

MINNESOTA'S FEDERAL
PRIORITIES
1990

Prepared By:
Minnesota State Planning Agency



STATE OF MINNESOTA

OFFICE OF THE GOVERNOR

ST. PAUL 55155

RUDY PERPICH
GOVERNOR

February 27, 1990

The Honorable James L. Oberstar
U.S. Representative
2209 Rayburn Office Building
Washington, DC 20515

Dear Representative Oberstar:

Last March, I presented to you a list of federal priorities which I believed would significantly benefit Minnesota and its citizens. I would like to thank you for your efforts to enact many of those priorities.

The process of identifying a list of federal priorities worked very well last year. Because of our success, I would once again like to ask for your assistance on my list of federal priorities for 1990.

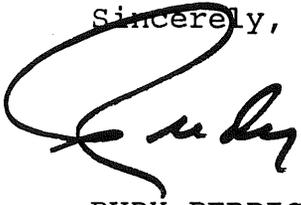
The list I am presenting to you is the culmination of an extensive effort by my Administration. Last November, I requested recommendations for federal priorities from Minnesota's Executive Branch Departments and Agencies. In all, I received 84 specific recommendations for federal priorities from 21 different Departments and Agencies. A Subcabinet of 15 Department and Agency Heads reviewed those recommendations and narrowed our final list to seven major policy initiatives, four statements of continuing support for specific Congressional action, and eight requests for federal appropriations which will directly benefit Minnesota and its citizens.

As you can see from the attached descriptions, my list of federal priorities for 1990 encompasses a broad range of issues. From the enactment of a federal Child Care initiative, to the reauthorizations of the Clean Air Act and the Farm Bill, to an appropriation for the second phase of the Air Traffic Control Training Program sponsored by the Mid-American Aviation Resources Consortium, the issues I am presenting to you will complement state and local efforts to improve the quality of life for all Minnesotans. I look forward to working with you throughout the year on these federal priorities.

Representative Oberstar
February 27, 1990
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Thank you for taking the time to review the list of federal priorities outlined in the attached document. Barbara Rohde, the Director of Minnesota's Washington Office, will work with you and your staff throughout the coming year to further refine these priorities. If you have any questions about these and other issues, please do not hesitate to contact Ms. Rohde at (202) 624-5308.

Sincerely,

A handwritten signature in black ink, appearing to read "Rudy Perpich". The signature is written in a cursive style with a large, looping initial "R".

RUDY PERPICH
Governor

SUMMARY OF MINNESOTA'S FEDERAL PRIORITIES FOR 1990

National Policy Priorities

- o Enact a major federal child care initiative - including an increase in federal funding for the Head Start program
- o Address the need for safe and affordable housing for low and moderate income individuals and families
- o Reauthorize and strengthen the federal Clean Air Act - including a fair allocation of the costs of compliance
- o Adopt a 1990 Farm Bill that will improve Minnesota Farm Income and promote environmentally acceptable farming practices
- o Increase federal support for Southeast Asian Refugees living in the United States
- o Increase the level of automation of state employment services and integrate state Job Service and Unemployment Insurance systems
- o Oppose Secretary Jack Kemp's proposed reforms to the Community Development Block Grant Program

Statements Of Continuing Support

- o Support increased federal funding for student financial aid programs
- o Enact the Americans with Disabilities Act to protect the civil rights of people with disabilities
- o Support a federal-state partnership to protect our nation's wetlands
- o Enact the American Heritage Trust Act to improve our nation's recreational resources

Requests For Federal Appropriations

- Secure a federal appropriation for the second phase of the Mid-American Aviation Resources Consortium Project
- Secure a federal appropriation for a Minnesota International Trade Development Center For Agriculture
- Secure a federal appropriation for the Regional Agricultural Utilization Consortium
- Secure federal appropriations for six Minnesota flood control projects
- Secure federal support for Intelligent Vehicle/Highway Systems, including funding for a Minnesota demonstration project
- Secure federal support for Magnetic Levitation research and development, including a Twin Cities-Chicago feasibility study
- Secure increased federal support for state Administration of the Safe Drinking Water Act
- Secure federal approval for an Advanced Manufacturing Center Grant for the State of Minnesota

