforts in Pennsylvania. Concerned with slow pace and need to cut red-tape.

MONDAY, JULY 17--Joined Senator Scott in introducing two bills: S. 3795, President Nixon's "Agnes Recovery Act", raising disaster grant levels to $5,000 and reducing interest rates on disaster loans above $5,000 to 1%; and S. 3796, to authorize additional appropriations for repair of highways damaged by the flooding.



ON THE SCENE--During my June 24 tour of the flood-ravaged Wilkes-Barre area, I stopped to confer with General John Morris of the U.S. Army Corps of Engineers, (center) and John Eisenhooth, a former Pennsylvania State Trooper responsible for security in the flood area. Accompanying me was Lt. General Frederick J. Clarke, Chief of the Corps of Engineers.

TUESDAY, JULY 18--Introduced S.
private institutions of higher learnin
ment, later became part of the disaste
secondary schools as well.

--Introduced S. 3805 to signific
businesses. This bill would have 1) i
and $100,000 for businesses, including
stallment" payments to individuals and
tinuing; 3) authorized immediate desig
without massive paperwork justificatio
proportions is occurring"; 4) permitte
"operating expenses" for small busines
pair expenses; (This provision, as a S
loan bill which is now law.) 5) extend
governments to non-property tax losses
property tax losses; (Forty-five perce
non-property taxes.) and 6) reduced in
5 1/8 percent.

WEDNESDAY, JULY 19--Testified be
enactment of Schweiker comprehensive d

FLOOD TELETHON--On July 22 I participa
in Bob Hope's national Red Cross Flood
lief Telethon at WPVI-TV in Philadelph
Pictured with me are co-moderator Al
Alberts, (left) Ralph W. Ervin Jr., Ch
man of the Southeastern Pennsylvania C
ter of the American Red Cross, and co-
moderator Diana Robinson. I discussed
flood relief legislation then pending
Congress and helped answer calls from
those pledging assistance.

THURSDAY, JULY 20--Met with Lewi
of flood-damaged American Viscose plan

MONDAY, JULY 24--Introduced S. 3
Senator Scott. This legislation autho
to restore or replace essential railro

TUESDAY, JULY 25--Supported pass
cosponsored in the Senate, S. 3843, to
gency highway funds and appropriate an
from Hurricane Agnes.

--Supported passage of H.R. 1595
S. 3842, authorizing Secretary of Army
Many, including several coal mine wast

WEDNESDAY, JULY 26--Supported pa
low-interest emergency loans available

SUNDAY, JULY 30--Appeared with G
vision report to Pennsylvania. Discus
and steps nedded to prevent a repetiti

MONDAY, JULY 31--Met with group
vate institutions to receive federal c
Pennsylvania affected by Agnes suffere

WEDNESDAY, AUGUST 2--Met with Co
discuss flood control projects in Penn

FRIDAY, AUGUST 4--Voted for H.R.
grant level to $5,000 and reduces inte

--Fought for passage of Schweike
lost by a 69-12 vote.

NAME AND AD

(Mr.) (Mrs.) (Miss) _____

Street _____

Town & Zip Code _____

(August 1972)

enator Scott and I feel Pennsyl-
nnsylvania, Senators and Con-
appeals for increased aid.
am of SBA, the Senate rejected
ed the program. Under former
gible for loan forgiveness
hen the Senate took up recommen-
amendment to impose an "income"
ncomes over $10,000. I felt
ot go very far for a family with
ome. In fact, the average
od was $20,000. I strenuously
ted copies of Wilkes-Barre news-
gent need. The income "limita-
pped from the bill by the Senate-

evel to $7,500. Only Senator
convinced that if the damage
vania, and had been spread out
en adopted overwhelmingly.

were more successful in Congress:
business loans for working capi-
repairs, highway assistance, an
n by the U.S. Army Corps of
of which we got Congress to ac-
ral red-tape would prevent Penn-
wherever needed in flood re-
rill camp.

nia, I have devoted a great deal
For your information, here is

rg with Lt. General Clarke at

dment to provide additional $200
t day.
ylvania Congressmen to map flood

ations funds for emergency aid
mages in Pennsylvania.
study of Susquehanna River
flood levels. Senate Public

Transportation Facilities Res-
emergency flood relief assis-

special appropriations for $200
saster appropriation in the
oval of Labor-HEW bill.
ennsylvania National Guardsmen to
mmer camp requirements. Army

Jose, California, to urge recon-
in Lewistown. Some 2,000 jobs

ood czar" to coordinate federal
w pace and need to cut red-tape.
g two bills: S. 3795, President
els to $5,000 and reducing inter-
796, to authorize additional ap-
ing.

SCENE--During my June 24 tour of
od-ravaged Wilkes-Barre area, I
to confer with General John
of the U.S. Army Corps of Engin-
center) and John Eisenhooth, a
Pennsylvania State Trooper re-
le for security in the flood
Accompanying me was Lt. General
ck J. Clarke, Chief of the Corps
neers.

TUESDAY, JULY 18--Introduced S. 3804 to make disaster relief funds available to private institutions of higher learning. This provision, as a Scott-Schweiker amendment, later became part of the disaster relief bill and included private elementary and secondary schools as well.

--Introduced S. 3805 to significantly expand disaster relief for individuals and businesses. This bill would have 1) increased grant levels to $15,000 for individuals and $100,000 for businesses, including agriculture; 2) provided for "progress" or "installment" payments to individuals and communities while reconstruction work is continuing; 3) authorized immediate designation of federal disaster areas by the President without massive paperwork justifications where "it is obvious that a disaster of major proportions is occurring"; 4) permitted federal disaster loans for "working capital" and "operating expenses" for small businesses rather than just for reconstruction and repair expenses; (This provision, as a Schweiker Amendment, was incorporated in SBA disaster loan bill which is now law.) 5) extended federal tax loss reimbursement program for local governments to non-property tax losses. Current law authorizes reimbursement only for property tax losses; (Forty-five percent of Pennsylvania local tax revenue comes from non-property taxes.) and 6) reduced interest rates for disaster loans to 1 percent from 5 1/8 percent.

WEDNESDAY, JULY 19--Testified before Senate Subcommittee on Small Business to urge enactment of Schweiker comprehensive disaster relief bill, S. 3805.

FLOOD TELETHON--On July 22 I participated in Bob Hope's national Red Cross Flood Relief Telethon at WPVI-TV in Philadelphia. Pictured with me are co-moderator Al Alberts, (left) Ralph W. Ervin Jr., Chairman of the Southeastern Pennsylvania Chapter of the American Red Cross, and co-moderator Diana Robinson. I discussed the flood relief legislation then pending in Congress and helped answer calls from those pledging assistance.



THURSDAY, JULY 20--Met with Lewistown community leaders to discuss impact of closing of flood-damaged American Viscose plant on Mifflin County area.

MONDAY, JULY 24--Introduced S. 3843, "Emergency Railroad Relief Act of 1972", with Senator Scott. This legislation authorizes up to $40 million in long-term federal loans to restore or replace essential railroad facilities damaged by the flood.

TUESDAY, JULY 25--Supported passage of H.R. 15950, the House version of a bill I cosponsored in the Senate, S. 3843, to increase from $50 million to $100 million emergency highway funds and appropriate an additional $100 million specifically for recovery from Hurricane Agnes.

--Supported passage of H.R. 15951, House version of a bill I cosponsored in Senate, S. 3842, authorizing Secretary of Army to undertake national program of dam inspections. Many, including several coal mine waste dams in Pennsylvania, failed during flood.

WEDNESDAY, JULY 26--Supported passage of S. 3840, to authorize $200 million to make low-interest emergency loans available through the Farmers Home Administration.

SUNDAY, JULY 30--Appeared with General Clarke on my regular monthly radio and television report to Pennsylvania. Discussed Corps' flood control projects in Pennsylvania, and steps nedded to prevent a repetition of the June disaster.

MONDAY, JULY 31--Met with group of Wilkes-Barre educators to discuss need for private institutions to receive federal disaster assistance. The 17 private colleges in Pennsylvania affected by Agnes suffered total flood damages of more than $15 million.

WEDNESDAY, AUGUST 2--Met with Corps of Engineers and Pennsylvania Congressmen to discuss flood control projects in Pennsylvania.

FRIDAY, AUGUST 4--Voted for H.R. 15692, new SBA disaster loan law which raises grant level to $5,000 and reduces interest rate to 1 percent.

--Fought for passage of Schweiker amendment to raise grant level to $7,500. It lost by a 69-12 vote.

NAME AND ADDRESS CORRECTIONS

(Mr.) (Mrs.) (Miss) _____

Street _____

Town & Zip Code _____

If your name or address, as it appears on the reverse side of this page, is incorrect please fill in the blanks to the left, tear off the bottom of the page and return it to us. If you are receiving duplicate copies, please tear off this portion of each issue and return them to us, indicating which you want us to use in the future.

(August 1972)

--Won acceptance of Schweiker-Scott amendment giving disaster aid to private schools.

--Won acceptance of Schweiker amendment to extend low-interest disaster relief loans to small businesses for "working capital" and "operating expenses".

--Supported Javits amendment allowing SBA to suspend payments of the principal of loans or mortgages for elderly if payments constitute a substantial hardship.

TUESDAY, AUGUST 8--Announced $250,000 Housing and Urban Development grant to Pennsylvania for development of a comprehensive disaster recovery program.

WEDNESDAY, AUGUST 9--Announced designation of Dauphin, Luzerne, Lycoming, Mifflin, Northumberland, Schuylkill, Susquehanna and Wyoming Counties as "redevelopment areas". Individuals, businesses and local governments in these counties will be eligible for special grants and loans from the Economic Development Administration.

THURSDAY, AUGUST 10--Announced availability of low-priced government-owned feed grains to farmers in six Pennsylvania counties--Bradford, McKean, Mifflin, Potter, Snyder and Northumberland. Grain supplies in these counties were depleted by the flood.

MONDAY, AUGUST 14--Introduced S. 3912, the "Flood Insurance Act Amendments of 1972", to drastically expand federal flood insurance to protect all citizens and communities from future floods. The bill 1) provides authority for all individuals to obtain federally subsidized flood insurance, even though their community has not been officially approved for flood insurance; 2) doubles limits available for insurance coverage from $17,500 to $35,000 for single family residential units and from $30,000 to $60,000 for non-residential units; and 3) requires that an individual in a "flood-prone area" purchase federal flood insurance as part of obtaining any federal mortgage insurance from FHA, VA or the Farmer's Home Administration. Premiums would remain at the present rate of $25 per year per $10,000 of coverage.

--At news conference, applauded President Nixon's appointment of a "flood czar" to provide on-the-scene direction of federal flood relief work, expressed my growing concern over "red-tape" and "bureaucratic lethargy" which had been hampering the flood relief effort in Pennsylvania, and said that a single "flood czar" would be essential to insure that all federal assistance operated smoothly.

TUESDAY, AUGUST 15--Testified before Senate Subcommittee on Housing and Urban Affairs on Schweiker flood insurance proposals urging action by full Congress this Fall.

WEDNESDAY, AUGUST 16--Praised House action in passing new $1.5 billion appropriation bill for relief from Hurricane Agnes. This key appropriations bill, recommended by President Nixon, originated in House, as do all appropriations. Worked to win passage next day in Senate.

