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Oregon

ECONOMIC
DEVELOPMENT
DEPARTMENT

MEMO: May 13, 1993

TO: KATIE MCGINTY
PETER YU
STEPHANIE SOLIEN

FROM: Bill Scott BS

SUBJECT: FOLLOW-UP TO FOREST CONFERENCE MEETINGS

As a follow-up to our discussions in Washington last week, I would like to summarize our key points.

1. Oregon offers any assistance the Administration needs to develop its plan. Specifically, we offer to send anyone back your team deems necessary to complete the plan. We suggest it might be helpful, both to the Administration and the states, if people from Oregon and Washington states actually spend the time from now and until the plan is finished in the Capitol to help coordinate communication.

2. We urge the Administration to design a plan that will highlight the beginning of a new federal-state partnership -- one focused on results rather than process. The Forest Conference offers an opportunity to develop a model for addressing economic dislocations using federal, state and local resources.

3. We are encouraging the Office of Management and Budget and the National Performance Review to view the Forest Conference planning as model of how to reinvent the federal-state-local partnership. Oregon is asking for their support and assistance in helping to redesign some of the delivery systems for federal assistance to the states. We hope this will complement and not hinder the work of the Forest Conference response team while adding value to the plan.

4. Oregon believes we have the existing institutions in the state and federal government to deliver the services associated with economic transition. We believe with greater intergovernmental collaboration focused on outcomes effective solutions can be developed and delivered. We do not recommend creating any new institutions, but rather, empowering those that exist. Perhaps through use of executive orders and waivers rapid changes can be made in the way services are delivered. We have attached a list of barriers to effective delivery of federal services at the state and local level.

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These are specific examples of rules, regulations and procedures that hinder the effective delivery of services, waste money or result in unintended outcomes. We have also given considerable thought to solutions, which we would be happy to share when you are in Oregon next week.

5. We do, however, believe that to implement a successful ecosystem management program a new system is required. We encourage you to consider a system where major goals and objectives are set by the President and implemented by a policy committee with representation from all the affected federal agencies and the states. We suggest "on-the-ground" advisory committees with representation from all the major interests within an ecosystem be created to assist in planning.

6. The economic transition response needs to be long term. We are pleased the "statement of mission" shares the perspective that the assistance plan should be far sighted and comprehensive and that state and local governments are best suited to direct economic development. As long as Oregonians know the goals, objectives and broad outlines of the plan, many of the details which will be the ingredients for long term success can announced and developed after the President announces his plan. In fact, asking Oregonians (and Pacific Northwesterners) to assist in the design of the delivery systems will engender greater trust and acceptance. We want to avoid missing opportunities for success by rushing to solutions. We also recognize the need for development of an interim plan as a bridge to new model programs and solutions.

7. With regard to Forest Service shared revenue (timber receipts) and O&C shared receipts, we urge the Administration to fashion a predictable program which provides a soft landing for communities facing severely declining revenues due to loss of timber harvest and recognizes the permanent need to fund ongoing local government services in the absence of taxable property or adequate harvest receipts. Oregon communities need a stable, adequate flow of revenues during periods of economic and social instability. The Association of Oregon Counties has suggested increasing the statutory revenue distribution, retaining the dedication in federal law of national forest revenues to county roads and schools, and providing a guarantee of reasonable revenues to counties if the8 timber supply is exhausted. We urge you to strongly consider the counties' request.

Thank you for allowing us to give you this input. We appreciate working with you on these important issues.

BARRIERS

Bill Scott, Oregon Economic Development Department (OEDD) and Lynn Youngbar of Rural Development Initiatives, Inc. (RDI) were asked by Peter Yu of the National Economic Council to identify obstacles to effective and timely investment of federal resources for assistance to communities, workers, industries and ecosystems in response to economic dislocation in the Northwest.

To develop our response to this request, RDI consulted with a number of practitioners representing federal, state and local agencies and other organizations that work with communities, businesses, and workers in Oregon's most impacted regions. This was not an exhaustive review, but was meant to provide examples of how federal agencies could be made more responsive to conditions at the local level.

RDI analyzed this input and has identified what appear to be the most critical obstacles for quick response to the current problems facing the Northwest. These obstacles were serious impediments prior to the current dislocations, however, the present crisis provides an opportunity to address them and hopefully accomplish long-term change in the effectiveness of federal and state agencies.