NATIONAL POLICY PRIORITIES

**ENACT A MAJOR FEDERAL CHILD CARE INITIATIVE -
INCLUDING AN INCREASE IN FEDERAL FUNDING
FOR THE HEAD START PROGRAM**

Background On The Issue

- o Lack of affordable child care denies many individuals the chance to end their reliance on public assistance programs and pursue education and employment opportunities.
- o As part of the 1988 Family Support Act, Congress has mandated subsidized child care for AFDC recipients wanting to pursue education and employment opportunities. This Act has placed additional pressure on state/local child care budgets and reduced the amount of funding available for the working poor.
- o Early education opportunities have prepared many at risk children for success in school. Although the success of the Head Start program is nationally recognized, the demand for the program far exceeds the available resources.
- o Despite broad-based, bipartisan support, Congressional efforts to pass a major child care initiative and increase funding for Head Start were unsuccessful in 1989.

A Minnesota Perspective On The Issue

- o Minnesota maintains a strong commitment to child care services and the Head Start program. State appropriations for Child Care/Head Start totaled \$24.0 million in 1990, up from \$800,000 in 1984. (Minnesota is one of 11 states that supplement their federal Head Start allocation.) Minnesota counties spend more than \$5 million per year on child care services.
- o Despite the strong state and local commitment, many low income families are unable to obtain affordable child care. State and federal Head Start funds serve less than 50 percent of the at risk children in Minnesota, denying thousands of children the early educational opportunities that will help them succeed in school.

Recommendation For Congressional Action In 1990

- o Congress must pass a major Child Care initiative in 1990, including a 50 percent increase in funding for Head Start.
- o The Act for Better Child Care (the ABC Bill) proposed last year will provide the most benefit for Minnesota families. The bill would complement Minnesota's existing Child Care assistance programs. Minnesota has already adopted standards for child care providers - standards which are required by the ABC Bill.
- o Minnesota shall support a federal Child Care initiative that is reasonably well financed and provides the maximum amount of flexibility for the use of the available resources.

**ADDRESS THE NEED FOR SAFE AND AFFORDABLE
HOUSING FOR LOW AND MODERATE INCOME
INDIVIDUALS AND FAMILIES**

Background On The Issue

- Economic and demographic changes in the 1980s have created a housing crisis. Homeownership is no longer a privilege to be taken for granted by middle income individuals and families; at least 4 million more low income rental units are needed to meet the housing needs of the working poor; and homelessness in America is approaching levels not seen since the 1930s.
- Despite the alarming housing crisis indicators, there has not been a major federal housing initiative in over ten years. Furthermore, federal support for housing programs has declined by 80 percent in the last eight years.
- Federal funding of programs for the homeless is extremely fragmented. There is little coordination between transitional housing programs and employment and training programs. While State and local governments are in the best position to maximize the distribution of resources, federal laws and regulations leave little or no room for local discretion.

A Minnesota Perspective On The Issue

- The housing concerns of state and local officials in Minnesota have changed dramatically during the past ten years. Prior to 1980, Minnesota's public policies relative to housing focused on affordable homeownership opportunities for low and middle income Minnesotans. While policies to promote homeownership continue to be a priority, state and local officials must also address significant increases in homelessness, a serious shortage of low income rental units, and a deteriorating housing stock.
- Minnesota is committed to addressing the housing crisis. In addition to the substantial resources of the Minnesota Housing Finance Agency, the 1989 Legislature approved over \$5.0 million for new affordable housing initiatives. These initiatives include: 1) increased targeting to low income households through partnerships with nonprofit groups; 2) neighborhood preservation programs; and 3) low income rental programs.

Recommendation For Congressional Action In 1990

- Congress must reauthorize the McKinney Homeless Assistance Act, appropriate at least \$727 million per year for the Act, and adopt a block grant funding mechanism which will enable states to determine the most effective uses for the resources.
- Congress must address the specific housing needs of all regions of the country. The initiative should require the active participation of all levels of government and the private sector for funding and implementation of the programs. The initiative must recognize existing state commitments to affordable housing as part of the state's match of new federal housing dollars.

**REAUTHORIZE AND STRENGTHEN THE FEDERAL CLEAN
AIR ACT -- INCLUDING A FAIR ALLOCATION
OF THE COSTS OF COMPLIANCE**

Background On The Issue

- o The Reauthorization of the Clean Air Act is currently pending before Congress. The Act was last reauthorized 13 years ago. While significant issues must still be resolved, the White House and Congress are determined to produce a bill this year.
- o The Reauthorization of the Clean Air Act will focus on three major interrelated issues: 1) a reduction of sulfur dioxide and nitrogen oxide emissions that are responsible for acid rain; 2) a reduction of pollutants emitted from motor vehicle exhaust; and 3) the regulation of toxic air pollutants.
- o Recent concern over a potential global warming trend, caused in part by an excessive reliance on fossil fuels, will heighten the need to Reauthorize a stringent Clean Air Act.