. . . THE WORK HAS JUST BEGUN: This is a report on the initial steps of the Congress, and the initial activities that I, as your U.S. Senator, took immediately following the flood. Three main tasks remain: (1) getting Pennsylvania on its feet, through federal grants and loans, through the work of federal and state agencies; (2) rebuilding flood control projects and planning new, better flood controls, to prevent any recurrence of the floods, and (3) reforming and improving disaster relief operations, including flood insurance, OEP assistance, on-the-scene disaster coordination, and the entire governmental bureaucracy so relief and recovery can flow immediately to the people who desperately need it. The job will be done through coordination with federal, state, and local officials. The cooperation of all citizens and communities will be essential. Senator Scott and I, and the entire Pennsylvania Congressional delegation, will continue to do whatever we can in Washington to help Pennsylvania recover from the flood.

Dick Schweiker

United States Senate

WASHINGTON, D.C. 20510

Richard S. Schweiker
U.S.S.

IF NAME OR ADDRESS IS INCORRECT, PLEASE SEE REVERSE SIDE

HON. MAX ROSENN
229 FEDERAL BUILDING
WILKES BARRE, PA. 18701

0181692.0000000

NEWS RELEASE FROM JUDGE MAX ROSENN, CHAIRMAN, FLOOD RECOVERY TASK FORCE. October 17, 1972

I talked to Frank C. Carlucci, the President's personal representative in Wyoming Valley, this morning concerning our problem with the Small Business Loans Administration. I have his personal assurance and that of Tom Kleppe, National Administrator for the Small Business Loan Administration, that 13 additional people have been placed on the job here in Wilkes-Barre during the past 24 hours. They should make an appreciable difference in accelerating the processing of SBA loans for homeowners and business establishments.

Both of these gentlemen have further advised me that the local SBA staff are being directed to be more flexible, show greater understanding of the borrower's situation in the processing of loans and producing more action. We have also been invited to take a look at the situation again in two weeks with officials of the Small Business Loan Administration and measure the progress made. In the meantime, representatives of the Equity and Finance Committee of the Flood Recovery Task Force, chaired by Harold Rose, will meet with local officials of the SBA every Wednesday at 9:00 A.M. to review the progress and developments. This committee of the Task Force will also provide assistance to the local SBA staff.

One of the major problems that has developed in the processing of

loans is the considerable delay encountered -- often as much as five weeks -- in securing credit reports from local credit investigating agencies. These reports are required in the completion of the applications. The Task Force committee has agreed to provide assistance in relieving this bottleneck.

The Flood Recovery Task Force is pleased with the assurances offered by Mr. Carlucci and Mr. Kleppe. We anticipate that there will be a marked acceleration in the processing of SBA loans and a greater understanding by local SBA staff of the purpose and function of SBA loans in the recovery program.

VA 2 2121

Tom Hart Connie Lindas
Conrad Haigus

Flood

MILTON J. SHAPP
GOVERNOR

COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE GOVERNOR
HARRISBURG

NEWS RELEASE
EMBARGO UNTIL: AMs
Sunday, October 15, 1972

Governor Milton J. Shapp has announced a special state program to assist flood-damaged businesses to obtain federal loans before the October 31 deadline.

Project H.E.L.P. -- Hurricane Emergency Loan Program -- gets underway Monday under the direction of the State Department of Commerce and will attempt to contact every Pennsylvania firm that suffered flood damage to offer assistance in filing for the federal loans.

The reason behind the crash program is that Federal Small Business Administration (SBA) loan applications to cover flood damage must be submitted before October 31, 1972, Shapp said.

In Project H.E.L.P., the Department of Commerce will canvas every firm in the areas affected by Hurricane Agnes to offer assistance in filing SBA loan applications, Shapp said. The number of firms involved is estimated at 4,000.

Detailed information also will be provided to businesses during the five-day crash effort on the Commonwealth's $50 million emergency short-term loan program so that they can take advantage of this additional aid.

The short-term loans were established to help carry companies through the emergency while SBA loans are being processed.

Shapp said the short-term loan fund is available up to the full $50 million limit through December 31, 1972.

The fund to date has aided a number of companies in meeting payrolls and in getting their plants back into operation to provide needed jobs and income.

The need for the crash program was revealed in a sample survey of 215 flood-damaged companies contacted between September 21 and September 28, 1972 by Commonwealth Research Associates.

Of the 215 companies contacted, 53.5% reported that they had not yet filed for Small Business Administration disaster loans. And 40% of those which had not applied said that they had no intentions of doing so.

MORE

State Secretary of Commerce Walter G. Arader reported that the results of the first day's operation revealed that only 57% of the respondents had filed SBA applications.

"Personally," Arader said, "I would hate to come across a company a year or several years from now which falls on hard times because it was not in a position to take advantage of what the Commonwealth is doing to help business recover from this disaster.

"By going directly to business as we are in Project H.E.L.P.," the Secretary continued, "I feel that we can do a great deal in cutting red tape that may be tying up production and keeping people out of work."

Businesses in need of financial aid as a result of flood damage are being encouraged to contact the State Department of Commerce directly.

Secretary Arader added, "We can't be positive about reaching every single firm in the Commonwealth affected by the June flood, even though we are trying as far as possible with ten full-time operators working every day just on this project."

Arader said it would be a big help if all the businesses in need would call the Pennsylvania Department of Commerce. Businesses can get any guidance that they need by calling Project H.E.L.P. at (717) 787-9760.

###

NEWS

OEP Disaster Field Office
Holy Cross Hall
King's College
Wilkes-Barre, Pa. 18702

** OFFICE OF **
EMERGENCY
PREPAREDNESS

FOR IMMEDIATE RELEASE
October 21, 1972

INTERIM ASSISTANCE FUNDS

Frank Carlucci, the President's personal representative, has authorized $11.1 million of the $400 million urban renewal funds to be utilized for interim assistance in Pennsylvania communities damaged by Tropical Storm Agnes.

"I am pleased that we've been able to work out a way to make the benefits of interim assistance available to people in the worst-hit areas throughout Pennsylvania," Carlucci said. "I should point out that the $11.1 million in Federal funds being freed for this program are part of the $400 million we announced earlier this week for redevelopment. We have simply made it possible for local officials who want to use some of their redevelopment money for this purpose to do so. They will set the local priorities."

This allocation, together with the funds given to Wilkes-Barre, uses up the whole $15 million authorization from Congress for the interim assistance program.

"We have discussed this plan with Mr. William Wilcox, Director of the Department of Community Affairs. He is delighted that it was possible to allocate funds for interim assistance, and has authorized me to say that the State will provide its share, either through the use of the $100 million fund provided by the General Assembly or by use of his emergency housing funds, or a combination of the two."

(more)

The decision on whether or not to utilize their funds for this purpose is up to local authorities and can only be made after they have designated specific areas for rehabilitation.

"If a community wants to use this program," Carlucci added, "they will have to decide which areas in their redevelopment project are going to be demolished and which are going to be repaired. In this way they will avoid spending precious funds on buildings which are later to be cleared.

"Then they will apply for these interim assistance funds, and the U. S. Department of Housing and Urban Development and the Pennsylvania Department of Community Affairs will decide jointly on the allocation for that community.

"After getting their allocation, the local redevelopment authority will help individual householders and businessmen to arrange the repairs.

"We hope that once an owner is ruled eligible for this help in making his property habitable, he will be encouraged to arrange promptly for the balance of the rehabilitation work required, with help from SBA if he needs it. If he already has approval for an SBA loan, the value of the interim assistance repairs will be deducted from his loan ceiling. It is a quick way to get our communities started on the long road back, and will add to the help which has been available through the Mini-Repair program and Rep. Bernard O'Brien's Property Improvement Program."

Mr. Carlucci was joined at his "Report to the People" news conference by Judge Max Rosenn, Chairman of the Flood Recovery Task Force and State Representative Frank O'Connell. Copy of Mr. O'Connell's remarks are attached.

-30-

STATEMENT BY PENNSYLVANIA STATE REPRESENTATIVE
FRANK O'CONNELL

I've been working with Frank Carlucci over the past ten days to see whether other Pennsylvania communities could not be brought under the interim assistance program, which is currently only being used in Wilkes-Barre. There have been a number of problems to be resolved, but I'm now happy to tell you that with Mr. Carlucci's help we have arranged for $11,100,000 in interim assistance funds to be made available by the Federal Government, to be matched by $5½ million in State funds, for a total of $16,600,000.

If a community decides they want to use this program, they will apply to the U. S. Department of Housing and Urban Development.

HUD will determine jointly with the Pennsylvania Department of Community Affairs what their allocation shall be. The local redevelopment area will then select those individual properties in their redevelopment area which will be eligible for assistance.

Aid to the property owner works like the mini-repair program, which is now phasing out. The citizen will apply to his local redevelopment authority for help. They will survey his property, decide what repairs are needed to make it habitable, and then if the owner agrees the local authority will arrange for the work to be done.

This will give those property owners who have decided to repair their homes a chance to get an early start.

-30-

Larry Marion 823-5137

HUD NEWS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Wilkes-Barre Housing Recovery Office
King's College, Holy Cross Hall--Room 903
133 North Franklin Street
Wilkes-Barre, Pennsylvania 18702

FOR IMMEDIATE RELEASE

WILKES-BARRE, Pa., Oct. 21--All residents of temporary housing supplied by the U.S. Department of Housing and Urban Development are presented with a lease and "explanation sheet" which clearly explain the terms of occupancy at the start, Frank Carlucci, the President's personal representative, said today.

"To avoid confusion between the residents and HUD, the agency sends a housing advisor to meet with the new mobile home occupants and read an explanation of the lease to them," Mr. Carlucci explained.

"This "explanation sheet", printed in large, easy to read type, interprets the legal language of the lease into familiar everyday English, so that the occupant understands and signs the terms of the agreement," Mr. Carlucci added.

The lease itself is printed in standard newspaper-sized print and has no "fine print", as alleged in a story appearing in a local newspaper today quoting Leonard Augustine. He also said that HUD should explain verbally any important items in the lease.

According to the "explanation sheet" supplied to Mr. Augustine's family when they moved into their mobile home July 28: "The lease has been explained to me by Joseph M.F. Urban (a HUD leasing advisor) and I understand and agree to its conditions", (signed by) "Marie Augustine".

HUD-416 (8-68)

-more-

Paragraph seven, part "e" of the lease and the "explanation sheet", states that, "You will not make any major repairs or additions without getting permission from HUD in writing". This appears on both the "explanation sheet" and the lease, both signed by Marie Augustine.

The park manager had no prior knowledge of the shed Mr. Augustine was building until he saw it under construction, a HUD official explained. This is in clear violation of the lease agreement.

HUD has permitted mobile home residents on group sites to build sheds, if prior permission has been granted for a shed of a specified size. The shed Mr. Augustine built exceeded the dimensions permitted, Mr. Carlucci said.

After submitting his application for temporary housing, Mr. Augustine had requested a medical priority due to the pregnant condition of his wife. When his wife gave birth July 27, Mr. Carlucci ordered that the Augustine family receive priority over all other applicants awaiting temporary housing. When Mrs. Augustine left the hospital, a new HUD mobile home was waiting for her and the baby.