The obstacles fall into two general categories. We have labeled the first category structural obstacles. It includes obstacles that result from the way the federal government has organized its resources and its delivery systems. The second category includes obstacles that stem from rules and standards and how they are applied.

For the most part, the structural obstacles can be addressed by a solution that integrates functions and the allocation of resources. We look forward to discussing our ideas on the solution after you have reviewed this memo. The obstacles related to rules and standards and their applications require discrete solutions, so each one is addressed separately following a brief statement of the obstacle.

STRUCTURAL OBSTACLES

Obstacle #1: Each federal agency has its own project application and review process.

One result is that communities are required to complete multiple applications, consuming precious time. In addition, each agency's review processes include many of the same components--environmental and legal reviews, compliance with specific criteria like ADA, match and reporting requirements. For example, *to fund the $7 million sewer project for Mill City required the participation of four federal programs from three agencies, EPA, FmHA and the Army Corps of Engineers, in addition to two state agencies, the Department of Environmental Quality (DEQ) and Office of Community Development. Each one required its own application, environmental assessment and monitoring plan.*

Another example: *Central Oregon Intergovernmental Council is currently undertaking a second environmental assessment for a water system project in Sisters, Oregon. This second assessment is to meet HUD requirements. A previous assessment was done to satisfy FmHA requirements. (Both the HUD and FmHA requirements result from different interpretations of NEPA.) In addition to consuming additional time, these parallel review processes require that each agency maintain its own staff for reviewing assessments.*

This same council of governments combines resources from nine different state and federal workforce programs to serve a target population in a three county region:

- *JTPA, Title II from Department of Labor (DOL) through OEDD*
- *JTPA, Title II from DOL through Oregon Department of Education (requires different planning and accounting procedures)*
- *JTPA, Title III Dislocated Worker Funds through OEDD--one portion is their annual formula allocation to the area and part is Rapid Response based on need and the state's discretion*
- *JTPA, Title III Fish and Fowl Discretionary Fund targeted for the Northwest's dislocated timber and fish workers*
- *JTPA, Title III Secretary of Labor's Discretionary Fund*
- *Oregon State Dislocated Timber Worker Fund*
- *Oregon Choices and Options funds--a diversion of unemployment insurance funds for the structurally unemployed*
- *JOBS funds from Health and Human Services Family Support Act Title IV which is administered through the Oregon Department of Human Resources*

Each source has different planning and application processes, adding greatly to program administration costs and cutting down on the flexibility and timeliness in serving the population most in need.

Obstacle #2: Well-intentioned statewide plans reflecting broad statewide priorities for targeting agency development and funding of local priorities that meet local economic conditions particularly in rural areas.

States are required to adopt a Comprehensive Housing Affordability Strategy (CHAS) as a condition of qualifying for federal Community Development Block Grant and HOME funds. The state's use of those funds for housing projects must be consistent with the priorities in the adopted CHAS. The CHAS assigns priorities for housing assistance based on regional needs. These regional priorities often differ from the priorities of specific localities and may prevent cities and counties from obtaining grant funds. Currently, CHAS does not allow the state adequate flexibility in responding to local dislocations which require specific solutions. For example: The town of Silverton, which has faced the full impact of mill closures, did not meet the CHAS priority activity requirements because their priority low income home owner rehabilitation project was not a top valued activity in the broad regional plan.

Congress has added a requirement to the Community Development Block Grant program that will force states to adopt and following non-housing community development plans that address needs that affect more than one CDBG eligible community. This, too, will make it more difficult for communities to apply for and receive federal assistance for their specific needs. The Secretary of HUD could develop a standard format for the non-housing community development needs under CFR 24 570 subpart I. There is an opportunity to intervene now to insure that the regulations are not as rigidly developed as CHAS rules. Assisting communities adapt to economic dislocation in the wood products industry requires the ability to target the priority needs of local communities.

Obstacle #3: Requiring project review at the state, regional, and national level slows the decision-making process.

Funding decisions should be pushed down to the level of state offices of the federal agencies with performance and quality monitored and evaluated at higher levels. At this level, programs can be better coordinated with state and local programs to avoid unnecessary duplication.

An EDA Public Works application can take two-to-six months to be approved in Washington D.C. after it has already been thoroughly reviewed at the state and region level. Rarely, if ever, has the regional director's recommendation been refuted, so this seems like an unnecessary delay in project implementation.