A Minnesota Perspective On The Issue

- o Minnesota adopted the first and most stringent state acid deposition standards in the nation. Minnesota utilities, and Minnesota utility consumers, have already made a significant investment to reduce their sulfur dioxide emissions. Since the early 1970's, Minnesota sulfur dioxide emissions have dropped from 600,000 tons per year to 185,000 tons per year.
- o Minnesota shares the national concern over deteriorating air quality due to motor vehicle emissions and the emissions of toxic pollutants. Minnesota is implementing an automobile inspection and maintenance program in the Twin Cities area.

Recommendations For Congressional Action In 1990

- o Congress must Reauthorize a stringent Clean Air Act in 1990.
- o Sulfur dioxide emissions must be reduced by a minimum of 10 million tons per year below 1980 levels. States must be allowed a maximum amount of flexibility to determine how best to achieve their individual target emission reductions.
- o The standards for reducing sulfur dioxide and nitrogen oxide emissions must not penalize states that have already reduced their emissions. The costs of reducing emissions must be paid by the individual polluters; Minnesota utility customers should not subsidize the cleanup efforts of utilities in other states.
- o In addition to imposing stringent tailpipe emission standards, the Act should promote the development and evaluation of alternative fuels that will reduce tailpipe emissions.
- o All sources of toxic air pollution must be subject to strict federal regulations. The Environmental Protection Agency and states must be given adequate enforcement resources.

**ADOPT A 1990 FARM BILL THAT WILL IMPROVE MINNESOTA
FARM INCOME AND PROMOTE ENVIRONMENTALLY
ACCEPTABLE FARMING PRACTICES**

Background On The Issue

- o The 1985 Farm Bill will expire in 1990 and Congress will begin serious consideration of a new Farm Bill that will set our nation's Agricultural policy for the next five years.
- o The 1990 Farm Bill is likely to address a wide variety of issues relative to agriculture and rural economics, including commodity target prices and loan rates, agricultural export enhancements, alternative uses for agricultural commodities, soil and land conservation practices and other sustainable agriculture practices, preservation of wetlands, and rural development.
- o While the general reaction to the 1985 farm bill has been mostly positive, a number of significant problems have been cited by various farmer organizations. These problems include an excessive reliance on federal subsidies for undervalued commodities, a failed attempt to boost exports, and failure to address various environmental issues.

A Minnesota Perspective On The Issue

- o The 1985 federal Milk Marketing Order System has been detrimental to the economic interests of Minnesota Dairy farmers. The current System provides larger milk subsidies to dairy farmers in other regions of the country. (Compared to Minnesota dairy farmers, farmers in California, Florida, and Texas receive \$4 to \$5 per hundred weight more for their milk.)

Recommendations For Congressional Action In 1990

- o Amend the Milk Marketing Order System, terminating the unfair competitive advantage given to dairy farmers in other regions of the country.
- o Increase the loan rates for agricultural commodities. Doing so will raise commodity market prices, reducing the need for farmers to rely on government subsidies for supplemental income.
- o Increase the farmers' flexibility to switch from one crop to another without losing the subsidies to which they would otherwise be entitled.
- o Establish a goal of removing 65 million acres from agricultural production by broadening the Conservation Reserve Program, targeting highly erodible lands, restorable wetlands, and other environmentally sensitive areas for inclusion in the program.
- o As a condition of future federal support payments, require sustainable agricultural practices on all highly erodible lands.
- o Establish an Agricultural Wetlands Reserve program as a means of protecting our nation's wetlands from further degradation.

**INCREASE FEDERAL SUPPORT FOR SOUTHEAST ASIAN
REFUGEES LIVING IN THE
UNITED STATES**

Background On The Issue

- o Nearly 700,000 Southeast Asian refugees have settled in the United States between 1971 and 1987. The U.S. government has allowed these refugees to settle in the United States following our withdrawal of military forces from Southeast Asia.
- o The federal government initially assumed primary responsibility for the refugees' human service needs. Congress reimbursed states and local governments for all income/medical assistance provided to each refugee during their first three years in the United States. The period of federal reimbursement has been reduced to four months. Federal funding for this program declined from \$363.4 million in 1981 to \$290.3 million in 1988.
- o While the federal government has been withdrawing its commitment to the Southeast Asian refugees, it is increasingly clear that the economic and social needs of many refugees are not being met. These individuals are placing a significant burden on state and local human service and education programs.
- o The distribution formulas for many refugee human service and education programs are based on the initial destination of refugees entering the country. States that receive a large number of refugees through migration from other states do not receive their appropriate share of the limited federal dollars.