Mr. Carlucci noted that Jack McGraw, the Director of the HUD Pennsylvania Housing Recovery Office, sent a memorandum to all HUD employees October 19, stating that they must "serve the public in an efficient and courteous manner, both in person and on the telephone. It will be expected that all HUD employees will go the second mile in serving the flood victims of Tropical Storm Agnes".

-30-

NEWS

OEP Disaster Field Office
Holy Cross Hall
King's College
Wilkes-Barre, Pa. 18702
Phone: 825-6811 Ext. 552

** OFFICE OF **
EMERGENCY
PREPAREDNESS

FOR IMMEDIATE RELEASE
October 21, 1972

Emergency Food Stamp Issuance Extended

Frank Carlucci, President Nixon's personal representative, announced that the U. S. Department of Agriculture's Food and Nutrition Service has authorized the emergency issuance of food stamps for another month in four Pennsylvania counties--Luzerne, Montour, Juniata, and Mifflin. The authorization continues the massive help that USDA is giving to the victims of Hurricane Agnes. This will be the fifth month for which emergency issue has been authorized for flood victims since emergency issuance was authorized immediately after the flood struck on June 23. In the four months from then through now the value of food stamp coupons issued to Agnes victims tops the $9 million mark.

In addition sizeable donations of food were made in kind for emergency feeding of the disaster victims as the USDA marshalled all its forces to give quick and effective assistance in the wake of the storm.

---30---

NEWS

** OFFICE OF **
EMERGENCY
PREPAREDNESS

Contact: Bill Foist
825-6811 Ext. 552

Kings College
Holy Cross Hall
Wilkes Barre, Pa.

FLOOD RECOVERY OFFICES OPEN MONDAY

Wilkes Barre, Pa., October 21, 1972 .....Frank Carlucci, President Nixon's Personal Representative, today announced that all Federal Flood Assistance Offices will be open on Monday, October 23.

Mr. Carlucci said, " While the observance of Veteran's Day is normally a holiday for all Federal Offices, the various agencies concerned with the flood recovery effort will remain open."

Both SBA and HUD offices will be open from 8:00 A.M. to 8:00 P.M. and the President's Bureau for Consumer Affairs will be open from 9:00 A.M. to 6:00 P.M.

"I might also point out that these offices have been open every holiday and every weekend since the flood", Mr. Carlucci added, "and will continue to work seven days a week as long as necessary."

-30-

NEWS

OEP DISASTER FIELD OFFICE
Kings College
Holy Cross Hall
133 North Franklin Street
Wilkes-Barre, Pennsylvania 18701
Phone: 825-6811, Ext. 552

** OFFICE OF **
EMERGENCY
PREPAREDNESS

FOR IMMEDIATE RELEASE
OCTOBER 21, 1972

Frank Carlucci, President Nixon's personal representative, and COL John F. McElhenny of the U. S. Army Corps of Engineers inspected the first phase of the construction improvements to the levee system in Wyoming Valley Friday.

The two officials toured an area of the dike between the Carey Avenue bridge and the Breslau-Plymouth bridge, where construction is under way by Addy Asphalt Company of Wilkes-Barre.

"I am pleased with the progress the Corps of Engineers contractor is making after being at work such a short time," Mr. Carlucci said. "I am confident the dike system will be restored to its original design levels within completion schedules the Corps has outlined," he said.

The contract for the first phase of the dike restoration was awarded to the Wilkes-Barre firm for $215,310 on October 12 and involves more than 8,000 feet of levee. It is the first of several contracts to restore the system to design level and improve the dike system in the Valley.

COL McElhenny emphasized that the construction under the Addy contract was only one increment of a program to achieve complete restoration of all flood control projects in the Valley.

When work under the contract and other contemplated work are complete, subsided portions of the levees will be raised and the system will protect communities in the Valley against a flood for which it was designed--a 1936 type flood, COL McElhenny explained. The improvements will also protect against spring thaws.

Restoration of the levees to original design level is only one part of a four part program for full restoration and improvement to flood controls in the Valley. Other parts of the program include:

- Emergency repairs of damages to flood control system caused by Agnes.
- Accelerated construction of upstream dam projects.
- Expediting a survey report for overall improvements to the flood control projects in the Valley.

The first part of the program--repair of damages-- is virtually complete.

Construction of the upstream dam system--the Tioga-Hammond and Cowanesque projects--has been placed on an accelerated schedule. The Tioga-Hammond dam is expected to be completed in 1977 and the Cowanesque dam will be finished in 1979. These two projects alone will reduce flood stages in the Wilkes-Barre area by two or three feet.

The other phase of the overall program for flood control--expediting a survey report for extensive improvements to the flood control projects in the Valley is in the working stage also. It will be ready in December and will provide a means for authorizing long-range improvements to the Wyoming Valley projects which--in conjunction with operational Tioga-Hammond and Cowanewque reservoir projects--will provide protection against a flood of the magnitude of Agnes.

Work under the Addy contract calls for raising the dike level two feet along 3,600 feet of the structure at Forty Fort. In addition, fill material will be added on top and on the landside. Topsoil will be placed and seeded on the improved portions.

In the area between the Carey Avenue bridge and the Breslau-Plymouth bridge, the dike will be raised two and one half feet along 2,950 feet. Fill will be placed on top and on the landside of the levee, and an additional 130 feet of riprap will be placed.

At Nesbitt Park in Kingston, the dike will be raised two feet the entire distance between the Market Street and Pierce Street bridges. Fill will be placed on the crown and on the river side, and 275 feet of riprap will be placed. Topsoil will be placed and seeded also.

Wynn Moseley 823-5137

HUD NEWS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Wilkes-Barre Housing Recovery Office
King's College, Holy Cross Hall--Room--903
133 North Franklin Street
Wilkes-Barre, Pennsylvania 18702

FOR IMMEDIATE RELEASE

WILKES-BARRE, Pa., Oct. 21--To eliminate any misunderstanding, Frank Carlucci, the President's personal representative, today emphasized that all utility bills, including gas and other fuels, must be paid by the occupants of temporary housing for flood victims.

The U.S. Department of Housing and Urban Development has paid for the fuel installation and the first fuel delivery for mobile homes and travel trailers. It is spelled out in the signed lease agreements that the residents must pay all utility bills (heat, electricity, water and sewer) themselves.

"Flood victims may live in their temporary housing up to one year with the rent paid by the Federal Government, which is precluded by law from also paying their utilities," Mr. Carlucci said.

Secretary William Wilcox of the State Department of Community Affairs reported that the Pennsylvania Department of Public Welfare has authorized special allowances for welfare recipients living in mobile homes for the actual monthly cost of the fuel. The use must be verified and is limited to the time that the mobile home is occupied, he said.

HUD has made a study of the prices charged by some 31 LP gas contractors supplying the emergency housing and found their price

-more-

structures to be in line with their costs. Individual mobile homes in remote areas are obviously more expensive to serve than those located in urban areas.

LP gas contractors must pay for gas purchased within 10 days and cannot afford to "carry" the residents' gas bills for lengthy periods of time, a HUD official noted. People who do not pay their utility bills will not be served, he said.

The two systems of charging mobile home residents for LP gas which HUD found workable and fair are called "budget" and "deposit". Under the budget system, payments for the entire winter fuel useage are spread out in equal payments over a nine or ten-month period (September--June or October--June). If the average yearly bill is $375, then each of the 10 monthly payments are $37.50. The budget system relieves the resident of having to pay high monthly bills in peak winter months when he has the greatest need for the fuel. At any time the resident moves from the mobile home, the books are balanced, and any money left over is paid to him; or if he has used more gas than he paid for, he must reimburse the contractor.

Under the deposit system, the resident gives the utility a deposit (i.e. $50) and then remits on a "pay-as-you-go" basis. When he leaves the mobile home, the deposit is either applied to his bill or returned to the resident if his bills are paid up.

Flood victims living in mobile homes on individual or group sites cannot shift to a different supplier of LP gas, a HUD official said. By law, the LP gas equipment belongs to the company installing

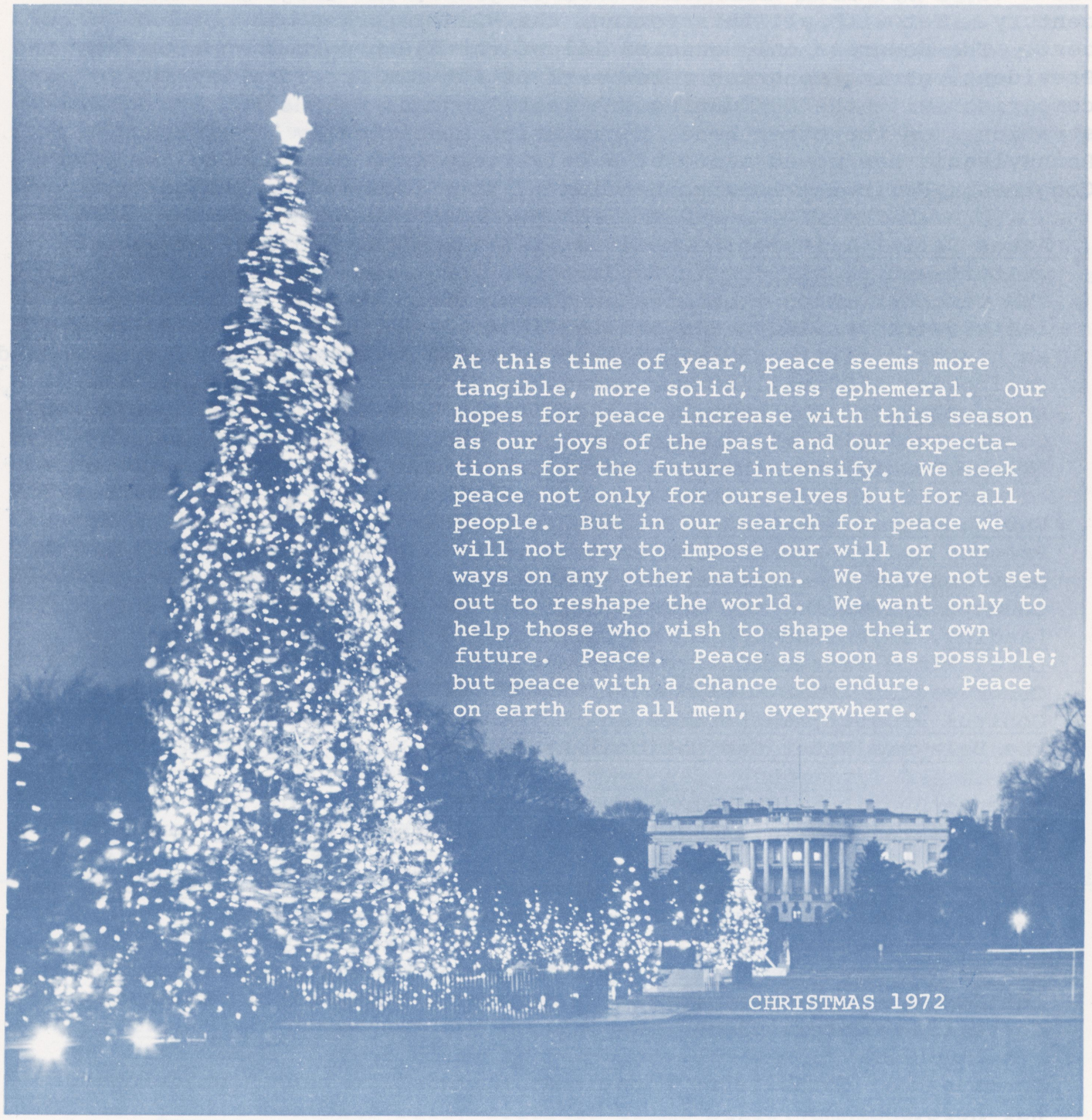
-more-

it. Fuel refills will be handled by the LP installer only.