Obstacle #4: Some programs do not have enough funding to be meaningful and funds are scattered through several agencies.

For example the Business Enterprise Grant Program of RDA in Oregon has only $140,000 for the current fiscal year. *Also, EDA is not accepting any more applications for public works projects because their FY 93 allocation is committed even though there are four large projects in Oregon with completed pre-applications dependent on EDA funding that can not be considered at this time:*

- *$750,000 for the Siletz Indians to purchase a closed mill would create jobs for 150 people.*
- *$1.1 million in infrastructure for the Umatilla Indian Tribe Interpretive Center would have tremendous economic impact on the tribe's below poverty level residents.*
- *$1.1 million for infrastructure to an industrial park in Cottage Grove would create 200 jobs.*
- *$700,000 for a new water reservoir in the town of Umatilla would allow three local business to expand on the Port property.*

Furthermore, funding for similar activities is fragmented among several agencies. *For example, federal funding for infrastructure projects may come from:*

- *RDA's Sewer, Water and Waste program and the Essential Community Facility Program.*
- *EDA's Public Works Program; or*
- *CDBG's Category for Public Works, Community facilities, housing rehabilitation, handicap accessibility and technical assistance.*

Funding or guarantees for business development projects may come from:

- *RDA's Rural Business/Enterprise Grant Program and the Business and Industrial Guarantee Program.*
- *EDA's Title IX Revolving Loan Fund Program.*
- *SBA's 504 Loan Program and 7 (a) Loan Guarantee.*
- *RDA's Intermediary Relending Program.*
- *CDBG's category for economic development that has $1.1 million as of October 1992.*

  The state's CDBG category for Economic Development grants had $1.16 million available as of October 1992. These funds, are accumulating from repayments of business loans made under grants awarded in prior years. No new CDBG Economic Development grants have been awarded since 1989 because localities have lost a main incentive to apply for the grants which was the opportunity to capitalize local revolving loan funds.

  The state no longer allows grantees to retain repayments on loans of grant funds to businesses in local revolving funds. This is due primarily to the fact that federal rules require the state to monitor the use of loan repayments as if they are grant dollars. The state does not have sufficient staff to ensure compliance of local revolving loan funds.

The solution to these issues should address the problems of impractical funding levels and program fragmentation by facilitating coordination among agencies that would effectively allow them to pool their resources on a project-by-project basis. This would include making sure that programs are usable. *Often a new program is created because an existing program has such onerous rules that no one uses it (like the RDA Business and Industrial Guarantee Program where a $1 million appropriation sits unused because the SBA program is much easier to use).*

Obstacle #5: Lack of an effective dispute resolution mechanism, particularly with respect to environmental disputes, substantially slows action on project permitting and funding.

Each agency has its own interpretations of the National Environmental Protection Act, Clean Water Act and Forest Management Act. Mechanisms for resolving disputes between agencies related to permitting and policy determinations should be included in development of rules and policies, so that all disputes are resolved early in the process and time is not wasted designing a dispute resolution method each time a dispute arises. The same should be true between the applicant and the agency when disputes arise.

SOLUTIONS FOR STRUCTURAL OBSTACLES

We have given the solution to these obstacles much thought and would like to discuss it with you. Generally, the solution involves two general principles. The first is to delegate authority to the state directors, and the second is to establish a more collaborative approach by the federal agencies.

RULE CHANGES AND PROGRAM RESPONSES

In addition to the structural adjustments outlined in the previous section, there are many smaller changes in rules and programs that should be considered to improve the effectiveness of federal assistance to communities, businesses, workers and ecosystems. Following is a partial inventory of obstacles identified in Oregon. Each obstacle is followed by a suggested solution.

Obstacle #1: Many impediments to effective and timely investment of federal resources result from excessive rigidity in application of rules and regulations.

Solution: Flexibility is the key to efficient implementation of federal programs. The answer is not to eliminate the regulation but rather to be flexible in its timing and application. Pushing authority closer to the local level (i.e., state directors) could make decision-making much more responsive to local conditions. The following are examples of specific situations that we have identified which need greater flexibility if federal and state programs are to be applied quickly and efficiently to communities in the Northwest that are impacted by the changes in national forest policy.