A Minnesota Perspective On The Issue

- o As of 1989, over 37,000 Southeast Asian refugees listed Minnesota as their initial destination. Thousands more migrated to Minnesota after initially settling in another state. Over 2700 new refugees per year are expected in Minnesota as part of the federal government's Family Reunification effort.
- o The United States' Southeast Asian refugee populations are heavily concentrated in Minnesota and seven other states.
- o Refugees living in Minnesota are more dependent on public assistance programs than their counterparts in other states.

Recommendations For Congressional Action In 1990

- o Congress should increase funding for existing refugee assistance programs to meet the actual costs of assimilating the refugees in the United States society.
- o Congress should fund pilot programs that will test innovative methods for meeting the needs of refugee populations.
- o Congress should change the refugee assistance distribution formulas to reflect actual refugee populations in each state.

**INCREASE THE LEVEL OF AUTOMATION OF STATE EMPLOYMENT
SERVICES AND INTEGRATE STATE JOB SERVICE
AND UNEMPLOYMENT INSURANCE SYSTEMS**

Background On The Issue

- o The United States' economy is undergoing the most significant transformation since the dawn of the industrial revolution. An emerging global economy, the application of newly discovered technologies, and a dramatic shift to service-based industries have resulted in substantial numbers of dislocated workers throughout the country. While the need to retrain today's workforce for tomorrow's jobs is self evident, there is an equally compelling need to match individuals seeking employment opportunities with existing job openings.
- o The federal government, through the U.S. Department of Labor, provides \$737 million for state run job service programs. The services are of mutual benefit to individuals and businesses.
- o Existing computer technologies offer significant opportunities to improve state run job service programs. However, many states do not maximize the use of these technologies. The FY 1990 Labor-HHS appropriations bill (HR 3566) contains \$12.5 million for Employment Service automation by states.
- o State and federal Unemployment Insurance (UI) laws require unemployed individuals to be actively seeking work to qualify for unemployment benefits. However, few states have been able to aggressively enforce this requirement. Integrating states' Job Service and UI Systems would improve the ability of states to monitor the job search activities of UI recipients.

A Minnesota Perspective On The Issue

- o Minnesota is a leader in the development and implementation of automated, statewide Job Service Systems. Minnesota's Job Matching and Job Search systems allow job applicants to review computerized listings of job openings throughout the state. The Interstate Job Bank provides individuals access to nationwide data on managerial and professional job openings. The Resume System allows Minnesotans to distribute their resumes to potential employers in a six state region, and provides Minnesota employers access to the resumes of qualified professionals from the other five states in our region.

Recommendation For Congressional Action In 1990

- o Congress must continue to appropriate funds for Job Service Automation. The \$12.5 million appropriation must serve as the basis for an ongoing effort to improve Job Service automation.
- o Congress should provide funding for states interested in integrating their Job Service Systems with their Unemployment Insurance Systems. As a leader in Job Service Automation, Minnesota could serve as a pilot project - demonstrating the cost effectiveness of an integrated Job Service - UI System.

**OPPOSE SECRETARY KEMP'S PROPOSED REFORMS
TO THE COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM**

Background On The Issue

- o The primary purpose of the Community Development Block Grant (CDBG) Program, as stated in the Community Development Act of 1974, is "the development of viable urban communities by providing decent housing and suitable living environments and expanding economic opportunities, principally for persons of low and moderate income." In effect, the CDBG program is intended to be a general community development financing program that focuses on benefiting low and moderate income (LMI) persons.
- o Secretary Jack Kemp, U.S. Department of Housing and Urban Development (HUD), is proposing "reforms" to the CDBG program which place greater emphasis on benefits to LMI individuals. Under the proposed reforms, 75 percent of the direct beneficiaries of CDBG-funded projects would have to be LMI individuals. (Current standards require that over half of the beneficiaries be LMI individuals.) These reforms would make it more difficult or impossible to use CDBG funds for public facilities and commercial and industrial expansions. Congress rejected similar reform proposals in 1989.