Some residents of mobile homes have said they do not understand the correct operation of their heating systems. The thermostat should be set for a uniform temperature and left there. If it is turned off at night or when the unit is temporarily empty, then more fuel must be burned to reheat it later. A booklet explaining correct procedures is planned by local LP contractors for mobile home residents.

If a problem arises with a fuel installation the mobile home occupant should call HUD on 825-8521.

-30-


At this time of year, peace seems more tangible, more solid, less ephemeral. Our hopes for peace increase with this season as our joys of the past and our expectations for the future intensify. We seek peace not only for ourselves but for all people. But in our search for peace we will not try to impose our will or our ways on any other nation. We have not set out to reshape the world. We want only to help those who wish to shape their own future. Peace. Peace as soon as possible; but peace with a chance to endure. Peace on earth for all men, everywhere.
CHRISTMAS 1972

92ND CONGRESS

LEGISLATIVE WRAP UP

1972 has been a long year, with some 532 roll call votes since January and a total 955 roll call votes this Congress, the largest number this century. Yet with all this voting, the 92nd Congress was not one of our best. The Congress only enacted 141 of the 318 programs submitted by the President, giving Congress a low mark of 44% for Presidential support in comparison with the 60% during the last Congress in the Johnson Administration. On the other hand, legislation specifically benefiting Pennsylvania has moved along at a relatively fast pace during the 92nd Congress. Following is a compendium of this legislation I sponsored.

Agnes Relief Measures: Provides 1% loans with a $5,000 forgiveness feature and $2 billion in funds to 30 government agencies for repair and reconstruction from this damaging storm. I also sponsored legislation providing $19 million in assistance for nonpublic schools, an historic first; $58 million in assistance to Northeast flood damaged railroads; $100 million for emergency highway repair; $10 million in tax refunds to the heavily damaged Piper Aircraft Company in Clinton County, and $1.1 million to the J.P. Ward Foundries in Blossburg (Tioga County) for the loss of rail service due to Hurricane Agnes.

Environmental Measures: Extends for 5 years the authorization of the Presque Isle Beach Erosion Project in Erie County at $3.5 million; provides for the Tinicum Environmental and Wildlife Center in Delaware County; allows for the development of the waterfront area, Penn's Landing, in Philadelphia; authorizes $2.4 million for the Tamaqua Local Flood Protection Project; changes the name of the Chartiers Creek section within Allegheny County to the James G. Fulton Flood Control Project; authorizes an increase in land acquisition funds for the Delaware Water Gap National Recreation Area.

Revenue Sharing: Funnels more than $273 million into the Commonwealth in the first year alone, with checks being sent out this month.

Ethnic Heritage Studies Act: Provides for the creation of a national ethnic center, hopefully to be located in Pittsburgh.

Juvenile Correction Center: Includes a $10 million authorization in the Justice Department Appropriation for a Philadelphia Juvenile Correction Center.

Kosciuszko: Establishes a national memorial to this Revolutionary War hero.

AEC Appropriations: Provides $1 million for development of cardiac pacemakers by Numec Company in Apollo, (Armstrong County) Pennsylvania.

93RD CONGRESS

LEGISLATIVE PREDICTIONS

Prior to adjournment, I challenged the Congress to act on six major legislative proposals recommended by the President, and greatly benefiting the people of the Commonwealth. Involved were employment economy, health care, the environment, executive reorganization, welfare reform and revenue sharing. Only the latter two have received attention by Congress.

The 93rd Congress must press forward to improve upon its limited performance. We must have a spending ceiling, effective welfare reform and special revenue sharing for transportation, urban and rural development, education, crime, pension reform and comprehensive health care. Congress must take the initiative in restoring the faith of the people in the ability and willingness of Congress to solve the pressing problems of the Nation.

Of immediate and urgent concern in this new session of Congress will be the following legislation: Trade bill, including Soviet trade and quotas on products; consumer protection agency; welfare reform; housing bill, including closing costs; pension reform; no strike transportation bill; nonpublic school tax credits; tax reform; strip mining bill; Federal aid to highways and mass transit; disaster relief reform bill; public works bill, including Presque Isle; minimum wage bill; government reorganization and special revenue sharing; health insurance.

Of specific interest to the Commonwealth during the 93rd Congress will be: transfer of the Philadelphia Federal Court House to the City; Independence National Historical Park land acquisition; make permanent the middle district temporary judgeship; amendments to the campaign reform law; Genocide treaty implementation; Eisenhower Memorial highway; unlawful transportation of high pressure cylinders; skyjacking prevention; and payment of interim disability benefits.

In addition, the three committees of which I am a member will consider legislation on the following topics: Rules Committee: amendments to the campaign reform law; expansion of the personal holdings disclosure laws and regulations; Judiciary Committee: Copyright bill; patent bill; sports blackout (antitrust); gun control; electoral college reform; speedy trial bill; habeas corpus bill; police benefits bill; assorted crime bills; omnibus judgeship bill; prison reform and corrections; executive privilege; state court assistance bill; extension of the Law Enforcement Assistance Administration; Foreign Relations Committee: relations with China and the Soviet Union; arms control.

SOCIAL SECURITY

The 92nd Congress enacted comprehensive and generous improvements in social security benefits, on top of the 20% raise in social security payments authorized earlier this year. Benefits effective in 1973 are:

* Special minimum monthly benefits of $8.50 multiplied by the number of years in covered employment in excess of 10 and up to 30 years. Minimum payments to a couple will be one and one-half this amount ($170 per month for an individual and $255 for a couple with 30 years covered employment).

* Increase to 100%, benefits for widows and widowers with benefits for dependent widowers starting as early as age 60. Elimination of support requirements for divorced wives, divorced widows and surviving divorced mothers.

* Increased outside earnings limit of $2,100 per year with $1 withheld for every $2 of all earnings above $2,100.

* Medicare coverage for persons under 65 who have received social security disability benefits for 24 consecutive months.

* Increased benefits of 1% for every month retirement is delayed after age 65. Effective for computation and recomputation after 1973 based on earnings after 1973.

* Reduction in waiting period for disability benefits from six months to five months.

PLUS: Special Social Security--General Welfare benefits for the needy, aged, blind and disabled of at least $150 per month for an individual and $215 for a couple, plus an earned income disregard of $65 plus one-half of all over $65 per month. Effective 1974.

Age 62 computation point for men effective starting will be 1973 and fully effective 1975.

United States Senate
WASHINGTON, D.C.

Hugh Scott
U.S.S.

0190479.0000000
HON. MAX ROSENN
229 FEDERAL BUILDING
WILKES-BARRE, PA. 18701

HUGH SCOTT
PENNSYLVANIA

MARTIN G. HAMBERGER
ADMINISTRATIVE ASSISTANT

EDITH V. SKINNER
EXECUTIVE ASSISTANT

United States Senate
WASHINGTON, D.C. 20510

August 15, 1972

Dear Friend:

The U.S. Senate has just given its approval for the Agnes Recovery Act, a bill which I introduced a few weeks ago in behalf of the Administration. President Nixon is expected to sign it shortly. Several provisions of this legislation will give immediate assistance to homeowners, businessmen and farmers. Listed below are the most important items in the bill:

1. SBA loans are being offered with a $5000 "forgiveness" feature, payable at 1 percent over a 30-year period. Special treatment is being provided for retired and disabled persons and small businesses.

2. The Farmers Home Administration will be lending money on terms similar to the Small Business Administration. In addition, the Secretary of Agriculture may refinance any mortgage or other lien against damaged property. This provision also applies to the loss of or damage to agricultural crops.

3. An Amendment which I offered will provide about $20 million in grants-in-aid to private non-profit educational institutions which are victims of disasters. Included in this program are Wilkes College, King's College, the Wyoming Seminary and the parochial schools in the area.

4. SBA can suspend payments of principal on disaster loans if such payments constitute a hardship for the borrower.

5. SBA can make loans for working capital and operating expenses to businesses hurt by the disaster.

6. The bill creates a mechanism by which existing mortgages can be refinanced and consolidated.

7. The President will make a thorough study of the existing disaster relief program and will report back to Congress with his recommendations for change.

I want you to know that I am following every related development with the closest possible attention. As you may know, immediately following the flood I introduced an amendment to provide an additional $200 million for emergency disaster relief. My amendment was unanimously passed by the Senate and was approved by President Nixon. I have also introduced legislation to provide $48 million for assistance to those railroads damaged by the flood. Hearings were held on this legislation on August 2, 1972, and I am urging final action before the forthcoming Congressional Recess.

Please be assured that I will continue to do all I can to see that a quick recovery is made in the affected areas of Pennsylvania.

With kind regard,

Sincerely,

Hugh Scott

Hugh Scott
United States Senator

HS:dgm

United States Senate
COMMITTEE ON FOREIGN RELATIONS
WASHINGTON, D.C. 20510

Hugh Scott
U. S. S.

