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housing, financing of forest highways, and in some cases the financing of federal, the use of federal funds for the financing of ferry boats as a highway system. We believe by extending this principle in urban areas, we are just taking a logical, reasonable step to continue this modernization of the trust fund. In closing I might say one more thing, in commenting on the proposal that we are breaking a sacred trust, in the trust fund. As we have discussed we do not, we believe that such action to allow the trust fund to be used more flexibly that benefits all our citizens, and especially the highway user in relieving congestion and pollution and so forth. In fact we see a greater trust in this issue, those that would restrict the trust fund for highway development alone are really saying they don't trust the people to make the right choice for themselves. The president believes that given the chance, local leadership and citizens closest to the problem will make the right decision. Our proposal simply aims to give people that chance. Thank you again for your time.

SPEAKER: Thank you Mr. Lutz. Now in order to attain some semblance of order, Chairman Smith and I have reached a quick agreement here, that the panel will take a total of thirty minutes, Mr. Lutz took about fifteen and then we'll have a half hour here for questions. Mr. Smith as you know this is an argumentative body and I imagine they may have some searching questions, so, but let's hold our questions now until the panel is finished. Thank You.

CHAIRMAN SMITH: Thank you. I knew when I came in the Chambers that I had a larger team with me, and I thought some of these pretty pages had kidnapped them, but I find them sitting over here to my left and allow me to introduce the balance of the regional council, Mr. John Rayburn, representing the Department of Interior, Neil Hansel, the Department of Labor, and our OMB Rep from Washington, Mr. Charles Hughes, Mr. Charles Wright, representing the EPA, Environmental Protection Agency. Let me provide in the few minutes that we have a brief over view of the federal regional council, and discuss very briefly some of the major questions that have been raised in our meetings with the Governor this morning, and in our meetings with the Governors of Missouri and Nebraska, Iowa and Kansas, our four state region and legislative leaders and local officials in those states. Federal Regional council is headquartered in Kansas City, our region consists of the four states that I mentioned. Council consists of the members that you see here, Department of Interior, Department of Agriculture are not presently full fledged members, but are contemplated that they will be. Our job in effect is to try to pull together at the regional level, the Federal Domestic programs, so that we know something about what HEW is doing and Department of Transportation has some ideas about what we're doing. We meet as a regular basis of twice a month, we regional directors discussing the activities that we are engaged in. It is expected that we will be given additional responsibilities by the administration of keeping local and state officials informed of the new directions of the Federal Government and attempting to act as your eyes and ears from Washington and to interpret the rules and regulations the legislation that is coming out of Washington, interpreted as to how it will affect our operation in your localities and be available to serve you in whatever ways we may. Now discussing very briefly, the 74 budget, and making then the members available for questions, I think what we are faced with, this mornings newspaper carries the brief article on the appearance of the regional council and it says that we probably will discuss impoundments, budget cuts, the use of revenue sharing. I think this very well sums up that for the news media what isn't in the budget is whats important and for those of us responsible what it is in the budget is