A Minnesota Perspective On The Issue

- o Minnesota has used its CDBG funds for the: 1) rehabilitation of housing for LMI individuals; 2) development of public facilities such as sewer and water systems in low income communities; 3) rehabilitation of blighted commercial districts; and 4) expansion of industry for the creation of jobs for LMI individuals.
- o Minnesota can demonstrate that the majority of its CDBG allocation has been spent to benefit LMI individuals.
- o If HUD's proposed changes are implemented, Minnesota will no longer be able to fund as many public facility and economic development projects; the funding of commercial rehabilitation projects will be entirely eliminated.

Recommendation For Congressional Action In 1990

- o Congress should oppose the CDBG reform legislation proposed by HUD which would further restrict the use of CDBG funds.

STATEMENTS OF CONTINUING SUPPORT

**SUPPORT INCREASED FEDERAL FUNDING FOR
STUDENT FINANCIAL AID PROGRAMS**

Statement of Continuing Support

Minnesota has consistently supported a variety of options for individuals seeking post-secondary education. Minnesota has also enacted numerous programs to make post-secondary education accessible to students and families of limited economic means. Through these programs Minnesota has embraced the principle that no student should be denied access to post-secondary education based solely on their socio-economic circumstances.

Ensuring that all individuals have access to post-secondary education is important for the continued economic expansion of our nation. The jobs of tomorrow will require a highly educated workforce. Therefore, the federal government should increase its commitment to student financial aid programs.

**ENACT THE AMERICANS WITH DISABILITIES ACT TO PROTECT
THE CIVIL RIGHTS OF PEOPLE WITH DISABILITIES**

Statement Of Continuing Support

Minnesota supports the expansion of the federal Civil Rights Act of 1964 to include protection for individuals with disabilities. The Americans With Disabilities Act (ADA), introduced in Congress last year, will prohibit discrimination against individuals with disabilities in employment and in public accommodations. The Act uses a broad definition of "public accommodations" -- including all public and private facilities that serve the public (restaurants, retail outlets, etc.). The Act will require public accommodations be made accessible to the handicapped, unless doing so would result in excessive difficulty or expense.

The Act has the support of the Bush Administration and has already passed the Senate by a vote of 76 to 8.

**SUPPORT A FEDERAL-STATE PARTNERSHIP TO PROTECT
OUR NATION'S WETLANDS**

Statement Of Continuing Support

The rapid degradation of our nation's wetlands poses a real and serious threat to our environment. The elimination of wetlands results in an overall degradation of water quality, destroys wildlife habitat, increases the frequency and severity of property destruction caused by flooding, and negatively impacts our nation's tourism industry. Despite federal and state efforts to protect our wetlands, Minnesota continues to lose 5,000 acres of wetlands per year.

Minnesota supports a federal-state partnership to strengthen and enforce regulations to protect our nation's wetlands. Congress and all state legislatures should embrace the goal of no net loss of wetlands. Congressional efforts to protect our nation's wetlands should include: 1) strengthening the Water Bank Program and the Conservation Reserve Program to provide long-term protection of strategic wetland areas; 2) strengthening the Swampbuster provisions of the Farm Bill -- imposing stiff penalties for draining wetlands for agricultural purposes; and 3) refocusing the Small Watershed Program, placing new emphasis on protecting, restoring, and creating wetlands.

**ENACT THE AMERICAN HERITAGE TRUST ACT TO IMPROVE
OUR NATION'S RECREATIONAL RESOURCES**

Statement Of Continuing Support

Minnesota supports a strengthened federal-state-local-private sector partnership for the preservation and expansion of public recreational opportunities. The federal Land and Water Conservation Fund (LAWCON) is the federal government's major commitment to this partnership. Federal LAWCON appropriations have been significantly reduced in recent years, falling from \$370 million in 1979 to less than \$17 million in 1989.

Minnesota supports a renewed federal commitment to outdoor recreation opportunities, through the enactment of the American Heritage Trust Act -- an Act that had over 200 Congressional co-sponsors last year. This Act, or a similar Congressional proposal, must allow state and local governments to play a key role in determining how the new federal funds will be spent. The Act must also be written to allow Minnesota to use appropriations from its Environmental Trust Fund as an eligible state match to the new federal dollar.