HON. MAX ROSENN
229 FEDERAL BUILDING
WILKES-BARRE, PA. 18701

DANIEL J. FLOOD
11TH DIST., PENNSYLVANIA

COMMITTEE:
APPROPRIATIONS

CHAIRMAN, SUBCOMMITTEE ON LABOR,
HEALTH, EDUCATION AND WELFARE

MEMBER, SUBCOMMITTEE ON DEFENSE

Congress of the United States
House of Representatives
Washington, D.C. 20515

September 12, 1972

HOME OFFICE:
1015 UNITED PENN BANK BLDG.
WILKES-BARRE, PENNSYLVANIA
ZIP CODE: 18701
PHONE: AREA CODE 717
822-2194

WASHINGTON OFFICE:
108 CANNON BUILDING
ZIP CODE: 20515
PHONE: AREA CODE 202
225-6511

STEPHEN B. ELKO
ADMINISTRATIVE ASSISTANT

HELEN M. TOMASCIK
EXECUTIVE SECRETARY

FOR IMMEDIATE RELEASE

As I have stated publicly, I contacted the National Oceanic and Atmospheric Administration of the U.S. Department of Commerce with reference to the many serious problems of adequatly predicting floods and then making that information available to citizens in sufficient time and with enough accuracy to act accordingly to save life and property. My questions were as follows:

1. Did reports issued by the Weather Bureau in any way mislead residents?
2. Were reports sufficiently timely and accurate to permit people to make maximum preparations for flood conditions?
3. Did the U.S. Weather Service receive the fullest possible assistance from state and/or other cooperating agencies?
4. Did other government or disaster-related agencies do everything in their power to expedite and assure the broadest and most effective communications of weather service bulletins, alerts, or warnings?
5. Would any changes in weather service operating procedures or contingency plans be indicated or desirable?
6. Are any additional resources required to make the forecasting

DANIEL J. FLOOD
11TH DIST., PENNSYLVANIA

COMMITTEE:
APPROPRIATIONS

CHAIRMAN, SUBCOMMITTEE ON LABOR,
HEALTH, EDUCATION AND WELFARE

MEMBER, SUBCOMMITTEE ON DEFENSE

Congress of the United States
House of Representatives
Washington, D.C. 20515

September 12, 1972

HOME OFFICE:
1015 UNITED PENN BANK BLDG.
WILKES-BARRE, PENNSYLVANIA
ZIP CODE: 18701
PHONE: AREA CODE 717
822-2194

WASHINGTON OFFICE:
108 CANNON BUILDING
ZIP CODE: 20515
PHONE: AREA CODE 202
225-6511

STEPHEN B. ELKO
ADMINISTRATIVE ASSISTANT

HELEN M. TOMASCIK
EXECUTIVE SECRETARY

---

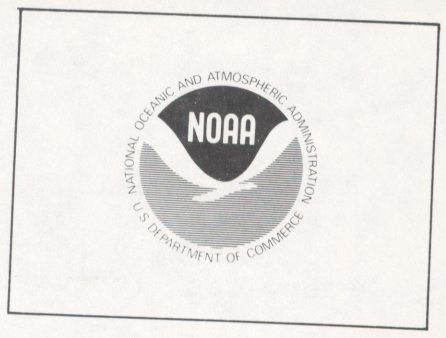
and alert system significantly more effective? If so, how can these resources be made available at least cost to the taxpayer?

The National Oceanic and Atmospheric Administration supplied me with a printed document, "Preliminary Report - Hurricane Agnes and the Floods of June 21-24, 1972." A copy is enclosed, as well as three prints of Hurricane Agnes Storm Track, Flood Areas, and Rainfall. I am enclosing, as well, copies of a release issued by the Department of Commerce with reference to "Advisory Committee to Review Warnings of June East Coast Floods," and a booklet, "Project Stormfury 1972."

My purpose is to stress the need for an effective Weather Service warning system to alert the public to approaching storms, for only by such weather forecasting systems can we minimize the damage and avoid loss of life and property. In the aftermath of Hurricane Agnes, there has been considerable criticism particularly in the Middle Atlantic States, and more particularly in northeastern Pennsylvania, that Weather Service forecasts of flooding conditions either were not made or were delayed to such an extent as to be of little value to the public. There had been suggestions that key Weather Service personnel maintained normal workday schedules and were not available during the time of crisis. It has also been suggested that computers that could have been used to predict flooding conditions were not put to work in time to give the public notice so that loss of life and property might have been avoided.

Enclosures

UNITED STATES DEPARTMENT OF
COMMERCE
NEWS
WASHINGTON, D.C. 20230



NOAA 72 - 102

RELEASE: Tuesday
August 8, 1972

Advisory committee to review warnings of June east coast floods

The National Advisory Committee on Oceans and Atmosphere (NACOA) will review and evaluate the Nation's flood forecasting and warning program and its performance during the east coast flood disaster of 1972, the Commerce Department's National Oceanic and Atmospheric Administration announced today.

Dr. Robert M. White, NOAA Administrator, has asked Dr. William A. Nierenberg, Chairman of NACOA, to undertake the review in the wake of what has been called the worst natural disaster in our nation's history. A dying tropical storm, Agnes, dumped record-breaking torrential rains with resultant flooding all along the Eastern Seaboard after landing near Panama City, Florida, on June 19. Most river basins north of the Carolinas and east of the Appalachians as far north as New York State were affected in the week that followed. According to preliminary estimates, property damage of about $2 billion was sustained.

Because of the extent and severity of the disaster, Dr. White called for an outside evaluation of the entire forecasting-warning-dissemination system -- how it performed and how it can be improved.

(more)

The National Oceanic and Atmospheric Administration is the parent agency of the National Weather Service which has the responsibility for providing the Nation's weather and hydrologic services, forecasts, and warnings.

The 25 member NACOA was established on August 15, 1971, to conduct a continuing review of the progress of the Nation's marine and atmospheric science and service programs and to advise the Secretary of Commerce with respect to the National Oceanic and Atmospheric Administration.

Dr. Nierenberg, named NACOA's first Chairman by President Nixon in October 1971, is Director of the Scripps Institution of Oceanography at La Jolla, Calif.

#

Herbert S. Lieb
(301) 496-8243

House of Representatives, U.S.

MEMORANDUM

The attached refers to a subject in which you are interested, and is, therefore, referred for your information.

Yours very truly

From
Congressman Daniel J. Flood
11th Cong. Dist. (Pa.)

SUSQUEHANA RIVER BASIN COMMISSION

[18 CFR Part 801]

GENERAL POLICIES

Notice of Proposed Rule Making

Notice is hereby given that the Susquehanna River Basin Commission, pursuant to section 15.2 of the Susquehanna River Basin Compact (84 Stat. 1509 et seq.) is proposing adoption of policies concerning the operations of the Commission.

Prior to final adoption of the policies consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing (preferably six copies) to the Executive Director, Susquehanna River Basin Commission, 5012 Lenker Street, Mechanicsburg, PA 17055 by November 15, 1972. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed policies should submit his request, in writing, by November 15, 1972.

Copies of the proposed policies can be secured from the above address or from any of the signatory parties at the following addresses:

U.S. Commissioner, Susquehanna River Basin Commission, Room 5202, Interior Building, Washington, D.C. 20240.
Secretary, Department of Environmental Resources, Commonwealth of Pennsylvania, Post Office Box 1467, Harrisburg, PA 17120.
Secretary, Department of Natural Resources, State of Maryland, State Office Building, Annapolis, MD 21401.
First Deputy Commissioner, Department of Environmental Conservation, State of New York, 50 Wolf Road, Albany, NY 12201.

PART 801—GENERAL POLICY

Sec.

801.0 Introduction.
801.1 Standard definitions.
801.2 Coordination, cooperation, and intergovernmental relations.
801.3 Allocations, diversions, withdrawals, and release.
801.4 Project review (interim).
801.5 Comprehensive plan.
801.6 Water supply.
801.7 Water quality.
801.8 Flood plain management and protection.
801.9 Watershed management.
801.10 Recreation.
801.11 Public values.
801.12 Electric power generation.

AUTHORITY: The provisions of this Part 801 issued under 15.2, Public Law 91–575 (84 Stat. 1509 et seq.).

§ 801.0 Introduction.

(a) The Governors of the States of New York, Pennsylvania, and Maryland, and a representative of the President of the United States are members of the Susquehanna River Basin Commission. The Commission is a regional governmental agency whose purpose is to effect comprehensive multiple purpose planning for the conservation, utilization, development, management, and control of the water and related natural resources of the basin, which includes part of New York, Pennsylvania, and Maryland.

(b) The Susquehanna River Basin Compact provides broad authority for the Commission to carry out basinwide planning programs and projects, and to take independent action as it determines essentiai to fulfill its statutory regional governmental role.

(c) The objectives of the Commission shall be to: (1) Develop cooperative and coordinated Federal, State, local, and private water and related land resources planning within the basin, (2) formulate, adopt, effectuate, and keep current a comprehensive plan and a water resources program for the immediate and long-range use and development of the water resources of the basin, (3) provide for orderly collection and evaluation of data, and for the containing promotion and conduct of appropriate research relating to water resources problems, (4) establish priorities for planning, financing, development, and use of projects and facilities essential to effectively meet identified water resources needs, and to maintain these resources in a viable state.

(d) The Commission shall employ a multiobjective approach in planning for the use and development of the water resources of the basin.

(e) It is the purpose of this regulation to set forth the objectives of the Commission and to present certain basic policies that (1) have basinwide application, (2) are specifically pertinent to the formulation of a comprehensive plan, (3) will serve as guidelines for all agencies or individuals with planning responsibilities for the development and use of the water resources of the basin, (4) form the basis for working relationship between the Commission and other agencies having related responsibilities in the basin. This statement will be amended and updated from time to time.

§ 801.1 Standard definitions.

(a) Many terms that will be used in official Commission documents may have slightly different meanings to various groups. To avoid confusion and to increase the clarity of the meaning the Commission applies to frequently used terms standard definitions will be utilized.

(b) The Commission will use the standard definitions set forth for the terms shown in section 1.2 of the Compact,[1] and will add terms and appropriate definitions as deemed necessary.

§ 801.2 Coordination, cooperation, and intergovernmental relations.

(a) The interstate nature of the Susquehanna River Basin and the broad regional authority of the Commission require clear and effective working relationships with the States, Federal Government, and local and private sectors in all matters relating to the water resources of the basin.

(1) The Federal Government will be encouraged and asked to participate in water resources projects and programs having national or broad regional significance. The Commission will act to encourage local initiative to solve water resources problems within a local and regional context, but when faced with obviously needed action that is not forthcoming from other sources will act, in accordance with the Compact, on its own.

(2) The Compact provides authority for the Commission to serve in a regulatory capacity and also to act as a managing and operating agency. The Commission will exercise its regulatory authority mainly in interstate matters or where signatory authority is not being effectively exercised or where the signatory has little or no authority to act. Similarly, the Commission may manage and operate various facilities if it is determined that this is an area in which an important and necessary service can be rendered.

(3) Should it become necessary for the Commission to undertake development, management and operation of projects, arrangements for repayment of all project costs and eventual operation and maintenance costs will be appropriately prorated, among the signatories or otherwise financed in accordance with the Compact. Support for this possibility is found in the Commission's potential to arrange for financing of projects and to serve in handling repayment in the form of user charges or appropriations.

(4) The Commission will utilize the functions, powers, and duties of the existing offices and agencies of government to the extent consistent with the Compact.

---

[1] Filed as part of original document.

(5) In its actions the Commission will maintain a high level of public visibility. Broad government, public, and private sector commentary on Commission proposals and findings will be invited, and to the extent possible be incorporated and reflected in decisions for finalization of plans, projects, and programs having significant effect on the water resources of the basin. A concerted effort will be made to keep the Commission and its activities readily available to government and public scrutiny, and responsive to their concerns.

(b) The Commission shall exercise its regional jurisdiction in an effort to avoid and minimize conflicts and duplication of effort and shall:

(1) Cooperate with and help coordinate Federal, State, local government, and private sector efforts in all matters relating to the planning, conservation, preservation, use, development, management and control of the water resources of the basin.

(2) Develop administrative agreements, as needed, with appropriate agencies of the signatories and other agencies to facilitate achievement of the Commission's objectives and related responsibilities of other agencies by minimizing duplication of effort and maximizing the contributions the respective agencies are best able to make.

(3) Build upon present water resources planning and related activities of the signatory parties, local government, other public bodies, and the private sector and fully consider their recommendations and suggestions.

(4) Establish advisory committees as needed for specific assignments and seek meaningful liaison with sources of technical and scientific expertise.