A. Agency contracting rules, particularly Federal Acquisition Requirements (FAR) with its stipulations that contracts go to the lowest bid plus other criteria, make it difficult for local contractors to compete for government contracts. One way to mitigate the loss of this favorable economic impact on local communities would be to ensure that local businesses participate in work contracted or funded by federal agencies.

Although it is in the public's interest, narrowly defined, to require contracts to be awarded on the basis of cost, there is a tremendous opportunity to re-employ forest and mill workers in their communities doing restoration and enhancement work on federal lands by designing bid specifications that favor local contractors.

The establishment of contracting options that could give some preference to contractors located within a specific geographic range of a project site. Not only could such contracting options create some immediate jobs in restoration work on the National Forest, but when combined with state and federal job training resources and small business assistance programs, dislocated workers could be trained to develop new and more marketable skills in restoration and enhancement while they are working on initial contracts. The US Forest Service and the Oregon Rural Development Council already are considering this concept, and their efforts to test it should be encouraged and reinforced.

There is an opportunity to target federal contracting in order to serve the public interest. The authority is defined in 10 U.S.C. 2304(c)(7) or 41 U.S.C. 253(c)(7):

"full and open competition need not be provided for when the agency head determines that it is not in the public interest in the particular acquisition concerned." The conditions for such a determination are: 1) a written determination by the agency head in accordance with Subpart 1.7, 2) Congressional notification of not less than 30 days before award of such contract, 3) if so ordered by the agency head a contracting officer justification to support the determination under paragraph (c)(1), and 4) the determination and finding shall not be made on a class basis. Careful legal research is required to determine whether such a determination could be applied to circumstances of distressed rural communities.

B. The application of rules and criteria should recognize differences between rural and urban areas. For example:

Several of the hardest hit rural communities in Oregon are in more urban counties like Lane, Linn and Marion which do not meet the guidelines in the 1990 Farm Bill--Title XXIII Subtitle G--Rural Revitalization through Forestry. To qualify for this funding the community or the county must satisfy the definition of a rural community which is based on the population of the town or county and the percentage involved in the forest related industries. Even though individual communities have been impacted by job loss, like Mill City, when they are judged on the percentage of a more populous county, they do not meet the threshold. This is also true of RDA's requirements.

C. Application of rules should be results-oriented rather than inputs-oriented. For example:

1) For rural communities that have antiquated infrastructure, several systems may be in non-compliance or badly in need of upgrading. Many communities do not have the resources or the expertise to tackle them simultaneously. A proposal for funding EPA's Region 10 Local Government Innovative Science and Strategic Planning Initiative has been submitted to the President's Environmental Technology Initiative for an innovative approach for determining the needs of rural communities, prioritizing those needs, developing an environmental plan and a compliance schedule. This proposal should be endorsed by the Administration.

2) In enforcing the Safe Drinking Water Act, the EPA should recognize regional variations in water quality where existing water quality may exceed the standard and thus not require specific types of water treatment systems. A one-size-fits-all approach will be expensive and duplicative. This can be accomplished best by building on or complimenting the work of state agencies.

3) Environmental clean-up standards by EPA under the CERCLA program should be flexible enough to allow various levels of clean-ups depending on the location of the property and proposed reuse. The application of standards should be driven by the objective of reusing property in an efficient an timely manner. Currently no developer will look seriously at a mill site in Oregon for redevelopment because of environmental constraints. Often these are the only available industrial land in the community for diversification opportunities.

EPA needs to adopt and administer a voluntary clean-up program similar to the one operated by Oregon's Department of Environmental Quality. This would give owners the incentive to proceed with clean-ups themselves, avoid federal or state listings, avoid the delays of enforcement orders and litigation, and provide for timely reuse of property. EPA could also provide technical assistance to property owners to determine the extent and nature of contamination and what parts of sites might be reusable. Timely inspections by the EPA to give clean-up clearances would provide further encouragement for reuse.

D. Satisfying multiple federal agencies with related but different concerns relative to permitting often presents a formidable obstacle to development projects and results in significant delays. Delays in issuing decisions can also results in significant additional costs to projects and sometimes even cancellation.