**FEDERAL APPROPRIATION
REQUESTS**

**SECURE A FEDERAL APPROPRIATION FOR THE SECOND PHASE OF THE
MID-AMERICA AVIATION RESOURCE CONSORTIUM PROJECT**

Last year Congress appropriated \$3.4 million to the Mid-America Aviation Resource Consortium to begin an Air Traffic Control (ATC) training program. The Air Traffic Control training program is a demonstration project designed to reduce the failure and dropout rates of the Federal Aviation Administration's Air Traffic Control Academy in Oklahoma City. The \$3.4 million will be used to retrofit an existing facility at Flying Cloud Airport in Eden Prairie for an ATC training center. Minnesota's post-secondary educational systems will work with the Minnesota Department of Transportation and the Federal Aviation Administration to design and implement an appropriate curriculum.

The Mid-America Aviation Resource Consortium needs an additional \$5.7 million federal appropriation to proceed to the second phase of the project. The \$5.7 million will be used to: 1) increase the size of the staff to accommodate projected increases in enrollment; 2) improve the curriculum to accommodate changing FAA needs; 3) procure additional equipment to keep pace with rapidly changing technologies; and 4) evaluate the success of graduates and the program itself.

**SECURE A FEDERAL APPROPRIATION FOR A MINNESOTA INTERNATIONAL
TRADE DEVELOPMENT CENTER FOR AGRICULTURE**

International Trade Development Centers for Agriculture are authorized in Section 1458A of the Food Security Act of 1985 (1985 Farm Bill). The objective of the Centers is to improve income and employment in the agriculture sector of the economy by increasing exports of agricultural commodities. The Centers must be affiliated with a land grant University for receipt of federal funds. Eleven Centers have already been funded throughout the nation.

Minnesota's heavy reliance on agriculture justifies the creation of a Minnesota International Trade Development Center for Agriculture. The Minnesota Center will be a joint venture by the University of Minnesota and the Minnesota Trade Office. It will help Minnesota agricultural interests develop new international markets for Minnesota agricultural commodities. The Minnesota Center could be funded under the existing Authorization in the 1985 Farm Bill. A federal appropriation of \$4.0 million is necessary to make the Minnesota Center a reality.

**SECURE A FEDERAL APPROPRIATION FOR THE NORTHERN REGIONAL
AGRICULTURAL UTILIZATION CONSORTIUM**

Minnesota, North Dakota and South Dakota are working together to establish a Northern Regional Agricultural Utilization Consortium. The Consortium will allow the three states to collaborate on developing and commercializing new processing technologies and new uses for our agricultural commodities. A tri-state effort is the most efficient and effective means of developing new uses for our agricultural commodities since many of the crops and livestock are unique to the northern plains region of the country. Furthermore, the collaborative venture will promote efforts to add value to agricultural commodities prior to exporting them to other regions and nations -- thus minimizing the exportation of raw agricultural commodities for processing at other sites. (Currently, over 80 percent of Minnesota's agricultural commodities are exported to other states and nations for processing.)

The Northern Regional Agricultural Utilization Consortium is seeking a \$10 million federal appropriation to further its efforts. The appropriation would fund research and development in a variety of areas, including new products from existing cereals, more efficient cereal processing technologies, new seed oil products, and new meat products. The federal appropriation will also help fund market feasibility analyses for newly developed products.

**SECURE FEDERAL APPROPRIATIONS FOR SIX
MINNESOTA FLOOD CONTROL PROJECTS**

While drought conditions continue to prevail throughout Minnesota, numerous communities remain vulnerable to the destructive forces of floodwaters. In the midst of the 1989 drought, Minnesota's Red River Valley experienced early spring flooding that resulted in millions of dollars of property damage.

The Minnesota Department of Natural Resources have identified six projects as priority flood control projects for Minnesota. The six projects, in order of priority, are located in (or near) the cities of Chaska (Minnesota River), Minneapolis/Golden Valley/Plymouth/Saint Louis Park (Bassett Creek), Rochester (Zumbro River, Cascade Creek, and Bear Creek), Alvarado (Snake River), Winona (Gilmore Creek) and Houston (Root River). The Chaska, Minneapolis, and Rochester projects have already been authorized by Congress and will need approximately \$22.0 million in FY 1991 federal appropriations. The Alvarado project is being funded through the discretionary Section 205 Flood Control Program and will need approximately \$1.0 million in FY 1991. The Winona, and Houston projects will also seek funding through the Section 205 Program and will need the approval of the Corp of Engineers for future funding. (No FY 1991 appropriations will be needed for the Winona and Houston projects; however, state bond funds have already been committed for the state's share of the future costs.)