(5) Share with interested parties results of investigations, studies, tests, and research undertaken by the Commission in an appropriate manner and form.

(6) Conduct its regular meetings announced in advance and open to the public.

(7) Depend upon existing public agencies for the construction, operation, and maintenance of projects except when the project is necessary to further the comprehensive plan and the responsible agency does not act or when the Commission is asked to act by one or more signatories, one or more local governments, or other responsible entities.

(8) Require that the planning of projects affecting the water resources of the basin by Federal, State, local agencies and private organizations be undertaken in coordination with the Commission and in accordance with the Compact.

(9) Require that periodic reports of projects affecting water resources within the basin and listings of discharge permits granted, and similar activities undertaken by offices or agencies of the signatory parties, be submitted to the Commission.

§ 801.3 Allocations, diversions, withdrawals and release.

(a) The extremes in availability of water in the basin means that water will not always be available when and where it is needed. One of the responsibilities of the Commission is to act upon requests for allocations, withdrawals, or diversions of water for in-basin or out-of-basin use.

(b) The Commission will require evidence that interbasin transfers of water will not jeopardize, impair or limit the efficient development and management of the Susquehanna River Basin's water resources, or any aspects of these resources for in-basin use, or have a significant unfavorable impact on the resources of the basin and the receiving waters of the Chesapeake Bay.

(c) Water emergencies may be expected to develop in portions of the basin due to drought conditions or other causes. The Commission will act promptly to effect alleviation of the condition to the extent possible.

(d) The Commission may, in making decisions on allocations, diversions, withdrawals, and releases, consider the following principles:

(1) That allocations, diversions, or withdrawals of water be based on the common law principles of riparian rights which entitles landholders in any watershed to draw upon the natural stream flow in reasonable amounts and be entitled to the stream flow not unreasonably diminished in quality or quantity by upstream use or diversion of water.

(2) That recognizes land use development in any watershed may in certain instances be limited by the water supply capacity of that watershed.

(3) That one of the prerequisites to the intra and interbasin transfer of water should be that the receiving watershed has developed within reasonable limits of economic and technical feasibility, its resources and reserves, including ground water, and committed them to current use.

(e) When the need arises for action on requests for allocations, diversions, or withdrawals of water from either surface or ground waters of the basin the Commission shall:

(1) Allocate waters of the basin to and among the signatory States to the Compact as the need appears, and impose related conditions, obligations, and release requirements.

(2) Determine if a proposed allocation, withdrawal or diversion is in conflict with or will significantly affect the comprehensive plan, and assure existing immediate and projected long term local and regional uses are protected.

(3) Impose conditions, obligations and release requirements for dams and/or diversion structures to protect prior local interests, downstream interests, and environmental quality.

(4) In the matter of drought, disasters or catastrophes, natural or man-made, which cause actual and immediate shortage of available and usable water supply, determine and delineate the area of shortage and by unanimous vote declare a state of water supply emergency therein, and impose direct controls on any and all allocations, diversions and uses of water to meet the emergency condition.

(5) In water emergencies coordinate the efforts of Federal, State, local, and other persons and entities in dealing with the emergency.

(6) Determine and delineate, after public hearing, areas within the basin wherein the demands upon supply made by water users have developed or threaten to develop to such a degree as to create a water shortage or impair or conflict with the comprehensive plan.

(7) When areas in need of protection from overdemand of safe yield of the supply have been delineated, declare such areas protected from further depletion, with the consent of the member or members from the affected State or States.

(8) Require that no person divert or withdraw from any protected area water for domestic, municipal, agricultural, or industrial uses in excess of such quantities as the Commission may prescribe by general regulation or pursuant to a permit granted heretofore under the laws of any of the signatory States.

§ 801.4 Project review (interim).

(a) The Compact provides generally that no project affecting the water resources of the basin shall be undertaken by any person, governmental authority, or other entity prior to approval by the Commission.

(b) In many instances, one or more of the signatory parties will exercise project review authority regarding proposed projects in the basin coming under the purview of the Commission. Accordingly the Commission will direct its attention to reviewing the completeness and effectiveness of the review procedures of the signatories and will endeavor to minimize duplication of staff effort, and time and cost to the applicant.

(c) The Commission will establish exempt categories in accordance with the section 3.10–3 of the Compact, and for projects determined not to have a substantial effect on the water resources of the basin. In dealing with Federal or federally licensed projects, the Commission will take the provisions of reservations (r) and (w) of United States PL 91–575 (84 Stat. 1509) and provisions of the Compact into account.

(d) It is expected that project review procedures will be modified following adoption of the comprehensive plan. In the meantime the Commission will:

(1) Base its review and comments pertaining to proposed projects within the basin coming under the purview of

the Commission, on review and comments of signatory parties. In general, the Commission review will seek to ascertain the completeness of procedures followed by the signatory parties in their review, and will refrain from specifically rechecking detailed evaluations. (Susquehanna River Basin Commission Resolution No. 72–5)

(2) Require as it determines necessary, submission of pertinent project plans and documents for its independent review and approval. The purpose of their review will be to ascertain whether all relevant provisions of the Compact and actions taken pursuant thereto have been observed:

(i) When the Commission has determined that a project may have a significant effect on the water resources of the basin.

(ii) When a proposed project does not fall under the review jurisdiction of any agency of the signatory parties.

§ 801.5 Comprehensive plan.

(a) The Compact requires that the Commission formulate and adopt a comprehensive plan for the immediate and long-range development and use of the water resources of the basin.

(1) The plan will include existing and proposed public and private programs, projects, and facilities which are required, in the judgment of the Commission, to meet present and future water resources needs of the basin. Consideration shall be given to the effect of the plan, or any part of the plan, on the receiving waters of the Chesapeake Bay. The Commission shall consult with interested public bodies and public utilities and fully consider the findings and recommendations of the signatory parties, their various subdivisions and interested groups. Prior to adoption of the plan the Commission shall conduct at least one public hearing in each signatory State.

(2) The plan will reflect consideration, of the multiobjectives of national economy, regional development and environmental quality; and multipurpose use of projects.

(3) Water quantity and water quality planning will be studied together and correlated to the extent feasible, with existing and proposed land uses. The development of a basinwide land use study to enable full consideration of basic and alternative proposals to meet water resources needs will be explored.

(4) An important phase of the plan formulation process is a thorough review and evaluation of the Susquehanna River Basin Coordinating Committee Study report, other pertinent plans and reports of the signatories, the data source, and the water quality standards of the signatories and progress towards their achievement. The findings and recommendations presented in the Susquehanna River Basin Coordinating Committee Study report will be considered for incorporation in the Commission's plan to the extent they are feasible and compatible with the current and projected needs and interests.

(5) Essentially the comprehensive plan will reflect the findings of an analysis of a mix of alternative futures for industrial, agricultural, residential, and recreational development in the basin.

(6) The Commission will act diligently to promote Federal, State, local governmental, and private sector cooperation and coordination in the implementation of the adopted plan. It is expected that recommended development programs will be undertaken by the signatories, local governmental agencies, or private interests. If expeditious action by others is not forthcoming or is not possible the Commission will act in accordance with the Compact to implement programs, projects, and standards to the extent necessary to further the aims of the comprehensive plan.

(b) The comprehensive plan shall provide for the immediate and long-range use, development, conservation, preservation, and management of the water resources of the basin, and shall include the following parts.

(1) *Part I.* (i) Statement of authority, purpose, objectives and scope.

(ii) Description of the physical and human environment.

(iii) Inventory of the basin's water resources and existing developments and facilities.

(iv) Projection of immediate and long-range water resources needs of the basin.

(v) Description of a general system of measures and programs, including water quality and other standards as determined necessary, and reasonable alternatives considered essential to and capable of satisfying water resources needs into the reasonably foreseeable future.

(vi) Criteria used for review and acceptance of projects within the plan.

(vii) Procedures for updating and modifying the plan.

(2) *Part II.* Details on specific projects and programs in the comprehensive plan.

§ 801.6 Water supply.

(a) The Susquehanna River Basin is rich in water resources. With proper planning and management, and with adequate public and private investment in treatment, storage, and distribution facilities, the high potential of the basin to provide water of suitable quality for a wide array of public and private purposes into the foreseeable future should be possible.

(b) The Commission may regulate the withdrawal of waters of the basin not regulated by the signatory parties for domestic, municipal, industrial, and agricultural uses if regulation is considered essential to further the aims set forth in the comprehensive plan.

(c) The Commission shall study the basin's water supply needs, the potential surface and ground water resources, and the interrelationships to meet these needs through existing and new facilities and projects. Efficient use and management of existing facilities with emphasis on the full utilization of known technology will be explored in meeting water supply needs for domestic, municipal, agricultural, and industrial water supply before new programs or projects are approved.

§ 801.7 Water quality.

(a) The signatory States have the primary responsibility in the basin for water quality management and control. However, protection of the water resources of the basin from pollution, and actions by the signatory parties to achieve abatement and control of pollution are important to the Commission.

(b) The signatory parties have adopted water quality standards for the intra and interstate waters of the basin. Initially these standards will serve as the basis for the Commission's water quality program in the comprehensive plan.

(c) The Commission's role in water quality management and control essentially will be one of coordination to ensure water quality standards are adequate to protect broad public water resources interests, and that uniform policies and enforcement are effected by the signatories.

(d) The Commission, if necessary, shall recommend to the signatory parties amendment of the standards of quality for any waters of the basin in relation to their reasonable and necessary use. The Commission may adopt water quality standards, after public notice and hearing, and may undertake investigations, studies, and surveys pertaining to existing water quality, probable future water quality, and the effects of new materials and proposed discharges.

(e) The Commission shall:

(1) Encourage and coordinate efforts of the signatory parties to prevent, reduce, control, and eliminate water pollution and to maintain water quality in accordance with established standards.

(2) Promote government and private sector implementation of maximum practical use of waste utilization and treatment technology.

(3) Promote and encourage State and local governments and industry to plan for regional waste water treatment and management.

(4) In cooperation with appropriate agencies of the signatory parties, make periodic inspections to ascertain the state of compliance with appropriate water quality standards, and as needed establish and operate water quality monitoring stations.

§ 801.8 Flood plain management and protection.

(a) Periodic inundation of lands along waterways has not discouraged development of flood hazards areas. Major floods cause loss of life, extensive damages, and other conditions not in the public interest. A balanced flood plain management and protection program is needed to reduce the flood hazard to a minimum.

(b) The Commission may regulate the use of flood prone lands with approval of the appropriate signatory party, to safeguard public health, welfare, safety and property, and to sustain economic development.

(c) To foster sound flood plain controls, as an essential part of water resources management, the Commission shall:

(1) Encourage and coordinate the efforts of the signatory parties to control modification of the Susquehanna River and its tributaries by encroachment.

(2) Plan and promote implementation of projects and programs of a structural and nonstructural nature for the protection of flood plains subject to frequent flooding.

(3) Assist in the study and classification of flood prone lands to ascertain the relative risk of flooding, and establish standards for flood plain management.

(4) Promote the use of flood insurance by helping localities qualify for the national program.

(5) Assist in the development of a modern flood forecasting and warning system.

§ 801.9 Watershed management.