Federal agencies should defer to a designated lead agency or to the state when the state has demonstrated capacity to ensure that federal standards can be met. For example, Oregon has a strong wetlands conservation program. Through an exhaustive process the Oregon Division of State Lands, other state agencies and the City of Portland prepared a wetlands conservation plan for preservation of wetlands and for development in the city's Columbia South Shore area. Nevertheless, activities on this site will still require review by the Corps of Engineers, EPA and US Fish and Wildlife Service. Consequently, property owners and investors will be reluctant to consider projects for the site because of the uncertain outcomes of federal agency review.

An example of the effects of agency delays is the Bureau of Land Management's February 18, 1993 directive regarding permits for film projects on BLM land. No activity is allowed for at least 30 days after the issuance of filming permits; this is in addition to a 30 day notice of permits. Oregon and other states have lost film productions because of the delays and uncertainties associated with this BLM policy. Most of this filming occurs in rural areas and can mean as much as a $2-3 million dollar injection into the economy of a rural community. For this industry as with so many others, time is of the essence, delays mean increased costs. Commercial production companies are becoming increasingly frustrated with this policy and are looking to Canada as a more receptive location.

The BLM should consider issuing permits without all the waiting periods and attach operating conditions, together with bonding or insurance requirements. The federal agency could also issue an overall film production permit to the state through its film & video division with appropriate operating conditions. The state would then be responsible for ensuring that filming complies with BLM concerns, but this would also bring efficiency to the process.

E. RDA needs a contracting authority allocation so environmental reviews to NPA requirements can be contracted-out. Requiring in-house reviews creates a major bottleneck that substantially slows the project approval process.

Obstacle #2: <u>The tendency of federal agencies to build their own capacity to assist communities has the potential to waste resources by duplicating services already available. This tendency is particularly evident in the Forest Service, but the potential exists for other resource management agencies to begin trying to develop their own staff capacity to assist communities with planning and project design.</u>

For example, in executing Title 23, Subtitle G, Chapter 2 (entitled "National Forest-Dependent Rural Communities Economic Diversification Act"), of the Food, Agriculture, Conservation and Trade Act of 1990, the US Forest Service has directed that the associated funds should be used to continue community-based efforts focusing on: (1) organization and planning, and (2) plan implementation. Organization and planning is defined to include provision of "direct, technical, or planning assistance by Forest Service Employees."

In Region 6, the Forest Service has designated a portion of these Economic Recovery funds to cover salaries, travel, and training costs of Forest Service personnel providing organization and planning support for local economic recovery programs. It would be far more efficient and cost effective to invest resources in existing organizations at the state, multi-county and local level that already have technical expertise in community-based planning and project development than to try to develop this expertise within federal agencies that have no community or economic development experience in place.

In Oregon, for example, Rural Development Initiatives provides strategic planning to rural communities and technical assistance on project implementation. The State of Washington's Community Development Department has similar capacity. Both efforts receive state funding, but federal resources are needed to expand these efforts and to extend them to more communities. In addition, in each state there are Economic Development Districts and tribal organizations that have capacity to deliver services to rural communities, but they also lack funding for a more comprehensive approach.

Obstacle #3: Federal programs do not allow application development and other pre-application costs such as preliminary engineering or appraisals.

Solution: Discretionary funds should be provided by each agency to pay for critical pre-application costs in rural communities, such as appraisals, pre-engineering, and environmental screening. For example, *Lake County applied for an EDA Public Works grant to build an industrial building. The project was delayed because a $10,000 engineering study had to be completed to determine the size and cost of the building for the application. The costs could not be recouped, because they were incurred before the application was approved, but the work had to be done before the application could be approved.* This is clearly an unnecessary financial burden on small rural communities heavily impacted by dislocations and could help make better use of federal resources in the overall project.

Discretionary funds could be used to leverage limited state and local resources for these uses. If the project is funded, the pre-application costs could be rolled into the total project costs. If the project is not funded, then the pre-application funding could simply be written off as a small project development grant.

Obstacle #4: In rural communities it can be extremely difficult to obtain private participation at the ratio required for lending public moneys, particularly EDA, RDA, and SBA funds. EDA requires a 25% match of its investment in revolving loan funds (RLFs), and it requires a 2:1 leverage ratio (aggregate portfolio). RDA also requires a 25% match of its investment in RLFs. SBA limits its participation to 40% on 504 loans, and will guarantee up to 90% in its loan guarantee program.