**SECURE FEDERAL SUPPORT FOR INTELLIGENT VEHICLE/HIGHWAY SYSTEMS,
INCLUDING FUNDING FOR A MINNESOTA DEMONSTRATION PROJECT**

As the Interstate Highway System nears completion, transportation officials are shifting their focus to the surface transportation needs of the future. Making more effective use of our nation's highway system, reducing costly traffic congestion problems and improving highway safety are issues that must be addressed. The development and implementation of Intelligent Vehicle/Highway Systems (IVHS) technology will help address these issues. IVHS technology will provide drivers with instant access to information on traffic and roadway conditions. Eventually, these Systems will monitor systemwide traffic flow, electronically altering traffic control systems to respond to changing traffic patterns.

Minnesota has developed GuideStar, a number of innovative traffic control systems that serve as a model for IVHS technology. GuideStar systems culminate six years of research and development by the Minnesota Department of Transportation and the University of Minnesota Center for Transportation studies. GuideStar systems will be incorporated into the construction of Interstate 394, making this 10 mile corridor a national laboratory for IVHS technology.

Minnesota supports the use of federal highway trust funds for research, development and implementation of IVHS technology. Minnesota also seeks a FY 1991 federal appropriation of \$5.5 million to further develop its GuideStar program as a model for the nation.

**SECURE FEDERAL SUPPORT FOR MAGNETIC LEVITATION RESEARCH AND
DEVELOPMENT, INCLUDING A TWIN CITIES-CHICAGO FEASIBILITY STUDY**

As concern continues to mount over air traffic congestion, federal and state transportation officials are looking toward high speed rail systems as a possible solution. Magnetic Levitation (Maglev) technologies, which are being developed in Japan and Germany, should be developed and implemented in the United States as well. Maglev technologies will make high speed (300+ mph) rail transportation technically, environmentally and economically feasible.

Last year, Congress appropriated \$500,000 to evaluate high speed rail proposals. This money was awarded to existing high speed rail proposals in California/Nevada and Florida. The Federal Railroad Administration and the Army Corps of Engineers will be seeking an additional \$10 million in FY 1991 to evaluate the feasibility of a nationwide high speed rail network.

Minnesota supports a federal-state-private sector partnership for research and development of high speed rail technologies, including Maglev. In addition, Minnesota, Wisconsin and Illinois are seeking a \$400,000 federal appropriation to study the feasibility of a Twin Cities to Chicago high speed rail system - a system which may utilize Maglev technologies.

**SECURE INCREASED FEDERAL SUPPORT FOR STATE ADMINISTRATION
OF THE SAFE DRINKING WATER ACT**

The Safe Drinking Water Act (SDWA) requires the U.S. Environmental Protection Agency (EPA) to establish maximum contaminant levels for public drinking water supplies. The Act also allows the EPA to delegate enforcement of the standards to the states. States that agreed to administer the program were to be reimbursed for 50 percent of their administrative costs.

Since the Act was initially passed, Congress has increased the number of contaminants which must be regulated. It has also expanded the coverage of the Act to include all public water supplies and required the states to implement wellhead protection programs for all public wells. The wellhead protection programs protect groundwater supplies from contamination by substances which are inadvertently introduced through unprotected wellheads.

While the level and scope of state administrative activities under SDWA have increased, federal reimbursements to the states have not kept pace. Minnesota requests that Congress fully fund the SDWA state administrative grant program in FY 1991.

**SECURE FEDERAL APPROVAL FOR AN ADVANCED MANUFACTURING
CENTER GRANT FOR THE STATE OF MINNESOTA**

During 1988, the National Institute of Standards and Technology received a \$6.0 million federal appropriation to fund three Advanced Manufacturing Centers, which are now located in South Carolina, Ohio, and New York. Congress has appropriated an additional \$4.0 million to fund three more centers. The National Institute of Standards and Technology is currently seeking proposals for the three additional Centers.

Minnesota is submitting an application for the federal funds and would like the support of Minnesota's Congressional Delegation. Minnesota has already committed over \$500,000 in state funds for the Minnesota Advanced Manufacturing Technology Center. This Center helps small and medium sized manufacturers gain access to advanced technologies to make them more competitive. The Minnesota Advanced Manufacturing Technology Center will use the federal funds to expand its efforts to help Minnesota businesses.