(a) The character, extent, and quality of water resources of a given watershed are strongly affected by the land use practices within that watershed. Accordingly the Commission will maintain close liaison with Federal, State, and local highway, mining, soil, forest, fish and wildlife, and recreation agencies and with government agencies dealing with urban and residential development programs.

(b) The Commission shall:

(1) Promote sound practices of watershed management including soil conservation measures, land restoration and rehabilitation, erosion control, forest management, improvement of fish and wildlife habitat, and land use in highway, urban, and residential development as related to water resources.

§ 801.10 Recreation.

(a) The use of surface water resources of the basin for recreation purposes is extensive. Swimming, fishing, boating, and other water oriented activities have regional and local economic benefit as well as recreational benefit.

(b) The Commission shall cooperate with public and private agencies in the planning and development of water-related recreation and fish and wildlife programs and projects within the basin and shall:

(1) Promote public access to and recreational use of existing and future public water areas.

(2) Promote recreational use of public water supply reservoirs and lakes where adequate treatment of water is provided, and/or where recreational uses are compatible with primary project purposes.

(3) Include recreation as a purpose where feasible, in multipurpose water use planning of reservoirs and other water bodies.

§ 801.11 Public values.

(a) The basin has many points of archeological and historic interest, and is well endowed with vistas of aesthetic significance.

(b) The Commission fully recognizes that the value of these areas cannot be measured simply in economic terms and will strive to preserve and promote them for the enjoyment and enrichment of present and future generations.

(c) The Commission shall:

(1) Seek the advice and assistance of appropriate societies and governmental agencies in the identification of archeological, historic, and scenic areas, and in any planning or development affecting these attributes of the basin.

§ 801.12 Electric power generation.

(a) Significant uses are presently being made of the waters of the basin for the generation of electric power at hydro, pumped storage, and thermoelectric generating stations. Increased demands for electric power throughout the East Coast can be expected to result in proposals for the development of additional electric power generating stations located either in the basin or nearby its borders.

(b) There appears to be limited site potential in the basin for additional hydroelectric generation, and considerable potential for additional pumped storage and thermoelectric generation. The direct and indirect effects of existing and proposed electric generation projects will be considered by the Commission. Items of concern will include consumptive uses of water, alteration of natural stream regimen, effects on water quality, and on other uses of the streams affected.

(c) The Commission, in cooperation with appropriate agencies of the signatory parties, and with other public and private agencies shall:

(1) Conduct a thorough review of applications to relicense existing electric power generating projects and facilities, and applications to amend existing licenses to determine if the proposal is in accord with the comprehensive plan.

(2) Require that the proposed siting and location in the basin of any type of electric generating facility or any facility located outside the basin having an effect on the waters of the basin, shall be planned in direct consultation with the Commission to enable advance consideration of the possible effects of such installation on the water resources of the basin.

Dated: October 4, 1972.

SUSQUEHANNA RIVER BASIN COMMISSION,
[SEAL] ROBERT J. BIELO,
Executive Director.

[FR Doc.72-17234 Filed 10-6-72;8:45 am]

Flood



SENATOR DICK SCHWEIKER

WASHINGTON REPORT

August 1972 Volume IV No. II

THE FLOOD OF 1972 - A PERSONAL REPORT

By every measure, the tragic flooding caused by Hurricane Agnes was the worst natural disaster in the history of the United States. Pennsylvania received the brunt of the storm, the flooding, and the damage. Officials and private citizens demonstrated a spirit of cooperation and public support that saved many lives and much property. Flood-ravaged communities are faced with an almost impossible task of recovery and rebuilding. Existing federal legislation authorizing relief assistance and recovery support was totally inadequate. As your U.S. Senator, I thought it would be helpful for you to have a report on my personal activities in connection with the flood.

. . . THE AWFUL FLOOD STATISTICS: When the waters receded, 47 Pennsylvanians were dead, thousands were homeless, and damage estimates approached $3 billion. At Wilkes-Barre, on the east branch of the Susquehanna, 50 percent more water passed than during the previous record flood in 1936. At Harrisburg, the flow was one million cubic feet per second at its height. Agnes dumped enough water on the Eastern United States to fill a lake the size of the District of Columbia (67 square miles) to a depth of 2000 feet.

. . . A PRESIDENTIALLY-DECLARED DISASTER: As the floods reached emergency proportions Friday afternoon, June 23, I wired President Nixon urging immediate designation of Pennsylvania as a federal disaster area. The bureaucratic delays in designating some Pennsylvania counties as disaster areas were far too long, and I have introduced legislation to permit an immediate Presidential declaration, without formal reports "where it is obvious that a disaster of major proportions is occurring."

. . . A PERSONAL TOUR OF THE DISASTER: Saturday, June 24, I joined Lt. General Frederick J. Clarke, Chief of the U.S. Army Corps of Engineers, and flew from Washington to Pennsylvania for a personal review of the flood disaster. It was a shock to see and walk through the widespread devastation, with cities along the Susquehanna River looking like islands. During my inspection I was proud of the courage and determination of people in the flood-ravaged areas.

. . . FEDERAL FLOOD RELIEF: My personal observations of Pennsylvania flood damage made it obvious that unparalleled federal assistance was necessary.

. . . FEDERAL COORDINATION: Clearly, both the federal and state governments were unprepared for a disaster the magnitude of Hurricane Agnes. The flood relief effort became bogged down in red tape, plagued by bureaucratic lethargy and a serious lack of coordination between the various bureaucracies involved in the flood recovery effort. In mid-July I contacted the White House to strongly urge the naming of a "flood czar", one man on-the-scene, with authority to pull together the dozens of federal agencies involved in the flood cleanup. On August 12 the President named Frank Carlucci, Associate Director of the President's Office of Management and Budget and a native of the Wilkes-Barre area, to head the federal flood relief program in Pennsylvania.

. . . AND CONGRESSIONAL AUTHORIZATIONS: Congress authorized $200 million for the disaster, at Senator Scott's and my request. A larger $1.6 billion appropriations bill for flood relief passed Congress in mid-August. The SBA loan program was changed to authorize up to a $5,000 grant to victims of the flood. Interest rates on individual and small business disaster loans have been lowered by Congress from over 5% to 1%. Highway aid, transportation assistance, aid to farmers, and flood insurance review are other areas where Congress has taken action.

> "Since the end of World War II, we have given away $210 billion in foreign aid and Marshall plan aid. When at the drop of a hat, we will decide to spend $100 billion to rebuild Europe and rebuild the industries of Japan, I think it is about time that we paid attention to our own people when they get hit with the greatest natural disaster in the history of the United States of America." (Senator Schweiker in August 4, 1972, Senate debate on Hurricane Agnes disaster relief legislation)

However, Congress has not provided the assistance Senator Scott and I feel Pennsylvania deserves. With 70% of Hurricane Agnes affecting Pennsylvania, Senators and Congressmen from other States just were not receptive to our appeals for increased aid. During debate in the Senate over the loan and grant program of SBA, the Senate rejected my amendments to increase this amount, and in fact, reduced the program. Under former SBA law, flood-victim individuals and businesses were eligible for loan forgiveness grants up to $2,500. This was clearly inadequate. But when the Senate took up recommendations to increase this "grant" to $5,000, it adopted an amendment to impose an "income" test to reduce the amount of the grant for persons with incomes over $10,000. I felt that even the $5,000 grant was not enough. $5,000 does not go very far for a family with a middle income that has to repair or replace a $20,000 home. In fact, the average damage to the 21,000 homes in Wilkes-Barre hit by the flood was $20,000. I strenuously argued against the "income" limitation, and even distributed copies of Wilkes-Barre newspaper flood editions to every Senator to dramatize the urgent need. The income "limitation" prevailed in the Senate, but fortunately it was dropped from the bill by the Senate-House conferees.

I then introduced an amendment to raise the grant level to $7,500. Only Senator Scott and 10 other Senators supported my proposal. I am convinced that if the damage from Hurricane Agnes had not been concentrated in Pennsylvania, and had been spread out over a large number of states, my amendment would have been adopted overwhelmingly.

Fortunately, some of my other flood relief efforts were more successful in Congress: aid to public education, aid to private education, small business loans for working capital and stock replacement in addition to property damage repairs, highway assistance, an updated flood control study of the Susquehanna River Basin by the U.S. Army Corps of Engineers, and a new federal dam inspection program, all of which we got Congress to accept. In addition, I was active in insuring that no federal red-tape would prevent Pennsylvania from fully using Pennsylvania National Guardsmen wherever needed in flood recovery work, rather than sending them to routine summer drill camp.

Since the week of June 19, when Agnes hit Pennsylvania, I have devoted a great deal of my legislative work to flood relief for Pennsylvania. For your information, here is my chronological diary highlighting my flood-relief work:

SATURDAY, JUNE 24--Toured Wilkes-Barre and Harrisburg with Lt. General Clarke at the height of the flood.

MONDAY, JUNE 26--Introduced with Senator Scott amendment to provide additional $200 million for immediate disaster relief. Passed Senate next day.

TUESDAY, JUNE 27--Met with Governor Shapp and Pennsylvania Congressmen to map flood relief strategy.

--Secured Senate assurances that Labor-HEW Appropriations funds for emergency aid to public schools and colleges could be used for flood damages in Pennsylvania.

THURSDAY, JUNE 29--Called for updated flood control study of Susquehanna River Basin so flood control projects would include new record flood levels. Senate Public Works Committee granted my request July 11.

--Introduced with Senator Scott S. 3782, "Emergency Transportation Facilities Restoration Act of 1972", to authorize up to $60 million in emergency flood relief assistance to railroads.

FRIDAY, JUNE 30--Supported H.J.Res. 1238 to provide special appropriations for $200 million in disaster relief in lieu of the $200 million disaster appropriation in the Labor-HEW Bill because of anticipated delay in final approval of Labor-HEW bill.

FRIDAY, JULY 7--Urged Secretary of Army to allow Pennsylvania National Guardsmen to substitute flood relief duty for their two-week annual summer camp requirements. Army granted my request July 18.

WEDNESDAY, JULY 12--Contacted FMC Corporation, San Jose, California, to urge reconsideration of announced closing of American Viscose plant in Lewistown. Some 2,000 jobs at stake because of flood damage to the plant.

THURSDAY, JULY 13--Urged White House to appoint "flood czar" to coordinate federal flood relief efforts in Pennsylvania. Concerned with slow pace and need to cut red-tape.

MONDAY, JULY 17--Joined Senator Scott in introducing two bills: S. 3795, President Nixon's "Agnes Recovery Act", raising disaster grant levels to $5,000 and reducing interest rates on disaster loans above $5,000 to 1%; and S. 3796, to authorize additional appropriations for repair of highways damaged by the flooding.



ON THE SCENE--During my June 24 tour of the flood-ravaged Wilkes-Barre area, I stopped to confer with General John Morris of the U.S. Army Corps of Engineers, (center) and John Eisenhooth, a former Pennsylvania State Trooper responsible for security in the flood area. Accompanying me was Lt. General Frederick J. Clarke, Chief of the Corps of Engineers.

TUESDAY, JULY 18--Introduce
private institutions of higher le
ment, later became part of the di
secondary schools as well.