Solution: Private dis-investment in lagging or dislocated rural economies very often precludes success in capitalizing revolving loan funds. It also constrains the ability of these funds to leverage financing from private institutions to participate in loans to rural businesses. The constraints of private disinvestment should be addressed by greater flexibility in the match requirements to capitalize RLFs. EDA can waive its requirements, and the regional office has the authority to do so. Waivers are rare, however. EDA should be directed to use the waiver authority in distressed areas, and RDA should be given the authority to do the same.

Banks view small businesses as risky in their own right, but in troubled rural economies they are even less bankable. EDA, RDA, and SBA should be more flexible in their leverage ratios in distressed areas. EDA can waive its leverage ratio requirement at the regional level, and it should be encouraged to use this authority in distressed areas. RDA and SBA should have similar flexibility and should be directed to use it.

Development banks, or commercial lending consortia that allow conventional banks to mitigate risk by pooling losses, could also be established to help ensure that private participation can be arranged. Priorities for targeting federal support for the establishment of development banks or commercial lending consortia should be guided by economic dislocation and distress.

Obstacle #5: Inconsistent rules, definitions and interpretations among training and education programs make it very difficult to coordinate the use of such programs for optimal impact.

There are five main federal workforce development programs: Adult and Family Services (Jobs), Wagner-Peyser Act, Job Training Partnership Act, Carl D. Perkins Vocational and Applied Technology Education Act, and Adult Education and Literacy Act. Each of these Acts and the programs within then require eighteen pages of assurances attached to each application. Some assurances are act specific. However, most have commonalities with only the wording being slightly different. This is costly, time consuming and intimidating especially to small communities and applicants with little resources.

SOLUTION: Have federal agencies adopt common language and format so assurances would be uniform and aid communities in applying for funds.

Oregon has developed a shared information system between state agencies administering the five federal programs as part of an effort to better manage and coordinate these federal resources. This system is critical to setting performance measures for evaluating for training and education programs. The differences in definitions, confidentiality and data collection requirements between federal programs and agencies which often serving mutual clients make it very difficult for a state to develop a comprehensive information system.

SOLUTION: The State developed a common set of definitions which all programs will use as part of their data base. If the federal programs would adopt similar definitions between these programs at the national level it would help everyone in developing a common data base for program evaluation and coordination across the country. (definitions attached)

Many of the federal programs are driven by law and rule to target people in crisis they must be destitute. There is no avenue for preventative intervention and even the crisis oriented programs may be in conflict. For example, JTPA targets welfare children for their Summer Youth Program but their income is considered wages and is deducted from the family AFDC grants which may result in the loss of benefits. This discourages participation. This conflict also occurs within programs

Under JTPA dislocated workers do not have to be destitute to be served but their families do. Experience shows these families headed for crisis but the assets test for Summer Youth, training other family members or AFS does not allow participation until the family has lost their economic base.

SOLUTION: For dislocated workers look at defining dislocation as applicable to displaced families rather than just the dislocated individual. This will at least open eligibility for program assistance within JTPA.

Obstacle #6: Under the Stewardship Program, funds are provided to the state through the USFS State and Private Forestry division for technical assistance to small woodlot owners. Although the overall appropriation for the Stewardship Program rose significantly over the last few years, Oregon's share of the funds has actually fallen.

Solution: The formula for allocating funds is changed every year by the Deputy Chief of the U.S. Forest Service for State and Private Forestry. The formula should be revised by the Deputy Chief to allocate more funds to Region 6, making it possible to provide more of the needed assistance to small woodlots. This would result in increased private timber harvests, which would help offset the decline in federal timber harvests.

Obstacle #7: Projects submitted to EDA for funding are frequently subjected to long delays because the agency typically requires all other funding to be committed before it will begin key elements of its review.

For example: The community of Warm Springs, Oregon is seeking funding for an infrastructure project associated with an industrial park. Part of the funding is being sought from EDA and another portion is being sought from Oregon's Special Public Works Fund. EDA is holding up its review of the application until a final decision is reached on the SPWF application. The implementation of the project could be expedited if EDA would work to complete its review simultaneously.

Solution: EDA has the authority to review applications simultaneously with other review processes. However, during a previous administration, the head of the agency directed EDA personnel to await commitment of all other funding before beginning the technical review of an application to EDA. This practice could be changed when new personnel take their positions at the head of this agency.