--Introduced S. 3805 to sig
businesses. This bill would have
and $100,000 for businesses, incl
stallment" payments to individual
tinuing; 3) authorized immediate
without massive paperwork justifi
proportions is occurring"; 4) per
"operating expenses" for small bu
pair expenses; (This provision, a
loan bill which is now law.) 5) e
governments to non-property tax
property tax losses; (Forty-five
non-property taxes.) and 6) reduc
5 1/8 percent.

WEDNESDAY, JULY 19--Testif
enactment of Schweiker comprehen

FLOOD TELETHON--On July 22 I par
in Bob Hope's national Red Cross
lief Telethon at WPVI-TV in Phil
Pictured with me are co-moderato
Alberts, (left) Ralph W. Ervin J
man of the Southeastern Pennsylv
ter of the American Red Cross, a
moderator Diana Robinson. I dis
flood relief legislation then pe
Congress and helped answer calls
those pledging assistance.

THURSDAY, JULY 20--Met wit
of flood-damaged American Viscos

MONDAY, JULY 24--Introduce
Senator Scott. This legislation
to restore or replace essential

TUESDAY, JULY 25--Supporte
cosponsored in the Senate, S. 3
gency highway funds and appropr
from Hurricane Agnes.

--Supported passage of H.
S. 3842, authorizing Secretary
Many, including several coal mi

WEDNESDAY, JULY 26--Suppo
low-interest emergency loans av

SUNDAY, JULY 30--Appeared
vision report to Pennsylvania.
and steps nedded to prevent a r

MONDAY, JULY 31--Met with
vate institutions to receive fe
Pennsylvania affected by Agnes

WEDNESDAY, AUGUST 2--Met
discuss flood control projects

FRIDAY, AUGUST 4--Voted f
grant level to $5,000 and reduc

--Fought for passage of S
lost by a 69-12 vote.

NAME AN

(Mr.) (Mrs.) (Miss) _____

Street _____

Town & Zip Code _____

(August 1972)

or Scott and I feel Pennsyl-
lvania, Senators and Con-
eals for increased aid.
f SBA, the Senate rejected
he program. Under former
e for loan forgiveness
the Senate took up recommen-
ndment to impose an "income"
es over $10,000. I felt
o very far for a family with
. In fact, the average
as $20,000. I strenuously
copies of Wilkes-Barre news-
t need. The income "limita-
d from the bill by the Senate-

l to $7,500. Only Senator
vinced that if the damage
ia, and had been spread out
adopted overwhelmingly.

e more successful in Congress:
siness loans for working capi-
airs, highway assistance, an
y the U.S. Army Corps of
which we got Congress to ac-
l red-tape would prevent Penn-
herever needed in flood re-
ll camp.

a, I have devoted a great deal
or your information, here is

with Lt. General Clarke at

ent to provide additional $200
day.
vania Congressmen to map flood

tions funds for emergency aid
ages in Pennsylvania.
study of Susquehanna River
lood levels. Senate Public

Transportation Facilities Res-
mergency flood relief assis-

special appropriations for $200
aster appropriation in the
val of Labor-HEW bill.
nsylvania National Guardsmen to
mer camp requirements. Army

ose, California, to urge recon-
in Lewistown. Some 2,000 jobs

od czar" to coordinate federal
pace and need to cut red-tape.
two bills: S. 3795, President
ls to $5,000 and reducing inter-
96, to authorize additional ap-
ng.

CENE--During my June 24 tour of
d-ravaged Wilkes-Barre area, I
to confer with General John
f the U.S. Army Corps of Engin-
enter) and John Eisenhooth, a
ennsylvania State Trooper re-
e for security in the flood
ccompanying me was Lt. General
k J. Clarke, Chief of the Corps
neers.

TUESDAY, JULY 18--Introduced S. 3804 to make disaster relief funds available to private institutions of higher learning. This provision, as a Scott-Schweiker amendment, later became part of the disaster relief bill and included private elementary and secondary schools as well.

--Introduced S. 3805 to significantly expand disaster relief for individuals and businesses. This bill would have 1) increased grant levels to $15,000 for individuals and $100,000 for businesses, including agriculture; 2) provided for "progress" or "installment" payments to individuals and communities while reconstruction work is continuing; 3) authorized immediate designation of federal disaster areas by the President without massive paperwork justifications where "it is obvious that a disaster of major proportions is occurring"; 4) permitted federal disaster loans for "working capital" and "operating expenses" for small businesses rather than just for reconstruction and repair expenses; (This provision, as a Schweiker Amendment, was incorporated in SBA disaster loan bill which is now law.) 5) extended federal tax loss reimbursement program for local governments to non-property tax losses. Current law authorizes reimbursement only for property tax losses; (Forty-five percent of Pennsylvania local tax revenue comes from non-property taxes.) and 6) reduced interest rates for disaster loans to 1 percent from 5 1/8 percent.

WEDNESDAY, JULY 19--Testified before Senate Subcommittee on Small Business to urge enactment of Schweiker comprehensive disaster relief bill, S. 3805.



FLOOD TELETHON--On July 22 I participated in Bob Hope's national Red Cross Flood Relief Telethon at WPVI-TV in Philadelphia. Pictured with me are co-moderator Al Alberts, (left) Ralph W. Ervin Jr., Chairman of the Southeastern Pennsylvania Chapter of the American Red Cross, and co-moderator Diana Robinson. I discussed the flood relief legislation then pending in Congress and helped answer calls from those pledging assistance.

THURSDAY, JULY 20--Met with Lewistown community leaders to discuss impact of closing of flood-damaged American Viscose plant on Mifflin County area.

MONDAY, JULY 24--Introduced S. 3843, "Emergency Railroad Relief Act of 1972", with Senator Scott. This legislation authorizes up to $40 million in long-term federal loans to restore or replace essential railroad facilities damaged by the flood.

TUESDAY, JULY 25--Supported passage of H.R. 15950, the House version of a bill I cosponsored in the Senate, S. 3843, to increase from $50 million to $100 million emergency highway funds and appropriate an additional $100 million specifically for recovery from Hurricane Agnes.

--Supported passage of H.R. 15951, House version of a bill I cosponsored in Senate, S. 3842, authorizing Secretary of Army to undertake national program of dam inspections. Many, including several coal mine waste dams in Pennsylvania, failed during flood.

WEDNESDAY, JULY 26--Supported passage of S. 3840, to authorize $200 million to make low-interest emergency loans available through the Farmers Home Administration.

SUNDAY, JULY 30--Appeared with General Clarke on my regular monthly radio and television report to Pennsylvania. Discussed Corps' flood control projects in Pennsylvania, and steps nedded to prevent a repetition of the June disaster.

MONDAY, JULY 31--Met with group of Wilkes-Barre educators to discuss need for private institutions to receive federal disaster assistance. The 17 private colleges in Pennsylvania affected by Agnes suffered total flood damages of more than $15 million.

WEDNESDAY, AUGUST 2--Met with Corps of Engineers and Pennsylvania Congressmen to discuss flood control projects in Pennsylvania.

FRIDAY, AUGUST 4--Voted for H.R. 15692, new SBA disaster loan law which raises grant level to $5,000 and reduces interest rate to 1 percent.

--Fought for passage of Schweiker amendment to raise grant level to $7,500. It lost by a 69-12 vote.

NAME AND ADDRESS CORRECTIONS

(Mr.) (Mrs.) (Miss) _____

Street _____

Town & Zip Code _____

If your name or address, as it appears on the reverse side of this page, is incorrect please fill in the blanks to the left, tear off the bottom of the page and return it to us. If you are receiving duplicate copies, please tear off this portion of each issue and return them to us, indicating which you want us to use in the future.

(August 1972)

--Won acceptance of Schweiker-Scott amendment giving disaster aid to private schools.

--Won acceptance of Schweiker amendment to extend low-interest disaster relief loans to small businesses for "working capital" and "operating expenses".

--Supported Javits amendment allowing SBA to suspend payments of the principal of loans or mortgages for elderly if payments constitute a substantial hardship.

TUESDAY, AUGUST 8--Announced $250,000 Housing and Urban Development grant to Pennsylvania for development of a comprehensive disaster recovery program.

WEDNESDAY, AUGUST 9--Announced designation of Dauphin, Luzerne, Lycoming, Mifflin, Northumberland, Schuylkill, Susquehanna and Wyoming Counties as "redevelopment areas". Individuals, businesses and local governments in these counties will be eligible for special grants and loans from the Economic Development Administration.

THURSDAY, AUGUST 10--Announced availability of low-priced government-owned feed grains to farmers in six Pennsylvania counties--Bradford, McKean, Mifflin, Potter, Snyder and Northumberland. Grain supplies in these counties were depleted by the flood.

MONDAY, AUGUST 14--Introduced S. 3912, the "Flood Insurance Act Amendments of 1972", to drastically expand federal flood insurance to protect all citizens and communities from future floods. The bill 1) provides authority for all individuals to obtain federally subsidized flood insurance, even though their community has not been officially approved for flood insurance; 2) doubles limits available for insurance coverage from $17,500 to $35,000 for single family residential units and from $30,000 to $60,000 for non-residential units; and 3) requires that an individual in a "flood-prone area" purchase federal flood insurance as part of obtaining any federal mortgage insurance from FHA, VA or the Farmer's Home Administration. Premiums would remain at the present rate of $25 per year per $10,000 of coverage.

--At news conference, applauded President Nixon's appointment of a "flood czar" to provide on-the-scene direction of federal flood relief work, expressed my growing concern over "red-tape" and "bureaucratic lethargy" which had been hampering the flood relief effort in Pennsylvania, and said that a single "flood czar" would be essential to insure that all federal assistance operated smoothly.

TUESDAY, AUGUST 15--Testified before Senate Subcommittee on Housing and Urban Affairs on Schweiker flood insurance proposals urging action by full Congress this Fall.

WEDNESDAY, AUGUST 16--Praised House action in passing new $1.5 billion appropriation bill for relief from Hurricane Agnes. This key appropriations bill, recommended by President Nixon, originated in House, as do all appropriations. Worked to win passage next day in Senate.

. . . THE WORK HAS JUST BEGUN: This is a report on the initial steps of the Congress, and the initial activities that I, as your U.S. Senator, took immediately following the flood. Three main tasks remain: (1) getting Pennsylvania on its feet, through federal grants and loans, through the work of federal and state agencies; (2) rebuilding flood control projects and planning new, better flood controls, to prevent any recurrence of the floods, and (3) reforming and improving disaster relief operations, including flood insurance, OEP assistance, on-the-scene disaster coordination, and the entire governmental bureaucracy so relief and recovery can flow immediately to the people who desperately need it. The job will be done through coordination with federal, state, and local officials. The cooperation of all citizens and communities will be essential. Senator Scott and I, and the entire Pennsylvania Congressional delegation, will continue to do whatever we can in Washington to help Pennsylvania recover from the flood.

Dick Schweiker

United States Senate
WASHINGTON, D.C. 20510

Richard S. Schweiker
U.S.S.

MR MAX ROSENN
177 JAMES ST
KINGSTON PA 18826

0181694.0000000

IF NAME OR ADDRESS IS INCORRECT, PLEASE SEE REVERSE SIDE